



KEYSER MARSTON ASSOCIATES

DRAFT

FEASIBILITY ANALYSIS

to support potential updates to the

AFFORDABLE HOUSING ORDINANCE

Prepared for
County of Sacramento

Prepared by
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1.0 EXECUTIVE SUMMARY

This financial feasibility study (“Feasibility Study”) examines the economic feasibility of new residential development in the unincorporated area of Sacramento County (“County”) under market conditions as of early 2026 with existing and potential modified Affordable Housing Ordinance (“AHO”) requirements. The AHO requires new residential developments within the unincorporated County to pay a \$3.91 per square foot Affordability Fee. Funds are used to increase the supply of affordable housing. This Feasibility Study was prepared pursuant to Program E3 of the County’s Housing Element to support consideration of potential amendments to the AHO.

Feasibility findings are summarized in Table 1-1. Results are categorized as either Feasible, encompassing projects likely to develop under current market conditions; Marginally Feasible, encompassing projects that need modestly higher revenues or modest cost efficiencies to “pencil” financially; or Infeasible / Challenged, encompassing projects requiring more substantial improvements in their economics to develop. Separate results are provided for each of three geographic “submarkets” of the unincorporated area, which are defined relative to major freeways.

Table 1-1. Summary of Feasibility Findings			
Unit Type	North of I-80	Between I-80 and US-50	South of US-50
Single Family Detached, Prototype 1 (2,400 sf)	Infeasible / Challenged: all scenarios	<u>Feasible with:</u> up to \$7.50 / sf fee, or on-site inclusionary of 5%, 10%, and 15% (various % of AMI prices) <u>Marginally Feasible with:</u> 10% Very Low (50% AMI prices)	Infeasible / Challenged: all scenarios
Single Family Detached, Prototype 2 (1,600 sf)		<u>Feasible with:</u> up to \$5.00 / sf fee, or on-site inclusionary of 15% Moderate (110% AMI prices), 5% Low (80% AMI prices) <u>Marginally Feasible with:</u> \$7.50 / sf fee, on-site inclusionary of 5% and 10% (various % of AMI prices) <u>Infeasible / Challenged with:</u> 10% Very Low (50% AMI prices)	<u>Feasible with</u> up to \$5.00 / sf fee, or on-site inclusionary of 10% Moderate (100% AMI prices), 15% Moderate (110% AMI prices), 5% Low (80% AMI prices) <u>Marginally Feasible with:</u> \$7.50 / sf fee, on-site inclusionary of 5% and 10% (various % of AMI prices) <u>Infeasible / Challenged with:</u> 10% Very Low (50% AMI prices)
Rental	Infeasible / Challenged: all scenarios		

AMI = Area Median Income. See Section 2.3 for definitions of Very Low, Low, and Moderate.

Key findings are as follows:

- **Rental Housing** - Market-rate rentals are infeasible in all scenarios, driven by broadly challenging market conditions for new rental development.
- **For-Sale Housing** – Feasibility results for for-sale housing are mixed. Feasibility is strongest between I-80 and US-50 where pricing is highest, challenged North of I-80 where pricing is lowest, and mixed South of US-50 where smaller homes are feasible, but not larger homes. Notwithstanding mixed feasibility results South of US-50, homebuilding activity in this location provides direct evidence of feasibility.
- **Affordability Fees** – Single family projects between I-80 and US-50 support Affordability Fees of \$5.00 and \$7.50 per square foot for the smaller and larger prototypes, respectively. Smaller homes South of US-50 support a \$5.00 affordability fee. All other project type / submarket combinations were found to be infeasible with existing fees and so don't support an increase.
- **Removal of Affordability Fee Does Not Improve Results** - Removal of the Affordability Fee does not restore feasibility to any currently infeasible project type in any submarket. Feasibility challenges are driven by broader market conditions and overall development costs.
- **Feasibility of On-Site Inclusionary** – Feasibility was tested with on-site inclusionary requirements of 5%, 10%, and 15% at a range of affordability levels. On-site inclusionary units were found to be feasible for the following three prototype submarket combinations:
 - The larger single family prototype between I-80 and US-50 with on-site inclusionary units up to 15% at Moderate, 10% at Low, or 5% at Very Low; and
 - The smaller single family prototype between I-80 and US-50 with either 15% Moderate or 5% Low Income on-site inclusionary units.
 - The smaller single family prototype south of US-50 with 10% Moderate at 100% AMI prices or 15% Moderate at 110% AMI prices, or 5% Low Income on-site inclusionary units.

All other project types and scenarios were found to be infeasible or marginally feasible with on-site inclusionary units.

Findings represent broad indicators only. Feasibility of actual development projects will vary based on project-specific and site-specific circumstances as well as variation in home prices within the larger submarkets used in the study. For this reason, projects may develop in areas

identified as infeasible; and conversely, may face challenges in areas shown to have stronger feasibility.

Large residential developments typically build out over multiple years, and development decisions often weigh expectations of future market conditions in addition to current conditions. Projects that would be subject to a modified AHO are likely to deliver units under market circumstances that differ from those reflected in the Feasibility Study based on the length of time projects take to come to fruition. For this reason, Section 4 presents additional metrics designed to provide more durable indicators of the relative influence that alternative AHO requirements may have on development decisions, including compliance cost per square foot, price and rent increases sufficient to offset requirements, and effects on the overall fee stack for residential development projects within the unincorporated area.

Table 1-2 provides an estimate of annual revenue with the alternative Affordability Fee levels evaluated in the Feasibility Study. With the existing \$3.91 per square foot Affordability Fee approximately \$3 million in funding is estimated per year based on historic average development activity, although the County has exceeded this amount for the 2021 to 2024 period. Estimates for alternative fee levels range from \$0 if the fee were eliminated to \$6 million per year with an increase to a \$7.50 per square foot fee.

Table 1-2. Revenue Estimate with Alternative Affordability Fee Levels		
Illustrative Affordability Fee (\$ / Sq. Ft.)	Annual Revenue Estimate ⁽¹⁾	Revenue Estimate Over Ten Years ^{(1) (2)} (\$Millions)
\$3.91	\$3 Million / Year	\$37 Million
\$0.00	\$0	\$0
\$2.50	\$2 Million / Year	\$24 Million
\$5.00	\$4 Million / Year	\$48 Million
\$7.50	\$6 Million / Year	\$71 Million

(1) Estimate based on the illustrative fee levels and 800,000 habitable square feet of residential development subject to the Affordability Fee per year consistent with the average during the 2014 to 2024 period, derived from fee collections and historic Affordability Fee rates. Illustration assumes future development consistent with historic average; however, actual future residential development activity will vary.

(2) Includes projected future escalation in the Affordability Fee at the historic annualized rate of 3.8% per year.

2.0 INTRODUCTION

This Feasibility Study was prepared to support potential updates to the AHO by evaluating the ability of residential developments to sustain existing and potential modified AHO requirements.

The analyses presented herein were prepared in January and February of 2026 with limited updates in April and July 2026. Market data and other sources referenced herein reflect data available as of that time.

2.1 Affordable Housing Ordinance Background

The AHO was adopted in February 2014. The AHO establishes an “Affordability Fee” that applies within the unincorporated portion of the County. The Affordability Fee was initially established at \$2.50 of habitable square feet in 2014 and has been adjusted annually since then based on the Building Cost Index, 20-City Average, published by Engineering News-Record. The Affordability Fee is \$3.91 per square foot inclusive of annual adjustments through March 27, 2026. Affordability Fees are deposited into the County’s Fund for Affordability Fees (“AHO Fund”) and are used to fund development and rehabilitation of affordable housing units. The Sacramento Housing and Redevelopment Agency (SHRA) administers the AHO Fund on behalf of the County. As an alternative to payment of the Affordability Fee, projects may enter into an agreement with the County to dedicate land for affordable units, construct affordable dwelling units, or otherwise provide for production of affordable housing.

Exemptions from the Affordability Fee are provided for non-residential to residential conversions, mobile home parks, multi-family developments with at least 20% affordable units and a density of 17 units per acre or more, and single-family units built by an owner-builder.

The AHO was originally structured as an inclusionary program with a 15% on-site requirement, along with fee and land dedication options that differed based on project size. The prior AHO was in place from 2004 through 2014, when it was replaced with the current ordinance.

2.2 Residential Prototypes and Submarkets Addressed

The Feasibility Study evaluates two “prototypical” single family and one prototypical rental development, summarized in Table 2-1. Prototypes are intended as representative of residential projects likely to develop in the unincorporated County based on a review of projects in the County’s development pipeline, summarized in Appendix B.

Table 2-1. Prototype Residential Projects Evaluated			
	For-Sale		Rental
	Single Family Prototype 1	Single Family Prototype 2	
Parking Type	Attached garage	Attached garage	Surface / Tuck Under
No. of Stories	two	two	three
Density (units per acre)	5 dua	8 dua	27 dua
Average Unit Size (square feet)	2,400 sf	1,600 sf	950 sf

The Feasibility Study evaluates feasibility in each of three geographic subareas (“submarkets”) of the unincorporated area of the County, defined based on major freeways, as follows:

- North of I-80,
- South of I-80 and North of US-50, and
- South of US-50

Within the three geographic areas, the focus is on portions of the unincorporated County within the urban services boundary, where housing development is primarily occurring. The objective of the submarkets is to capture differences in feasibility conditions based on differences in prices and rents as well as fees and permit costs.

2.3 Household Income Categories

The analysis addresses the following income categories defined by the California Department of Housing and Community Development (HCD) in relation to the Area Median Income (AMI):

- Extremely Low Income: households earning up to 30% of AMI;
- Very Low Income: households earning over 30% of AMI, up to 50% of AMI;
- Low Income: households earning over 50% of AMI, up to 80% of AMI; and
- Moderate Income: households earning over 80% of AMI, up to 120% of AMI.

The 2026 median income for a family of four in Sacramento County is \$124,000. Table 2-2 identifies income limits for each income category and household size.

Note that affordable prices and rents may be set based on an income level that is below the maximums needed to qualify within the applicable household income category. The analysis tests feasibility at affordable rents and sales prices at multiple levels within these broader household income categories (e.g. Low rents at 60%, 70%, and 80% AMI).

Table 2-2. 2026 Sacramento County Income Limits

Income Category	% of AMI	Household Size (Persons)					
		1	2	3	4	5	6
Extremely Low Income	30% AMI	\$27,600	\$31,550	\$35,500	\$39,400	\$42,600	\$45,750
Very Low Income	50% AMI	\$46,000	\$52,600	\$59,150	\$65,700	\$71,000	\$76,250
Low Income	80% AMI	\$73,600	\$84,100	\$94,600	\$105,100	\$113,550	\$121,950
Median Income	100% AMI	\$86,800	\$99,200	\$111,600	\$124,000	\$133,900	\$143,850
Moderate Income	120% AMI	\$104,150	\$119,050	\$133,900	\$148,800	\$160,700	\$172,600

Source: California Department of Housing and Community Development, 2026 Income Limits.

AMI = Area Median Income

2.4 Affordable Rents and Home Prices

The affordable prices and rents for the income categories addressed in the analysis are shown in Table 2-3 and 2-4. Supporting calculations are provided in Appendix A Tables 12 and 13.

Table 2-3. Affordable Prices

	<u>2-BR</u>	<u>3-BR</u>	<u>4-BR</u>
Very Low Income, 50% of AMI Prices	\$147,200	\$162,100	\$168,900
Low Income, 80% of AMI Prices	\$283,800	\$313,800	\$332,700
Moderate Income, 100% of AMI Prices	\$374,800	\$414,900	\$441,900

Based on 2026 Income Limits. See Appendix A Table 13 for supporting calculations.

Table 2-4. 2026 Affordable Rents (Monthly)

	<u>Studio</u>	<u>1-BR</u>	<u>2-BR</u>	<u>3-BR</u>
Extremely Low Income, 30% of AMI Rents	\$595	\$683	\$752	\$822
Very Low Income, 50% of AMI Rents	\$1,055	\$1,209	\$1,343	\$1,480
Low Income, 60% of AMI Rents	\$1,285	\$1,472	\$1,639	\$1,808
Low Income, 70% of AMI Rents	\$1,515	\$1,734	\$1,934	\$2,136
Low Income, 80% of AMI Rents	\$1,745	\$1,997	\$2,229	\$2,465

Based on 2026 Income Limits. Affordable rents are net of utility allowance.

See Appendix A Table 12 for supporting calculations.

Low income rents at 60% of AMI are approaching average market rate rents¹, inclusive of older existing units, while 70% AMI rents exceed average market rents. Rents for recently built apartments are significantly higher than overall averages. This may change depending on future changes in market rate and affordable rents.

2.5 Household Income Needed to Afford Prototype New Market Rate Units

The estimated household income needed to afford prototype market rate units is identified in Table 2-5. Findings are based on market prices and rents from Section 3.2 and 3.3. As shown:

¹ The average market rate rent reported by Costar as of 2025 is approximately \$1,700 per month, approximately \$60 per month more than the 60% AMI rent for a two-bedroom of \$1,639.

- For sale prototypes – households need between 102% and 181% of area median income to afford prototype market rate for-sale units, depending on location and whether the household has a 20% cash down payment².
- Rental prototypes – households need between 89% and 94% of median, depending on location, to afford prototype newly built market rate rental units.

Table 2-5. Estimated Household Income (% of AMI) Required to Afford Prototype Market Units					
	Single Family Prototype 1 (2,400 sf)		Single Family Prototype 2 (1,600 sf)		Rentals
	<u>5% down</u>	<u>20% down</u>	<u>5% down</u>	<u>20% down</u>	
North of I-80	156%	134%	133%	114%	89%
South of I-80 & North of US-50	181%	156%	130%	112%	92%
South of US-50	140%	121%	119%	102%	94%

2.6 Market Conditions

For-Sale Housing Market

Home prices escalated rapidly during the pandemic, driven by a confluence of factors, including historically low interest rates and increased demand, which drove a substantial escalation in prices. Median prices countywide rose 360% over a ten-year period from 2012 to their peak in mid-2022. Beginning in mid-2022, a rapid rise in mortgage rates led to a substantial cooling in the housing market. Median prices declined 15% from May to December 2022. By fall 2025, home prices had partially rebounded but remain approximately 7% below their 2022 peak. Chart 2-1 shows the trend in median home prices since 2000.

Chart 2-1. Median Home Prices, Sacramento County



Source: California Association of Realtors

² A 20% down payment reduces monthly mortgage payments and eliminates a need for mortgage insurance, which reduces the income needed to afford the unit compared to a smaller down payment.

Existing homeowners protecting historically low mortgage rates, locked in prior to mid-2022, have contributed to limited availability of existing homes, which combined with pent-up demand, muted price effects of rising interest rates to some extent, and contributed to homebuyers turning toward new construction. However, higher rates are an affordability challenge for homebuyers and have kept some potential buyers on the sidelines and prevented others from qualifying for a mortgage. Inflation and declining confidence in the economy has contributed to some potential homebuyers choosing not to enter the market. These factors contribute to a more limited pool of homebuyers, which affects pricing and sales pace. Homebuilders have responded by offering incentives, such as interest rate buydowns and payment of closing costs, but these incentives are impacting profitability.

Expectations of a decline in interest rates have been a cause for homebuilder optimism for multiple years, but as of February 2026, rates had come down from recent peaks of over 7% but still hovered around 6%. If interest rates were to moderate more substantially, it could release pent-up demand from homebuyers and contribute to a stronger market for homebuilders.

Rental Housing Market

Approximately 17,000 new rental units were produced in the greater Sacramento region since 2017, supported by a strong market cycle for rental development lasting until approximately 2022, with completion and lease-up of units financed during this period continuing for several years after. Feasibility was supported by rapid escalation in market rents and a favorable investment climate and low interest rate environment that put upward pressure on valuations of completed projects and downward pressure on the returns needed for feasibility. Despite this recent strong market cycle for rental development regionally, just one market rate rental project over 50 units was built in the unincorporated county since 2017 based on data from CoStar. This suggests that feasibility of market rate rentals is more challenging in the unincorporated County even when market conditions for rentals are strong regionally.

Feasibility of new rentals has since eroded substantially and there are now few market rate multifamily projects commencing construction in the region. Factors that have contributed to the current constrained feasibility of rentals include the following:

- High costs – Multifamily development costs are reported to have doubled since 2018, while operating expenses are reported to have increased by approximately 30% to 35% since 2019, making it significantly more difficult for projects to pencil.
- Limited rent growth – A large number of recently completed rental units combined with increased price sensitivity among renters has limited market rent growth. Affordability constraints that limit entry into the for-sale housing market and a more limited new construction pipeline may result in increased rent growth in the coming years.

- Higher interest rates – Higher interest rates mean projects must achieve higher returns to justify development risk relative to safer investment alternatives. Higher borrowing costs means a given amount of rental income can no longer support the same level of debt, which puts downward pressure on building values, upward pressure on cap rates, and upward pressure on returns a project must generate to attract investors. Rising interest rates also increase the cost of construction financing.
- Reduced Market Values – The value of recently built multi-family units has declined as higher interest rates have put downward pressure on building values. Two recent multifamily property sales, the Eviva Midtown Apartments (built 2016) and the Strand in West Sacramento (built 2022) sold for \$340,000 and \$308,000 per unit, respectively. These values are below estimated per unit development costs identified herein of \$367,000 to \$379,000 per unit, an indicator of a significant feasibility gap.

Chart 2-2 shows trends in rents and vacancy rates since 2015. Average rents increased approximately 64% over the 2015 to 2025 period to approximately \$1,700 per month. Rents for apartments built since 2000 reflect an approximately 40% premium over averages for units built prior to that. Vacancy rates for units built since 2000 rose from a low of below 2% to approximately 5% in 2025, with a short-lived spike in the vacancy rate in 2022 during initial lease-up of a new rental development.

Chart 2-2. Asking Rents and Vacancy Rate Trends, County of Sacramento



Source: CoStar

3.0 FINANCIAL FEASIBILITY ANALYSIS

This section presents the financial feasibility analysis. The analysis evaluates the economics of the prototype residential development projects described in Section 2.2 and tests their ability to sustain alternative Affordability Fees and on-site inclusionary requirements.

The feasibility analysis estimates the costs to develop the new market rate residential projects and the sales revenues or rental income generated upon completion. If the sales revenues or rental income are sufficient to support the development costs and generate a sufficient profit margin, the prototype is considered feasible. This approach to evaluating financial feasibility, known as a pro forma approach or income approach, is standard practice in the real estate industry and is utilized in one form or another by all developers when analyzing new construction projects.

3.1 Analysis Limitations

This analysis, by its nature, can only provide an overview-level assessment of development economics because it is based on prototypical projects rather than specific projects. Every project has unique characteristics that will dictate rents or sale prices supported by the market as well as development costs and developer return requirements. Each developer will assess a project's risks and returns and assemble project financing differently. The economics of actual projects may look better, and some may look worse than those of the prototypes analyzed.

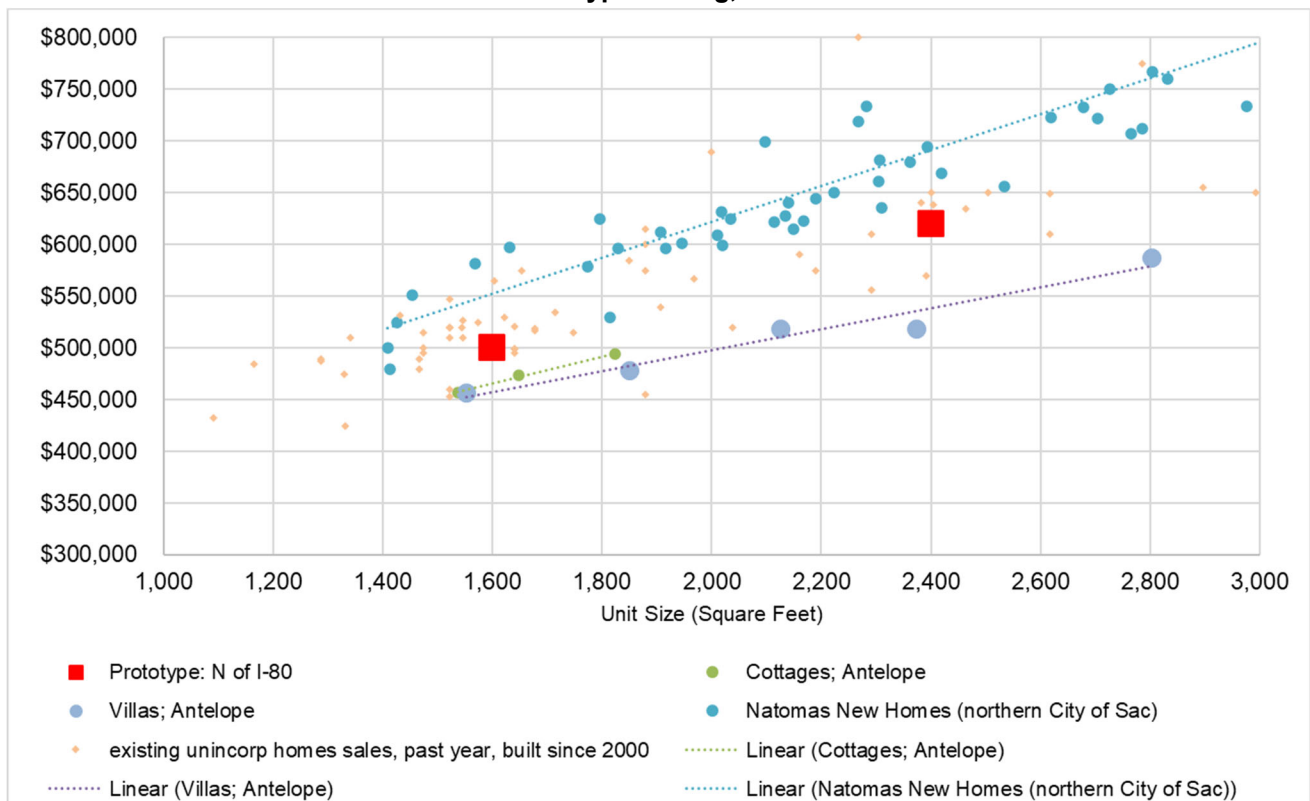
The feasibility analysis represents a snapshot of real estate market conditions as of the time this analysis was prepared in early 2026. Real estate development economics are fluid and are impacted by constantly changing conditions with regard to rent potential and sale prices, construction costs, land costs, and costs of financing. A year or two from now, conditions will undoubtedly be different than they are today and may affect the findings presented herein.

3.2 Market Home Prices

Market home prices were estimated based upon a review of prices for new homes being marketed for sale as of early 2026 and resales of existing homes built since 2000 and sold within the last year. Pricing estimates are summarized in Table 3-1. Charts 3-1 to 3-3 present the market data used to estimate prototype pricing. See Appendix A, Table 7 for additional information.

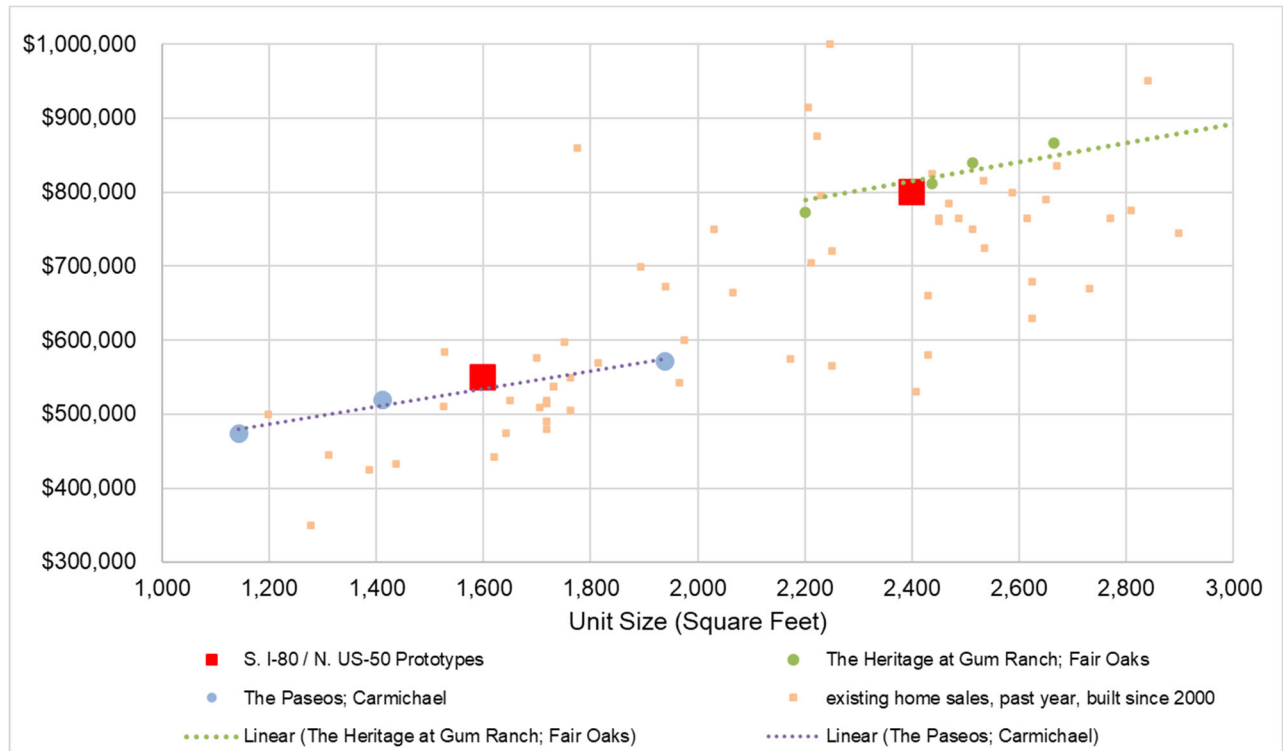
Table 3-1. Estimated Home Prices		
	Single Family Prototype 1	Single Family Prototype 2
	2,400 sf	1,600 sf
Prices / Rents		
North of I-80	\$620,000	\$500,000
South of I-80 & North of US-50	\$800,000	\$550,000
South of US-50	\$690,000	\$560,000
Prices / Rents Per Square Foot		
North of I-80	\$258	\$313
South of I-80 & North of US-50	\$333	\$344
South of US-50	\$288	\$350

Chart 3-1. Market Prices and Estimated Prototype Pricing, North of I-80



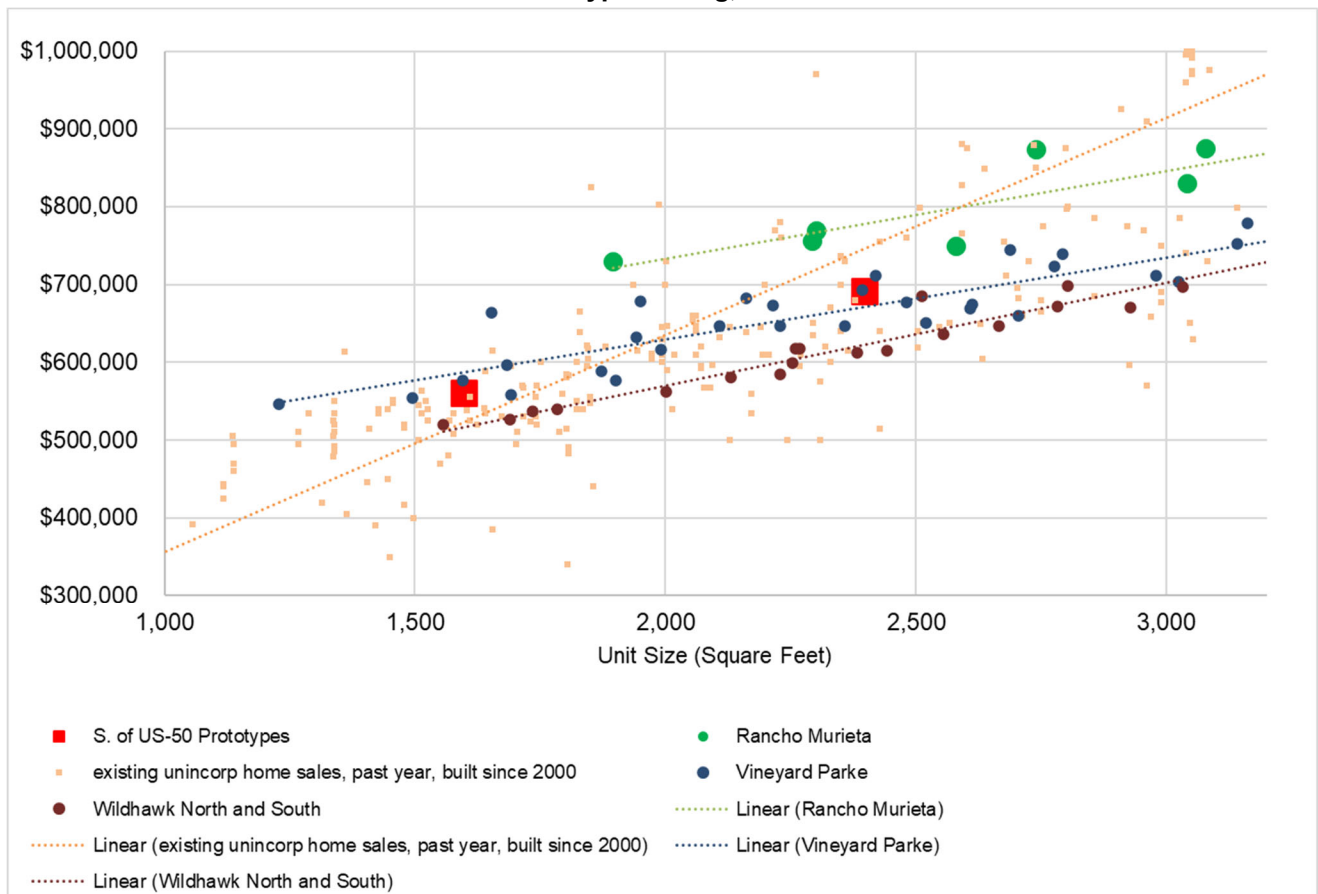
Sources: The Gregory Group for prices of new homes currently marketing; CoreLogic for prices of homes built since 2000 and resold from 1/9/25 to 1/8/2026; KMA for estimated prototype prices.

Chart 3-2. Market Prices and Estimated Prototype Pricing, South of I-80 / North of US-50



Sources: The Gregory Group for prices of new homes currently marketing; CoreLogic for prices of homes built since 2000 and resold from 1/9/25 to 1/8/2026; KMA for estimated prototype prices.

Chart 3-3. Market Prices and Estimated Prototype Pricing, South of US-50



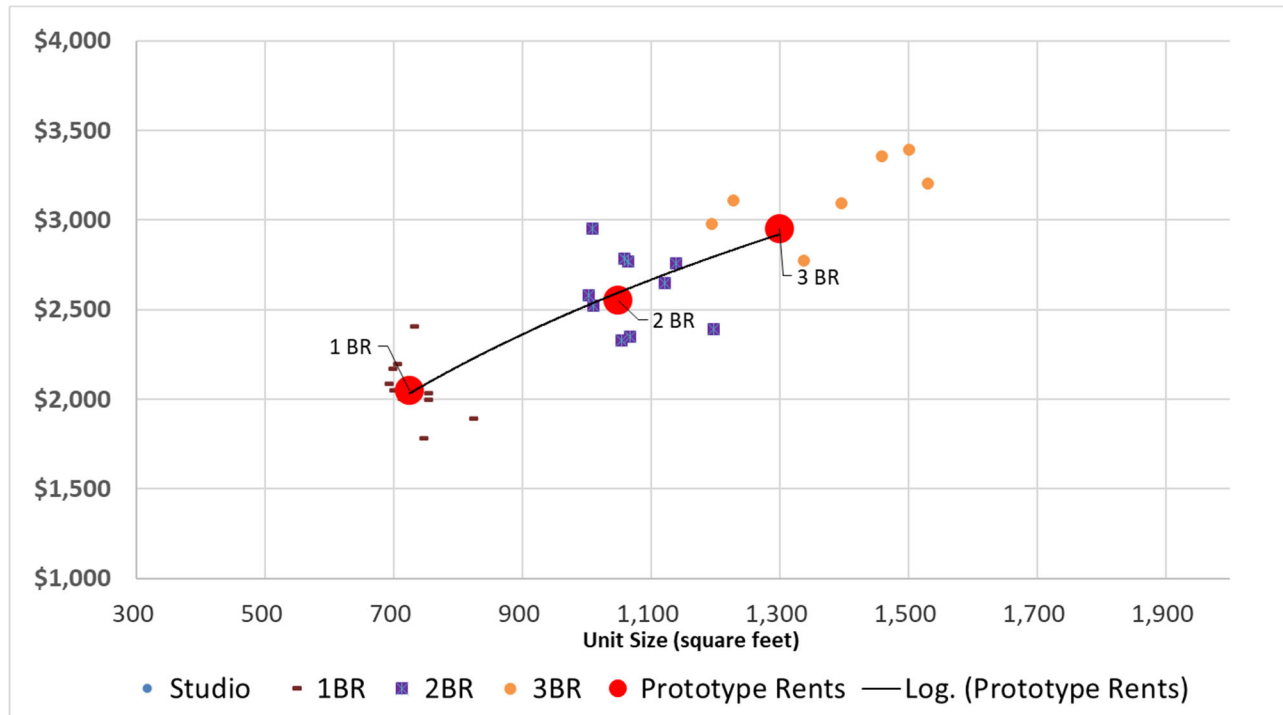
Sources: The Gregory Group for prices of new homes currently marketing; CoreLogic for prices of homes built since 2000 and resold from 1/9/25 to 1/8/2026; KMA for estimated prototype prices.

3.3 Market Rents

Rental income for the apartment prototypes is estimated based on rental data for recently built apartments. Data for nearby incorporated cities is used to supplement limited market data for recently built rentals in the unincorporated County. Estimated rents are summarized in Table 3-2. Charts 3-4 to 3-6 present data on effective market rents, net of concessions (e.g. first month's rent is free), by bedroom size and submarket for newer market rate rental buildings built since 2020, alongside rent estimates for the prototype projects. Supporting data is provided in Appendix A Table 8.

Table 3-2. Market Rent Estimates			
	Average Unit Size	Rent/Mo	Rent/SF/Mo
North of I-80	950 sf	\$2,400	\$2.53
South of I-80 & North of US-50	950 sf	\$2,340	\$2.46
South of US-50	950 sf	\$2,270	\$2.39

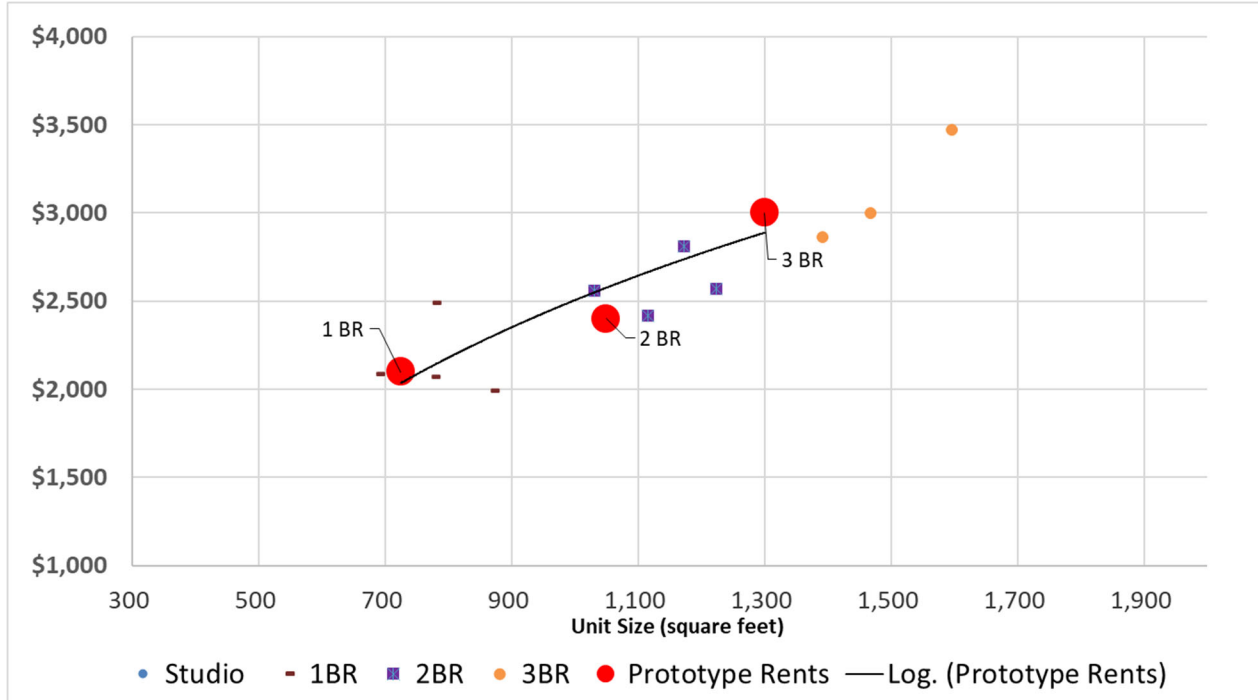
Chart 3-4. North of I-80 Prototype Rents and Effective Market Rents for Recently Built Apartments



Prototype Rents	Unit Size (SF)	Effective Rent	Rent PSF	% Mix
1 BR	725	\$2,050	\$2.83	37%
2 BR	1,050	\$2,550	\$2.43	55%
3 BR	1,300	\$2,950	\$2.27	8%
Weighted Average	950	\$2,400	\$2.53	100%

Source: CoStar data for new rentals in northern City of Sacramento built since 2020 (given no recently built rentals in the unincorporated County in this area) and KMA for estimated prototype rents. Each datapoint represents the average market rent for a specific rental property and bedroom size drawn from Appendix Table A-8.

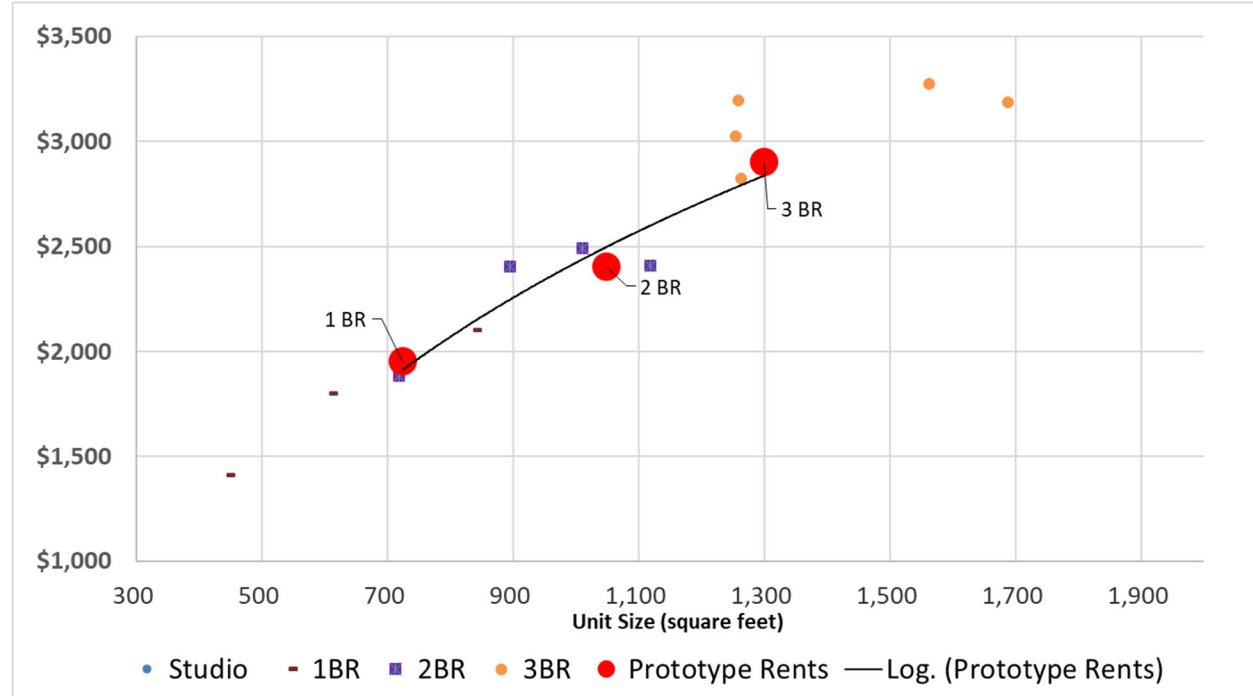
Chart 3-5. South of I-80 and North of US-50 Prototype Rents and Effective Market Rents for Recently Built Apartments



<u>Prototype Rents</u>	<u>Unit Size (SF)</u>	<u>Effective Rent</u>	<u>Rent PSF</u>	<u>% Mix</u>
1 BR	725	\$2,100	\$2.90	37%
2 BR	1,050	\$2,400	\$2.29	55%
3 BR	<u>1,300</u>	<u>\$3,000</u>	<u>\$2.31</u>	<u>8%</u>
Weighted Average	950	\$2,340	\$2.46	100%

Source: CoStar data for new rentals built since 2020 in unincorporated County of Sacramento and City of Folsom; KMA for estimated prototype rents. Each datapoint represents the average market rent for a specific rental property and bedroom size drawn from Appendix Table A-8.

Chart 3-6. South of US-50 Prototype Rents and Effective Market Rents for Recently Built Apartments



Prototype Rents	Unit Size (SF)	Effective Rent	Rent PSF	% Mix
1 BR	725	\$1,950	\$2.69	37%
2 BR	1,050	\$2,400	\$2.29	55%
3 BR	1,300	\$2,900	\$2.23	8%
Weighted Average	950	\$2,270	\$2.39	100%

Source: CoStar data for new rentals in southern City of Sacramento and Rancho Cordova built since 2020 (given no recently built rentals in the unincorporated County in this area) and KMA for estimated prototype rents. Each datapoint represents the average market rent for a specific rental property and bedroom size drawn from Appendix Table A-8.

3.4 Net Operating Income and Developer Investment Supported, Rental Projects

The first step in estimating the amount of developer investment that can be supported in a new rental development is to calculate Net Operating Income (NOI). NOI is equal to the annual rental income, minus operating expenses and a 5% allowance for credit loss and vacancy. As shown in Table 3-3, the NOI for market rate units is estimated to range from approximately \$16,100 to \$17,600/unit/year depending on the submarket.

NOI is divided by a return on cost (ROC)³ to estimate the amount of developer investment (debt and equity) that can be supported by the rental income from the project. A 6.75% stabilized developer return on cost is used, which represents a 1.5% spread over a 5.25% estimated

³ Return on Cost (ROC) represents the ratio between net operating income and development cost of the project.

capitalization rate⁴ based on a combination of published cap rate surveys, the cap rates reflected in multifamily property sales, and feedback from local development professionals regarding current lender and equity investor requirements. On this basis, the supported investment with 100% market rate units is estimated to range from \$238,000 to \$260,000 depending on the prototype and estimated rents by area, as shown in Table 3-3.

Table 3-3. Net Operating Income and Investment Supported, 100% Market Rate								
	Monthly Rent	Annual Rental Income	Other Income	5% Vacancy	Operating Expense, Taxes	Net Operating Income	Threshold Return on Cost	Developer Investment Supported
North of I-80	\$2,400	\$28,800	\$2,100	(\$1,545)	(\$11,800)	\$17,555	6.75%	\$260,100
South of I-80 & North of US-50	\$2,340	\$28,080	\$2,100	(\$1,509)	(\$11,800)	\$16,871	6.75%	\$249,900
South of US-50	\$2,270	\$27,240	\$2,100	(\$1,467)	(\$11,800)	\$16,073	6.75%	\$238,100

Note: See Appendix A Table 6A to J for estimates for other scenarios.

3.5 Residential Land Values

Data on residential land sales was accessed from sources including CoStar, a third-party vendor of market data, reporting on land transactions by the Sacramento Business Times, and data on lot sales and lot improvement costs presented in recent appraisals of residential lot values prepared in support of community facilities bond issuances. Supporting data on land sale transactions is presented in Appendix A Tables 10 and 11. Table 3-4 summarizes the estimated finished residential lot cost and multi-family site acquisition costs based on this data.

Table 3-4. Estimated Finished Lot and Rental Site Acquisition Costs		
For-Sale Finished Lot Cost Estimate⁽¹⁾	Lot Size (sf)	Finished Lot Cost (before fees)
North of I-80		
Single Family, Prototype 1	5,500	\$195,000
Single Family, Prototype 2	3,150	\$135,000
South of I-80 & North of US-50		
Single Family, Prototype 1	5,500	\$215,000
Single Family, Prototype 2	3,150	\$147,000
South of US-50		
Single Family, Prototype 1	5,500	\$195,000
Single Family, Prototype 2	3,150	\$135,000
Rental Site Acquisition Cost Estimate	Density (du/ac)	Site Cost Per Unit
Rentals	27	\$20,000

Note: For-sale lot cost estimates reflect finished lots (not including cost of applicable fees and permits, accounted for separately). Variation in costs reflects both differences in land values and lot size/density.

⁴ A capitalization rate or “cap rate” represents the ratio between net operating income and the market value of the completed project.

3.6 Development Costs

The direct costs of development include all contractor labor and material costs to construct the project including general requirements, contractor fees, and contingencies. As shown in Table 3-5, the direct construction costs are estimated to be between \$184,000 to \$252,000 per unit depending upon the unit type and size. Variables with respect to direct costs include the size of the unit, parking type, density and construction type. Higher density multifamily projects are more costly on a per square foot basis than lower density single family prototypes. Smaller units tend to be more costly on a per square foot basis than larger units. Cost estimates incorporate information provided by local development and construction industry professionals as well as cost figures presented in the offering documents for recent Community Facilities District bond issuances sourced to local developers.

Table 3-5. Development Cost Per Unit							
	Unit Size	Land / Lot Costs	Direct Const	Fees and Permits	Indirects, Financing, Sales, Closing, Incentives	Builder Margin	Development Cost and Builder Margin
<u>Single Family Prototype 1</u>							
North of I-80	2,400 sf	\$195,000	\$252,000	\$97,100	\$140,500	\$49,600	\$734,200
South of I-80 & North of US-50	2,400 sf	\$215,000	\$252,000	\$89,600	\$161,400	\$64,000	\$782,000
South of US-50	2,400 sf	\$195,000	\$252,000	\$111,600	\$149,200	\$55,200	\$763,000
<u>Single Family Prototype 2</u>							
North of I-80	1,600 sf	\$135,000	\$184,000	\$83,500	\$105,000	\$40,000	\$547,500
South of I-80 & North of US-50	1,600 sf	\$147,000	\$184,000	\$76,700	\$110,900	\$44,000	\$562,600
South of US-50	1,600 sf	\$135,000	\$184,000	\$95,200	\$112,300	\$44,800	\$571,300
<u>Rentals</u>							
North of I-80	950 sf	\$20,000	\$243,800	\$51,700	\$63,200	n/a	\$378,700
South of I-80 & North of US-50	950 sf	\$20,000	\$243,800	\$40,400	\$62,300	n/a	\$366,500
South of US-50	950 sf	\$20,000	\$243,800	\$47,800	\$62,900	n/a	\$374,500

Indirect costs of development include architecture and engineering (A&E), municipal fees and permits costs, taxes, insurance, developer overhead, debt financing costs, etc. The higher density prototypes tend to have higher indirect costs on a per square foot basis because they have more complex design and engineering issues than single family homes and because they take longer to build, which increases financing costs.

Estimated fees and permit costs include all County impact fees, processing and permit charges as well as impact fees and connection charges levied by school districts and water and sewer providers. Appendix Table A-15 provides a detailed estimate by fee type.

Estimated financing costs reflect an interest rate of 8%, fees of 1.5% of the loan amount, an 18-month term for single family and 30 months for multi-family, 80% ratio of loan to cost for single

family and 60% for multi-family, and average outstanding balance over the term of 50% of the loan amount for single family and 60% for multi-family.

The for-sale pro forma analyses reflect a threshold builder net profit margin of 8% of sales revenue. Profitability for homebuilders is also sometimes described in terms of gross margin, which reflects net revenue before deduction of sales and general and administrative expenses. The 8% net profit margin combined with sales and marketing expenses (representing 4.75% of sales revenue) and general and administrative expenses (representing 5% of sales revenue), translates into a gross margin of just under 18% of sales revenue. For rental projects, profit to the developer is captured as part of the return on cost discussed in section 3.4.

Total development cost plus a threshold builder profit margin is estimated to range from roughly \$367,000 to \$782,000/unit depending on the prototype, as summarized in Table 3-5. See Appendix A Tables 5 and 6 for additional details.

3.7 Feasibility Criteria

The financial feasibility analysis is based on the relationship between the project's revenue, estimated development cost, and a threshold developer return commensurate with the cost of funds and development risk. Prototype projects are placed into one of the following three categories based on pro forma results for each scenario:

- 1) *Feasible* – includes projects that are generally feasible and expected to develop under current market conditions. For-sale projects are classified as feasible if sales revenues are in balance with development costs plus an 8% net profit to the homebuilder. Rental projects are classified as feasible if the developer investment supported by the project's rental income, based on a threshold return on cost assumption of 6.75%, is in balance with the cost to develop the project. Projects are deemed to be in balance if revenues are within a 3% margin of costs, including a threshold return. This 3% tolerance is in recognition of a margin for error in illustrative pro formas, the fact that projects would be fully in balance with slightly more bullish revenue assumptions or minor changes in cost estimates, because some developers may be willing to move forward with slightly lower returns or have slightly lower overhead, there may be some ability to achieve concessions on land costs, and because in our experience developers may be interested in pursuing projects that fall slightly below targeted return thresholds depending on market conditions and other factors, especially at the predevelopment stage.
- 2) *Marginal Feasibility* – projects with weaker feasibility that require some improvement in economics to move forward. Projects classified as marginally feasible have development costs plus builder profit that are out of balance with revenues in excess of the 3% margin cited above, but by no more than 7%.

- 3) *Infeasible / Challenged* – projects that have feasibility challenges and are not likely to move forward without more significant improvements to the pro forma, such as higher prices and rents or lower costs. Projects classified as infeasible / challenged have development costs plus required builder profit that exceed revenues by more than 7%.

The above categories allow characterization of results in a systematic fashion to facilitate simple comparisons across scenarios. A limitation is that projects with economics that are narrowly separated might be placed in different feasibility categories, without capturing that nuance. A series of additional metrics are reported in Section 4 to enable a quantitative understanding of differences between scenarios.

Table 3-6 summarizes the criteria used to place projects into these three feasibility categories.

Table 3-6. Feasibility Criteria		
Feasibility Category	For-Sale Feasibility Criteria	Rental Feasibility Criteria
Feasible	Sales revenues are in balance with the total development cost of the project plus a threshold developer return (within 3%).	Development costs including land are in balance with the developer investment supported by the project's rental income (within 3%).
Marginal Feasibility	Total development cost plus a threshold developer return exceeds, by 3% to 7%, the estimated sales revenues generated by the project.	Development costs including land exceed, by 3% to 7%, the developer investment that can be supported by the project's rental income.
Infeasible / Challenged	Total development cost plus a threshold developer return exceeds estimated sales revenues by more than 7%.	Development costs including land exceed the developer investment supported by the project's rental income by more than 7%.

Factors that can improve project feasibility over time include increases in prices or rents, more competitive construction pricing, decreases in fees or other requirements, adjustments to land costs, more favorable investment conditions that reduce the cost of capital, or a combination of these factors. Of course, future changes could also move in the opposite direction and adversely affect feasibility.

3.8 Feasibility Findings: For-Sale Projects

Table 3-7 summarizes feasibility conclusions for the for-sale prototypes under current market conditions assuming payment of the County's existing Affordability Fee. North of I-80, both single family prototypes face feasibility challenges. Between I-80 and US-50, both single family prototypes are feasible, supported by higher pricing and lower fees in this area. South of US-50, the smaller single family prototype is feasible while the larger single family home prototype faces feasibility challenges.

The supporting pro forma table is provided in Appendix A Table 5A.

Table 3-7. Feasibility Findings, For-Sale, Existing Affordability Fee						
	Unit Size	Sales Price	Development Cost and Builder Margin	Surplus / (Gap)	Surplus / (Gap) as % of Development Cost + Builder Margin ⁽¹⁾	Feasibility Conclusion
Single Family Prototype 1						
North of I-80	2,400 sf	\$620,000	(\$734,200)	(\$114,200)	(16.6%)	I
South of I-80 & North of US-50	2,400 sf	\$800,000	(\$782,000)	\$18,000	2.5%	F
South of US-50	2,400 sf	\$690,000	(\$763,000)	(\$73,000)	(10.2%)	I
Single Family Prototype 2						
North of I-80	1,600 sf	\$500,000	(\$547,500)	(\$47,500)	(9.2%)	I
South of I-80 & North of US-50	1,600 sf	\$550,000	(\$562,600)	(\$12,600)	(2.4%)	F
South of US-50	1,600 sf	\$560,000	(\$571,300)	(\$11,300)	(2.1%)	F

(1) For purposes of percentage calculation, deductions from gross sales price for incentives and closing costs are subtracted from the total cost to align with calculations in Appendix Tables 5A through 5P.

F= Feasible

M= Marginal Feasibility

I= Infeasible / Challenged

For projects with a surplus of revenues over total development cost plus a threshold builder profit margin, builder margins would either exceed the minimum threshold, higher lot values would be supported, and/or the project would have a greater ability to absorb additional costs. Where a gap is reflected, builder margins may fall under the threshold return and/or concessions on lot cost or other cost efficiencies would need to be identified for the project to move forward. Some projects classified as feasible have thin margins and findings would be sensitive to modest shifts in prices or costs.

3.9 Feasibility Findings: Rental Projects

Table 3-8 summarizes feasibility conclusions for the rental prototypes assuming payment of the County's existing Affordability Fee. The prototype rental project was found to be infeasible in all submarkets based on development costs that significantly exceed the developer investment that is supported by existing market rents. The supporting pro forma is provided in Appendix A Table 6A.

Table 3-8. Rental Feasibility Findings, Existing Affordability Fee

	Unit Size	Developer Investment Supported by Rent	Development Cost	Surplus / (Gap)	Surplus / (Gap) as % of Total Development Cost	Feasibility Finding
North of I-80	950 sf	\$260,100	(\$378,700)	(\$118,600)	(31.3%)	I
South of I-80 & North of US-50	950 sf	\$249,900	(\$366,500)	(\$116,600)	(31.8%)	I
South of US-50	950 sf	\$238,100	(\$374,500)	(\$136,400)	(36.4%)	I

F= Feasible

M= Marginal Feasibility

I= Infeasible / Challenged

The estimated gap between development costs and the supportable investment ranges from 31% to 36%. This gap is substantial enough that a significant change in the market is needed for projects to pencil again.

A sensitivity test was performed to illustrate changes in market conditions sufficient for rental projects to achieve feasibility. An increase in market rents of approximately 20% to 26%, depending on the prototype, combined with a decrease in the required return on cost to 6%, is needed. This translates to an estimated monthly rent increase of approximately \$480 to \$590 per month needed to restore feasibility, depending on the submarket.

3.10 Scenario Testing

The pro forma summarized above was used to evaluate the ability of new residential development projects to sustain alternative inclusionary and Affordability Fee requirements, including the following scenarios:

- Base Case: existing Affordability Fee at \$3.91 per square foot.
- A 5% on-site inclusionary requirement at the following affordability levels:
 - For-sale projects: 5% at Low (80% AMI), Very Low (50% AMI), and a mix of Very Low and Low;
 - Rental projects: 5% at Low (80% AMI), Very Low (50% AMI), and a mix of Very Low and Low.
- A 10% on-site inclusionary requirement at the following affordability levels:
 - For-sale projects: 10% at Very Low (50% AMI), Low (80% AMI), Moderate (100% AMI), and various mixed-income combinations thereof;
 - Rental projects: 10% at Extremely Low (30% AMI), Very Low (50% AMI), Low (60%, 70%, and 80% AMI), and various mixed-income combinations thereof.
- A 15% on-site inclusionary requirement in for-sale projects at Moderate (110% AMI).

- Affordability Fee Scenarios – fee levels including elimination of the existing Affordability Fee, reduction to \$2.50 per square foot, and increases to \$5.00 and \$7.50 per square foot.

The option to dedicate a site for development of affordable housing has a similar cost to payment of the Affordability Fee based on the structure of this option under the County's AHO guidelines; therefore, feasibility results under a land dedication scenario would be similar to payment of the Affordability Fee.

For-Sale Projects Scenario Testing

Results of the scenario testing for for-sale projects are summarized in Table 3-9.

Prototypes that are infeasible under existing AHO requirements are also infeasible in all other scenarios tested.

Elimination or reduction of the Affordability Fee do not restore feasibility to any prototype / submarket combination.

The three for-sale projects that are feasible with the existing Affordability Fee remain feasible with Affordability Fees of \$5 to \$7.50 per square foot, depending on the prototype (fees higher than \$7.50 were not tested).

Single Family Prototype 1 in the South of I-80 and North of US-50 submarket supports all of the on-site inclusionary requirements tested except for 10% Very Low units. Single Family Prototype 2 in the South of I-80 and North of US-50, and South of US-50 submarkets remain feasible in the 15% Moderate at 110% and 5% Low at 80% AMI scenarios, become infeasible in the 10% Very Low at 50% scenario, and are downgraded to marginally feasible in the other on-site inclusionary scenarios. South of US-50 Prototype 2 also remains feasible in the 10% Moderate at 100% scenario.

Table 3-9. For Sale Project Scenario Testing								
No.	Description	App A Table	North of I-80		South of I-80 & North of US-50		South of US-50	
			Single Family Prototype 1	Single Family Prototype 2	Single Family Prototype 1	Single Family Prototype 2	Single Family Prototype 1	Single Family Prototype 2
1	Existing Affordability Fee@\$3.91 / SF	5A	I	I	F	F	I	F
2	Eliminate Affordability Fee	5B	I	I	F	F	I	F
3	Reduce Affordability Fee to \$2.50 / SF	5C	I	I	F	F	I	F
4	Affordability Fee of \$5.00 / SF	5D	I	I	F	F	I	F
5	Affordability Fee of \$7.50 / SF	5E	I	I	F	M	I	M
6	10% Mod @100% AMI	5F	I	I	F	M	I	F
7	10% Low @80% AMI	5G	I	I	F	M	I	M
8	10% Very Low @50% AMI	5H	I	I	M	I	I	I
9	15% Moderate at 110% AMI	5I	I	I	F	F	I	F
10	10% Affordable (2% Mod@100% AMI, 4% Low, 4% Very Low)	5J	I	I	F	M	I	M
11	10% Affordable (4% Low, 6% Very Low)	5K	I	I	F	M	I	M
12	10% Affordable (7% Low, 3% Very Low)	5L	I	I	F	M	I	M
13	10% Affordable (5% Low, 5% Very Low)	5M	I	I	F	M	I	M
14	5% Low @80% AMI	5N	I	I	F	F	I	F
15	5% Very Low @50% AMI	5O	I	I	F	M	I	M
16	5% Affordable (2.5% Low, 2.5% Very Low)	5P	I	I	F	M	I	M
F Feasible								
M Marginal Feasibility								
I Infeasible / Challenged								

Supporting pro forma tables are included in Appendix A Table 5A to 5P.

Rental Project Scenario Testing

Results of scenario testing for rental projects are summarized in Table 3-10. The base case with existing AHO requirements is infeasible. All alternative scenarios, including those with modified requirements or elimination of the fee, are also infeasible. Supporting pro forma tables are included in Appendix A Table 6A to 6P.

Table 3-10. Rental Project Scenario Testing

No. Description		App A Table	North of I- 80	South of I-80 & North of US-50	South of US-50
1	Existing Affordability Fee@\$3.91 / SF	6A	I	I	I
2	Eliminate Affordability Fee	6B	I	I	I
3	Reduce Affordability Fee to \$2.50 / SF	6C	I	I	I
4	Affordability Fee of \$5.00 / SF	6D	I	I	I
5	Affordability Fee of \$7.50 / SF	6E	I	I	I
6	10% Low @80% AMI	6F	I	I	I
7	10% Low @70% AMI	6G	I	I	I
8	10% Low @60% AMI	6H	I	I	I
9	10% Very Low @50% AMI	6I	I	I	I
10	10% Extremely Low @30% AMI	6J	I	I	I
11	10% Affordable (4% Low@80% AMI, 6% Very Low)	6K	I	I	I
12	10% Affordable (7% Low@80% AMI, 3% Very Low)	6L	I	I	I
13	10% Affordable (5% Low@80% AMI, 5% Very Low)	6M	I	I	I
14	5% Low@80% AMI	6N	I	I	I
15	5% Very Low@50% AMI	6O	I	I	I
16	5% Affordable (2.5% Low@80%, 2.5% Very Low)	6P	I	I	I
F	Feasible				
M	Marginal Feasibility				
I	Infeasible / Challenged				

3.11 Development Professionals Interviewed

Professionals with the following organizations were interviewed and most provided feedback used to inform the pro forma assumptions described herein. The listed development professionals include those interviewed in connection with a concurrent assignment for the City of Sacramento, which feedback was useful in developing rental pro forma assumptions, given little recent rental development has occurred in the unincorporated County.

- Beazer Homes
- DR Horton
- Pappas Investments
- Shea Homes
- Taylor Morrison Homes
- SKK Developments
- Urban Capital
- Brown Construction
- Reynen and Bardis Homes
- FPI Management

4.0 MEASURES OF POTENTIAL INFLUENCE ON DEVELOPMENT DECISIONS

This section provides a series of metrics to gauge the extent to which alternative AHO requirements may affect residential development decisions. The metrics also provide a means to compare inclusionary and in-lieu fee scenarios quantitatively. The following metrics are presented:

- Compliance costs, representing the net cost to comply with requirements per square foot.
- Market rent or price increase needed to offset the cost of requirements.
- Effect on the County's total fee stack.

Appendix A provides two additional metrics:

- Change in land cost sufficient to offset the cost of modified requirements; and
- Percentage that fees, permits, and AHO costs represent of total development cost.

4.1 Compliance Cost Analysis

The cost of complying with alternative affordable housing requirements was expressed as a cost per net square foot of livable area within the project. The purpose is to assist in understanding the relative effects of various alternatives on the economics of residential development projects.

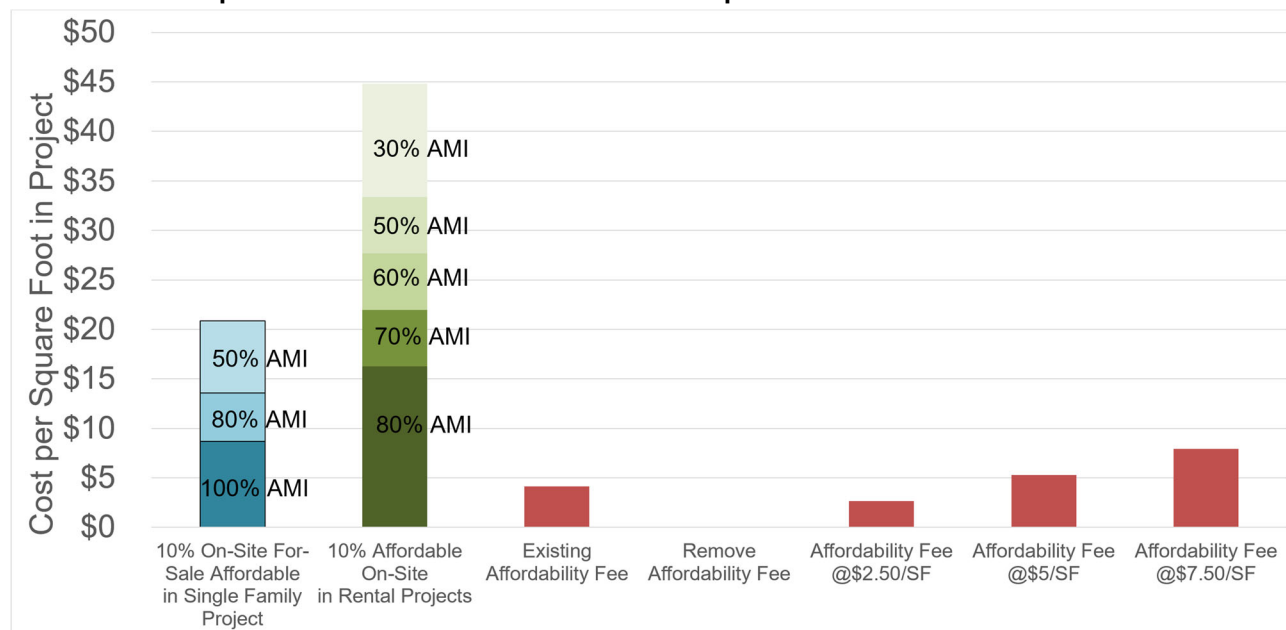
The identified dollar per square foot costs of providing affordable units within the project is based on the net impact to the pro forma from setting aside a share of units at affordable prices and rents. The term "cost" is used, although technically the impact of an affordability restriction is forgone rent revenue or sales proceeds. Costs are higher where there is a larger difference between market rate and affordable prices and rents.

Projects are only built when rents and prices are sufficiently high to support feasibility. Calculating compliance costs based on rents and prices that are not sufficient to support feasibility will tend to understate the true impact of setting aside affordable units. For purposes of the compliance cost analysis (only), pro formas are adjusted to provide a feasible base case through increases in rents, home prices and a reduction in the return on cost for rental projects to 6%. The impact of inclusionary requirements is then measured relative to this feasible base case to avoid understating the cost of providing the inclusionary units.

Chart 4-1 presents the results of the compliance cost analysis. The cost of on-site affordable units presented in the chart represents an average across all prototypes and submarkets. Supporting figures are provided in Appendix A Tables 2A and 2B. Compliance costs increase as

the income level of affordable units is reduced because the reduction in rents and sales prices is greater.

Chart 4-1. Per Square Foot Costs of Alternative AHO Requirements



4.2 Changes in Prices and Rents Sufficient to Offset Cost of Requirement

To the extent market prices and rents increase, it can help absorb the cost of a new or increased requirement. Tables 4-1 and 4-2 illustrate market price and rent increases that would be adequate on their own to fully offset the incremental cost of changes in affordable housing requirements.

Development costs are held constant for purposes of this illustration. Adjustments would have been larger if costs were assumed to move in the same direction as prices and rents. Only scenarios that increase costs relative to the existing Affordability Fee are included.

Table 4-1. Market Price Increase Sufficient to Offset Incremental Cost of Modified Requirement

	North of I-80		South of I-80 & North of US-50		South of US-50	
	Single Family Prototype 1	Single Family Prototype 2	Single Family Prototype 1	Single Family Prototype 2	Single Family Prototype 1	Single Family Prototype 2
Affordability Fee of \$5.00 / SF	0.5%	0.4%	0.4%	0.4%	0.5%	0.4%
Affordability Fee of \$7.50 / SF	1.5%	1.4%	1.4%	1.3%	1.5%	1.3%
10% Mod @100% AMI	3.0%	1.0%	3.1%	1.1%	3.2%	1.3%
10% Low @80% AMI	4.8%	3.3%	4.9%	3.4%	4.9%	3.5%
10% Very Low @50% AMI	7.5%	6.8%	7.5%	6.8%	7.6%	6.9%
15% Moderate @ 110% AMI	4.3%	0.6%	4.6%	0.9%	4.7%	1.1%
10% Affordable (2% Mod@100% AMI, 4% Low, 4% Very Low)	5.5%	4.2%	5.6%	4.3%	5.6%	4.5%
10% Affordable (4% Low, 6% Very Low)	6.4%	5.4%	6.5%	5.4%	6.5%	5.6%
10% Affordable (7% Low, 3% Very Low)	5.5%	4.3%	5.7%	4.4%	5.7%	4.5%
10% Affordable (5% Low, 5% Very Low)	6.1%	5.0%	6.2%	5.1%	6.2%	5.2%
5% Low @80% AMI	1.4%	0.7%	1.4%	0.8%	1.5%	0.9%
5% Very Low @50% AMI	2.7%	2.4%	2.7%	2.4%	2.7%	2.5%
5% Affordable (2.5% Low, 2.5% Very Low)	2.0%	1.6%	2.1%	1.6%	2.1%	1.7%

Table 4-2. Market Rent Increase Sufficient to Offset Incremental Cost of Affordable Housing Requirements

Scenario	North of I-80	South of I-80 & North of US-50	South of US-50
Affordability Fee of \$5.00 / SF	0.2%	0.2%	0.2%
Affordability Fee of \$7.50 / SF	0.7%	0.7%	0.7%
10% Low @80% AMI	2.6%	2.4%	2.5%
10% Low @70% AMI	3.7%	3.5%	3.6%
10% Low @60% AMI	4.8%	4.7%	4.8%
10% Very Low @50% AMI	5.9%	5.8%	5.9%
10% Extremely Low @30% AMI	8.2%	8.1%	8.1%
10% Affordable (4% Low@80% AMI, 6% Very Low)	4.6%	4.4%	4.5%
10% Affordable (7% Low@80% AMI, 3% Very Low)	3.6%	3.4%	3.5%
10% Affordable (5% Low@80% AMI, 5% Very Low)	4.2%	4.1%	4.2%
5% Low@80% AMI	0.8%	0.7%	0.8%
5% Very Low @50% AMI	2.4%	2.4%	2.4%
5% Affordable (2.5% Low@80%, 2.5% Very Low)	1.6%	1.5%	1.6%

For purposes of the analysis in Table 4-1 and 4-2, the base case pro forma model was adjusted to a feasible result for all prototypes through increases in rents, home prices and a reduction in the return on cost for rental projects to 6%. This was done to avoid understating the impact of on-site inclusionary units, which increases as market rents and prices increase.

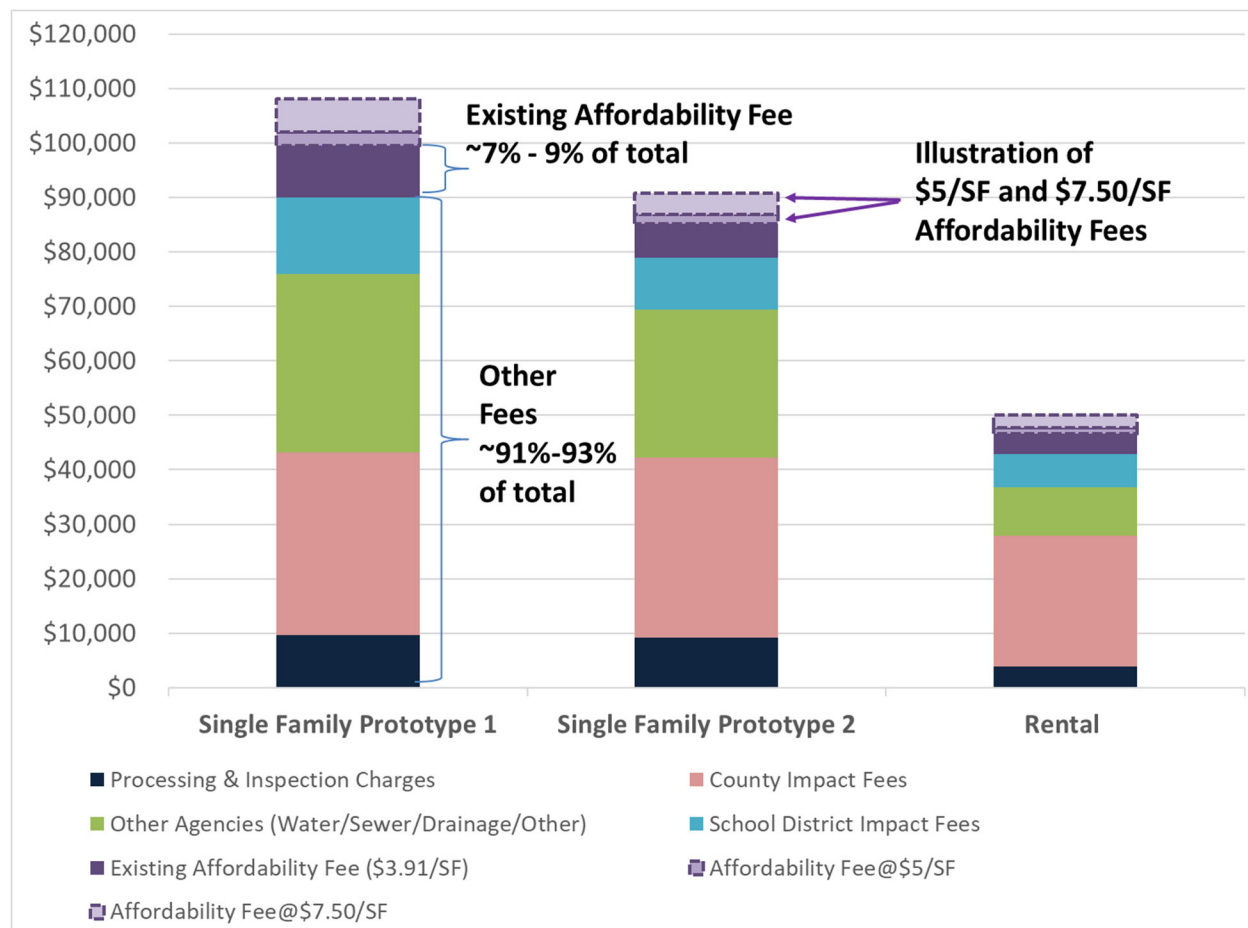
4.3 Total Fees and Permits Cost

Chart 4-2 illustrates how potential modified Affordability Fees would affect the total fees and permits costs for residential developments. Estimates include both County and other agency fees and connection charges. Figures reflect simple averages across the three submarkets.

- For Single Family Prototype 1, existing fees inclusive of those charged by other agencies total approximately \$100,000 (\$41 per square foot). The Affordability Fee is 9% of this total.
- For Single Family Prototype 2, existing fees inclusive of those charged by other agencies total approximately \$85,000 (\$53 per square foot). The Affordability Fee is approximately 7% of this amount.
- For rentals, existing fees inclusive of those charged by other agencies total approximately \$47,000 (\$49 per square foot). The Affordability Fee is approximately 8% of this amount.

As shown in Appendix A Table 4A and 4B, existing fees and permit costs, inclusive of the Affordability Fee, are approximately 11% to 19% of the total cost of developing a unit, depending on unit type, size, and location.

Chart 4-2. Existing Fees and Permits Expense and Illustrative Increase with Affordable Housing Fee Alternatives



4.4 Potential Development Project Responses to Increased Requirement

There are a variety of ways development projects might respond to a significantly increased requirement, just as projects adapt to fluctuations in home prices, rents, construction costs and other factors. A minor change in costs may not result in a substantive adjustment to the economics of projects and may not lead to material effects, while a more substantive change might elicit one or more of the following possible outcomes:

- **Adjustments to Land Costs** – Developers purchase development sites at values that will allow for financially feasible projects. When a housing fee or inclusionary housing requirement is in place, developers “price in” the requirement when evaluating a project’s economics and negotiating the purchase price for development sites. When affordable housing fees or inclusionary requirements are increased, it is possible that downward pressure on land costs could result as developers adjust what they can afford to pay for land. This downward pressure on land prices can, to some degree, bring costs back into better balance with the overall economics supported by projects. While adjustments to land costs are possible, several factors limit the extent to which

adjustments can occur. Existing uses on a site that generate income or alternative land uses that compete for a site will tend to dampen the potential for downward adjustments to land price. Landowners have expectations regarding the value of their property and may hold the property off the market rather than accept a less attractive price. Master plans with substantial infrastructure needs rely on lot sales to fund infrastructure; thus, reductions to lot values impact viability of infrastructure financing plans and therefore viability of the overall development. As indicated in the analysis in Appendix A Tables 3A and 3B, adjustments to land values needed to absorb potential modified requirements can be quite substantial depending on the scenario, suggesting that adjustments to land values are not likely to be the only shock absorber required for projects to adapt to a substantial increase in requirements.

- *Improving Market Conditions Sustain Feasibility* – When prices and rents are rising, it can help absorb the cost of a new requirement and allow projects to move forward despite an added cost.
- *Narrower Range of Market Conditions where Projects Pencil* – If a new requirement makes projects significantly more challenging, projects may only move forward under a narrower range of market conditions, or in the extreme case, not at all. For example, following a downturn in the market, once conditions begin to improve again and new development projects start to move forward, a significant new requirement could increase the length of time for projects to begin moving again. In effect, projects may wait for market conditions to support somewhat higher market prices or rents before they move forward. In the extreme case, projects may not develop at all if requirements are too high for any market condition the jurisdiction is likely to see.
- *Displace Development to Other Communities* – If a new requirement makes it substantially more costly to build in the unincorporated area of the County relative to nearby cities, projects in nearby communities may “pencil” before projects in the unincorporated area do. This could result in cities absorbing a larger share of new residential development compared to the unincorporated area. This dynamic could shift over time as requirements in other jurisdictions evolve as well. Personnel preferences, connections to place and family, commute considerations, school preferences, and other factors that contribute to individual choices about where to live may counteract the potential for development to be displaced to other communities solely based on a modest cost differential.

Changes that represent a tiny fraction of the overall development cost of a project may not have a material effect. For more substantive changes, a combination of all the above adjustments may occur, or changes may be weighted toward one type of adjustment or another, depending on conditions specific to the jurisdiction. For example, a community or neighborhood where market conditions are strong and supply is very limited may see new requirements absorbed mainly through adjustments to land values, while a community where market conditions are not

as strong and potential purchasers of new units tend to be more cost sensitive may be more likely to see projects displaced to other jurisdictions or move forward under a narrower set of market conditions.

APPENDIX TABLES

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Summary of Scenario Testing, Rentals	Table 1B
Equivalent Dollar Per Square Foot Cost of Alternative Requirements: For-Sale	Table 2A
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Total Fees/Permits/Affordable Housing Costs as % of Total Development Cost of Unit: For-Sale	Table 4A
Total Fees/Permits/Affordable Housing Costs as % of Total Development Cost of Unit: Rental	Table 4B

Part B - For-Sale Pro Forma Tables

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Part D - Supporting Analysis and Data

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Appendix B – Recent and Pipeline Project Summaries

Projects North of I-80	<u>Appendix B</u> Table 1
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APPENDIX A - PART A

FINANCIAL FEASIBILITY ANALYSIS SUMMARY TABLES

Appendix A Table 1A
Summary of Scenario Testing, For-Sale
Feasibility Analysis
Sacramento County AHO Update

Scenario	Appendix A Table	North of I-80		South of I-80 & North of US-50		South of US-50	
		Single Family Prototype 1	Single Family Prototype 2	Single Family Prototype 1	Single Family Prototype 2	Single Family Prototype 1	Single Family Prototype 2

Fee Scenarios

1 Existing Affordability Fee@\$3.91 / SF	Table 5A	I	I	F	F	I	F
2 Eliminate Affordability Fee	Table 5B	I	I	F	F	I	F
3 Reduce Affordability Fee to \$2.50 / SF	Table 5C	I	I	F	F	I	F
4 Affordability Fee of \$5.00 / SF	Table 5D	I	I	F	F	I	F
5 Affordability Fee of \$7.50 / SF	Table 5E	I	I	F	M	I	M

On-Site For-Sale Affordable Units

6 10% Mod @100% AMI	Table 5F	I	I	F	M	I	F
7 10% Low @80% AMI	Table 5G	I	I	F	M	I	M
8 10% Very Low @50% AMI	Table 5H	I	I	M	I	I	I
9 15% Moderate @ 110% AMI	Table 5I	I	I	F	F	I	F
10 10% Affordable (2% Mod@100% AMI, 4% Low, 4% Very Low)	Table 5J	I	I	F	M	I	M
11 10% Affordable (4% Low, 6% Very Low)	Table 5K	I	I	F	M	I	M
12 10% Affordable (7% Low, 3% Very Low)	Table 5L	I	I	F	M	I	M
13 10% Affordable (5% Low, 5% Very Low)	Table 5M	I	I	F	M	I	M
14 5% Low @80% AMI	Table 5N	I	I	F	F	I	F
15 5% Very Low @50% AMI	Table 5O	I	I	F	M	I	M
16 5% Affordable (2.5% Low, 2.5% Very Low)	Table 5P	I	I	F	M	I	M

F= Feasible

M= Marginal Feasibility

I= Infeasible / Challenged

Appendix A Table 1B
Summary of Scenario Testing, Rentals
Feasibility Analysis
Sacramento County AHO Update

Scenario	Appendix A Table	North of I-80	South of I-80 & North of US-50	South of US-50
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Fee Scenarios

1	Existing Affordability Fee@\$3.91 / SF	Table 6A			
2	Eliminate Affordability Fee	Table 6B			
3	Reduce Affordability Fee to \$2.50 / SF	Table 6C			
4	Affordability Fee of \$5.00 / SF	Table 6D			
5	Affordability Fee of \$7.50 / SF	Table 6E			

On-Site Rental Affordable Units

6	10% Low @80% AMI	Table 6F			
7	10% Low @70% AMI	Table 6G			
8	10% Low @60% AMI	Table 6H			
9	10% Very Low @50% AMI	Table 6I			
10	10% Extremely Low @30% AMI	Table 6J			
11	10% Affordable (4% Low@80% AMI, 6% Very Low)	Table 6K			
12	10% Affordable (7% Low@80% AMI, 3% Very Low)	Table 6L			
13	10% Affordable (5% Low@80% AMI, 5% Very Low)	Table 6M			
14	5% Low@80% AMI	Table 6N			
15	5% Very Low @50% AMI	Table 6O			
16	5% Affordable (2.5% Low@80%, 2.5% Very Low)	Table 6P			

F= Feasible

M= Marginal Feasibility

I= Infeasible / Challenged

Appendix A Table 2A
Equivalent Dollar Per Square Foot Cost of Alternative Requirements: For-Sale
Feasibility Analysis
Sacramento County AHO Update

Scenario		Appendix A Table	North of I-80		South of I-80 & North of US-50		South of US-50	
Equivalent Dollar Per Square Foot Cost			Single Family Prototype 1	Single Family Prototype 2	Single Family Prototype 1	Single Family Prototype 2	Single Family Prototype 1	Single Family Prototype 2
Fee Scenarios								
1	Existing Affordability Fee@\$3.91 / SF	Table 5A	\$4	\$4	\$4	\$4	\$4	\$4
2	Eliminate Affordability Fee	Table 5B	\$0	\$0	\$0	\$0	\$0	\$0
3	Reduce Affordability Fee to \$2.50 / SF	Table 5C	\$3	\$3	\$3	\$3	\$3	\$3
4	Affordability Fee of \$5.00 / SF	Table 5D	\$5	\$5	\$5	\$5	\$5	\$5
5	Affordability Fee of \$7.50 / SF	Table 5E	\$8	\$8	\$8	\$8	\$8	\$8
On-Site For-Sale Affordable Units								
6	10% Mod @100% AMI	Table 5F	\$10	\$6	\$11	\$7	\$11	\$7
7	10% Low @80% AMI	Table 5G	\$14	\$12	\$15	\$12	\$15	\$13
8	10% Very Low @50% AMI	Table 5H	\$20	\$20	\$21	\$21	\$21	\$21
9	15% Moderate @ 110% AMI	Table 5I	\$12	\$5	\$13	\$6	\$13	\$6
10	10% Affordable (2% Mod@100% AMI, 4% Low, 4% Very Low)	Table 5J	\$16	\$14	\$17	\$15	\$17	\$15
11	10% Affordable (4% Low, 6% Very Low)	Table 5K	\$18	\$17	\$19	\$17	\$19	\$18
12	10% Affordable (7% Low, 3% Very Low)	Table 5L	\$16	\$15	\$17	\$15	\$17	\$15
13	10% Affordable (5% Low, 5% Very Low)	Table 5M	\$17	\$16	\$18	\$17	\$18	\$17
14	5% Low @80% AMI	Table 5N	\$7	\$6	\$8	\$6	\$8	\$6
15	5% Very Low @50% AMI	Table 5O	\$10	\$10	\$11	\$10	\$11	\$11
16	5% Affordable (2.5% Low, 2.5% Very Low)	Table 5P	\$9	\$8	\$9	\$8	\$9	\$9

Note: Figures are calculated using the pro forma results adjusted to a feasible base case (to avoid understating compliance cost).

Appendix A Table 2B

Equivalent Dollar Per Square Foot Cost of Alternative Requirements: Rental

Feasibility Analysis

Sacramento County AHO Update

Scenario	Appendix A Table	North of I-80	South of I-80 & North of US-50	South of US-50
Equivalent Dollar Per Square Foot Cost				

Fee Scenarios

1	Existing Affordability Fee@\$3.91 / SF	Table 6A	\$4	\$4	\$4
2	Eliminate Affordability Fee	Table 6B	\$0	\$0	\$0
3	Reduce Affordability Fee to \$2.50 / SF	Table 6C	\$3	\$3	\$3
4	Affordability Fee of \$5.00 / SF	Table 6D	\$5	\$5	\$5
5	Affordability Fee of \$7.50 / SF	Table 6E	\$8	\$8	\$8

On-Site Rental Affordable Units

6	10% Low @80% AMI	Table 6F	\$17	\$16	\$16
7	10% Low @70% AMI	Table 6G	\$23	\$21	\$22
8	10% Low @60% AMI	Table 6H	\$28	\$27	\$28
9	10% Very Low @50% AMI	Table 6I	\$34	\$33	\$33
10	10% Extremely Low @30% AMI	Table 6J	\$45	\$44	\$45
11	10% Affordable (4% Low@80% AMI, 6% Very Low)	Table 6K	\$27	\$26	\$27
12	10% Affordable (7% Low@80% AMI, 3% Very Low)	Table 6L	\$22	\$21	\$22
13	10% Affordable (5% Low@80% AMI, 5% Very Low)	Table 6M	\$25	\$24	\$25
14	5% Low@80% AMI	Table 6N	\$8	\$8	\$8
15	5% Very Low @50% AMI	Table 6O	\$17	\$16	\$17
16	5% Affordable (2.5% Low@80%, 2.5% Very Low)	Table 6P	\$13	\$12	\$12

Note: Figures are calculated using the pro forma results adjusted to a feasible base case (to avoid understating compliance cost).

Appendix A Table 3A

Percent Change in Land Cost Sufficient to Offset Incremental Cost of Modified Requirement: For-Sale

Feasibility Analysis

Sacramento County AHO Update

Scenario	Appendix A Table	North of I-80		South of I-80 & North of US-50		South of US-50	
		Single Family		Single Family		Single Family	
		Prototype 1	Prototype 2	Prototype 1	Prototype 2	Prototype 1	Prototype 2

Percent Change in Land Cost Sufficient to Offset Incremental Cost of Modified Requirement: For-Sale

Fee Scenarios

1	Existing Affordability Fee@\$3.91 / SF	Table 5A	0%	0%	0%	0%	0%	0%
2	Eliminate Affordability Fee	Table 5B	5%	5%	5%	5%	5%	5%
3	Reduce Affordability Fee to \$2.50 / SF	Table 5C	2%	2%	2%	2%	2%	2%
4	Affordability Fee of \$5.00 / SF	Table 5D	-1%	-1%	-1%	-1%	-1%	-1%
5	Affordability Fee of \$7.50 / SF	Table 5E	-5%	-4%	-4%	-4%	-5%	-5%

On-Site For-Sale Affordable Units

6	10% Mod @100% AMI	Table 5F	-2%	1%	-9%	-2%	-5%	-3%
7	10% Low @80% AMI	Table 5G	-7%	-6%	-13%	-8%	-10%	-10%
8	10% Very Low @50% AMI	Table 5H	-14%	-16%	-20%	-18%	-17%	-20%
9	15% Moderate @ 110% AMI	Table 5I	-1%	4%	-12%	-1%	-6%	-2%
10	10% Affordable (2% Mod@100% AMI, 4% Low, 4% Very Low)	Table 5J	-9%	-9%	-15%	-11%	-12%	-13%
11	10% Affordable (4% Low, 6% Very Low)	Table 5K	-11%	-12%	-18%	-14%	-14%	-16%
12	10% Affordable (7% Low, 3% Very Low)	Table 5L	-9%	-9%	-15%	-11%	-12%	-13%
13	10% Affordable (5% Low, 5% Very Low)	Table 5M	-10%	-11%	-17%	-13%	-14%	-15%
14	5% Low @80% AMI	Table 5N	-1%	0%	-4%	-2%	-2%	-2%
15	5% Very Low @50% AMI	Table 5O	-4%	-5%	-8%	-7%	-6%	-8%
16	5% Affordable (2.5% Low, 2.5% Very Low)	Table 5P	-3%	-3%	-6%	-4%	-4%	-5%

Appendix A Table 3B

Percent Change in Land Cost Sufficient to Offset Incremental Cost of Modified Requirement: Rental

Feasibility Analysis

Sacramento County AHO Update

Scenario	Appendix A Table	North of I-80	South of I-80 & North of US-50	South of US-50
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Percent Change in Land Cost Sufficient to Offset Incremental Cost of Modified Requirement: Rental

5% On-Site Affordable Units

1	Existing Affordability Fee@\$3.91 / SF	Table 6A	0%	0%	0%
2	Eliminate Affordability Fee	Table 6B	20%	20%	20%
3	Reduce Affordability Fee to \$2.50 / SF	Table 6C	7%	7%	7%
4	Affordability Fee of \$5.00 / SF	Table 6D	-6%	-6%	-6%
5	Affordability Fee of \$7.50 / SF	Table 6E	-18%	-18%	-18%

On-Site Rental Affordable Units

6	10% Low @80% AMI	Table 6F	-11%	-11%	-3%
7	10% Low @70% AMI	Table 6G	-37%	-36%	-28%
8	10% Low @60% AMI	Table 6H	-62%	-62%	-53%
9	10% Very Low @50% AMI	Table 6I	-87%	-79%	-79%
10	10% Extremely Low @30% AMI	Table 6J	-138%	-129%	-121%
11	10% Affordable (4% Low@80% AMI, 6% Very Low)	Table 6K	-62%	-53%	-45%
12	10% Affordable (7% Low@80% AMI, 3% Very Low)	Table 6L	-37%	-28%	-28%
13	10% Affordable (5% Low@80% AMI, 5% Very Low)	Table 6M	-54%	-45%	-36%
14	5% Low@80% AMI	Table 6N	5%	5%	5%
15	5% Very Low @50% AMI	Table 6O	-30%	-29%	-29%
16	5% Affordable (2.5% Low@80%, 2.5% Very Low)	Table 6P	-13%	-12%	-13%

Appendix A Table 4A

Total Fees/Permits/Affordable Housing Costs as % of Total Development Cost of Unit: For-Sale

Feasibility Analysis

Sacramento County AHO Update

Scenario	Appendix A Table	North of I-80	South of I-80 & North of US-50	South of US-50
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Single Family Prototype 1 Single Family Prototype 2 Single Family Prototype 1 Single Family Prototype 2 Single Family Prototype 1 Single Family Prototype 2

Total Fees/Permits/Affordable Housing Costs as % of Total Development Cost of Unit: For-Sale

Fee Scenarios

1	Existing Affordability Fee@\$3.91 / SF	Table 5A	15.3%	17.6%	13.5%	15.9%	17.0%	19.4%
2	Eliminate Affordability Fee	Table 5B	13.9%	16.4%	12.2%	14.7%	15.7%	18.3%
3	Reduce Affordability Fee to \$2.50 / SF	Table 5C	14.8%	17.2%	13.0%	15.5%	16.5%	19.0%
4	Affordability Fee of \$5.00 / SF	Table 5D	15.6%	17.9%	13.9%	16.2%	17.3%	19.7%
5	Affordability Fee of \$7.50 / SF	Table 5E	16.5%	18.6%	14.7%	16.9%	18.1%	20.4%

On-Site For-Sale Affordable Units

6	10% Mod @100% AMI	Table 5F	16.0%	17.6%	16.7%	16.8%	18.7%	20.5%
7	10% Low @80% AMI	Table 5G	17.6%	19.6%	18.1%	18.7%	20.2%	22.4%
8	10% Very Low @50% AMI	Table 5H	19.9%	22.5%	20.4%	21.5%	22.4%	25.2%
9	15% Moderate @ 110% AMI	Table 5I	15.9%	16.7%	17.8%	16.4%	19.1%	20.2%
10	10% Affordable (2% Mod@100% AMI, 4% Low, 4% Very Low)	Table 5J	18.2%	20.3%	18.7%	19.4%	20.8%	23.1%
11	10% Affordable (4% Low, 6% Very Low)	Table 5K	19.0%	21.3%	19.5%	20.4%	21.5%	24.1%
12	10% Affordable (7% Low, 3% Very Low)	Table 5L	18.3%	20.4%	18.8%	19.5%	20.9%	23.2%
13	10% Affordable (5% Low, 5% Very Low)	Table 5M	18.7%	21.0%	19.2%	20.1%	21.3%	23.8%
14	5% Low @80% AMI	Table 5N	15.8%	18.0%	15.2%	16.7%	18.0%	20.3%
15	5% Very Low @50% AMI	Table 5O	16.9%	19.4%	16.3%	18.1%	19.1%	21.7%
16	5% Affordable (2.5% Low, 2.5% Very Low)	Table 5P	16.3%	18.7%	15.7%	17.4%	18.5%	21.0%

Appendix A Table 4A

Total Fees/Permits/Affordable Housing Costs as % of Total Development Cost of Unit: For-Sale

Feasibility Analysis

Sacramento County AHO Update

Scenario	Appendix A Table	North of I-80	South of I-80 & North of US-50	South of US-50
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Single Family Prototype 1 Single Family Prototype 2 Single Family Prototype 1 Single Family Prototype 2 Single Family Prototype 1 Single Family Prototype 2

Affordable Housing Costs as % of Total Development Cost of Unit: For-Sale

Fee Scenarios

1	Existing Affordability Fee@\$3.91 / SF	Table 5A	1.3%	1.2%	1.3%	1.2%	1.3%	1.1%
2	Eliminate Affordability Fee	Table 5B	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3	Reduce Affordability Fee to \$2.50 / SF	Table 5C	0.9%	0.7%	0.8%	0.8%	0.8%	0.7%
4	Affordability Fee of \$5.00 / SF	Table 5D	1.7%	1.5%	1.7%	1.5%	1.6%	1.4%
5	Affordability Fee of \$7.50 / SF	Table 5E	2.5%	2.2%	2.5%	2.2%	2.4%	2.1%

On-Site For-Sale Affordable Units

6	10% Mod @100% AMI	Table 5F	2.1%	1.2%	4.4%	2.1%	3.0%	2.2%
7	10% Low @80% AMI	Table 5G	3.6%	3.1%	5.9%	4.0%	4.5%	4.1%
8	10% Very Low @50% AMI	Table 5H	6.0%	6.0%	8.1%	6.8%	6.7%	6.9%
9	15% Moderate @ 110% AMI	Table 5I	2.0%	0.3%	5.6%	1.7%	3.4%	1.9%
10	10% Affordable (2% Mod@100% AMI, 4% Low, 4% Very Low)	Table 5J	4.3%	3.9%	6.5%	4.7%	5.1%	4.8%
11	10% Affordable (4% Low, 6% Very Low)	Table 5K	5.0%	4.9%	7.3%	5.7%	5.8%	5.8%
12	10% Affordable (7% Low, 3% Very Low)	Table 5L	4.4%	4.0%	6.6%	4.8%	5.2%	5.0%
13	10% Affordable (5% Low, 5% Very Low)	Table 5M	4.8%	4.6%	7.0%	5.4%	5.6%	5.5%
14	5% Low @80% AMI	Table 5N	1.8%	1.6%	3.0%	2.0%	2.2%	2.1%
15	5% Very Low @50% AMI	Table 5O	3.0%	3.0%	4.1%	3.4%	3.4%	3.5%
16	5% Affordable (2.5% Low, 2.5% Very Low)	Table 5P	2.4%	2.3%	3.5%	2.7%	2.8%	2.8%

Appendix A Table 4B

Total Fees/Permits/Affordable Housing Costs as % of Total Development Cost of Unit: Rental

Feasibility Analysis

Sacramento County AHO Update

Scenario	Appendix A Table	North of I-80	South of I-80 & North of US-50	South of US-50
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Total Fees/Permits/Affordable Housing Costs as % of Total Development Cost of Unit: Rental

Fee Scenarios

1	Existing Affordability Fee@\$3.91 / SF	Table 6A	13.7%	11.1%	12.8%
2	Eliminate Affordability Fee	Table 6B	12.8%	10.1%	11.9%
3	Reduce Affordability Fee to \$2.50 / SF	Table 6C	13.4%	10.8%	12.5%
4	Affordability Fee of \$5.00 / SF	Table 6D	14.0%	11.4%	13.1%
5	Affordability Fee of \$7.50 / SF	Table 6E	14.5%	12.0%	13.7%

On-Site Rental Affordable Units

6	10% Low @80% AMI	Table 6F	14.5%	11.8%	13.1%
7	10% Low @70% AMI	Table 6G	15.8%	13.2%	14.5%
8	10% Low @60% AMI	Table 6H	17.2%	14.6%	15.8%
9	10% Very Low @50% AMI	Table 6I	18.5%	15.6%	17.2%
10	10% Extremely Low @30% AMI	Table 6J	21.2%	18.3%	19.5%
11	10% Affordable (4% Low@80% AMI, 6% Very Low)	Table 6K	17.2%	14.2%	15.4%
12	10% Affordable (7% Low@80% AMI, 3% Very Low)	Table 6L	15.8%	12.7%	14.5%
13	10% Affordable (5% Low@80% AMI, 5% Very Low)	Table 6M	16.7%	13.7%	14.9%
14	5% Low@80% AMI	Table 6N	13.6%	11.0%	12.7%
15	5% Very Low @50% AMI	Table 6O	15.5%	12.8%	14.5%
16	5% Affordable (2.5% Low@80%, 2.5% Very Low)	Table 6P	14.5%	11.9%	13.7%

Appendix A Table 4B

Total Fees/Permits/Affordable Housing Costs as % of Total Development Cost of Unit: Rental

Feasibility Analysis

Sacramento County AHO Update

Scenario	Appendix A Table	North of I-80	South of I-80 & North of US-50	South of US-50
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Affordable Housing Costs as % of Total Development Cost of Unit: Rental

Fee Scenarios

1	Existing Affordability Fee@\$3.91 / SF	Table 6A	0.9%	1.0%	0.9%
2	Eliminate Affordability Fee	Table 6B	0.0%	0.0%	0.0%
3	Reduce Affordability Fee to \$2.50 / SF	Table 6C	0.6%	0.6%	0.6%
4	Affordability Fee of \$5.00 / SF	Table 6D	1.2%	1.2%	1.2%
5	Affordability Fee of \$7.50 / SF	Table 6E	1.7%	1.8%	1.8%

On-Site Rental Affordable Units

6	10% Low @80% AMI	Table 6F	1.7%	1.7%	1.2%
7	10% Low @70% AMI	Table 6G	3.0%	3.1%	2.6%
8	10% Low @60% AMI	Table 6H	4.4%	4.5%	3.9%
9	10% Very Low @50% AMI	Table 6I	5.7%	5.4%	5.3%
10	10% Extremely Low @30% AMI	Table 6J	8.4%	8.2%	7.6%
11	10% Affordable (4% Low@80% AMI, 6% Very Low)	Table 6K	4.4%	4.0%	3.5%
12	10% Affordable (7% Low@80% AMI, 3% Very Low)	Table 6L	3.0%	2.6%	2.6%
13	10% Affordable (5% Low@80% AMI, 5% Very Low)	Table 6M	3.9%	3.6%	3.0%
14	5% Low@80% AMI	Table 6N	0.8%	0.9%	0.8%
15	5% Very Low @50% AMI	Table 6O	2.6%	2.7%	2.6%
16	5% Affordable (2.5% Low@80%, 2.5% Very Low)	Table 6P	1.7%	1.8%	1.8%

APPENDIX A - PART B

FOR-SALE PRO FORMA TABLES

Appendix A Table 5A
For-Sale Pro Forma
Feasibility Analysis
Sacramento County AHO Update

Existing Affordability Fee

		North of I-80				South of I-80 & North of US-50				South of US-50			
		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2	
Living Area		2,400 sf		1,600 sf		2,400 sf		1,600 sf		2,400 sf		1,600 sf	
Lot Size		5,500 sf		3,150 sf		5,500 sf		3,150 sf		5,500 sf		3,150 sf	
Average Number of Bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms	
Density		5 du/acre		8 du/acre		5 du/acre		8 du/acre		5 du/acre		8 du/acre	
Sales 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
Market Home Price	100%	\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Very Low@50% AMI	0%	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800
Low@80% AMI	0%	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525
Mod@100% AMI	0%	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650
Mod@110% AMI	0%	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150
Average Gross Sales Price		\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Incentives		(\$10)	(\$25,000)	(\$9)	(\$15,000)	(\$10)	(\$25,000)	(\$9)	(\$15,000)	(\$10)	(\$25,000)	(\$9)	(\$15,000)
Sales and Closing Costs	3.25% sales	(\$8)	(\$20,200)	(\$10)	(\$16,300)	(\$11)	(\$26,000)	(\$11)	(\$17,900)	(\$9)	(\$22,400)	(\$11)	(\$18,200)
Revenue Net of Sales Expenses		\$240	\$574,800	\$293	\$468,700	\$312	\$749,000	\$323	\$517,100	\$268	\$642,600	\$329	\$526,800
Development Cost													
Finished Lot Cost except fees		\$81	\$195,000	\$84	\$135,000	\$90	\$215,000	\$92	\$147,000	\$81	\$195,000	\$84	\$135,000
Direct House Costs		\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000
Fees & Permits except hsg	Appendix Table A-15	\$37	\$87,700	\$48	\$77,200	\$33	\$80,200	\$44	\$70,400	\$43	\$102,200	\$56	\$88,900
Affordability Fee	\$3.91 /SF	\$4	\$9,400	\$4	\$6,300	\$4	\$9,400	\$4	\$6,300	\$4	\$9,400	\$4	\$6,300
Warranty	1% sales	\$3	\$6,200	\$3	\$5,000	\$3	\$8,000	\$3	\$5,500	\$3	\$6,900	\$4	\$5,600
Marketing	1.5% sales	\$4	\$9,300	\$5	\$7,500	\$5	\$12,000	\$5	\$8,300	\$4	\$10,400	\$5	\$8,400
Other Indirects	5% directs	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200
Financing / cost of capital		\$15	\$36,200	\$17	\$27,000	\$16	\$37,800	\$17	\$27,500	\$16	\$37,400	\$17	\$27,900
Builder Overhead/G&A	5% sales	\$13	\$31,000	\$16	\$25,000	\$17	\$40,000	\$17	\$27,500	\$14	\$34,500	\$18	\$28,000
Total Development Cost		\$266	\$639,400	\$298	\$476,200	\$278	\$667,000	\$304	\$485,700	\$275	\$660,400	\$308	\$493,300
Net Sales Revenue		\$240	\$574,800	\$293	\$468,700	\$312	\$749,000	\$323	\$517,100	\$268	\$642,600	\$329	\$526,800
<Less> Development Costs		(\$266)	(\$639,400)	(\$298)	(\$476,200)	(\$278)	(\$667,000)	(\$304)	(\$485,700)	(\$275)	(\$660,400)	(\$308)	(\$493,300)
<Less> Net Builder Profit	8% sales	(\$21)	(\$49,600)	(\$25)	(\$40,000)	(\$27)	(\$64,000)	(\$28)	(\$44,000)	(\$23)	(\$55,200)	(\$28)	(\$44,800)
Surplus / (Gap)		(\$48)	(\$114,200)	(\$30)	(\$47,500)	\$8	\$18,000	(\$8)	(\$12,600)	(\$30)	(\$73,000)	(\$7)	(\$11,300)
Surplus / (Gap) %Total Dev Cost + profit			-16.6%		-9.2%		2.5%		-2.4%		-10.2%		-2.1%
Feasibility Finding		Infeasible / Challenged		Infeasible / Challenged		Feasible		Feasible		Infeasible / Challenged		Feasible	

Appendix A Table 5B
For-Sale Pro Forma
Feasibility Analysis
Sacramento County AHO Update

No Affordability Fee

		North of I-80				South of I-80 & North of US-50				South of US-50			
		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2	
Living Area		2,400 sf		1,600 sf		2,400 sf		1,600 sf		2,400 sf		1,600 sf	
Lot Size		5,500 sf		3,150 sf		5,500 sf		3,150 sf		5,500 sf		3,150 sf	
Average Number of Bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms	
Density		5 du/acre		8 du/acre		5 du/acre		8 du/acre		5 du/acre		8 du/acre	
Sales 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
Market Home Price	100%	\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Very Low@50% AMI	0%	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800
Low@80% AMI	0%	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525
Mod@100% AMI	0%	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650
Mod@110% AMI	0%	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150
Average Gross Sales Price		\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Incentives		(\$10)	(\$25,000)	(\$9)	(\$15,000)	(\$10)	(\$25,000)	(\$9)	(\$15,000)	(\$10)	(\$25,000)	(\$9)	(\$15,000)
Sales and Closing Costs	3.25% sales	(\$8)	(\$20,200)	(\$10)	(\$16,300)	(\$11)	(\$26,000)	(\$11)	(\$17,900)	(\$9)	(\$22,400)	(\$11)	(\$18,200)
Revenue Net of Sales Expenses		\$240	\$574,800	\$293	\$468,700	\$312	\$749,000	\$323	\$517,100	\$268	\$642,600	\$329	\$526,800
Development Cost													
Finished Lot Cost except fees		\$81	\$195,000	\$84	\$135,000	\$90	\$215,000	\$92	\$147,000	\$81	\$195,000	\$84	\$135,000
Direct House Costs		\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000
Fees & Permits except hsg	Appendix Table A-15	\$37	\$87,700	\$48	\$77,200	\$33	\$80,200	\$44	\$70,400	\$43	\$102,200	\$56	\$88,900
Affordability Fee	\$0.00 /SF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Warranty	1% sales	\$3	\$6,200	\$3	\$5,000	\$3	\$8,000	\$3	\$5,500	\$3	\$6,900	\$4	\$5,600
Marketing	1.5% sales	\$4	\$9,300	\$5	\$7,500	\$5	\$12,000	\$5	\$8,300	\$4	\$10,400	\$5	\$8,400
Other Indirects	5% direct	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200
Financing / cost of capital		\$15	\$35,600	\$17	\$26,600	\$16	\$37,200	\$17	\$27,100	\$15	\$36,800	\$17	\$27,500
Builder Overhead/G&A	5% sales	\$13	\$31,000	\$16	\$25,000	\$17	\$40,000	\$17	\$27,500	\$14	\$34,500	\$18	\$28,000
Total Development Cost		\$262	\$629,400	\$293	\$469,500	\$274	\$657,000	\$299	\$479,000	\$271	\$650,400	\$304	\$486,600
Net Sales Revenue		\$240	\$574,800	\$293	\$468,700	\$312	\$749,000	\$323	\$517,100	\$268	\$642,600	\$329	\$526,800
<Less> Development Costs		(\$262)	(\$629,400)	(\$293)	(\$469,500)	(\$274)	(\$657,000)	(\$299)	(\$479,000)	(\$271)	(\$650,400)	(\$304)	(\$486,600)
<Less> Net Builder Profit	8% sales	(\$21)	(\$49,600)	(\$25)	(\$40,000)	(\$27)	(\$64,000)	(\$28)	(\$44,000)	(\$23)	(\$55,200)	(\$28)	(\$44,800)
Surplus / (Gap)		(\$43)	(\$104,200)	(\$26)	(\$40,800)	\$12	\$28,000	(\$4)	(\$5,900)	(\$26)	(\$63,000)	(\$3)	(\$4,600)
Surplus / (Gap) %Total Dev Cost + profit			-15.3%		-8.0%		3.9%		-1.1%		-8.9%		-0.9%
Feasibility Finding		Infeasible / Challenged		Infeasible / Challenged		Feasible		Feasible		Infeasible / Challenged		Feasible	

Appendix A Table 5C
For-Sale Pro Forma
Feasibility Analysis
Sacramento County AHO Update

\$2.50 / SF Affordability Fee

		North of I-80				South of I-80 & North of US-50				South of US-50			
		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2	
Living Area		2,400 sf		1,600 sf		2,400 sf		1,600 sf		2,400 sf		1,600 sf	
Lot Size		5,500 sf		3,150 sf		5,500 sf		3,150 sf		5,500 sf		3,150 sf	
Average Number of Bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms	
Density		5 du/acre		8 du/acre		5 du/acre		8 du/acre		5 du/acre		8 du/acre	
Sales 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
Market Home Price	100%	\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Very Low@50% AMI	0%	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800
Low@80% AMI	0%	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525
Mod@100% AMI	0%	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650
Mod@110% AMI	0%	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150
Average Gross Sales Price		\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Incentives		(\$10)	(\$25,000)	(\$9)	(\$15,000)	(\$10)	(\$25,000)	(\$9)	(\$15,000)	(\$10)	(\$25,000)	(\$9)	(\$15,000)
Sales and Closing Costs	3.25% sales	(\$8)	(\$20,200)	(\$10)	(\$16,300)	(\$11)	(\$26,000)	(\$11)	(\$17,900)	(\$9)	(\$22,400)	(\$11)	(\$18,200)
Revenue Net of Sales Expenses		\$240	\$574,800	\$293	\$468,700	\$312	\$749,000	\$323	\$517,100	\$268	\$642,600	\$329	\$526,800
Development Cost													
Finished Lot Cost except fees		\$81	\$195,000	\$84	\$135,000	\$90	\$215,000	\$92	\$147,000	\$81	\$195,000	\$84	\$135,000
Direct House Costs		\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000
Fees & Permits except hsg	Appendix Table A-15	\$37	\$87,700	\$48	\$77,200	\$33	\$80,200	\$44	\$70,400	\$43	\$102,200	\$56	\$88,900
Affordability Fee	\$2.50 /SF	\$3	\$6,000	\$3	\$4,000	\$3	\$6,000	\$3	\$4,000	\$3	\$6,000	\$3	\$4,000
Warranty	1% sales	\$3	\$6,200	\$3	\$5,000	\$3	\$8,000	\$3	\$5,500	\$3	\$6,900	\$4	\$5,600
Marketing	1.5% sales	\$4	\$9,300	\$5	\$7,500	\$5	\$12,000	\$5	\$8,300	\$4	\$10,400	\$5	\$8,400
Other Indirects	5% directs	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200
Financing / cost of capital		\$15	\$36,000	\$17	\$26,800	\$16	\$37,500	\$17	\$27,400	\$16	\$37,200	\$17	\$27,800
Builder Overhead/G&A	5% sales	\$13	\$31,000	\$16	\$25,000	\$17	\$40,000	\$17	\$27,500	\$14	\$34,500	\$18	\$28,000
Total Development Cost		\$265	\$635,800	\$296	\$473,700	\$276	\$663,300	\$302	\$483,300	\$274	\$656,800	\$307	\$490,900
Net Sales Revenue		\$240	\$574,800	\$293	\$468,700	\$312	\$749,000	\$323	\$517,100	\$268	\$642,600	\$329	\$526,800
<Less> Development Costs		(\$265)	(\$635,800)	(\$296)	(\$473,700)	(\$276)	(\$663,300)	(\$302)	(\$483,300)	(\$274)	(\$656,800)	(\$307)	(\$490,900)
<Less> Net Builder Profit	8% sales	(\$21)	(\$49,600)	(\$25)	(\$40,000)	(\$27)	(\$64,000)	(\$28)	(\$44,000)	(\$23)	(\$55,200)	(\$28)	(\$44,800)
Surplus / (Gap)		(\$46)	(\$110,600)	(\$28)	(\$45,000)	\$9	\$21,700	(\$6)	(\$10,200)	(\$29)	(\$69,400)	(\$6)	(\$8,900)
Surplus / (Gap) %Total Dev Cost + profit			-16.1%		-8.8%		3.0%		-1.9%		-9.7%		-1.7%
Feasibility Finding		Infeasible / Challenged		Infeasible / Challenged		Feasible		Feasible		Infeasible / Challenged		Feasible	

Appendix A Table 5D
For-Sale Pro Forma
Feasibility Analysis
Sacramento County AHO Update

\$5 / SF Affordability Fee

		North of I-80				South of I-80 & North of US-50				South of US-50			
		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2	
Living Area		2,400 sf		1,600 sf		2,400 sf		1,600 sf		2,400 sf		1,600 sf	
Lot Size		5,500 sf		3,150 sf		5,500 sf		3,150 sf		5,500 sf		3,150 sf	
Average Number of Bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms	
Density		5 du/acre		8 du/acre		5 du/acre		8 du/acre		5 du/acre		8 du/acre	
Sales 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
Market Home Price	100%	\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Very Low@50% AMI	0%	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800
Low@80% AMI	0%	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525
Mod@100% AMI	0%	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650
Mod@110% AMI	0%	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150
Average Gross Sales Price		\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Incentives		(\$10)	(\$25,000)	(\$9)	(\$15,000)	(\$10)	(\$25,000)	(\$9)	(\$15,000)	(\$10)	(\$25,000)	(\$9)	(\$15,000)
Sales and Closing Costs	3.25% sales	(\$8)	(\$20,200)	(\$10)	(\$16,300)	(\$11)	(\$26,000)	(\$11)	(\$17,900)	(\$9)	(\$22,400)	(\$11)	(\$18,200)
Revenue Net of Sales Expenses		\$240	\$574,800	\$293	\$468,700	\$312	\$749,000	\$323	\$517,100	\$268	\$642,600	\$329	\$526,800
Development Cost													
Finished Lot Cost except fees		\$81	\$195,000	\$84	\$135,000	\$90	\$215,000	\$92	\$147,000	\$81	\$195,000	\$84	\$135,000
Direct House Costs		\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000
Fees & Permits except hsg	Appendix Table A-15	\$37	\$87,700	\$48	\$77,200	\$33	\$80,200	\$44	\$70,400	\$43	\$102,200	\$56	\$88,900
Affordability Fee	\$5.00 /SF	\$5	\$12,000	\$5	\$8,000	\$5	\$12,000	\$5	\$8,000	\$5	\$12,000	\$5	\$8,000
Warranty	1% sales	\$3	\$6,200	\$3	\$5,000	\$3	\$8,000	\$3	\$5,500	\$3	\$6,900	\$4	\$5,600
Marketing	1.5% sales	\$4	\$9,300	\$5	\$7,500	\$5	\$12,000	\$5	\$8,300	\$4	\$10,400	\$5	\$8,400
Other Indirects	5% directs	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200
Financing / cost of capital		\$15	\$36,300	\$17	\$27,100	\$16	\$37,900	\$17	\$27,600	\$16	\$37,500	\$18	\$28,000
Builder Overhead/G&A	5% sales	\$13	\$31,000	\$16	\$25,000	\$17	\$40,000	\$17	\$27,500	\$14	\$34,500	\$18	\$28,000
Total Development Cost		\$268	\$642,100	\$299	\$478,000	\$279	\$669,700	\$305	\$487,500	\$276	\$663,100	\$309	\$495,100
Net Sales Revenue		\$240	\$574,800	\$293	\$468,700	\$312	\$749,000	\$323	\$517,100	\$268	\$642,600	\$329	\$526,800
<Less> Development Costs		(\$268)	(\$642,100)	(\$299)	(\$478,000)	(\$279)	(\$669,700)	(\$305)	(\$487,500)	(\$276)	(\$663,100)	(\$309)	(\$495,100)
<Less> Net Builder Profit	8% sales	(\$21)	(\$49,600)	(\$25)	(\$40,000)	(\$27)	(\$64,000)	(\$28)	(\$44,000)	(\$23)	(\$55,200)	(\$28)	(\$44,800)
Surplus / (Gap)		(\$49)	(\$116,900)	(\$31)	(\$49,300)	\$6	\$15,300	(\$9)	(\$14,400)	(\$32)	(\$75,700)	(\$8)	(\$13,100)
Surplus / (Gap) %Total Dev Cost + profit			-16.9%		-9.5%		2.1%		-2.7%		-10.5%		-2.4%
Feasibility Finding		Infeasible / Challenged		Infeasible / Challenged		Feasible		Feasible		Infeasible / Challenged		Feasible	

Appendix A Table 5E
For-Sale Pro Forma
Feasibility Analysis
Sacramento County AHO Update

\$7.50 / SF Affordability Fee

		North of I-80				South of I-80 & North of US-50				South of US-50			
		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2	
Living Area		2,400 sf		1,600 sf		2,400 sf		1,600 sf		2,400 sf		1,600 sf	
Lot Size		5,500 sf		3,150 sf		5,500 sf		3,150 sf		5,500 sf		3,150 sf	
Average Number of Bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms	
Density		5 du/acre		8 du/acre		5 du/acre		8 du/acre		5 du/acre		8 du/acre	
Sales 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
Market Home Price	100%	\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Very Low@50% AMI	0%	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800
Low@80% AMI	0%	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525
Mod@100% AMI	0%	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650
Mod@110% AMI	0%	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150
Average Gross Sales Price		\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Incentives		(\$10)	(\$25,000)	(\$9)	(\$15,000)	(\$10)	(\$25,000)	(\$9)	(\$15,000)	(\$10)	(\$25,000)	(\$9)	(\$15,000)
Sales and Closing Costs	3.25% sales	(\$8)	(\$20,200)	(\$10)	(\$16,300)	(\$11)	(\$26,000)	(\$11)	(\$17,900)	(\$9)	(\$22,400)	(\$11)	(\$18,200)
Revenue Net of Sales Expenses		\$240	\$574,800	\$293	\$468,700	\$312	\$749,000	\$323	\$517,100	\$268	\$642,600	\$329	\$526,800
Development Cost													
Finished Lot Cost except fees		\$81	\$195,000	\$84	\$135,000	\$90	\$215,000	\$92	\$147,000	\$81	\$195,000	\$84	\$135,000
Direct House Costs		\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000
Fees & Permits except hsg	Appendix Table A-15	\$37	\$87,700	\$48	\$77,200	\$33	\$80,200	\$44	\$70,400	\$43	\$102,200	\$56	\$88,900
Affordability Fee	\$7.50 /SF	\$8	\$18,000	\$8	\$12,000	\$8	\$18,000	\$8	\$12,000	\$8	\$18,000	\$8	\$12,000
Warranty	1% sales	\$3	\$6,200	\$3	\$5,000	\$3	\$8,000	\$3	\$5,500	\$3	\$6,900	\$4	\$5,600
Marketing	1.5% sales	\$4	\$9,300	\$5	\$7,500	\$5	\$12,000	\$5	\$8,300	\$4	\$10,400	\$5	\$8,400
Other Indirects	5% directs	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200
Financing / cost of capital		\$15	\$36,700	\$17	\$27,300	\$16	\$38,300	\$17	\$27,800	\$16	\$37,900	\$18	\$28,300
Builder Overhead/G&A	5% sales	\$13	\$31,000	\$16	\$25,000	\$17	\$40,000	\$17	\$27,500	\$14	\$34,500	\$18	\$28,000
Total Development Cost		\$270	\$648,500	\$301	\$482,200	\$282	\$676,100	\$307	\$491,700	\$279	\$669,500	\$312	\$499,400
Net Sales Revenue		\$240	\$574,800	\$293	\$468,700	\$312	\$749,000	\$323	\$517,100	\$268	\$642,600	\$329	\$526,800
<Less> Development Costs		(\$270)	(\$648,500)	(\$301)	(\$482,200)	(\$282)	(\$676,100)	(\$307)	(\$491,700)	(\$279)	(\$669,500)	(\$312)	(\$499,400)
<Less> Net Builder Profit	8% sales	(\$21)	(\$49,600)	(\$25)	(\$40,000)	(\$27)	(\$64,000)	(\$28)	(\$44,000)	(\$23)	(\$55,200)	(\$28)	(\$44,800)
Surplus / (Gap)		(\$51)	(\$123,300)	(\$33)	(\$53,500)	\$4	\$8,900	(\$12)	(\$18,600)	(\$34)	(\$82,100)	(\$11)	(\$17,400)
Surplus / (Gap) %Total Dev Cost + profit			-17.7%		-10.2%		1.2%		-3.5%		-11.3%		-3.2%
Feasibility Finding		Infeasible / Challenged		Infeasible / Challenged		Feasible		Marginal Feasibility		Infeasible / Challenged		Marginal Feasibility	

Appendix A Table 5F
For-Sale Pro Forma
Feasibility Analysis
Sacramento County AHO Update

10% at Median Income

		North of I-80				South of I-80 & North of US-50				South of US-50			
		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2	
Living Area		2,400 sf		1,600 sf		2,400 sf		1,600 sf		2,400 sf		1,600 sf	
Lot Size		5,500 sf		3,150 sf		5,500 sf		3,150 sf		5,500 sf		3,150 sf	
Average Number of Bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms	
Density		5 du/acre		8 du/acre		5 du/acre		8 du/acre		5 du/acre		8 du/acre	
Sales 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
Market Home Price	90%	\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Very Low@50% AMI	0%	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800
Low@80% AMI	0%	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525
Mod@100% AMI	10%	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650
Mod@110% AMI	0%	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150
Average Gross Sales Price		\$251	\$602,190	\$308	\$492,165	\$318	\$764,190	\$336	\$537,165	\$277	\$665,190	\$341	\$546,165
Incentives		(\$9)	(\$22,500)	(\$8)	(\$13,500)	(\$9)	(\$22,500)	(\$8)	(\$13,500)	(\$9)	(\$22,500)	(\$8)	(\$13,500)
Sales and Closing Costs	3.25% sales	(\$8)	(\$19,600)	(\$10)	(\$16,000)	(\$10)	(\$24,800)	(\$11)	(\$17,500)	(\$9)	(\$21,600)	(\$11)	(\$17,800)
Revenue Net of Sales Expenses		\$233	\$560,090	\$289	\$462,665	\$299	\$716,890	\$316	\$506,165	\$259	\$621,090	\$322	\$514,865
Development Cost													
Finished Lot Cost except fees		\$81	\$195,000	\$84	\$135,000	\$90	\$215,000	\$92	\$147,000	\$81	\$195,000	\$84	\$135,000
Direct House Costs		\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000
Fees & Permits except hsg	Appendix Table A-15	\$37	\$87,700	\$48	\$77,200	\$33	\$80,200	\$44	\$70,400	\$43	\$102,200	\$56	\$88,900
Affordability Fee	\$0.00 /SF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Warranty	1% sales	\$3	\$6,200	\$3	\$5,000	\$3	\$8,000	\$3	\$5,500	\$3	\$6,900	\$4	\$5,600
Marketing	1.5% sales	\$4	\$9,300	\$5	\$7,500	\$5	\$12,000	\$5	\$8,300	\$4	\$10,400	\$5	\$8,400
Other Indirects	5% direct	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200
Financing / cost of capital		\$15	\$35,600	\$17	\$26,600	\$16	\$37,200	\$17	\$27,100	\$15	\$36,800	\$17	\$27,500
Builder Overhead/G&A	5% sales	\$13	\$31,000	\$16	\$25,000	\$17	\$40,000	\$17	\$27,500	\$14	\$34,500	\$18	\$28,000
Total Development Cost		\$262	\$629,400	\$293	\$469,500	\$274	\$657,000	\$299	\$479,000	\$271	\$650,400	\$304	\$486,600
Net Sales Revenue		\$233	\$560,090	\$289	\$462,665	\$299	\$716,890	\$316	\$506,165	\$259	\$621,090	\$322	\$514,865
<Less> Development Costs		(\$262)	(\$629,400)	(\$293)	(\$469,500)	(\$274)	(\$657,000)	(\$299)	(\$479,000)	(\$271)	(\$650,400)	(\$304)	(\$486,600)
<Less> Net Builder Profit	8% sales	(\$20)	(\$48,175)	(\$25)	(\$39,373)	(\$25)	(\$61,135)	(\$27)	(\$42,973)	(\$22)	(\$53,215)	(\$27)	(\$43,693)
Surplus / (Gap)		(\$49)	(\$117,500)	(\$29)	(\$46,200)	(\$1)	(\$1,200)	(\$10)	(\$15,800)	(\$34)	(\$82,500)	(\$10)	(\$15,400)
Surplus / (Gap) %Total Dev Cost + profit			-17.3%		-9.1%		-0.2%		-3.0%		-11.7%		-2.9%
Feasibility Finding		Infeasible / Challenged		Infeasible / Challenged		Feasible		Marginal Feasibility		Infeasible / Challenged		Feasible	

Appendix A Table 5G
For-Sale Pro Forma
Feasibility Analysis
Sacramento County AHO Update

10% Low

		North of I-80				South of I-80 & North of US-50				South of US-50			
		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2	
Living Area		2,400 sf		1,600 sf		2,400 sf		1,600 sf		2,400 sf		1,600 sf	
Lot Size		5,500 sf		3,150 sf		5,500 sf		3,150 sf		5,500 sf		3,150 sf	
Average Number of Bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms	
Density		5 du/acre		8 du/acre		5 du/acre		8 du/acre		5 du/acre		8 du/acre	
Sales 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
Market Home Price	90%	\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Very Low@50% AMI	0%	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800
Low@80% AMI	10%	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525
Mod@100% AMI	0%	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650
Mod@110% AMI	0%	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150
Average Gross Sales Price		\$246	\$591,270	\$301	\$481,853	\$314	\$753,270	\$329	\$526,853	\$273	\$654,270	\$335	\$535,853
Incentives		(\$9)	(\$22,500)	(\$8)	(\$13,500)	(\$9)	(\$22,500)	(\$8)	(\$13,500)	(\$9)	(\$22,500)	(\$8)	(\$13,500)
Sales and Closing Costs	3.25% sales	(\$8)	(\$19,200)	(\$10)	(\$15,700)	(\$10)	(\$24,500)	(\$11)	(\$17,100)	(\$9)	(\$21,300)	(\$11)	(\$17,400)
Revenue Net of Sales Expenses		\$229	\$549,570	\$283	\$452,653	\$294	\$706,270	\$310	\$496,253	\$254	\$610,470	\$316	\$504,953
Development Cost													
Finished Lot Cost except fees		\$81	\$195,000	\$84	\$135,000	\$90	\$215,000	\$92	\$147,000	\$81	\$195,000	\$84	\$135,000
Direct House Costs		\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000
Fees & Permits except hsg	Appendix Table A-15	\$37	\$87,700	\$48	\$77,200	\$33	\$80,200	\$44	\$70,400	\$43	\$102,200	\$56	\$88,900
Affordability Fee	\$0.00 /SF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Warranty	1% sales	\$3	\$6,200	\$3	\$5,000	\$3	\$8,000	\$3	\$5,500	\$3	\$6,900	\$4	\$5,600
Marketing	1.5% sales	\$4	\$9,300	\$5	\$7,500	\$5	\$12,000	\$5	\$8,300	\$4	\$10,400	\$5	\$8,400
Other Indirects	5% direct	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200
Financing / cost of capital		\$15	\$35,600	\$17	\$26,600	\$16	\$37,200	\$17	\$27,100	\$15	\$36,800	\$17	\$27,500
Builder Overhead/G&A	5% sales	\$13	\$31,000	\$16	\$25,000	\$17	\$40,000	\$17	\$27,500	\$14	\$34,500	\$18	\$28,000
Total Development Cost		\$262	\$629,400	\$293	\$469,500	\$274	\$657,000	\$299	\$479,000	\$271	\$650,400	\$304	\$486,600
Net Sales Revenue		\$229	\$549,570	\$283	\$452,653	\$294	\$706,270	\$310	\$496,253	\$254	\$610,470	\$316	\$504,953
<Less> Development Costs		(\$262)	(\$629,400)	(\$293)	(\$469,500)	(\$274)	(\$657,000)	(\$299)	(\$479,000)	(\$271)	(\$650,400)	(\$304)	(\$486,600)
<Less> Net Builder Profit	8% sales	(\$20)	(\$47,302)	(\$24)	(\$38,548)	(\$25)	(\$60,262)	(\$26)	(\$42,148)	(\$22)	(\$52,342)	(\$27)	(\$42,868)
Surplus / (Gap)		(\$53)	(\$127,100)	(\$35)	(\$55,400)	(\$5)	(\$11,000)	(\$16)	(\$24,900)	(\$38)	(\$92,300)	(\$15)	(\$24,500)
Surplus / (Gap) %Total Dev Cost + profit			-18.8%		-10.9%		-1.5%		-4.8%		-13.1%		-4.6%
Feasibility Finding		Infeasible / Challenged		Infeasible / Challenged		Feasible		Marginal Feasibility		Infeasible / Challenged		Marginal Feasibility	

Appendix A Table 5H
For-Sale Pro Forma
Feasibility Analysis
Sacramento County AHO Update

10% Very Low

		North of I-80				South of I-80 & North of US-50				South of US-50			
		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2	
Living Area		2,400 sf		1,600 sf		2,400 sf		1,600 sf		2,400 sf		1,600 sf	
Lot Size		5,500 sf		3,150 sf		5,500 sf		3,150 sf		5,500 sf		3,150 sf	
Average Number of Bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms	
Density		5 du/acre		8 du/acre		5 du/acre		8 du/acre		5 du/acre		8 du/acre	
Sales 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
Market Home Price	90%	\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Very Low@50% AMI	10%	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800
Low@80% AMI	0%	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525
Mod@100% AMI	0%	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650
Mod@110% AMI	0%	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150
Average Gross Sales Price		\$240	\$574,890	\$291	\$466,380	\$307	\$736,890	\$320	\$511,380	\$266	\$637,890	\$325	\$520,380
Incentives		(\$9)	(\$22,500)	(\$8)	(\$13,500)	(\$9)	(\$22,500)	(\$8)	(\$13,500)	(\$9)	(\$22,500)	(\$8)	(\$13,500)
Sales and Closing Costs	3.25% sales	(\$8)	(\$18,700)	(\$10)	(\$15,200)	(\$10)	(\$23,900)	(\$10)	(\$16,600)	(\$9)	(\$20,700)	(\$11)	(\$16,900)
Revenue Net of Sales Expenses		\$222	\$533,690	\$274	\$437,680	\$288	\$690,490	\$301	\$481,280	\$248	\$594,690	\$306	\$489,980
Development Cost													
Finished Lot Cost except fees		\$81	\$195,000	\$84	\$135,000	\$90	\$215,000	\$92	\$147,000	\$81	\$195,000	\$84	\$135,000
Direct House Costs		\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000
Fees & Permits except hsg	Appendix Table A-15	\$37	\$87,700	\$48	\$77,200	\$33	\$80,200	\$44	\$70,400	\$43	\$102,200	\$56	\$88,900
Affordability Fee	\$0.00 /SF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Warranty	1% sales	\$3	\$6,200	\$3	\$5,000	\$3	\$8,000	\$3	\$5,500	\$3	\$6,900	\$4	\$5,600
Marketing	1.5% sales	\$4	\$9,300	\$5	\$7,500	\$5	\$12,000	\$5	\$8,300	\$4	\$10,400	\$5	\$8,400
Other Indirects	5% direct	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200
Financing / cost of capital		\$15	\$35,600	\$17	\$26,600	\$16	\$37,200	\$17	\$27,100	\$15	\$36,800	\$17	\$27,500
Builder Overhead/G&A	5% sales	\$13	\$31,000	\$16	\$25,000	\$17	\$40,000	\$17	\$27,500	\$14	\$34,500	\$18	\$28,000
Total Development Cost		\$262	\$629,400	\$293	\$469,500	\$274	\$657,000	\$299	\$479,000	\$271	\$650,400	\$304	\$486,600
Net Sales Revenue		\$222	\$533,690	\$274	\$437,680	\$288	\$690,490	\$301	\$481,280	\$248	\$594,690	\$306	\$489,980
<Less> Development Costs		(\$262)	(\$629,400)	(\$293)	(\$469,500)	(\$274)	(\$657,000)	(\$299)	(\$479,000)	(\$271)	(\$650,400)	(\$304)	(\$486,600)
<Less> Net Builder Profit	8% sales	(\$19)	(\$45,991)	(\$23)	(\$37,310)	(\$25)	(\$58,951)	(\$26)	(\$40,910)	(\$21)	(\$51,031)	(\$26)	(\$41,630)
Surplus / (Gap)		(\$59)	(\$141,700)	(\$43)	(\$69,100)	(\$11)	(\$25,500)	(\$24)	(\$38,600)	(\$44)	(\$106,700)	(\$24)	(\$38,300)
Surplus / (Gap) %Total Dev Cost + profit			-21.0%		-13.6%		-3.6%		-7.4%		-15.2%		-7.3%
Feasibility Finding		Infeasible / Challenged		Infeasible / Challenged		Marginal Feasibility		Infeasible / Challenged		Infeasible / Challenged		Infeasible / Challenged	

Appendix A Table 5I
For-Sale Pro Forma
Feasibility Analysis
Sacramento County AHO Update

15% Moderate at 110% AMI

		North of I-80				South of I-80 & North of US-50				South of US-50			
		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2	
Living Area		2,400 sf		1,600 sf		2,400 sf		1,600 sf		2,400 sf		1,600 sf	
Lot Size		5,500 sf		3,150 sf		5,500 sf		3,150 sf		5,500 sf		3,150 sf	
Average Number of Bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms	
Density		5 du/acre		8 du/acre		5 du/acre		8 du/acre		5 du/acre		8 du/acre	
Sales 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
Market Home Price	85%	\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Very Low@50% AMI	0%	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800
Low@80% AMI	0%	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525
Mod@100% AMI	0%	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650
Mod@110% AMI	15%	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150
Average Gross Sales Price		\$251	\$601,460	\$310	\$495,973	\$314	\$754,460	\$337	\$538,473	\$275	\$660,960	\$342	\$546,973
Incentives		(\$9)	(\$21,250)	(\$8)	(\$12,750)	(\$9)	(\$21,250)	(\$8)	(\$12,750)	(\$9)	(\$21,250)	(\$8)	(\$12,750)
Sales and Closing Costs	3.25% sales	(\$8)	(\$19,500)	(\$10)	(\$16,100)	(\$10)	(\$24,500)	(\$11)	(\$17,500)	(\$9)	(\$21,500)	(\$11)	(\$17,800)
Revenue Net of Sales Expenses		\$234	\$560,710	\$292	\$467,123	\$295	\$708,710	\$318	\$508,223	\$258	\$618,210	\$323	\$516,423
Development Cost													
Finished Lot Cost except fees		\$81	\$195,000	\$84	\$135,000	\$90	\$215,000	\$92	\$147,000	\$81	\$195,000	\$84	\$135,000
Direct House Costs		\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000
Fees & Permits except hsg	Appendix Table A-15	\$37	\$87,700	\$48	\$77,200	\$33	\$80,200	\$44	\$70,400	\$43	\$102,200	\$56	\$88,900
Affordability Fee	\$0.00 /SF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Warranty	1% sales	\$3	\$6,200	\$3	\$5,000	\$3	\$8,000	\$3	\$5,500	\$3	\$6,900	\$4	\$5,600
Marketing	1.5% sales	\$4	\$9,300	\$5	\$7,500	\$5	\$12,000	\$5	\$8,300	\$4	\$10,400	\$5	\$8,400
Other Indirects	5% direct	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200
Financing / cost of capital		\$15	\$35,600	\$17	\$26,600	\$16	\$37,200	\$17	\$27,100	\$15	\$36,800	\$17	\$27,500
Builder Overhead/G&A	5% sales	\$13	\$31,000	\$16	\$25,000	\$17	\$40,000	\$17	\$27,500	\$14	\$34,500	\$18	\$28,000
Total Development Cost		\$262	\$629,400	\$293	\$469,500	\$274	\$657,000	\$299	\$479,000	\$271	\$650,400	\$304	\$486,600
Net Sales Revenue		\$234	\$560,710	\$292	\$467,123	\$295	\$708,710	\$318	\$508,223	\$258	\$618,210	\$323	\$516,423
<Less> Development Costs		(\$262)	(\$629,400)	(\$293)	(\$469,500)	(\$274)	(\$657,000)	(\$299)	(\$479,000)	(\$271)	(\$650,400)	(\$304)	(\$486,600)
<Less> Net Builder Profit	8% sales	(\$20)	(\$48,117)	(\$25)	(\$39,678)	(\$25)	(\$60,357)	(\$27)	(\$43,078)	(\$22)	(\$52,877)	(\$27)	(\$43,758)
Surplus / (Gap)		(\$49)	(\$116,800)	(\$26)	(\$42,100)	(\$4)	(\$8,600)	(\$9)	(\$13,900)	(\$35)	(\$85,100)	(\$9)	(\$13,900)
Surplus / (Gap) %Total Dev Cost + profit			-17.2%		-8.3%		-1.2%		-2.7%		-12.1%		-2.6%
Feasibility Finding		Infeasible / Challenged		Infeasible / Challenged		Feasible		Feasible		Infeasible / Challenged		Feasible	

Appendix A Table 5J
For-Sale Pro Forma
Feasibility Analysis
Sacramento County AHO Update

10% Affordable (2% Mod@100% AMI, 4% Low, 4% Very Low)

		North of I-80				South of I-80 & North of US-50				South of US-50			
		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2	
Living Area		2,400 sf		1,600 sf		2,400 sf		1,600 sf		2,400 sf		1,600 sf	
Lot Size		5,500 sf		3,150 sf		5,500 sf		3,150 sf		5,500 sf		3,150 sf	
Average Number of Bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms	
Density		5 du/acre		8 du/acre		5 du/acre		8 du/acre		5 du/acre		8 du/acre	
Sales 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
Market Home Price	90%	\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Very Low@50% AMI	4%	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800
Low@80% AMI	4%	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525
Mod@100% AMI	2%	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650
Mod@110% AMI	0%	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150
Average Gross Sales Price		\$245	\$586,902	\$299	\$477,726	\$312	\$748,902	\$327	\$522,726	\$271	\$649,902	\$332	\$531,726
Incentives		(\$9)	(\$22,500)	(\$8)	(\$13,500)	(\$9)	(\$22,500)	(\$8)	(\$13,500)	(\$9)	(\$22,500)	(\$8)	(\$13,500)
Sales and Closing Costs	3.25% sales	(\$8)	(\$19,100)	(\$10)	(\$15,500)	(\$10)	(\$24,300)	(\$11)	(\$17,000)	(\$9)	(\$21,100)	(\$11)	(\$17,300)
Revenue Net of Sales Expenses		\$227	\$545,302	\$280	\$448,726	\$293	\$702,102	\$308	\$492,226	\$253	\$606,302	\$313	\$500,926
Development Cost													
Finished Lot Cost except fees		\$81	\$195,000	\$84	\$135,000	\$90	\$215,000	\$92	\$147,000	\$81	\$195,000	\$84	\$135,000
Direct House Costs		\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000
Fees & Permits except hsg	Appendix Table A-15	\$37	\$87,700	\$48	\$77,200	\$33	\$80,200	\$44	\$70,400	\$43	\$102,200	\$56	\$88,900
Affordability Fee	\$0.00 /SF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Warranty	1% sales	\$3	\$6,200	\$3	\$5,000	\$3	\$8,000	\$3	\$5,500	\$3	\$6,900	\$4	\$5,600
Marketing	1.5% sales	\$4	\$9,300	\$5	\$7,500	\$5	\$12,000	\$5	\$8,300	\$4	\$10,400	\$5	\$8,400
Other Indirects	5% directs	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200
Financing / cost of capital		\$15	\$35,600	\$17	\$26,600	\$16	\$37,200	\$17	\$27,100	\$15	\$36,800	\$17	\$27,500
Builder Overhead/G&A	5% sales	\$13	\$31,000	\$16	\$25,000	\$17	\$40,000	\$17	\$27,500	\$14	\$34,500	\$18	\$28,000
Total Development Cost		\$262	\$629,400	\$293	\$469,500	\$274	\$657,000	\$299	\$479,000	\$271	\$650,400	\$304	\$486,600
Net Sales Revenue		\$227	\$545,302	\$280	\$448,726	\$293	\$702,102	\$308	\$492,226	\$253	\$606,302	\$313	\$500,926
<Less> Development Costs		(\$262)	(\$629,400)	(\$293)	(\$469,500)	(\$274)	(\$657,000)	(\$299)	(\$479,000)	(\$271)	(\$650,400)	(\$304)	(\$486,600)
<Less> Net Builder Profit	8% sales	(\$20)	(\$46,952)	(\$24)	(\$38,218)	(\$25)	(\$59,912)	(\$26)	(\$41,818)	(\$22)	(\$51,992)	(\$27)	(\$42,538)
Surplus / (Gap)		(\$55)	(\$131,100)	(\$37)	(\$59,000)	(\$6)	(\$14,800)	(\$18)	(\$28,600)	(\$40)	(\$96,100)	(\$18)	(\$28,200)
Surplus / (Gap) %Total Dev Cost + profit			-19.4%		-11.6%		-2.1%		-5.5%		-13.7%		-5.3%
Feasibility Finding		Infeasible / Challenged		Infeasible / Challenged		Feasible		Marginal Feasibility		Infeasible / Challenged		Marginal Feasibility	

Appendix A Table 5K
For-Sale Pro Forma
Feasibility Analysis
Sacramento County AHO Update

10% Affordable (4% Low, 6% Very Low)

		North of I-80				South of I-80 & North of US-50				South of US-50			
		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2	
Living Area		2,400 sf		1,600 sf		2,400 sf		1,600 sf		2,400 sf		1,600 sf	
Lot Size		5,500 sf		3,150 sf		5,500 sf		3,150 sf		5,500 sf		3,150 sf	
Average Number of Bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms	
Density		5 du/acre		8 du/acre		5 du/acre		8 du/acre		5 du/acre		8 du/acre	
Sales 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
Market Home Price	90%	\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Very Low@50% AMI	6%	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800
Low@80% AMI	4%	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525
Mod@100% AMI	0%	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650
Mod@110% AMI	0%	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150
Average Gross Sales Price		\$242	\$581,442	\$295	\$472,569	\$310	\$743,442	\$323	\$517,569	\$269	\$644,442	\$329	\$526,569
Incentives		(\$9)	(\$22,500)	(\$8)	(\$13,500)	(\$9)	(\$22,500)	(\$8)	(\$13,500)	(\$9)	(\$22,500)	(\$8)	(\$13,500)
Sales and Closing Costs	3.25% sales	(\$8)	(\$18,900)	(\$10)	(\$15,400)	(\$10)	(\$24,200)	(\$11)	(\$16,800)	(\$9)	(\$20,900)	(\$11)	(\$17,100)
Revenue Net of Sales Expenses		\$225	\$540,042	\$277	\$443,669	\$290	\$696,742	\$305	\$487,269	\$250	\$601,042	\$310	\$495,969
Development Cost													
Finished Lot Cost except fees		\$81	\$195,000	\$84	\$135,000	\$90	\$215,000	\$92	\$147,000	\$81	\$195,000	\$84	\$135,000
Direct House Costs		\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000
Fees & Permits except hsg	Appendix Table A-15	\$37	\$87,700	\$48	\$77,200	\$33	\$80,200	\$44	\$70,400	\$43	\$102,200	\$56	\$88,900
Affordability Fee	\$0.00 /SF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Warranty	1% sales	\$3	\$6,200	\$3	\$5,000	\$3	\$8,000	\$3	\$5,500	\$3	\$6,900	\$4	\$5,600
Marketing	1.5% sales	\$4	\$9,300	\$5	\$7,500	\$5	\$12,000	\$5	\$8,300	\$4	\$10,400	\$5	\$8,400
Other Indirects	5% direct	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200
Financing / cost of capital		\$15	\$35,600	\$17	\$26,600	\$16	\$37,200	\$17	\$27,100	\$15	\$36,800	\$17	\$27,500
Builder Overhead/G&A	5% sales	\$13	\$31,000	\$16	\$25,000	\$17	\$40,000	\$17	\$27,500	\$14	\$34,500	\$18	\$28,000
Total Development Cost		\$262	\$629,400	\$293	\$469,500	\$274	\$657,000	\$299	\$479,000	\$271	\$650,400	\$304	\$486,600
Net Sales Revenue		\$225	\$540,042	\$277	\$443,669	\$290	\$696,742	\$305	\$487,269	\$250	\$601,042	\$310	\$495,969
<Less> Development Costs		(\$262)	(\$629,400)	(\$293)	(\$469,500)	(\$274)	(\$657,000)	(\$299)	(\$479,000)	(\$271)	(\$650,400)	(\$304)	(\$486,600)
<Less> Net Builder Profit	8% sales	(\$19)	(\$46,515)	(\$24)	(\$37,806)	(\$25)	(\$59,475)	(\$26)	(\$41,406)	(\$21)	(\$51,555)	(\$26)	(\$42,126)
Surplus / (Gap)		(\$57)	(\$135,900)	(\$40)	(\$63,600)	(\$8)	(\$19,700)	(\$21)	(\$33,100)	(\$42)	(\$100,900)	(\$21)	(\$32,800)
Surplus / (Gap) %Total Dev Cost + profit			-20.1%		-12.5%		-2.7%		-6.4%		-14.4%		-6.2%
Feasibility Finding		Infeasible / Challenged		Infeasible / Challenged		Feasible		Marginal Feasibility		Infeasible / Challenged		Marginal Feasibility	

Appendix A Table 5L
For-Sale Pro Forma
Feasibility Analysis
Sacramento County AHO Update

10% Affordable (7% Low, 3% Very Low)

		North of I-80				South of I-80 & North of US-50				South of US-50			
		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2	
Living Area		2,400 sf		1,600 sf		2,400 sf		1,600 sf		2,400 sf		1,600 sf	
Lot Size		5,500 sf		3,150 sf		5,500 sf		3,150 sf		5,500 sf		3,150 sf	
Average Number of Bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms	
Density		5 du/acre		8 du/acre		5 du/acre		8 du/acre		5 du/acre		8 du/acre	
Sales 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
Market Home Price	90%	\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Very Low@50% AMI	3%	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800
Low@80% AMI	7%	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525
Mod@100% AMI	0%	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650
Mod@110% AMI	0%	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150
Average Gross Sales Price		\$244	\$586,356	\$298	\$477,211	\$312	\$748,356	\$326	\$522,211	\$271	\$649,356	\$332	\$531,211
Incentives		(\$9)	(\$22,500)	(\$8)	(\$13,500)	(\$9)	(\$22,500)	(\$8)	(\$13,500)	(\$9)	(\$22,500)	(\$8)	(\$13,500)
Sales and Closing Costs	3.25% sales	(\$8)	(\$19,100)	(\$10)	(\$15,500)	(\$10)	(\$24,300)	(\$11)	(\$17,000)	(\$9)	(\$21,100)	(\$11)	(\$17,300)
Revenue Net of Sales Expenses		\$227	\$544,756	\$280	\$448,211	\$292	\$701,556	\$307	\$491,711	\$252	\$605,756	\$313	\$500,411
Development Cost													
Finished Lot Cost except fees		\$81	\$195,000	\$84	\$135,000	\$90	\$215,000	\$92	\$147,000	\$81	\$195,000	\$84	\$135,000
Direct House Costs		\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000
Fees & Permits except hsg	Appendix Table A-15	\$37	\$87,700	\$48	\$77,200	\$33	\$80,200	\$44	\$70,400	\$43	\$102,200	\$56	\$88,900
Affordability Fee	\$0.00 /SF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Warranty	1% sales	\$3	\$6,200	\$3	\$5,000	\$3	\$8,000	\$3	\$5,500	\$3	\$6,900	\$4	\$5,600
Marketing	1.5% sales	\$4	\$9,300	\$5	\$7,500	\$5	\$12,000	\$5	\$8,300	\$4	\$10,400	\$5	\$8,400
Other Indirects	5% directs	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200
Financing / cost of capital		\$15	\$35,600	\$17	\$26,600	\$16	\$37,200	\$17	\$27,100	\$15	\$36,800	\$17	\$27,500
Builder Overhead/G&A	5% sales	\$13	\$31,000	\$16	\$25,000	\$17	\$40,000	\$17	\$27,500	\$14	\$34,500	\$18	\$28,000
Total Development Cost		\$262	\$629,400	\$293	\$469,500	\$274	\$657,000	\$299	\$479,000	\$271	\$650,400	\$304	\$486,600
Net Sales Revenue		\$227	\$544,756	\$280	\$448,211	\$292	\$701,556	\$307	\$491,711	\$252	\$605,756	\$313	\$500,411
<Less> Development Costs		(\$262)	(\$629,400)	(\$293)	(\$469,500)	(\$274)	(\$657,000)	(\$299)	(\$479,000)	(\$271)	(\$650,400)	(\$304)	(\$486,600)
<Less> Net Builder Profit	8% sales	(\$20)	(\$46,908)	(\$24)	(\$38,177)	(\$25)	(\$59,868)	(\$26)	(\$41,777)	(\$22)	(\$51,948)	(\$27)	(\$42,497)
Surplus / (Gap)		(\$55)	(\$131,600)	(\$37)	(\$59,500)	(\$6)	(\$15,300)	(\$18)	(\$29,100)	(\$40)	(\$96,600)	(\$18)	(\$28,700)
Surplus / (Gap) %Total Dev Cost + profit			-19.5%		-11.7%		-2.1%		-5.6%		-13.8%		-5.4%
Feasibility Finding		Infeasible / Challenged		Infeasible / Challenged		Feasible		Marginal Feasibility		Infeasible / Challenged		Marginal Feasibility	

Appendix A Table 5M
For-Sale Pro Forma
Feasibility Analysis
Sacramento County AHO Update

10% Affordable (5% Low, 5% Very Low)

		North of I-80				South of I-80 & North of US-50				South of US-50			
		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2	
Living Area		2,400 sf		1,600 sf		2,400 sf		1,600 sf		2,400 sf		1,600 sf	
Lot Size		5,500 sf		3,150 sf		5,500 sf		3,150 sf		5,500 sf		3,150 sf	
Average Number of Bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms	
Density		5 du/acre		8 du/acre		5 du/acre		8 du/acre		5 du/acre		8 du/acre	
Sales 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
Market Home Price	90%	\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Very Low@50% AMI	5%	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800
Low@80% AMI	5%	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525
Mod@100% AMI	0%	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650
Mod@110% AMI	0%	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150
Average Gross Sales Price		\$243	\$583,080	\$296	\$474,116	\$310	\$745,080	\$324	\$519,116	\$269	\$646,080	\$330	\$528,116
Incentives		(\$9)	(\$22,500)	(\$8)	(\$13,500)	(\$9)	(\$22,500)	(\$8)	(\$13,500)	(\$9)	(\$22,500)	(\$8)	(\$13,500)
Sales and Closing Costs	3.25% sales	(\$8)	(\$19,000)	(\$10)	(\$15,400)	(\$10)	(\$24,200)	(\$11)	(\$16,900)	(\$9)	(\$21,000)	(\$11)	(\$17,200)
Revenue Net of Sales Expenses		\$226	\$541,580	\$278	\$445,216	\$291	\$698,380	\$305	\$488,716	\$251	\$602,580	\$311	\$497,416
Development Cost													
Finished Lot Cost except fees		\$81	\$195,000	\$84	\$135,000	\$90	\$215,000	\$92	\$147,000	\$81	\$195,000	\$84	\$135,000
Direct House Costs		\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000
Fees & Permits except hsg	Appendix Table A-15	\$37	\$87,700	\$48	\$77,200	\$33	\$80,200	\$44	\$70,400	\$43	\$102,200	\$56	\$88,900
Affordability Fee	\$0.00 /SF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Warranty	1% sales	\$3	\$6,200	\$3	\$5,000	\$3	\$8,000	\$3	\$5,500	\$3	\$6,900	\$4	\$5,600
Marketing	1.5% sales	\$4	\$9,300	\$5	\$7,500	\$5	\$12,000	\$5	\$8,300	\$4	\$10,400	\$5	\$8,400
Other Indirects	5% directs	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200
Financing / cost of capital		\$15	\$35,600	\$17	\$26,600	\$16	\$37,200	\$17	\$27,100	\$15	\$36,800	\$17	\$27,500
Builder Overhead/G&A	5% sales	\$13	\$31,000	\$16	\$25,000	\$17	\$40,000	\$17	\$27,500	\$14	\$34,500	\$18	\$28,000
Total Development Cost		\$262	\$629,400	\$293	\$469,500	\$274	\$657,000	\$299	\$479,000	\$271	\$650,400	\$304	\$486,600
Net Sales Revenue		\$226	\$541,580	\$278	\$445,216	\$291	\$698,380	\$305	\$488,716	\$251	\$602,580	\$311	\$497,416
<Less> Development Costs		(\$262)	(\$629,400)	(\$293)	(\$469,500)	(\$274)	(\$657,000)	(\$299)	(\$479,000)	(\$271)	(\$650,400)	(\$304)	(\$486,600)
<Less> Net Builder Profit	8% sales	(\$19)	(\$46,646)	(\$24)	(\$37,929)	(\$25)	(\$59,606)	(\$26)	(\$41,529)	(\$22)	(\$51,686)	(\$26)	(\$42,249)
Surplus / (Gap)		(\$56)	(\$134,500)	(\$39)	(\$62,200)	(\$8)	(\$18,200)	(\$20)	(\$31,800)	(\$41)	(\$99,500)	(\$20)	(\$31,400)
Surplus / (Gap) %Total Dev Cost + profit			-19.9%		-12.3%		-2.5%		-6.1%		-14.2%		-5.9%
Feasibility Finding		Infeasible / Challenged		Infeasible / Challenged		Feasible		Marginal Feasibility		Infeasible / Challenged		Marginal Feasibility	

Appendix A Table 5N
For-Sale Pro Forma
Feasibility Analysis
Sacramento County AHO Update

5% Low @80% AMI

		North of I-80				South of I-80 & North of US-50				South of US-50			
		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2	
Living Area		2,400 sf		1,600 sf		2,400 sf		1,600 sf		2,400 sf		1,600 sf	
Lot Size		5,500 sf		3,150 sf		5,500 sf		3,150 sf		5,500 sf		3,150 sf	
Average Number of Bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms	
Density		5 du/acre		8 du/acre		5 du/acre		8 du/acre		5 du/acre		8 du/acre	
Sales 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
Market Home Price	95%	\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Very Low@50% AMI	0%	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800
Low@80% AMI	5%	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525
Mod@100% AMI	0%	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650
Mod@110% AMI	0%	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150
Average Gross Sales Price		\$252	\$605,635	\$307	\$490,926	\$324	\$776,635	\$337	\$538,426	\$280	\$672,135	\$342	\$547,926
Incentives		(\$10)	(\$23,750)	(\$9)	(\$14,250)	(\$10)	(\$23,750)	(\$9)	(\$14,250)	(\$10)	(\$23,750)	(\$9)	(\$14,250)
Sales and Closing Costs	3.25% sales	(\$8)	(\$19,700)	(\$10)	(\$16,000)	(\$11)	(\$25,200)	(\$11)	(\$17,500)	(\$9)	(\$21,800)	(\$11)	(\$17,800)
Revenue Net of Sales Expenses		\$234	\$562,185	\$288	\$460,676	\$303	\$727,685	\$317	\$506,676	\$261	\$626,585	\$322	\$515,876
Development Cost													
Finished Lot Cost except fees		\$81	\$195,000	\$84	\$135,000	\$90	\$215,000	\$92	\$147,000	\$81	\$195,000	\$84	\$135,000
Direct House Costs		\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000
Fees & Permits except hsg	Appendix Table A-15	\$37	\$87,700	\$48	\$77,200	\$33	\$80,200	\$44	\$70,400	\$43	\$102,200	\$56	\$88,900
Affordability Fee	\$0.00 /SF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Warranty	1% sales	\$3	\$6,200	\$3	\$5,000	\$3	\$8,000	\$3	\$5,500	\$3	\$6,900	\$4	\$5,600
Marketing	1.5% sales	\$4	\$9,300	\$5	\$7,500	\$5	\$12,000	\$5	\$8,300	\$4	\$10,400	\$5	\$8,400
Other Indirects	5% direct	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200
Financing / cost of capital		\$15	\$35,600	\$17	\$26,600	\$16	\$37,200	\$17	\$27,100	\$15	\$36,800	\$17	\$27,500
Builder Overhead/G&A	5% sales	\$13	\$31,000	\$16	\$25,000	\$17	\$40,000	\$17	\$27,500	\$14	\$34,500	\$18	\$28,000
Total Development Cost		\$262	\$629,400	\$293	\$469,500	\$274	\$657,000	\$299	\$479,000	\$271	\$650,400	\$304	\$486,600
Net Sales Revenue		\$234	\$562,185	\$288	\$460,676	\$303	\$727,685	\$317	\$506,676	\$261	\$626,585	\$322	\$515,876
<Less> Development Costs		(\$262)	(\$629,400)	(\$293)	(\$469,500)	(\$274)	(\$657,000)	(\$299)	(\$479,000)	(\$271)	(\$650,400)	(\$304)	(\$486,600)
<Less> Net Builder Profit	8% sales	(\$20)	(\$48,451)	(\$25)	(\$39,274)	(\$26)	(\$62,131)	(\$27)	(\$43,074)	(\$22)	(\$53,771)	(\$27)	(\$43,834)
Surplus / (Gap)		(\$48)	(\$115,700)	(\$30)	(\$48,100)	\$4	\$8,600	(\$10)	(\$15,400)	(\$32)	(\$77,600)	(\$9)	(\$14,600)
Surplus / (Gap) %Total Dev Cost + profit			-17.1%		-9.5%		1.2%		-2.9%		-11.0%		-2.8%
Feasibility Finding		Infeasible / Challenged		Infeasible / Challenged		Feasible		Feasible		Infeasible / Challenged		Feasible	

Appendix A Table 50
For-Sale Pro Forma
Feasibility Analysis
Sacramento County AHO Update

5% Very Low

		North of I-80				South of I-80 & North of US-50				South of US-50			
		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2	
Living Area		2,400 sf		1,600 sf		2,400 sf		1,600 sf		2,400 sf		1,600 sf	
Lot Size		5,500 sf		3,150 sf		5,500 sf		3,150 sf		5,500 sf		3,150 sf	
Average Number of Bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms	
Density		5 du/acre		8 du/acre		5 du/acre		8 du/acre		5 du/acre		8 du/acre	
Sales 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
Market Home Price	95%	\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Very Low@50% AMI	5%	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800
Low@80% AMI	0%	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525
Mod@100% AMI	0%	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650
Mod@110% AMI	0%	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150
Average Gross Sales Price		\$249	\$597,445	\$302	\$483,190	\$320	\$768,445	\$332	\$530,690	\$277	\$663,945	\$338	\$540,190
Incentives		(\$10)	(\$23,750)	(\$9)	(\$14,250)	(\$10)	(\$23,750)	(\$9)	(\$14,250)	(\$10)	(\$23,750)	(\$9)	(\$14,250)
Sales and Closing Costs	3.25% sales	(\$8)	(\$19,400)	(\$10)	(\$15,700)	(\$10)	(\$25,000)	(\$11)	(\$17,200)	(\$9)	(\$21,600)	(\$11)	(\$17,600)
Revenue Net of Sales Expenses		\$231	\$554,295	\$283	\$453,240	\$300	\$719,695	\$312	\$499,240	\$258	\$618,595	\$318	\$508,340
Development Cost													
Finished Lot Cost except fees		\$81	\$195,000	\$84	\$135,000	\$90	\$215,000	\$92	\$147,000	\$81	\$195,000	\$84	\$135,000
Direct House Costs		\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000
Fees & Permits except hsg	Appendix Table A-15	\$37	\$87,700	\$48	\$77,200	\$33	\$80,200	\$44	\$70,400	\$43	\$102,200	\$56	\$88,900
Affordability Fee	\$0.00 /SF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Warranty	1% sales	\$3	\$6,200	\$3	\$5,000	\$3	\$8,000	\$3	\$5,500	\$3	\$6,900	\$4	\$5,600
Marketing	1.5% sales	\$4	\$9,300	\$5	\$7,500	\$5	\$12,000	\$5	\$8,300	\$4	\$10,400	\$5	\$8,400
Other Indirects	5% directs	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200
Financing / cost of capital		\$15	\$35,600	\$17	\$26,600	\$16	\$37,200	\$17	\$27,100	\$15	\$36,800	\$17	\$27,500
Builder Overhead/G&A	5% sales	\$13	\$31,000	\$16	\$25,000	\$17	\$40,000	\$17	\$27,500	\$14	\$34,500	\$18	\$28,000
Total Development Cost		\$262	\$629,400	\$293	\$469,500	\$274	\$657,000	\$299	\$479,000	\$271	\$650,400	\$304	\$486,600
Net Sales Revenue		\$231	\$554,295	\$283	\$453,240	\$300	\$719,695	\$312	\$499,240	\$258	\$618,595	\$318	\$508,340
<Less> Development Costs		(\$262)	(\$629,400)	(\$293)	(\$469,500)	(\$274)	(\$657,000)	(\$299)	(\$479,000)	(\$271)	(\$650,400)	(\$304)	(\$486,600)
<Less> Net Builder Profit	8% sales	(\$20)	(\$47,796)	(\$24)	(\$38,655)	(\$26)	(\$61,476)	(\$27)	(\$42,455)	(\$22)	(\$53,116)	(\$27)	(\$43,215)
Surplus / (Gap)		(\$51)	(\$122,900)	(\$34)	(\$54,900)	\$1	\$1,200	(\$14)	(\$22,200)	(\$35)	(\$84,900)	(\$13)	(\$21,500)
Surplus / (Gap) %Total Dev Cost + profit			-18.1%		-10.8%		0.2%		-4.3%		-12.1%		-4.1%
Feasibility Finding		Infeasible / Challenged		Infeasible / Challenged		Feasible		Marginal Feasibility		Infeasible / Challenged		Marginal Feasibility	

Appendix A Table 5P
For-Sale Pro Forma
Feasibility Analysis
Sacramento County AHO Update

5% Affordable (2.5% Low, 2.5% Very Low)

		North of I-80				South of I-80 & North of US-50				South of US-50			
		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2		Single Family, Prototype 1		Single Family, Prototype 2	
Living Area		2,400 sf		1,600 sf		2,400 sf		1,600 sf		2,400 sf		1,600 sf	
Lot Size		5,500 sf		3,150 sf		5,500 sf		3,150 sf		5,500 sf		3,150 sf	
Average Number of Bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms		4.0 bedrooms		3.3 bedrooms	
Density		5 du/acre		8 du/acre		5 du/acre		8 du/acre		5 du/acre		8 du/acre	
Sales 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
Market Home Price	95%	\$258	\$620,000	\$313	\$500,000	\$333	\$800,000	\$344	\$550,000	\$288	\$690,000	\$350	\$560,000
Very Low@50% AMI	2.5%	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800	\$70	\$168,900	\$102	\$163,800
Low@80% AMI	2.5%	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525	\$139	\$332,700	\$199	\$318,525
Mod@100% AMI	0%	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650	\$184	\$441,900	\$264	\$421,650
Mod@110% AMI	0%	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150	\$207	\$496,400	\$296	\$473,150
Average Gross Sales Price		\$251	\$601,540	\$304	\$487,058	\$322	\$772,540	\$334	\$534,558	\$278	\$668,040	\$340	\$544,058
Incentives		(\$10)	(\$23,750)	(\$9)	(\$14,250)	(\$10)	(\$23,750)	(\$9)	(\$14,250)	(\$10)	(\$23,750)	(\$9)	(\$14,250)
Sales and Closing Costs	3.25% sales	(\$8)	(\$19,600)	(\$10)	(\$15,800)	(\$10)	(\$25,100)	(\$11)	(\$17,400)	(\$9)	(\$21,700)	(\$11)	(\$17,700)
Revenue Net of Sales Expenses		\$233	\$558,190	\$286	\$457,008	\$302	\$723,690	\$314	\$502,908	\$259	\$622,590	\$320	\$512,108
Development Cost													
Finished Lot Cost except fees		\$81	\$195,000	\$84	\$135,000	\$90	\$215,000	\$92	\$147,000	\$81	\$195,000	\$84	\$135,000
Direct House Costs		\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000	\$105	\$252,000	\$115	\$184,000
Fees & Permits except hsg	Appendix Table A-15	\$37	\$87,700	\$48	\$77,200	\$33	\$80,200	\$44	\$70,400	\$43	\$102,200	\$56	\$88,900
Affordability Fee	\$0.00 /SF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Warranty	1% sales	\$3	\$6,200	\$3	\$5,000	\$3	\$8,000	\$3	\$5,500	\$3	\$6,900	\$4	\$5,600
Marketing	1.5% sales	\$4	\$9,300	\$5	\$7,500	\$5	\$12,000	\$5	\$8,300	\$4	\$10,400	\$5	\$8,400
Other Indirects	5% direct	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200	\$5	\$12,600	\$6	\$9,200
Financing / cost of capital		\$15	\$35,600	\$17	\$26,600	\$16	\$37,200	\$17	\$27,100	\$15	\$36,800	\$17	\$27,500
Builder Overhead/G&A	5% sales	\$13	\$31,000	\$16	\$25,000	\$17	\$40,000	\$17	\$27,500	\$14	\$34,500	\$18	\$28,000
Total Development Cost		\$262	\$629,400	\$293	\$469,500	\$274	\$657,000	\$299	\$479,000	\$271	\$650,400	\$304	\$486,600
Net Sales Revenue		\$233	\$558,190	\$286	\$457,008	\$302	\$723,690	\$314	\$502,908	\$259	\$622,590	\$320	\$512,108
<Less> Development Costs		(\$262)	(\$629,400)	(\$293)	(\$469,500)	(\$274)	(\$657,000)	(\$299)	(\$479,000)	(\$271)	(\$650,400)	(\$304)	(\$486,600)
<Less> Net Builder Profit	8% sales	(\$20)	(\$48,123)	(\$24)	(\$38,965)	(\$26)	(\$61,803)	(\$27)	(\$42,765)	(\$22)	(\$53,443)	(\$27)	(\$43,525)
Surplus / (Gap)		(\$50)	(\$119,300)	(\$32)	(\$51,500)	\$2	\$4,900	(\$12)	(\$18,900)	(\$34)	(\$81,300)	(\$11)	(\$18,000)
Surplus / (Gap) %Total Dev Cost + profit			-17.6%		-10.1%		0.7%		-3.6%		-11.6%		-3.4%
Feasibility Finding		Infeasible / Challenged		Infeasible / Challenged		Feasible		Marginal Feasibility		Infeasible / Challenged		Marginal Feasibility	

APPENDIX A - PART C

RENTAL PRO FORMA TABLES

Appendix A Table 6A

Rental Pro Forma

Feasibility Analysis

Sacramento County AHO Update

Existing Affordability Fee

	North of I-80			South of I-80 & North of US-50			South of US-50		
Average Unit Size	950 sf/unit			950 sf/unit			950 sf/unit		
Average No. of Bedrooms	1.69 br/unit			1.69 br/unit			1.69 br/unit		
Residential Density	27 units/acre			27 units/acre			27 units/acre		
Parking Type	surface / carports			surface / carports			surface / carports		
Parking Ratio	1.5 sp/unit			1.5 sp/unit			1.5 sp/unit		
Building type	3-story wood frame			3-story wood frame			3-story wood frame		
<u>Rents</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>
Market Rate	\$2,400	\$2.53	100%	\$2,340	\$2.46	100%	\$2,270	\$2.39	100%
Very Low Inc. (50% AMI)	\$1,302	\$1.37	0%	\$1,302	\$1.37	0%	\$1,302	\$1.37	0%
Low Income (60% AMI)	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%
Low Income (70% AMI)	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%
Low Income (80% AMI)	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>
Weighted Average	\$2,400	\$2.53	100%	\$2,340	\$2.46	100%	\$2,270	\$2.39	100%
<u>Operating Income</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>
Gross Rent	\$28,800	\$30	93%	\$28,080	\$30	93%	\$27,240	\$29	93%
Other/Pkg Income	\$2,100	\$2	7%	\$2,100	\$2	7%	\$2,100	\$2	7%
(Less) Vacancy/Bad Debt	<u>(\$1,545)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,509)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,467)</u>	<u>(\$2)</u>	<u>-5%</u>
Effective Gross Income	\$29,355	\$31	95%	\$28,671	\$30	95%	\$27,873	\$29	95%
(Less) Property Tax	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>
(Less) OPEX	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-26%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-26%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-27%</u>
Total NOI	\$17,555	\$18	57%	\$16,871	\$18	56%	\$16,073	\$17	55%
<i>Threshold Return on Cost</i>	6.75%			6.75%			6.75%		
Supported Investment	\$260,100	\$274		\$249,900	\$263		\$238,100	\$251	
<u>Development Costs</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>
Site Acquisition Cost	\$20,000	\$21	9%	\$20,000	\$21	9%	\$20,000	\$21	9%
Directs (incl. sitework)	\$232,200	\$244	100%	\$232,200	\$244	100%	\$232,200	\$244	100%
Contingency	\$11,600	\$12	5%	\$11,600	\$12	5%	\$11,600	\$12	5%
Fees & Permits, except housing	\$48,000	\$51	21%	\$36,700	\$39	16%	\$44,100	\$46	19%
Affordability Fee	\$3,700	\$4	2%	\$3,700	\$4	2%	\$3,700	\$4	2%
A&E/Taxes/Ins./other indirects	\$25,500	\$27	11%	\$25,500	\$27	11%	\$25,500	\$27	11%
Overhead/Admin	\$9,300	\$10	4%	\$9,300	\$10	4%	\$9,300	\$10	4%
Financing / Cost of Capital	<u>\$28,400</u>	<u>\$30</u>	<u>12%</u>	<u>\$27,500</u>	<u>\$29</u>	<u>12%</u>	<u>\$28,100</u>	<u>\$30</u>	<u>12%</u>
Total Costs	\$378,700	\$399	163%	\$366,500	\$386	158%	\$374,500	\$394	161%
<u>Surplus / (Gap)</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>
	(\$118,600)	(\$125)	-31%	(\$116,600)	(\$123)	-32%	(\$136,400)	(\$144)	-36%
Yield on Cost	4.64%			4.60%			4.29%		
Feasibility Finding	Infeasible / Challenged			Infeasible / Challenged			Infeasible / Challenged		

Appendix A Table 6B
Rental Pro Forma
Feasibility Analysis
Sacramento County AHO Update
No Affordability Fee

	North of I-80			South of I-80 & North of US-50			South of US-50		
Average Unit Size	950 sf/unit			950 sf/unit			950 sf/unit		
Average No. of Bedrooms	1.69 br/unit			1.69 br/unit			1.69 br/unit		
Residential Density	27 units/acre			27 units/acre			27 units/acre		
Parking Type	surface / carports			surface / carports			surface / carports		
Parking Ratio	1.5 sp/unit			1.5 sp/unit			1.5 sp/unit		
Building type	3-story wood frame			3-story wood frame			3-story wood frame		
<u>Rents</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>
Market Rate	\$2,400	\$2.53	100%	\$2,340	\$2.46	100%	\$2,270	\$2.39	100%
Very Low Inc. (50% AMI)	\$1,302	\$1.37	0%	\$1,302	\$1.37	0%	\$1,302	\$1.37	0%
Low Income (60% AMI)	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%
Low Income (70% AMI)	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%
Low Income (80% AMI)	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>
Weighted Average	\$2,400	\$2.53	100%	\$2,340	\$2.46	100%	\$2,270	\$2.39	100%
<u>Operating Income</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>
Gross Rent	\$28,800	\$30	93%	\$28,080	\$30	93%	\$27,240	\$29	93%
Other/Pkg Income	\$2,100	\$2	7%	\$2,100	\$2	7%	\$2,100	\$2	7%
(Less) Vacancy/Bad Debt	<u>(\$1,545)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,509)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,467)</u>	<u>(\$2)</u>	<u>-5%</u>
Effective Gross Income	\$29,355	\$31	95%	\$28,671	\$30	95%	\$27,873	\$29	95%
(Less) Property Tax	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>
(Less) OPEX	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-26%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-26%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-27%</u>
Total NOI	\$17,555	\$18	57%	\$16,871	\$18	56%	\$16,073	\$17	55%
<i>Threshold Return on Cost</i>	6.75%			6.75%			6.75%		
Supported Investment	\$260,100	\$274		\$249,900	\$263		\$238,100	\$251	
<u>Development Costs</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>
Site Acquisition Cost	\$20,000	\$21	9%	\$20,000	\$21	9%	\$20,000	\$21	9%
Directs (incl. sitework)	\$232,200	\$244	100%	\$232,200	\$244	100%	\$232,200	\$244	100%
Contingency	\$11,600	\$12	5%	\$11,600	\$12	5%	\$11,600	\$12	5%
Fees & Permits, except housing	\$48,000	\$51	21%	\$36,700	\$39	16%	\$44,100	\$46	19%
Affordability Fee	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
A&E/Taxes/Ins./other indirects	\$25,500	\$27	11%	\$25,500	\$27	11%	\$25,500	\$27	11%
Overhead/Admin	\$9,300	\$10	4%	\$9,300	\$10	4%	\$9,300	\$10	4%
Financing / Cost of Capital	<u>\$28,100</u>	<u>\$30</u>	<u>12%</u>	<u>\$27,200</u>	<u>\$29</u>	<u>12%</u>	<u>\$27,800</u>	<u>\$29</u>	<u>12%</u>
Total Costs	\$374,700	\$394	161%	\$362,500	\$382	156%	\$370,500	\$390	160%
<u>Surplus / (Gap)</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>
	(\$114,600)	(\$121)	-31%	(\$112,600)	(\$119)	-31%	(\$132,400)	(\$139)	-36%
Yield on Cost	4.69%			4.65%			4.34%		
Feasibility Finding	Infeasible / Challenged			Infeasible / Challenged			Infeasible / Challenged		

Appendix A Table 6C
Rental Pro Forma
Feasibility Analysis
Sacramento County AHO Update
\$2.50 Affordability Fee

	North of I-80			South of I-80 & North of US-50			South of US-50		
Average Unit Size	950 sf/unit			950 sf/unit			950 sf/unit		
Average No. of Bedrooms	1.69 br/unit			1.69 br/unit			1.69 br/unit		
Residential Density	27 units/acre			27 units/acre			27 units/acre		
Parking Type	surface / carports			surface / carports			surface / carports		
Parking Ratio	1.5 sp/unit			1.5 sp/unit			1.5 sp/unit		
Building type	3-story wood frame			3-story wood frame			3-story wood frame		
<u>Rents</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>
Market Rate	\$2,400	\$2.53	100%	\$2,340	\$2.46	100%	\$2,270	\$2.39	100%
Very Low Inc. (50% AMI)	\$1,302	\$1.37	0%	\$1,302	\$1.37	0%	\$1,302	\$1.37	0%
Low Income (60% AMI)	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%
Low Income (70% AMI)	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%
Low Income (80% AMI)	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>
Weighted Average	\$2,400	\$2.53	100%	\$2,340	\$2.46	100%	\$2,270	\$2.39	100%
<u>Operating Income</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>
Gross Rent	\$28,800	\$30	93%	\$28,080	\$30	93%	\$27,240	\$29	93%
Other/Pkg Income	\$2,100	\$2	7%	\$2,100	\$2	7%	\$2,100	\$2	7%
(Less) Vacancy/Bad Debt	<u>(\$1,545)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,509)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,467)</u>	<u>(\$2)</u>	<u>-5%</u>
Effective Gross Income	\$29,355	\$31	95%	\$28,671	\$30	95%	\$27,873	\$29	95%
(Less) Property Tax	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>
(Less) OPEX	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-26%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-26%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-27%</u>
Total NOI	\$17,555	\$18	57%	\$16,871	\$18	56%	\$16,073	\$17	55%
<i>Threshold Return on Cost</i>	6.75%			6.75%			6.75%		
Supported Investment	\$260,100	\$274		\$249,900	\$263		\$238,100	\$251	
<u>Development Costs</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>
Site Acquisition Cost	\$20,000	\$21	9%	\$20,000	\$21	9%	\$20,000	\$21	9%
Directs (incl. sitework)	\$232,200	\$244	100%	\$232,200	\$244	100%	\$232,200	\$244	100%
Contingency	\$11,600	\$12	5%	\$11,600	\$12	5%	\$11,600	\$12	5%
Fees & Permits, except housing	\$48,000	\$51	21%	\$36,700	\$39	16%	\$44,100	\$46	19%
Affordability Fee	\$2,400	\$3	1%	\$2,400	\$3	1%	\$2,400	\$3	1%
A&E/Taxes/Ins./other indirects	\$25,500	\$27	11%	\$25,500	\$27	11%	\$25,500	\$27	11%
Overhead/Admin	\$9,300	\$10	4%	\$9,300	\$10	4%	\$9,300	\$10	4%
Financing / Cost of Capital	<u>\$28,300</u>	<u>\$30</u>	<u>12%</u>	<u>\$27,400</u>	<u>\$29</u>	<u>12%</u>	<u>\$28,000</u>	<u>\$29</u>	<u>12%</u>
Total Costs	\$377,300	\$397	162%	\$365,100	\$384	157%	\$373,100	\$393	161%
<u>Surplus / (Gap)</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>
	(\$117,200)	(\$123)	-31%	(\$115,200)	(\$121)	-32%	(\$135,000)	(\$142)	-36%
Yield on Cost	4.65%			4.62%			4.31%		
Feasibility Finding	Infeasible / Challenged			Infeasible / Challenged			Infeasible / Challenged		

Appendix A Table 6D

Rental Pro Forma

Feasibility Analysis

Sacramento County AHO Update

\$5.00 Affordability Fee

	North of I-80			South of I-80 & North of US-50			South of US-50		
Average Unit Size	950 sf/unit			950 sf/unit			950 sf/unit		
Average No. of Bedrooms	1.69 br/unit			1.69 br/unit			1.69 br/unit		
Residential Density	27 units/acre			27 units/acre			27 units/acre		
Parking Type	surface / carports			surface / carports			surface / carports		
Parking Ratio	1.5 sp/unit			1.5 sp/unit			1.5 sp/unit		
Building type	3-story wood frame			3-story wood frame			3-story wood frame		
<u>Rents</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>
Market Rate	\$2,400	\$2.53	100%	\$2,340	\$2.46	100%	\$2,270	\$2.39	100%
Very Low Inc. (50% AMI)	\$1,302	\$1.37	0%	\$1,302	\$1.37	0%	\$1,302	\$1.37	0%
Low Income (60% AMI)	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%
Low Income (70% AMI)	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%
Low Income (80% AMI)	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>
Weighted Average	\$2,400	\$2.53	100%	\$2,340	\$2.46	100%	\$2,270	\$2.39	100%
<u>Operating Income</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>
Gross Rent	\$28,800	\$30	93%	\$28,080	\$30	93%	\$27,240	\$29	93%
Other/Pkg Income	\$2,100	\$2	7%	\$2,100	\$2	7%	\$2,100	\$2	7%
(Less) Vacancy/Bad Debt	<u>(\$1,545)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,509)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,467)</u>	<u>(\$2)</u>	<u>-5%</u>
Effective Gross Income	\$29,355	\$31	95%	\$28,671	\$30	95%	\$27,873	\$29	95%
(Less) Property Tax	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>
(Less) OPEX	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-26%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-26%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-27%</u>
Total NOI	\$17,555	\$18	57%	\$16,871	\$18	56%	\$16,073	\$17	55%
<i>Threshold Return on Cost</i>	6.75%			6.75%			6.75%		
Supported Investment	\$260,100	\$274		\$249,900	\$263		\$238,100	\$251	
<u>Development Costs</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>
Site Acquisition Cost	\$20,000	\$21	9%	\$20,000	\$21	9%	\$20,000	\$21	9%
Directs (incl. sitework)	\$232,200	\$244	100%	\$232,200	\$244	100%	\$232,200	\$244	100%
Contingency	\$11,600	\$12	5%	\$11,600	\$12	5%	\$11,600	\$12	5%
Fees & Permits, except housing	\$48,000	\$51	21%	\$36,700	\$39	16%	\$44,100	\$46	19%
Affordability Fee	\$4,800	\$5	2%	\$4,800	\$5	2%	\$4,800	\$5	2%
A&E/Taxes/Ins./other indirects	\$25,500	\$27	11%	\$25,500	\$27	11%	\$25,500	\$27	11%
Overhead/Admin	\$9,300	\$10	4%	\$9,300	\$10	4%	\$9,300	\$10	4%
Financing / Cost of Capital	<u>\$28,500</u>	<u>\$30</u>	<u>12%</u>	<u>\$27,500</u>	<u>\$29</u>	<u>12%</u>	<u>\$28,100</u>	<u>\$30</u>	<u>12%</u>
Total Costs	\$379,900	\$400	164%	\$367,600	\$387	158%	\$375,600	\$395	162%
<u>Surplus / (Gap)</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>
	(\$119,800)	(\$126)	-32%	(\$117,700)	(\$124)	-32%	(\$137,500)	(\$145)	-37%
Yield on Cost	4.62%			4.59%			4.28%		
Feasibility Finding	Infeasible / Challenged			Infeasible / Challenged			Infeasible / Challenged		

Appendix A Table 6E

Rental Pro Forma

Feasibility Analysis

Sacramento County AHO Update

\$7.50 Affordability Fee

	North of I-80			South of I-80 & North of US-50			South of US-50		
Average Unit Size	950 sf/unit			950 sf/unit			950 sf/unit		
Average No. of Bedrooms	1.69 br/unit			1.69 br/unit			1.69 br/unit		
Residential Density	27 units/acre			27 units/acre			27 units/acre		
Parking Type	surface / carports			surface / carports			surface / carports		
Parking Ratio	1.5 sp/unit			1.5 sp/unit			1.5 sp/unit		
Building type	3-story wood frame			3-story wood frame			3-story wood frame		
<u>Rents</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>
Market Rate	\$2,400	\$2.53	100%	\$2,340	\$2.46	100%	\$2,270	\$2.39	100%
Very Low Inc. (50% AMI)	\$1,302	\$1.37	0%	\$1,302	\$1.37	0%	\$1,302	\$1.37	0%
Low Income (60% AMI)	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%
Low Income (70% AMI)	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%
Low Income (80% AMI)	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>
Weighted Average	\$2,400	\$2.53	100%	\$2,340	\$2.46	100%	\$2,270	\$2.39	100%
<u>Operating Income</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>
Gross Rent	\$28,800	\$30	93%	\$28,080	\$30	93%	\$27,240	\$29	93%
Other/Pkg Income	\$2,100	\$2	7%	\$2,100	\$2	7%	\$2,100	\$2	7%
(Less) Vacancy/Bad Debt	<u>(\$1,545)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,509)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,467)</u>	<u>(\$2)</u>	<u>-5%</u>
Effective Gross Income	\$29,355	\$31	95%	\$28,671	\$30	95%	\$27,873	\$29	95%
(Less) Property Tax	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>
(Less) OPEX	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-26%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-26%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-27%</u>
Total NOI	\$17,555	\$18	57%	\$16,871	\$18	56%	\$16,073	\$17	55%
<i>Threshold Return on Cost</i>	6.75%			6.75%			6.75%		
Supported Investment	\$260,100	\$274		\$249,900	\$263		\$238,100	\$251	
<u>Development Costs</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>
Site Acquisition Cost	\$20,000	\$21	9%	\$20,000	\$21	9%	\$20,000	\$21	9%
Directs (incl. sitework)	\$232,200	\$244	100%	\$232,200	\$244	100%	\$232,200	\$244	100%
Contingency	\$11,600	\$12	5%	\$11,600	\$12	5%	\$11,600	\$12	5%
Fees & Permits, except housing	\$48,000	\$51	21%	\$36,700	\$39	16%	\$44,100	\$46	19%
Affordability Fee	\$7,100	\$7	3%	\$7,100	\$7	3%	\$7,100	\$7	3%
A&E/Taxes/Ins./other indirects	\$25,500	\$27	11%	\$25,500	\$27	11%	\$25,500	\$27	11%
Overhead/Admin	\$9,300	\$10	4%	\$9,300	\$10	4%	\$9,300	\$10	4%
Financing / Cost of Capital	<u>\$28,600</u>	<u>\$30</u>	<u>12%</u>	<u>\$27,700</u>	<u>\$29</u>	<u>12%</u>	<u>\$28,300</u>	<u>\$30</u>	<u>12%</u>
Total Costs	\$382,300	\$402	165%	\$370,100	\$390	159%	\$378,100	\$398	163%
<u>Surplus / (Gap)</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>
	(\$122,200)	(\$129)	-32%	(\$120,200)	(\$127)	-32%	(\$140,000)	(\$147)	-37%
Yield on Cost	4.59%			4.56%			4.25%		
Feasibility Finding	Infeasible / Challenged			Infeasible / Challenged			Infeasible / Challenged		

Appendix A Table 6F
Rental Pro Forma
Feasibility Analysis
Sacramento County AHO Update

10% Low@80% AMI

	North of I-80			South of I-80 & North of US-50			South of US-50		
Average Unit Size	950 sf/unit			950 sf/unit			950 sf/unit		
Average No. of Bedrooms	1.69 br/unit			1.69 br/unit			1.69 br/unit		
Residential Density	27 units/acre			27 units/acre			27 units/acre		
Parking Type	surface / carports			surface / carports			surface / carports		
Parking Ratio	1.5 sp/unit			1.5 sp/unit			1.5 sp/unit		
Building type	3-story wood frame			3-story wood frame			3-story wood frame		
<u>Rents</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>
Market Rate	\$2,400	\$2.53	90%	\$2,340	\$2.46	90%	\$2,270	\$2.39	90%
Very Low Inc. (50% AMI)	\$1,302	\$1.37	0%	\$1,302	\$1.37	0%	\$1,302	\$1.37	0%
Low Income (60% AMI)	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%
Low Income (70% AMI)	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%
Low Income (80% AMI)	<u>\$2,157</u>	<u>\$2.27</u>	<u>10%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>10%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>10%</u>
Weighted Average	\$2,380	\$2.51	100%	\$2,320	\$2.44	100%	\$2,260	\$2.38	100%
<u>Operating Income</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>
Gross Rent	\$28,560	\$30	94%	\$27,840	\$29	94%	\$27,120	\$29	93%
Other/Pkg Income	\$1,900	\$2	6%	\$1,900	\$2	6%	\$1,900	\$2	7%
(Less) Vacancy/Bad Debt	<u>(\$1,523)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,487)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,451)</u>	<u>(\$2)</u>	<u>-5%</u>
Effective Gross Income	\$28,937	\$30	95%	\$28,253	\$30	95%	\$27,569	\$29	95%
(Less) Property Tax	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>
(Less) OPEX	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-26%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-27%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-27%</u>
Total NOI	\$17,137	\$18	56%	\$16,453	\$17	55%	\$15,769	\$17	54%
<i>Threshold Return on Cost</i>	6.75%			6.75%			6.75%		
Supported Investment	\$253,900	\$267		\$243,700	\$257		\$233,600	\$246	
<u>Development Costs</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>
Site Acquisition Cost	\$20,000	\$21	9%	\$20,000	\$21	9%	\$20,000	\$21	9%
Directs (incl. sitework)	\$232,200	\$244	100%	\$232,200	\$244	100%	\$232,200	\$244	100%
Contingency	\$11,600	\$12	5%	\$11,600	\$12	5%	\$11,600	\$12	5%
Fees & Permits, except housing	\$48,000	\$51	21%	\$36,700	\$39	16%	\$44,100	\$46	19%
Affordability Fee	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
A&E/Taxes/Ins./other indirects	\$25,500	\$27	11%	\$25,500	\$27	11%	\$25,500	\$27	11%
Overhead/Admin	\$9,300	\$10	4%	\$9,300	\$10	4%	\$9,300	\$10	4%
Financing / Cost of Capital	<u>\$28,100</u>	<u>\$30</u>	<u>12%</u>	<u>\$27,200</u>	<u>\$29</u>	<u>12%</u>	<u>\$27,800</u>	<u>\$29</u>	<u>12%</u>
Total Costs	\$374,700	\$394	161%	\$362,500	\$382	156%	\$370,500	\$390	160%
<u>Surplus / (Gap)</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>
	(\$120,800)	(\$127)	-32%	(\$118,800)	(\$125)	-33%	(\$136,900)	(\$144)	-37%
Yield on Cost	4.57%			4.54%			4.26%		
Feasibility Finding	Infeasible / Challenged			Infeasible / Challenged			Infeasible / Challenged		

Appendix A Table 6G
Rental Pro Forma
Feasibility Analysis
Sacramento County AHO Update
10% Low@70% AMI

	North of I-80			South of I-80 & North of US-50			South of US-50		
Average Unit Size	950 sf/unit			950 sf/unit			950 sf/unit		
Average No. of Bedrooms	1.69 br/unit			1.69 br/unit			1.69 br/unit		
Residential Density	27 units/acre			27 units/acre			27 units/acre		
Parking Type	surface / carports			surface / carports			surface / carports		
Parking Ratio	1.5 sp/unit			1.5 sp/unit			1.5 sp/unit		
Building type	3-story wood frame			3-story wood frame			3-story wood frame		
<u>Rents</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>
Market Rate	\$2,400	\$2.53	90%	\$2,340	\$2.46	90%	\$2,270	\$2.39	90%
Very Low Inc. (50% AMI)	\$1,302	\$1.37	0%	\$1,302	\$1.37	0%	\$1,302	\$1.37	0%
Low Income (60% AMI)	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%
Low Income (70% AMI)	\$1,872	\$1.97	10%	\$1,872	\$1.97	10%	\$1,872	\$1.97	10%
Low Income (80% AMI)	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>
Weighted Average	\$2,350	\$2.47	100%	\$2,290	\$2.41	100%	\$2,230	\$2.35	100%
<u>Operating Income</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>
Gross Rent	\$28,200	\$30	94%	\$27,480	\$29	94%	\$26,760	\$28	93%
Other/Pkg Income	\$1,900	\$2	6%	\$1,900	\$2	6%	\$1,900	\$2	7%
(Less) Vacancy/Bad Debt	<u>(\$1,505)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,469)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,433)</u>	<u>(\$2)</u>	<u>-5%</u>
Effective Gross Income	\$28,595	\$30	95%	\$27,911	\$29	95%	\$27,227	\$29	95%
(Less) Property Tax	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-14%</u>
(Less) OPEX	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-26%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-27%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-28%</u>
Total NOI	\$16,795	\$18	56%	\$16,111	\$17	55%	\$15,427	\$16	54%
<i>Threshold Return on Cost</i>	6.75%			6.75%			6.75%		
Supported Investment	\$248,800	\$262		\$238,700	\$251		\$228,500	\$241	
<u>Development Costs</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>
Site Acquisition Cost	\$20,000	\$21	9%	\$20,000	\$21	9%	\$20,000	\$21	9%
Directs (incl. sitework)	\$232,200	\$244	100%	\$232,200	\$244	100%	\$232,200	\$244	100%
Contingency	\$11,600	\$12	5%	\$11,600	\$12	5%	\$11,600	\$12	5%
Fees & Permits, except housing	\$48,000	\$51	21%	\$36,700	\$39	16%	\$44,100	\$46	19%
Affordability Fee	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
A&E/Taxes/Ins./other indirects	\$25,500	\$27	11%	\$25,500	\$27	11%	\$25,500	\$27	11%
Overhead/Admin	\$9,300	\$10	4%	\$9,300	\$10	4%	\$9,300	\$10	4%
Financing / Cost of Capital	<u>\$28,100</u>	<u>\$30</u>	<u>12%</u>	<u>\$27,200</u>	<u>\$29</u>	<u>12%</u>	<u>\$27,800</u>	<u>\$29</u>	<u>12%</u>
Total Costs	\$374,700	\$394	161%	\$362,500	\$382	156%	\$370,500	\$390	160%
<u>Surplus / (Gap)</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>
	<u>(\$125,900)</u>	<u>(\$133)</u>	<u>-34%</u>	<u>(\$123,800)</u>	<u>(\$130)</u>	<u>-34%</u>	<u>(\$142,000)</u>	<u>(\$149)</u>	<u>-38%</u>
Yield on Cost	4.48%			4.44%			4.16%		
Feasibility Finding	Infeasible / Challenged			Infeasible / Challenged			Infeasible / Challenged		

Appendix A Table 6H
Rental Pro Forma
Feasibility Analysis
Sacramento County AHO Update

10% Low@60% AMI

	North of I-80			South of I-80 & North of US-50			South of US-50		
Average Unit Size	950 sf/unit			950 sf/unit			950 sf/unit		
Average No. of Bedrooms	1.69 br/unit			1.69 br/unit			1.69 br/unit		
Residential Density	27 units/acre			27 units/acre			27 units/acre		
Parking Type	surface / carports			surface / carports			surface / carports		
Parking Ratio	1.5 sp/unit			1.5 sp/unit			1.5 sp/unit		
Building type	3-story wood frame			3-story wood frame			3-story wood frame		
<u>Rents</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>
Market Rate	\$2,400	\$2.53	90%	\$2,340	\$2.46	90%	\$2,270	\$2.39	90%
Very Low Inc. (50% AMI)	\$1,302	\$1.37	0%	\$1,302	\$1.37	0%	\$1,302	\$1.37	0%
Low Income (60% AMI)	\$1,587	\$1.67	10%	\$1,587	\$1.67	10%	\$1,587	\$1.67	10%
Low Income (70% AMI)	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%
Low Income (80% AMI)	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>
Weighted Average	\$2,320	\$2.44	100%	\$2,260	\$2.38	100%	\$2,200	\$2.32	100%
<u>Operating Income</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>
Gross Rent	\$27,840	\$29	94%	\$27,120	\$29	93%	\$26,400	\$28	93%
Other/Pkg Income	\$1,900	\$2	6%	\$1,900	\$2	7%	\$1,900	\$2	7%
(Less) Vacancy/Bad Debt	<u>(\$1,487)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,451)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,415)</u>	<u>(\$1)</u>	<u>-5%</u>
Effective Gross Income	\$28,253	\$30	95%	\$27,569	\$29	95%	\$26,885	\$28	95%
(Less) Property Tax	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-14%</u>
(Less) OPEX	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-27%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-27%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-28%</u>
Total NOI	\$16,453	\$17	55%	\$15,769	\$17	54%	\$15,085	\$16	53%
<i>Threshold Return on Cost</i>	6.75%			6.75%			6.75%		
Supported Investment	\$243,700	\$257		\$233,600	\$246		\$223,500	\$235	
<u>Development Costs</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>
Site Acquisition Cost	\$20,000	\$21	9%	\$20,000	\$21	9%	\$20,000	\$21	9%
Directs (incl. sitework)	\$232,200	\$244	100%	\$232,200	\$244	100%	\$232,200	\$244	100%
Contingency	\$11,600	\$12	5%	\$11,600	\$12	5%	\$11,600	\$12	5%
Fees & Permits, except housing	\$48,000	\$51	21%	\$36,700	\$39	16%	\$44,100	\$46	19%
Affordability Fee	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
A&E/Taxes/Ins./other indirects	\$25,500	\$27	11%	\$25,500	\$27	11%	\$25,500	\$27	11%
Overhead/Admin	\$9,300	\$10	4%	\$9,300	\$10	4%	\$9,300	\$10	4%
Financing / Cost of Capital	<u>\$28,100</u>	<u>\$30</u>	<u>12%</u>	<u>\$27,200</u>	<u>\$29</u>	<u>12%</u>	<u>\$27,800</u>	<u>\$29</u>	<u>12%</u>
Total Costs	\$374,700	\$394	161%	\$362,500	\$382	156%	\$370,500	\$390	160%
<u>Surplus / (Gap)</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>
	(\$131,000)	(\$138)	-35%	(\$128,900)	(\$136)	-36%	(\$147,000)	(\$155)	-40%
Yield on Cost	4.39%			4.35%			4.07%		
Feasibility Finding	Infeasible / Challenged			Infeasible / Challenged			Infeasible / Challenged		

Appendix A Table 6I
Rental Pro Forma
Feasibility Analysis
Sacramento County AHO Update

10% Very Low

	North of I-80			South of I-80 & North of US-50			South of US-50		
Average Unit Size	950 sf/unit			950 sf/unit			950 sf/unit		
Average No. of Bedrooms	1.69 br/unit			1.69 br/unit			1.69 br/unit		
Residential Density	27 units/acre			27 units/acre			27 units/acre		
Parking Type	surface / carports			surface / carports			surface / carports		
Parking Ratio	1.5 sp/unit			1.5 sp/unit			1.5 sp/unit		
Building type	3-story wood frame			3-story wood frame			3-story wood frame		
<u>Rents</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>
Market Rate	\$2,400	\$2.53	90%	\$2,340	\$2.46	90%	\$2,270	\$2.39	90%
Very Low Inc. (50% AMI)	\$1,302	\$1.37	10%	\$1,302	\$1.37	10%	\$1,302	\$1.37	10%
Low Income (60% AMI)	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%
Low Income (70% AMI)	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%
Low Income (80% AMI)	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>
Weighted Average	\$2,290	\$2.41	100%	\$2,240	\$2.36	100%	\$2,170	\$2.28	100%
<u>Operating Income</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>
Gross Rent	\$27,480	\$29	94%	\$26,880	\$28	93%	\$26,040	\$27	93%
Other/Pkg Income	\$1,900	\$2	6%	\$1,900	\$2	7%	\$1,900	\$2	7%
(Less) Vacancy/Bad Debt	<u>(\$1,469)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,439)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,397)</u>	<u>(\$1)</u>	<u>-5%</u>
Effective Gross Income	\$27,911	\$29	95%	\$27,341	\$29	95%	\$26,543	\$28	95%
(Less) Property Tax	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-14%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-14%</u>
(Less) OPEX	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-27%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-27%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-28%</u>
Total NOI	\$16,111	\$17	55%	\$15,541	\$16	54%	\$14,743	\$16	53%
<i>Threshold Return on Cost</i>	6.75%			6.75%			6.75%		
Supported Investment	\$238,700	\$251		\$230,200	\$242		\$218,400	\$230	
<u>Development Costs</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>
Site Acquisition Cost	\$20,000	\$21	9%	\$20,000	\$21	9%	\$20,000	\$21	9%
Directs (incl. sitework)	\$232,200	\$244	100%	\$232,200	\$244	100%	\$232,200	\$244	100%
Contingency	\$11,600	\$12	5%	\$11,600	\$12	5%	\$11,600	\$12	5%
Fees & Permits, except housing	\$48,000	\$51	21%	\$36,700	\$39	16%	\$44,100	\$46	19%
Affordability Fee	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
A&E/Taxes/Ins./other indirects	\$25,500	\$27	11%	\$25,500	\$27	11%	\$25,500	\$27	11%
Overhead/Admin	\$9,300	\$10	4%	\$9,300	\$10	4%	\$9,300	\$10	4%
Financing / Cost of Capital	<u>\$28,100</u>	<u>\$30</u>	<u>12%</u>	<u>\$27,200</u>	<u>\$29</u>	<u>12%</u>	<u>\$27,800</u>	<u>\$29</u>	<u>12%</u>
Total Costs	\$374,700	\$394	161%	\$362,500	\$382	156%	\$370,500	\$390	160%
<u>Surplus / (Gap)</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>
	(\$136,000)	(\$143)	-36%	(\$132,300)	(\$139)	-36%	(\$152,100)	(\$160)	-41%
Yield on Cost	4.30%			4.29%			3.98%		
Feasibility Finding	Infeasible / Challenged			Infeasible / Challenged			Infeasible / Challenged		

Appendix A Table 6J
Rental Pro Forma
Feasibility Analysis
Sacramento County AHO Update
10% Extremely Low@30% AMI

	North of I-80			South of I-80 & North of US-50			South of US-50		
Average Unit Size	950 sf/unit			950 sf/unit			950 sf/unit		
Average No. of Bedrooms	1.69 br/unit			1.69 br/unit			1.69 br/unit		
Residential Density	27 units/acre			27 units/acre			27 units/acre		
Parking Type	surface / carports			surface / carports			surface / carports		
Parking Ratio	1.5 sp/unit			1.5 sp/unit			1.5 sp/unit		
Building type	3-story wood frame			3-story wood frame			3-story wood frame		
<u>Rents</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>
Market Rate	\$2,400	\$2.53	90%	\$2,340	\$2.46	90%	\$2,270	\$2.39	90%
Extremely Low (30% AMI)	\$730	\$0.77	10%	\$730	\$0.77	10%	\$730	\$0.77	10%
Low Income (60% AMI)	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%
Low Income (70% AMI)	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%
Low Income (80% AMI)	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>
Weighted Average	\$2,230	\$2.35	100%	\$2,180	\$2.29	100%	\$2,120	\$2.23	100%
<u>Operating Income</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>
Gross Rent	\$26,760	\$28	93%	\$26,160	\$28	93%	\$25,440	\$27	93%
Other/Pkg Income	\$1,900	\$2	7%	\$1,900	\$2	7%	\$1,900	\$2	7%
(Less) Vacancy/Bad Debt	<u>(\$1,433)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,403)</u>	<u>(\$1)</u>	<u>-5%</u>	<u>(\$1,367)</u>	<u>(\$1)</u>	<u>-5%</u>
Effective Gross Income	\$27,227	\$29	95%	\$26,657	\$28	95%	\$25,973	\$27	95%
(Less) Property Tax	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-14%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-14%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-14%</u>
(Less) OPEX	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-28%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-28%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-29%</u>
Total NOI	\$15,427	\$16	54%	\$14,857	\$16	53%	\$14,173	\$15	52%
<i>Threshold Return on Cost</i>	6.75%			6.75%			6.75%		
Supported Investment	\$228,500	\$241		\$220,100	\$232		\$210,000	\$221	
<u>Development Costs</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>
Site Acquisition Cost	\$20,000	\$21	9%	\$20,000	\$21	9%	\$20,000	\$21	9%
Directs (incl. sitework)	\$232,200	\$244	100%	\$232,200	\$244	100%	\$232,200	\$244	100%
Contingency	\$11,600	\$12	5%	\$11,600	\$12	5%	\$11,600	\$12	5%
Fees & Permits, except housing	\$48,000	\$51	21%	\$36,700	\$39	16%	\$44,100	\$46	19%
Affordability Fee	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
A&E/Taxes/Ins./other indirects	\$25,500	\$27	11%	\$25,500	\$27	11%	\$25,500	\$27	11%
Overhead/Admin	\$9,300	\$10	4%	\$9,300	\$10	4%	\$9,300	\$10	4%
Financing / Cost of Capital	<u>\$28,100</u>	<u>\$30</u>	<u>12%</u>	<u>\$27,200</u>	<u>\$29</u>	<u>12%</u>	<u>\$27,800</u>	<u>\$29</u>	<u>12%</u>
Total Costs	\$374,700	\$394	161%	\$362,500	\$382	156%	\$370,500	\$390	160%
<u>Surplus / (Gap)</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>
	(\$146,200)	(\$154)	-39%	(\$142,400)	(\$150)	-39%	(\$160,500)	(\$169)	-43%
Yield on Cost	4.12%			4.10%			3.83%		
Feasibility Finding	Infeasible / Challenged			Infeasible / Challenged			Infeasible / Challenged		

Appendix A Table 6K
Rental Pro Forma
Feasibility Analysis
Sacramento County AHO Update
10% Affordable (4% Low@80% AMI, 6% Very Low)

	North of I-80			South of I-80 & North of US-50			South of US-50		
Average Unit Size	950 sf/unit			950 sf/unit			950 sf/unit		
Average No. of Bedrooms	1.69 br/unit			1.69 br/unit			1.69 br/unit		
Residential Density	27 units/acre			27 units/acre			27 units/acre		
Parking Type	surface / carports			surface / carports			surface / carports		
Parking Ratio	1.5 sp/unit			1.5 sp/unit			1.5 sp/unit		
Building type	3-story wood frame			3-story wood frame			3-story wood frame		
<u>Rents</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>
Market Rate	\$2,400	\$2.53	90%	\$2,340	\$2.46	90%	\$2,270	\$2.39	90%
Very Low Inc. (50% AMI)	\$1,302	\$1.37	6%	\$1,302	\$1.37	6%	\$1,302	\$1.37	6%
Low Income (60% AMI)	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%
Low Income (70% AMI)	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%
Low Income (80% AMI)	<u>\$2,157</u>	<u>\$2.27</u>	<u>4%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>4%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>4%</u>
Weighted Average	\$2,320	\$2.44	100%	\$2,270	\$2.39	100%	\$2,210	\$2.33	100%
<u>Operating Income</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>
Gross Rent	\$27,840	\$29	94%	\$27,240	\$29	93%	\$26,520	\$28	93%
Other/Pkg Income	\$1,900	\$2	6%	\$1,900	\$2	7%	\$1,900	\$2	7%
(Less) Vacancy/Bad Debt	<u>(\$1,487)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,457)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,421)</u>	<u>(\$1)</u>	<u>-5%</u>
Effective Gross Income	\$28,253	\$30	95%	\$27,683	\$29	95%	\$26,999	\$28	95%
(Less) Property Tax	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-14%</u>
(Less) OPEX	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-27%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-27%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-28%</u>
Total NOI	\$16,453	\$17	55%	\$15,883	\$17	55%	\$15,199	\$16	53%
<i>Threshold Return on Cost</i>	6.75%			6.75%			6.75%		
Supported Investment	\$243,700	\$257		\$235,300	\$248		\$225,200	\$237	
<u>Development Costs</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>
Site Acquisition Cost	\$20,000	\$21	9%	\$20,000	\$21	9%	\$20,000	\$21	9%
Directs (incl. sitework)	\$232,200	\$244	100%	\$232,200	\$244	100%	\$232,200	\$244	100%
Contingency	\$11,600	\$12	5%	\$11,600	\$12	5%	\$11,600	\$12	5%
Fees & Permits, except housing	\$48,000	\$51	21%	\$36,700	\$39	16%	\$44,100	\$46	19%
Affordability Fee	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
A&E/Taxes/Ins./other indirects	\$25,500	\$27	11%	\$25,500	\$27	11%	\$25,500	\$27	11%
Overhead/Admin	\$9,300	\$10	4%	\$9,300	\$10	4%	\$9,300	\$10	4%
Financing / Cost of Capital	<u>\$28,100</u>	<u>\$30</u>	<u>12%</u>	<u>\$27,200</u>	<u>\$29</u>	<u>12%</u>	<u>\$27,800</u>	<u>\$29</u>	<u>12%</u>
Total Costs	\$374,700	\$394	161%	\$362,500	\$382	156%	\$370,500	\$390	160%
<u>Surplus / (Gap)</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>
	(\$131,000)	(\$138)	-35%	(\$127,200)	(\$134)	-35%	(\$145,300)	(\$153)	-39%
Yield on Cost	4.39%			4.38%			4.10%		
Feasibility Finding	Infeasible / Challenged			Infeasible / Challenged			Infeasible / Challenged		

Appendix A Table 6L
Rental Pro Forma
Feasibility Analysis
Sacramento County AHO Update
10% Affordable (7% Low@80% AMI, 3% Very Low)

	North of I-80			South of I-80 & North of US-50			South of US-50		
Average Unit Size	950 sf/unit			950 sf/unit			950 sf/unit		
Average No. of Bedrooms	1.69 br/unit			1.69 br/unit			1.69 br/unit		
Residential Density	27 units/acre			27 units/acre			27 units/acre		
Parking Type	surface / carports			surface / carports			surface / carports		
Parking Ratio	1.5 sp/unit			1.5 sp/unit			1.5 sp/unit		
Building type	3-story wood frame			3-story wood frame			3-story wood frame		
Rents	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>
Market Rate	\$2,400	\$2.53	90%	\$2,340	\$2.46	90%	\$2,270	\$2.39	90%
Very Low Inc. (50% AMI)	\$1,302	\$1.37	3%	\$1,302	\$1.37	3%	\$1,302	\$1.37	3%
Low Income (60% AMI)	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%
Low Income (70% AMI)	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%
Low Income (80% AMI)	<u>\$2,157</u>	<u>\$2.27</u>	<u>7%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>7%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>7%</u>
Weighted Average	\$2,350	\$2.47	100%	\$2,300	\$2.42	100%	\$2,230	\$2.35	100%
Operating Income	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>
Gross Rent	\$28,200	\$30	94%	\$27,600	\$29	94%	\$26,760	\$28	93%
Other/Pkg Income	\$1,900	\$2	6%	\$1,900	\$2	6%	\$1,900	\$2	7%
(Less) Vacancy/Bad Debt	<u>(\$1,505)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,475)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,433)</u>	<u>(\$2)</u>	<u>-5%</u>
Effective Gross Income	\$28,595	\$30	95%	\$28,025	\$30	95%	\$27,227	\$29	95%
(Less) Property Tax	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-14%</u>
(Less) OPEX	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-26%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-27%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-28%</u>
Total NOI	\$16,795	\$18	56%	\$16,225	\$17	55%	\$15,427	\$16	54%
<i>Threshold Return on Cost</i>	6.75%			6.75%			6.75%		
Supported Investment	\$248,800	\$262		\$240,400	\$253		\$228,500	\$241	
Development Costs	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>
Site Acquisition Cost	\$20,000	\$21	9%	\$20,000	\$21	9%	\$20,000	\$21	9%
Directs (incl. sitework)	\$232,200	\$244	100%	\$232,200	\$244	100%	\$232,200	\$244	100%
Contingency	\$11,600	\$12	5%	\$11,600	\$12	5%	\$11,600	\$12	5%
Fees & Permits, except housing	\$48,000	\$51	21%	\$36,700	\$39	16%	\$44,100	\$46	19%
Affordability Fee	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
A&E/Taxes/Ins./other indirects	\$25,500	\$27	11%	\$25,500	\$27	11%	\$25,500	\$27	11%
Overhead/Admin	\$9,300	\$10	4%	\$9,300	\$10	4%	\$9,300	\$10	4%
Financing / Cost of Capital	<u>\$28,100</u>	<u>\$30</u>	<u>12%</u>	<u>\$27,200</u>	<u>\$29</u>	<u>12%</u>	<u>\$27,800</u>	<u>\$29</u>	<u>12%</u>
Total Costs	\$374,700	\$394	161%	\$362,500	\$382	156%	\$370,500	\$390	160%
Surplus / (Gap)	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>
	<u>(\$125,900)</u>	<u>(\$133)</u>	<u>-34%</u>	<u>(\$122,100)</u>	<u>(\$129)</u>	<u>-34%</u>	<u>(\$142,000)</u>	<u>(\$149)</u>	<u>-38%</u>
Yield on Cost	4.48%			4.48%			4.16%		
Feasibility Finding	Infeasible / Challenged			Infeasible / Challenged			Infeasible / Challenged		

Appendix A Table 6M

Rental Pro Forma

Feasibility Analysis

Sacramento County AHO Update

10% Affordable (5% Low@80% AMI, 5% Very Low)

	North of I-80			South of I-80 & North of US-50			South of US-50		
Average Unit Size	950 sf/unit			950 sf/unit			950 sf/unit		
Average No. of Bedrooms	1.69 br/unit			1.69 br/unit			1.69 br/unit		
Residential Density	27 units/acre			27 units/acre			27 units/acre		
Parking Type	surface / carports			surface / carports			surface / carports		
Parking Ratio	1.5 sp/unit			1.5 sp/unit			1.5 sp/unit		
Building type	3-story wood frame			3-story wood frame			3-story wood frame		
<u>Rents</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>
Market Rate	\$2,400	\$2.53	90%	\$2,340	\$2.46	90%	\$2,270	\$2.39	90%
Very Low Inc. (50% AMI)	\$1,302	\$1.37	5%	\$1,302	\$1.37	5%	\$1,302	\$1.37	5%
Low Income (60% AMI)	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%
Low Income (70% AMI)	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%
Low Income (80% AMI)	<u>\$2,157</u>	<u>\$2.27</u>	<u>5%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>5%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>5%</u>
Weighted Average	\$2,330	\$2.45	100%	\$2,280	\$2.40	100%	\$2,220	\$2.34	100%
<u>Operating Income</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>
Gross Rent	\$27,960	\$29	94%	\$27,360	\$29	94%	\$26,640	\$28	93%
Other/Pkg Income	\$1,900	\$2	6%	\$1,900	\$2	6%	\$1,900	\$2	7%
(Less) Vacancy/Bad Debt	<u>(\$1,493)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,463)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,427)</u>	<u>(\$2)</u>	<u>-5%</u>
Effective Gross Income	\$28,367	\$30	95%	\$27,797	\$29	95%	\$27,113	\$29	95%
(Less) Property Tax	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-14%</u>
(Less) OPEX	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-26%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-27%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-28%</u>
Total NOI	\$16,567	\$17	55%	\$15,997	\$17	55%	\$15,313	\$16	54%
<i>Threshold Return on Cost</i>	6.75%			6.75%			6.75%		
Supported Investment	\$245,400	\$258		\$237,000	\$249		\$226,900	\$239	
<u>Development Costs</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>
Site Acquisition Cost	\$20,000	\$21	9%	\$20,000	\$21	9%	\$20,000	\$21	9%
Directs (incl. sitework)	\$232,200	\$244	100%	\$232,200	\$244	100%	\$232,200	\$244	100%
Contingency	\$11,600	\$12	5%	\$11,600	\$12	5%	\$11,600	\$12	5%
Fees & Permits, except housing	\$48,000	\$51	21%	\$36,700	\$39	16%	\$44,100	\$46	19%
Affordability Fee	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
A&E/Taxes/Ins./other indirects	\$25,500	\$27	11%	\$25,500	\$27	11%	\$25,500	\$27	11%
Overhead/Admin	\$9,300	\$10	4%	\$9,300	\$10	4%	\$9,300	\$10	4%
Financing / Cost of Capital	<u>\$28,100</u>	<u>\$30</u>	<u>12%</u>	<u>\$27,200</u>	<u>\$29</u>	<u>12%</u>	<u>\$27,800</u>	<u>\$29</u>	<u>12%</u>
Total Costs	\$374,700	\$394	161%	\$362,500	\$382	156%	\$370,500	\$390	160%
<u>Surplus / (Gap)</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>
	(\$129,300)	(\$136)	-35%	(\$125,500)	(\$132)	-35%	(\$143,600)	(\$151)	-39%
Yield on Cost	4.42%			4.41%			4.13%		
Feasibility Finding	Infeasible / Challenged			Infeasible / Challenged			Infeasible / Challenged		

Appendix A Table 6N
Rental Pro Forma
Feasibility Analysis
Sacramento County AHO Update
5% Low@80% AMI

	North of I-80			South of I-80 & North of US-50			South of US-50		
Average Unit Size	950 sf/unit			950 sf/unit			950 sf/unit		
Average No. of Bedrooms	1.69 br/unit			1.69 br/unit			1.69 br/unit		
Residential Density	27 units/acre			27 units/acre			27 units/acre		
Parking Type	surface / carports			surface / carports			surface / carports		
Parking Ratio	1.5 sp/unit			1.5 sp/unit			1.5 sp/unit		
Building type	3-story wood frame			3-story wood frame			3-story wood frame		
<u>Rents</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>
Market Rate	\$2,400	\$2.53	95%	\$2,340	\$2.46	95%	\$2,270	\$2.39	95%
Very Low Inc. (50% AMI)	\$1,302	\$1.37	0%	\$1,302	\$1.37	0%	\$1,302	\$1.37	0%
Low Income (60% AMI)	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%
Low Income (70% AMI)	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%
Low Income (80% AMI)	<u>\$2,157</u>	<u>\$2.27</u>	<u>5%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>5%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>5%</u>
Weighted Average	\$2,390	\$2.52	100%	\$2,330	\$2.45	100%	\$2,260	\$2.38	100%
<u>Operating Income</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>
Gross Rent	\$28,680	\$30	93%	\$27,960	\$29	93%	\$27,120	\$29	93%
Other/Pkg Income	\$2,000	\$2	7%	\$2,000	\$2	7%	\$2,000	\$2	7%
(Less) Vacancy/Bad Debt	<u>(\$1,534)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,498)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,456)</u>	<u>(\$2)</u>	<u>-5%</u>
Effective Gross Income	\$29,146	\$31	95%	\$28,462	\$30	95%	\$27,664	\$29	95%
(Less) Property Tax	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>
(Less) OPEX	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-26%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-26%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-27%</u>
Total NOI	\$17,346	\$18	57%	\$16,662	\$18	56%	\$15,864	\$17	54%
<i>Threshold Return on Cost</i>	6.75%			6.75%			6.75%		
Supported Investment	\$257,000	\$271		\$246,800	\$260		\$235,000	\$247	
<u>Development Costs</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>
Site Acquisition Cost	\$20,000	\$21	9%	\$20,000	\$21	9%	\$20,000	\$21	9%
Directs (incl. sitework)	\$232,200	\$244	100%	\$232,200	\$244	100%	\$232,200	\$244	100%
Contingency	\$11,600	\$12	5%	\$11,600	\$12	5%	\$11,600	\$12	5%
Fees & Permits, except housing	\$48,000	\$51	21%	\$36,700	\$39	16%	\$44,100	\$46	19%
Affordability Fee	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
A&E/Taxes/Ins./other indirects	\$25,500	\$27	11%	\$25,500	\$27	11%	\$25,500	\$27	11%
Overhead/Admin	\$9,300	\$10	4%	\$9,300	\$10	4%	\$9,300	\$10	4%
Financing / Cost of Capital	<u>\$28,100</u>	<u>\$30</u>	<u>12%</u>	<u>\$27,200</u>	<u>\$29</u>	<u>12%</u>	<u>\$27,800</u>	<u>\$29</u>	<u>12%</u>
Total Costs	\$374,700	\$394	161%	\$362,500	\$382	156%	\$370,500	\$390	160%
<u>Surplus / (Gap)</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>
	(\$117,700)	(\$124)	-31%	(\$115,700)	(\$122)	-32%	(\$135,500)	(\$143)	-37%
Yield on Cost	4.63%			4.60%			4.28%		
Feasibility Finding	Infeasible / Challenged			Infeasible / Challenged			Infeasible / Challenged		

Appendix A Table 60
Rental Pro Forma
Feasibility Analysis
Sacramento County AHO Update
5% Very Low

	North of I-80			South of I-80 & North of US-50			South of US-50		
Average Unit Size	950 sf/unit			950 sf/unit			950 sf/unit		
Average No. of Bedrooms	1.69 br/unit			1.69 br/unit			1.69 br/unit		
Residential Density	27 units/acre			27 units/acre			27 units/acre		
Parking Type	surface / carports			surface / carports			surface / carports		
Parking Ratio	1.5 sp/unit			1.5 sp/unit			1.5 sp/unit		
Building type	3-story wood frame			3-story wood frame			3-story wood frame		
<u>Rents</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>
Market Rate	\$2,400	\$2.53	95%	\$2,340	\$2.46	95%	\$2,270	\$2.39	95%
Very Low Inc. (50% AMI)	\$1,302	\$1.37	5%	\$1,302	\$1.37	5%	\$1,302	\$1.37	5%
Low Income (60% AMI)	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%
Low Income (70% AMI)	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%
Low Income (80% AMI)	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>0%</u>
Weighted Average	\$2,350	\$2.47	100%	\$2,290	\$2.41	100%	\$2,220	\$2.34	100%
<u>Operating Income</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>
Gross Rent	\$28,200	\$30	93%	\$27,480	\$29	93%	\$26,640	\$28	93%
Other/Pkg Income	\$2,000	\$2	7%	\$2,000	\$2	7%	\$2,000	\$2	7%
(Less) Vacancy/Bad Debt	<u>(\$1,510)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,474)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,432)</u>	<u>(\$2)</u>	<u>-5%</u>
Effective Gross Income	\$28,690	\$30	95%	\$28,006	\$29	95%	\$27,208	\$29	95%
(Less) Property Tax	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-14%</u>
(Less) OPEX	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-26%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-27%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-28%</u>
Total NOI	\$16,890	\$18	56%	\$16,206	\$17	55%	\$15,408	\$16	54%
<i>Threshold Return on Cost</i>	6.75%			6.75%			6.75%		
Supported Investment	\$250,200	\$263		\$240,100	\$253		\$228,300	\$240	
<u>Development Costs</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>
Site Acquisition Cost	\$20,000	\$21	9%	\$20,000	\$21	9%	\$20,000	\$21	9%
Directs (incl. sitework)	\$232,200	\$244	100%	\$232,200	\$244	100%	\$232,200	\$244	100%
Contingency	\$11,600	\$12	5%	\$11,600	\$12	5%	\$11,600	\$12	5%
Fees & Permits, except housing	\$48,000	\$51	21%	\$36,700	\$39	16%	\$44,100	\$46	19%
Affordability Fee	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
A&E/Taxes/Ins./other indirects	\$25,500	\$27	11%	\$25,500	\$27	11%	\$25,500	\$27	11%
Overhead/Admin	\$9,300	\$10	4%	\$9,300	\$10	4%	\$9,300	\$10	4%
Financing / Cost of Capital	<u>\$28,100</u>	<u>\$30</u>	<u>12%</u>	<u>\$27,200</u>	<u>\$29</u>	<u>12%</u>	<u>\$27,800</u>	<u>\$29</u>	<u>12%</u>
Total Costs	\$374,700	\$394	161%	\$362,500	\$382	156%	\$370,500	\$390	160%
<u>Surplus / (Gap)</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>
	(\$124,500)	(\$131)	-33%	(\$122,400)	(\$129)	-34%	(\$142,200)	(\$150)	-38%
Yield on Cost	4.51%			4.47%			4.16%		
Feasibility Finding	Infeasible / Challenged			Infeasible / Challenged			Infeasible / Challenged		

Appendix A Table 6P

Rental Pro Forma

Feasibility Analysis

Sacramento County AHO Update

5% Affordable (2.5% Low@80%, 2.5% Very Low)

	North of I-80			South of I-80 & North of US-50			South of US-50		
Average Unit Size	950 sf/unit			950 sf/unit			950 sf/unit		
Average No. of Bedrooms	1.69 br/unit			1.69 br/unit			1.69 br/unit		
Residential Density	27 units/acre			27 units/acre			27 units/acre		
Parking Type	surface / carports			surface / carports			surface / carports		
Parking Ratio	1.5 sp/unit			1.5 sp/unit			1.5 sp/unit		
Building type	3-story wood frame			3-story wood frame			3-story wood frame		
<u>Rents</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Units</u>
Market Rate	\$2,400	\$2.53	95%	\$2,340	\$2.46	95%	\$2,270	\$2.39	95%
Very Low Inc. (50% AMI)	\$1,302	\$1.37	3%	\$1,302	\$1.37	3%	\$1,302	\$1.37	3%
Low Income (60% AMI)	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%	\$1,587	\$1.67	0%
Low Income (70% AMI)	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%	\$1,872	\$1.97	0%
Low Income (80% AMI)	<u>\$2,157</u>	<u>\$2.27</u>	<u>3%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>3%</u>	<u>\$2,157</u>	<u>\$2.27</u>	<u>3%</u>
Weighted Average	\$2,370	\$2.49	100%	\$2,310	\$2.43	100%	\$2,240	\$2.36	100%
<u>Operating Income</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Gross</u>
Gross Rent	\$28,440	\$30	93%	\$27,720	\$29	93%	\$26,880	\$28	93%
Other/Pkg Income	\$2,000	\$2	7%	\$2,000	\$2	7%	\$2,000	\$2	7%
(Less) Vacancy/Bad Debt	<u>(\$1,522)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,486)</u>	<u>(\$2)</u>	<u>-5%</u>	<u>(\$1,444)</u>	<u>(\$2)</u>	<u>-5%</u>
Effective Gross Income	\$28,918	\$30	95%	\$28,234	\$30	95%	\$27,436	\$29	95%
(Less) Property Tax	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-13%</u>	<u>(\$3,900)</u>	<u>(\$4)</u>	<u>-14%</u>
(Less) OPEX	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-26%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-27%</u>	<u>(\$7,900)</u>	<u>(\$8)</u>	<u>-27%</u>
Total NOI	\$17,118	\$18	56%	\$16,434	\$17	55%	\$15,636	\$16	54%
<i>Threshold Return on Cost</i>	6.75%			6.75%			6.75%		
Supported Investment	\$253,600	\$267		\$243,500	\$256		\$231,600	\$244	
<u>Development Costs</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%Direct</u>
Site Acquisition Cost	\$20,000	\$21	9%	\$20,000	\$21	9%	\$20,000	\$21	9%
Directs (incl. sitework)	\$232,200	\$244	100%	\$232,200	\$244	100%	\$232,200	\$244	100%
Contingency	\$11,600	\$12	5%	\$11,600	\$12	5%	\$11,600	\$12	5%
Fees & Permits, except housing	\$48,000	\$51	21%	\$36,700	\$39	16%	\$44,100	\$46	19%
Affordability Fee	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
A&E/Taxes/Ins./other indirects	\$25,500	\$27	11%	\$25,500	\$27	11%	\$25,500	\$27	11%
Overhead/Admin	\$9,300	\$10	4%	\$9,300	\$10	4%	\$9,300	\$10	4%
Financing / Cost of Capital	<u>\$28,100</u>	<u>\$30</u>	<u>12%</u>	<u>\$27,200</u>	<u>\$29</u>	<u>12%</u>	<u>\$27,800</u>	<u>\$29</u>	<u>12%</u>
Total Costs	\$374,700	\$394	161%	\$362,500	\$382	156%	\$370,500	\$390	160%
<u>Surplus / (Gap)</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>	<u>\$/Unit</u>	<u>\$/NSF</u>	<u>%TDC</u>
	(\$121,100)	(\$127)	-32%	(\$119,000)	(\$125)	-33%	(\$138,900)	(\$146)	-37%
Yield on Cost	4.57%			4.53%			4.22%		
Feasibility Finding	Infeasible / Challenged			Infeasible / Challenged			Infeasible / Challenged		

APPENDIX A - PART D

SUPPORTING DATA AND ANALYSES

Appendix Table A-7
New Homes Currently Marketing
Feasibility Analysis
Sacramento County AHO Update

			Base Prices			Net Price	
	Unit Sq.Ft.	Lot Size	Per Home	\$/SF	Incentives	Per Home	\$/SF
North of I-80							
Cottages (The Preserve); Antelope			Detached				
Three Bedroom	1,537		\$456,990	\$297	\$25,000	\$431,990	\$281
Four Bedroom	1,648		\$473,990	\$288	\$25,000	\$448,990	\$272
Four Bedroom + Loft	1,824		\$493,990	\$271	\$25,000	\$468,990	\$257
Average	1,669	2,925	\$474,990	\$285		\$449,990	\$270
Villas (The Preserve); Antelope							
			Detached				
Three Bedroom + Loft	1,850		\$478,990	\$259	\$25,000	\$453,990	\$245
Three Bedroom + Den & Loft	2,126		\$518,990	\$244	\$25,000	\$493,990	\$232
Four Bedroom + Flex & Loft	2,374		\$518,990	\$219	\$25,000	\$493,990	\$208
Three Bedroom	1,552		\$456,990	\$294	\$25,000	\$431,990	\$278
Five Bedroom + Flex & Loft	2,802		\$587,990	\$210	\$25,000	\$562,990	\$201
Average	2,198	3,600	\$517,461	\$235		\$492,461	\$224
South of I-80 & North US-50							
The Heritage at Gum Ranch; Fair Oaks			Detached				
Three Bedroom	2,437		\$811,950	\$333	\$20,000	\$791,950	\$325
Four Bedroom	2,513		\$839,950	\$334	\$20,000	\$819,950	\$326
Three Bedroom	2,664		\$865,950	\$325	\$20,000	\$845,950	\$318
Four Bedroom + Loft	3,445		\$957,950	\$278	\$20,000	\$937,950	\$272
Four Bedroom + Bonus	3,666		\$963,950	\$263	\$20,000	\$943,950	\$257
Four Bedroom	2,201		\$772,950	\$351	\$20,000	\$752,950	\$342
Average	2,821	7,900	\$848,783	\$301		\$828,783	\$294
The Paseos; Carmichael			Detached				
Three Bedroom	1,143		\$475,000	\$416	\$35,000	\$440,000	\$385
Three Bedroom	1,411		\$519,900	\$368	\$35,000	\$484,900	\$344
Three Bedroom + Study & Office	1,938		\$572,500	\$295	\$35,000	\$537,500	\$277
Average	1,497	3,200	\$522,467	\$349		\$487,467	\$326

Appendix Table A-7
New Homes Currently Marketing
Feasibility Analysis
Sacramento County AHO Update

	Unit	Sq.Ft.	Lot Size	Base Prices			Net Price	
				Per Home	\$/SF	Incentives	Per Home	\$/SF
South of US-50								
Riverview; Rancho Murieta			Detached					
Four Bedroom + Loft	3,041			\$829,990	\$273	\$30,000	\$799,990	\$263
Five Bedroom + Loft	3,289			\$869,990	\$265	\$30,000	\$839,990	\$255
Four Bedroom + Loft	2,580			\$749,990	\$291	\$30,000	\$719,990	\$279
Three Bedroom	1,895			\$729,990	\$385	\$30,000	\$699,990	\$369
Four Bedroom	2,301			\$769,990	\$335	\$30,000	\$739,990	\$322
Average	2,621	5,000		\$789,990	\$301		\$759,990	\$290
The Retreats (Rancho Murieta)			Detached.					
Three Bedroom + Office	2,292			\$755,990	\$330	\$15,000	\$740,990	\$323
Three Bedroom + Game	2,740			\$873,733	\$319	\$15,000	\$858,733	\$313
Four Bedroom + Game & Office	3,077			\$875,450	\$285	\$15,000	\$860,450	\$280
Weighted Average	2,703	8,000		\$835,058	\$309		\$820,058	\$303
Cortese (Vineyard Parke)								
Three Bedroom + Loft & Office	2,107			\$645,990	\$307	\$50,000	\$595,990	\$283
Four Bedroom + Loft	2,419			\$710,990	\$294	\$50,000	\$660,990	\$273
Five Bedroom + Loft	2,612			\$674,390	\$258	\$50,000	\$624,390	\$239
Four Bedroom	2,214			\$672,540	\$304	\$50,000	\$622,540	\$281
Four Bedroom + Loft	2,776			\$723,490	\$261	\$50,000	\$673,490	\$243
Average	2,425	3,600		\$685,480	\$283		\$635,480	\$262
Stonehaven (Vineyard Parke)								
Three Bedroom	1,683			\$596,990	\$355	\$15,000	\$581,990	\$346
Four Bedroom	1,942			\$631,990	\$325	\$15,000	\$616,990	\$318
Three Bedroom + Study & Office	2,229			\$646,990	\$290	\$15,000	\$631,990	\$284
Four Bedroom + Office & Loft	2,481			\$676,990	\$273	\$15,000	\$661,990	\$267
Four Bedroom + Office & Loft	2,980			\$711,990	\$239	\$15,000	\$696,990	\$234
Average	2,263	5,500		\$652,990	\$289		\$637,990	\$282
Cascade II (Vineyard Parke)								
Three Bedroom	1,596			\$575,990	\$361	\$50,000	\$525,990	\$330
Four Bedroom	1,873			\$588,990	\$314	\$50,000	\$538,990	\$288
Four Bedroom	2,358			\$645,990	\$274	\$50,000	\$595,990	\$253
Five Bedroom + Loft	2,609			\$668,990	\$256	\$50,000	\$618,990	\$237
Average	2,109	4,000		\$619,990	\$294		\$569,990	\$270

Appendix Table A-7
New Homes Currently Marketing
Feasibility Analysis
Sacramento County AHO Update

	<u>Unit Sq.Ft.</u>	<u>Lot Size</u>	<u>Base Prices</u>		<u>Incentives</u>	<u>Net Price</u>	
			<u>Per Home</u>	<u>\$/SF</u>		<u>Per Home</u>	<u>\$/SF</u>
Vienna (Vineyard Parke)							
Three Bedroom	1,653		\$663,990	\$402	\$50,000	\$613,990	\$371
Five Bedroom + Loft	2,793		\$738,990	\$265	\$50,000	\$688,990	\$247
Four Bedroom + NextGen & Loft	3,161		\$779,340	\$247	\$50,000	\$729,340	\$231
Average	2,500	5,000	\$718,740	\$287		\$668,740	\$267
Redwood IV (Vineyard Parke)							
Three Bedroom + Den	1,950		\$677,990	\$348	\$40,000	\$637,990	\$327
Four Bedroom	2,161		\$681,990	\$316	\$40,000	\$641,990	\$297
Four Bedroom + Loft	2,689		\$744,990	\$277	\$40,000	\$704,990	\$262
Five Bedroom + Bonus	3,141		\$752,990	\$240	\$40,000	\$712,990	\$227
Five Bedroom + NextGen & Loft	3,427		\$777,990	\$227	\$40,000	\$737,990	\$215
Average	2,673	5,775	\$727,190	\$272		\$687,190	\$257
Bordeaux (Vineyard Parke)							
Three Bedroom	1,991		\$615,990	\$309	\$40,000	\$575,990	\$289
Three Bedroom + Bonus	2,520		\$649,990	\$258	\$40,000	\$609,990	\$242
Four Bedroom + Bonus	2,704		\$659,990	\$244	\$40,000	\$619,990	\$229
Four Bedroom + NexyGen & Loft	3,025		\$702,990	\$232	\$40,000	\$662,990	\$219
Average	2,560	3,600	\$657,240	\$257		\$617,240	\$241
Calabria (Vineyard Parke)							
Three Bedroom	1,228		\$545,640	\$444	\$40,000	\$505,640	\$412
Three Bedroom	1,494		\$554,690	\$371	\$40,000	\$514,690	\$345
Four Bedroom	1,691		\$557,990	\$330	\$40,000	\$517,990	\$306
Four Bedroom + Loft	1,900		\$576,090	\$303	\$40,000	\$536,090	\$282
Average	1,578	3,800	\$558,603	\$354		\$518,603	\$329

Appendix Table A-7
New Homes Currently Marketing
Feasibility Analysis
Sacramento County AHO Update

			<u>Base Prices</u>			<u>Net Price</u>	
	<u>Unit Sq.Ft.</u>	<u>Lot Size</u>	<u>Per Home</u>	<u>\$/SF</u>	<u>Incentives</u>	<u>Per Home</u>	<u>\$/SF</u>
Trailhead (Wildhawk North)							
Three Bedroom + Study & Loft	2,188		\$580,990	\$266	\$25,000	\$555,990	\$254
Three Bedroom + Study & Loft	2,229		\$584,990	\$262	\$25,000	\$559,990	\$251
Three Bedroom + Study & Loft	2,383		\$611,990	\$257	\$25,000	\$586,990	\$246
Three Bedroom + Study & Loft	2,442		\$614,990	\$252	\$25,000	\$589,990	\$242
Average	2,310	4,500	\$598,240	\$259		\$573,240	\$248
Oakbridge (Wildhawk North)							
Four Bedroom + Loft	2,254		\$598,990	\$266	\$25,000	\$573,990	\$255
Three Bedroom + Study & Tech	2,002		\$561,990	\$281	\$25,000	\$536,990	\$268
Four Bedroom + Loft	2,131		\$580,990	\$273	\$25,000	\$555,990	\$261
Average	2,129	3,600	\$580,657	\$273		\$555,657	\$261
Bluestone (Wildhawk North)							
Three Bedroom	1,557		\$519,990	\$334	\$25,000	\$494,990	\$318
Three Bedroom + Loft	1,785		\$538,990	\$302	\$25,000	\$513,990	\$288
Three Bedroom	1,735		\$536,990	\$310	\$25,000	\$511,990	\$295
Average	1,691	3,150	\$530,740	\$314		\$505,740	\$299
Latitude (Wildhawk South)							
Four Bedroom	2,512		\$684,990	\$273	\$25,000	\$659,990	\$263
Four Bedroom + Flex & Loft	2,802		\$697,990	\$249	\$25,000	\$672,990	\$240
Four Bedroom + Flex & Loft	3,238		\$737,990	\$228	\$25,000	\$712,990	\$220
Average	2,986	6,000	\$725,240	\$243		\$700,240	\$235
Anchor (Wildhawk South)							
Three Bedroom + Flex	2,268		\$617,990	\$272	\$25,000	\$592,990	\$261
Three Bedroom + Study & Loft	2,555		\$635,990	\$249	\$25,000	\$610,990	\$239
Three Bedroom + Study & Loft	2,665		\$645,990	\$242	\$25,000	\$620,990	\$233
Average	2,604	5,000	\$642,740	\$247		\$617,740	\$237
Meridian (Wildhawk South)							
Four Bedroom + Flex & Loft	3,032		\$696,999	\$230	\$25,000	\$671,999	\$222
Four Bedroom + Study & Loft	3,291		\$716,999	\$218	\$25,000	\$691,999	\$210
Three Bedroom + Loft & Flex	2,783		\$671,999	\$241	\$25,000	\$646,999	\$232
Three Bedroom	2,260		\$617,999	\$273	\$25,000	\$592,999	\$262
Average	2,841	5,000	\$675,999	\$238		\$650,999	\$229

Source: The Gregory Group January 2026, except The Retreats based on data as of January 2025.

Appendix Table A-8
Effective Rents, Market Rate Apartments
Feasibility Analysis
Sacramento County AHO Update

Year No.			No. Units					Avg Unit Size (Sq.Ft.)					Effective Rents					Effective Rents per Square Ft.				
Name	Built	Stories	Studio	1BR	2BR	3BR	Total	Studio	1BR	2BR	3BR	Total	Studio	1BR	2BR	3BR	Avg	Studio	1BR	2BR	3BR	Avg
County Unincorp. - Units Built Since 1990																						
S of 80 N of 50																						
Heather Ridge	1990	2	0	34	39	0	73		683	1004		854		\$1,654	\$1,888		\$1,779		\$2.42	\$1.88		\$2.08
Azure Apartments	1991	2	0	68	128	0	196		700	933		852		\$1,545	\$1,801		\$1,712		\$2.21	\$1.93		\$2.01
Marconi Village Apartments	1995	3	0	48	21	0	69		643	879		714		\$1,403	\$1,754		\$1,510		\$2.18	\$2.00		\$2.11
Hill Grove Creek Apartments	1999	2	0	0	35	0	35			1009		1008			\$1,228		\$1,228			\$1.22		\$1.22
River Oaks Apartments	1990	2	0	28	20	0	48		696	800		739		\$1,301	\$1,402		\$1,343		\$1.87	\$1.75		\$1.82
The Meridian	1992	2	0	11	10	0	21		825	950		884		\$1,496	\$1,654		\$1,571		\$1.81	\$1.74		\$1.78
Cobble Oaks	1998	3	0	88	112	16	216		740	1041	1320	938		\$1,880	\$2,263	\$2,563	\$2,129		\$2.54	\$2.17	\$1.94	\$2.27
The Crest at Fair Oaks	2004	3	0	42	28	6	76		711	1069	1350	893		\$1,793	\$2,242	\$2,447	\$2,010		\$2.52	\$2.10	\$1.81	\$2.25
Aurora	2022	3	0	66	84	12	162		775	1116	1293	990		\$2,072	\$2,419	\$2,973	\$2,319		\$2.67	\$2.17	\$2.30	\$2.34
Total / Avg				385	477	34	896		718	1002	1316	891		\$1,712	\$1,987	\$2,687	\$1,895		\$2.38	\$1.98	\$2.04	\$2.13
N of 80																						
Sunset Ridge	1990	2	0	48	32	16	96		641	927	1056	805		\$1,587	\$2,037	\$2,438	\$1,878		\$2.48	\$2.20	\$2.31	\$2.33
Antelope Springs Town Homes	2004	2	0	1	20	0	21		400	1200		1161		\$664	\$1,701		\$1,652		\$1.66	\$1.42		\$1.42
Antelope Ridge	1992	2	0	80	152	56	288		627	861	1125	847		\$1,700	\$2,005	\$2,364	\$1,990		\$2.71	\$2.33	\$2.10	\$2.35
Bell Acqua	1997	2	0	20	42	0	62		820	907		878		\$1,243	\$1,446		\$1,380		\$1.52	\$1.59		\$1.57
Total / Avg			0	149	246	72	467		656	905	1110	857		\$1,595	\$1,889	\$2,380	\$1,871		\$2.43	\$2.09	\$2.15	\$2.18
Overall Total / Avg			0	534	723	106	1363		701	969	1176	880		\$1,679	\$1,954	\$2,479	\$1,887		\$2.40	\$2.02	\$2.11	\$2.15
Newer Units ---- Incorporated Cities																						
City of Sacramento --- Northern																						
The Core Natomas	2020	3	0	165	120	15	300		748	1122	1396	929		\$2,039	\$2,649	\$3,092	\$2,335		\$2.73	\$2.36	\$2.21	\$2.51
The Easley	2022	3	21	199	159	26	405	553	741	1055	1530	905	\$1,689	\$1,786	\$2,328	\$3,202	\$2,084	\$3.05	\$2.41	\$2.21	\$2.09	\$2.30
The Eames	2024	3	16	153	131	31	331	553	748	1059	1459	928	\$2,039	\$2,000	\$2,785	\$3,356	\$2,440	\$3.69	\$2.68	\$2.63	\$2.30	\$2.63
Ona	2025	3	32	133	138	0	303	572	818	1198		965	\$1,731	\$1,895	\$2,390		\$2,103	\$3.02	\$2.32	\$2.00		\$2.18
Alira	2020	4	20	133	120	20	293	572	687	1067	1338	879	\$1,938	\$2,092	\$2,351	\$2,773	\$2,234	\$3.39	\$3.04	\$2.20	\$2.07	\$2.54
Zeta Luxury Apartments	2023	4	20	149	101	0	270	482	693	1139		844	\$1,680	\$2,174	\$2,760		\$2,357	\$3.49	\$3.14	\$2.42		\$2.79
Medley Apartments	2025	3	0	56	80	24	160		708	1003	1194	928		\$2,005	\$2,578	\$2,979	\$2,438		\$2.83	\$2.57	\$2.49	\$2.63
Tanzanite	2023	2	0	76	65	70	211		726	1009	1501	1070		\$2,408	\$2,954	\$3,395	\$2,904		\$3.32	\$2.93	\$2.26	\$2.71
Zinc 1501	2025	3	10	51	60	0	121	459	694	1064		857	\$1,765	\$2,054	\$2,767		\$2,384	\$3.85	\$2.96	\$2.60		\$2.78
The Offset Apartments	2022	3	27	158	162	21	368	546	701	1011	1228	856	\$1,896	\$2,198	\$2,523	\$3,109	\$2,371	\$3.47	\$3.13	\$2.50	\$2.53	\$2.77
Total / Avg			146	1273	1136	207	2762	542	730	1077	1412	914	\$1,813	\$2,042	\$2,567	\$3,206	\$2,333	\$3.34	\$2.80	\$2.38	\$2.27	\$2.55

Appendix Table A-8
Effective Rents, Market Rate Apartments
Feasibility Analysis
Sacramento County AHO Update

Year No.			No. Units					Avg Unit Size (Sq.Ft.)					Effective Rents					Effective Rents per Square Ft.				
Name	Built	Stories	Studio	1BR	2BR	3BR	Total	Studio	1BR	2BR	3BR	Total	Studio	1BR	2BR	3BR	Avg	Studio	1BR	2BR	3BR	Avg
City of Sacramento --- Southern																						
Cottages at Laguna	2025	3	0	16	28	18	62		837	1118	1263	1087		\$2,105	\$2,410	\$2,823	\$2,451		\$2.51	\$2.16	\$2.24	\$2.25
Solasta Luxury Apartments	2023	4	0	128	120	18	266		609	895	1258	782		\$1,801	\$2,402	\$3,193	\$2,167		\$2.96	\$2.68	\$2.54	\$2.77
Tricon Delta Shores	2025	2	0	0	0	68	101					1688	1776				\$3,185	\$3,241			\$1.89	\$1.82
Total / Avg			0	144	148	104	429		634	937	1540	1060		\$1,835	\$2,404	\$3,124	\$2,461		\$2.89	\$2.56	\$2.03	\$2.32
Rancho Cordova																						
Stone Creek Village Apartments	2025	3		54	93	4	151			1010	1254	1019		\$2,183	\$2,491	\$3,026	\$2,395			\$2.47	\$2.41	\$2.46
Sunrise Station	2024	3		150	8		158		445	719		458		\$1,408	\$1,885		\$1,432		\$3.16	\$2.62		\$3.12
Tricon at Sunridge	2024	2				91	114					1563	1604				\$3,275	\$3,342			\$2.10	\$2.08
Total / Avg				204	101	95	423		327	987	1550	967		\$1,613	\$2,443	\$3,265	\$2,291		\$4.93	\$2.48	\$2.11	\$2.37
Folsom																						
Atwell at Folsom Ranch	2024	3		104	122	52	278		869	1223	1468	1136		\$1,994	\$2,572	\$2,999	\$2,436		\$2.29	\$2.10	\$2.04	\$2.14
Broadstone Villas	2024	3		63	176	18	257		777	1172	1596	1105		\$2,495	\$2,811	\$3,473	\$2,780		\$3.21	\$2.40	\$2.18	\$2.52
Verdell Pointe	2024	4	12	126	97	18	253	559	688	1031	1391	863	\$1,901	\$2,092	\$2,559	\$2,863	\$2,317	\$3.40	\$3.04	\$2.48	\$2.06	\$2.68
Total / Avg			12	293	395	88	788	559	771	1153	1478	1038	\$1,901	\$2,144	\$2,675	\$3,068	\$2,510	\$3.40	\$2.78	\$2.32	\$2.08	\$2.42

Source: CoStar January 2026. Excludes independent living and age restricted units.

Appendix Table A-9
Multifamily Residential Property Transactions
Feasibility Analysis
Sacramento County AHO Update

Source: Costar

Residential Property	Location	Year Built	Year Sold	Sale Price	Units	Price / Unit	Cap Rate	Avg Unit Size
<u>2020 to 2022 sales, Newer Apartment Properties</u>								
Eleanor and H16 Apartments	Sacramento	2020	2022	\$66,500,000	190	\$350,000	5.0%	638 sf
1430 Q	Sacramento	2020	2022	\$57,100,000	75	\$761,300	4.70%	1248 sf
Onyx Midtown Apartments	Sacramento	2020	2021	\$13,975,000	41	\$340,900	4.75%	677 sf
The Press	Sacramento	2020	2020	\$118,500,000	277	\$427,800	4.75%	696 sf
The Didion	Sacramento		2022	\$8,375,000	12	\$697,917	4.62%	923 sf
The Flats at The Mill	Sacramento	2020	2022	\$7,200,000	12	\$600,000		1246 sf
The Core Natomas	Sacramento	2020	2022	\$147,250,000	300	\$490,800	<4%	929 sf
The Eisley	Sacramento	2021	2021	\$112,896,500	405	\$278,800		905 sf
Landing at College Square	Sacramento	2017	2020	\$64,740,000	270	\$239,800		932 sf
Corsair Park Senior Apartments	North Highlands	2009	2022	\$19,400,080	112	\$173,215		783 sf
Norden Terrace Apartments	North Highlands	2009	2022	\$41,456,401	204	\$203,218		954 sf
<u>2023 to 2025 sales, Newer Apartment Properties</u>								
The Strand	West Sacramento	2022	2025	\$126,000,000	408	\$308,800		882 sf
Eviva Midtown Apartments	Sacramento	2016	2024	\$40,125,000	118	\$340,000		827 sf
The Southsider Apartments	Sacramento	2021	2024	\$7,350,000	21	\$350,000	5.28%	700 sf
The Crest at Sierra Creek	Antelope	2007	2023	\$6,500,000	23	\$282,609	5.9%	

Source: CoStar

Appendix Table A-10
Multi-Family Land Sales Comparables
Feasibility Analysis
Sacramento County AHO Update

Address	Location	likely use	Land Acres	Land SF	Est. Units	Est. Du/Ac	Price '(\$M)	Sale Year	\$/SF Land	\$/Unit	Notes
Multi-Family Land Sales, Unincorporated County											
5429 Maconi Ave	Carmichael	apt.	2.32	101,059	77	33	\$1.0	2023	\$9.7	\$13,000	multifamily
3537 Mission Ave.	Carmichael	apt.	1.60	69,696	34	21	\$0.8	2022	\$11.6	\$24,000	multifamily
8789 Greenback Ln	Orangevale	apt.	1.31	57,064	29	22	\$0.7	2024	\$12.7	\$25,000	multifamily, commercial
4990 Manzanita Ave	Carmichael	apt.	1.33	57,935		0	\$0.5	2024	\$8	n/a	multifamily
Weighted Average:									\$10.5	\$21,000	
Apartment Sites <40 du, Incorporated Cities											
2450 Natomas Park Dr	Sacramento (north)	Apt	9.06	394,654	190	21	\$5.2	2021	\$13.0	\$27,000	
5240 Rio Linda	Sacramento (north)	Apt	1.38	60,113	42	30	\$1.3	2025	\$21.4	\$31,000	listing, completed plans
Venture Oaks Way	Sacramento (north)	Apt	14.58	635,061	470	32	\$13.5	2022	\$21.3	\$29,000	unconfirmed
3801 Gateway Park Blvd	North Natomas		10.59	461,300	303	29	\$8.3	2022	\$18	\$27,000	
3561 Del Paso Rd.	North Natomas	Aff apt	4.35	189,486	120	28	\$3.0	2022	\$15.8	\$25,000	
Terracina / Truxel Rd	North Natomas	Apt	8.46	368,518	200	24	\$4.4	2022	\$11.9	\$22,000	
Truxel Rd	North Natomas	senior	9.01	392,476	240	27	\$3.1	2019	\$7.9	\$13,000	
2549 Arena Blvd	North Natomas	Apt	10.10	439,956	282	28	\$5.7	2025	\$13	\$20,000	entitled (listing)
3701 E Commerce Way	North Natomas	apt	9.36	407,722	268	29	\$5.7	2021	\$14.0	\$21,000	
50 Regency Park Cir	North Natomas	for sale	1.60	69,696	44	28	\$1.4	2020	\$20.1	\$32,000	
7699 Klotz Ranch	Sacramento (south)	Apt	10.20	444,312	266	26	\$5.7	2021	\$12.7	\$21,000	
8373 Bruceville Road	Sacramento (south)	Apt	8.76	381,586	351	40	\$6.3	2022	\$16.4	\$18,000	
7273 Luther	Sacramento (south)	Apt (snr)	0.79	34,412	24	30	\$0.9	2025	\$24.7	\$35,000	entitled (listing)
Delta shores	Sacramento (south)	Apt	23	1,014,948	576	25	\$19.5	2022	\$19.2	\$34,000	
8373 Bruceville Rd	Sacramento (south)	Apt	8.67	377,665	351	40	\$6.3	2022	\$17	\$18,000	
7800 W Stockton Blvd	Sacramento (south)	Apt (aff)	2.69	117,176	92	34	\$2.2	2021	\$18.3	\$23,000	
14533 Alder Creek Pky	Folsom	multifamily	10.67	464,785	265	25	\$11.0	2025	\$23.7	\$42,000	sold by A.G. Spanos
8740 Bruceville Rd	Elk Grove	multifamily	3.80	165,528	125	33	\$1.2	2024	\$6.9	\$9,000	entitled
102 E. Natoma St.	Folsom	apts (aff)	4.86	211,702	136	28	\$2.9	2021	\$13.7	\$21,000	
Low:									\$7.9	\$9,000	
High:									\$24.7	\$42,000	
Weighted Average:									\$15.9	\$25,000	

Sources: CoStar; BBG Appraisal prepared for Railyards CFD No. 2018-1, Dated Aug 2022; Sacramento Business Journal.

Appendix Table A-11
Single Family Lot Sales
Feasibility Analysis
Sacramento County AHO Update

Address	Location	Land Acres	No. Lots	Price '(\$M)	Sale Year	\$/SF Land	Typical Lot Size	Sale Price \$/Unit	Remaining Improvement Cost ⁽¹⁾	Estimated Finished Lot Cost Without Fees	Notes
<u>Single Family Finished Lot Sales</u>											
4200 Grant Line Road	Rancho Cordova	7.28	52	\$10.8	2024	\$34.0	5,500	\$207,000	n/a	\$207,000	Beazer purchase
4063 Cambery Dr	Rancho Cordova	9.60	186	\$27.5	2023	\$65.9	n/a	\$148,000	n/a	\$148,000	TriPointe
12029 Roquefort Way	Rancho Cordova	32.50	186	\$28.6	2023	\$20.2	4,038	\$154,000	n/a	\$154,000	
Arista/Morro Canyon	Rancho Cordova		59	\$10.8	2024		5,775	\$183,000	n/a	\$183,000	Arista Del Sol
Mangini - Phase 3A	Folsom		258	\$48.0	2023		4,471	\$186,000	n/a	\$186,000	Taylor Morrison
Broadstone Estates	Folsom		81	\$29.2	2024		9,000	\$360,000	n/a	\$360,000	Russell Ranch
4657 Dehone Cir	Folsom	15.48	89	\$29.2	2023	\$43.2	n/a	\$328,000	n/a	\$328,000	Woodside Homes
10239 Sesti Way and 8	Elk Grove	na	35	\$10.1	2025	n/a	n/a	\$289,000	n/a	\$289,000	Lennar
Greenbriar / Northlake	North Natomas	n/a	60	\$14.6	2025	n/a	n/a	\$243,000	n/a	\$243,000	Lennar
<u>Single Family Paper and Partially Improved Lots</u>											
Waterman & Gerber	Vineyard/Unincorp		92	\$7.1	2025		5,775	\$78,000	\$97,826	\$175,826	
Wildhawk - Unit 12	Vineyard/Unincorp		76	\$3.5	2023		4,000	\$46,000	\$75,000	\$121,000	Wildhawk
Sunridge Park III	Rancho Cordova		55	\$6.2	2024		6,300	\$113,000	\$71,810	\$184,810	
Tuscan Ridge South	Elk Grove		114	\$18.6	2024		7,035	\$163,000	\$80,000	\$243,000	
Telos Greens	Elk Grove		85	\$10.0	2023		5,775	\$118,000	\$85,000	\$203,000	
8890 Katama Ct	Elk Grove	12.00	228	\$17.8	2023	\$34.0	n/a	\$78,000	n/a	n/a	Hearthstone
8877 Stratham Way	Elk Grove	5.00	95	\$5.1	2023	\$23.6	n/a	\$54,000	n/a	n/a	DHI residential
<u>Delta shores lot sales</u>											
Parcel 8	Sacramento (south)	n/a	101	\$4.5	2024	n/a	1,612	\$44,550	\$85,446	\$129,996	attached
LDR-2	Sacramento (south)	n/a	77	\$20.0	2024	n/a	6,825	\$260,000	\$0	\$260,000	single family
Delta shores lot sale	Sacramento (south)	n/a	192	\$12.5	2022	n/a	3,833	\$65,000	\$133,000	\$198,000	single family
MDR 8A	Sacramento (south)	n/a	76	\$3.8	2022	n/a	3,116	\$50,000	\$84,000	\$134,000	single family

(1) Costs to finish per appraisal summarizing sale.

Sources: CoStar; Integra Realty Resources Appraisal prepared for Rancho Cordova CFD No. 2021-1, Dated September 2025; Smith and Associates Appraisals reports prepared for Greenbriar CFD 2018-03 and Delta Shores Greenbriar CFD 2019-01 dated January, 2021 and November 2024; Sacramento Business Journal.

Appendix Table A-12
Affordable Rents
Feasibility Analysis
Sacramento County AHO Update

Unit Size		Studio	1-Bedroom Unit	2-Bedroom Unit	3-Bedroom Unit
Household Size		1-person HH	2-person HH	3-person HH	4-person HH
Income Limits, 2026 ⁽¹⁾					
Extremely Low @30%		\$27,600	\$31,550	\$35,500	\$39,400
Very Low @50%		\$46,000	\$52,600	\$59,150	\$65,700
Low @60%		\$55,200	\$63,120	\$70,980	\$78,840
Low @70%		\$64,400	\$73,590	\$82,780	\$91,960
Low @80%		\$73,600	\$84,100	\$94,600	\$105,100
Mod @90%		\$78,120	\$89,280	\$100,440	\$111,600
Mod @100%		\$86,800	\$99,200	\$111,600	\$124,000
Mod @110%		\$95,480	\$109,120	\$122,760	\$136,400
Gross Rents ⁽²⁾					
Extremely Low @30%	30%	\$690	\$789	\$888	\$985
Very Low @50%	50%	\$1,150	\$1,315	\$1,479	\$1,643
Low @60%	60%	\$1,380	\$1,578	\$1,775	\$1,971
Low @70%	70%	\$1,610	\$1,840	\$2,070	\$2,299
Low @80%	80%	\$1,840	\$2,103	\$2,365	\$2,628
Mod @90%	90%	\$1,953	\$2,232	\$2,511	\$2,790
Mod @100%	100%	\$2,170	\$2,480	\$2,790	\$3,100
Mod @110%	110%	\$2,387	\$2,728	\$3,069	\$3,410
Rents after Utility Allowance					
Extremely Low @30%	30%	\$595	\$683	\$752	\$822
Very Low @50%	50%	\$1,055	\$1,209	\$1,343	\$1,480
Low @60%	60%	\$1,285	\$1,472	\$1,639	\$1,808
Low @70%	70%	\$1,515	\$1,734	\$1,934	\$2,136
Low @80%	80%	\$1,745	\$1,997	\$2,229	\$2,465
Mod @90%	90%	\$1,858	\$2,126	\$2,375	\$2,627
Mod @100%	100%	\$2,075	\$2,374	\$2,654	\$2,937
Mod @110%	110%	\$2,292	\$2,622	\$2,933	\$3,247
- Utilities (per month, all electric) ⁽³⁾		\$95	\$106	\$136	\$163

Notes:

(1) California Department of Housing and Community Development 2026 Income Limits for Sacramento County.

(2) Calculated from 2026 income limits consistent with SHRA methodology.

(3) Calculated using SHRA utility allowance calculator dated 4/1/2025. 2026 utility allowances for apartments and walkups are not yet available on the SHRA website.

Appendix Table A-13
Affordable Home Price Calculation
Feasibility Analysis
Sacramento County AHO Update

Unit Size	Very Low Priced at 50% AMI			Low Priced at 80% AMI			Moderate Priced at 100% AMI			Moderate Price at 110% AMI		
	2-Bedroom	3-Bedroom	4-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom
	3-person HH	4-person HH	5-person HH	3-person HH	4-person HH	5-person HH	3-person HH	4-person HH	5-person HH	3-person HH	4-person HH	5-person HH
Median Income, 2026 ⁽¹⁾	\$111,600	\$124,000	\$133,900	\$111,600	\$124,000	\$133,900	\$111,600	\$124,000	\$133,900	\$111,600	\$124,000	\$133,900
Percent of AMI for Pricing	50%	50%	50%	80%	80%	80%	100%	100%	100%	110%	110%	110%
Annual Income	\$55,800	\$62,000	\$66,950	\$89,280	\$99,200	\$107,120	\$111,600	\$124,000	\$133,900	\$122,760	\$136,400	\$147,290
% Available for Housing Costs ⁽²⁾	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%
Income Available for Housing Costs	\$19,530	\$21,700	\$23,433	\$31,248	\$34,720	\$37,492	\$39,060	\$43,400	\$46,865	\$42,966	\$47,740	\$51,552
(Less) Property Taxes & Assessments	(\$1,825)	(\$2,009)	(\$2,093)	(\$3,518)	(\$3,890)	(\$4,124)	(\$4,646)	(\$5,145)	(\$5,478)	(\$5,210)	(\$5,771)	(\$6,155)
(Less) HOA	(\$1,080)	(\$1,200)	(\$1,380)	(\$1,080)	(\$1,200)	(\$1,380)	(\$1,080)	(\$1,200)	(\$1,380)	(\$1,080)	(\$1,200)	(\$1,380)
(Less) Utilities ⁽³⁾	(\$4,212)	(\$4,884)	(\$5,556)	(\$4,212)	(\$4,884)	(\$5,556)	(\$4,212)	(\$4,884)	(\$5,556)	(\$4,212)	(\$4,884)	(\$5,556)
(Less) Mortgage Insurance	(\$662)	(\$729)	(\$760)	(\$1,277)	(\$1,412)	(\$1,497)	(\$1,686)	(\$1,867)	(\$1,988)	(\$1,891)	(\$2,094)	(\$2,234)
(Less) Insurance ⁽⁴⁾	(\$1,600)	(\$1,700)	(\$2,000)	(\$1,600)	(\$1,700)	(\$2,000)	(\$1,600)	(\$1,700)	(\$2,000)	(\$1,600)	(\$1,700)	(\$2,000)
Income Available for Mortgage	\$10,150	\$11,178	\$11,644	\$19,561	\$21,634	\$22,935	\$25,836	\$28,604	\$30,463	\$28,973	\$32,091	\$34,226
Mortgage Amount	\$132,500	\$145,900	\$152,000	\$255,400	\$282,400	\$299,400	\$337,300	\$373,400	\$397,700	\$378,200	\$418,900	\$446,800
Down Payment (homebuyer cash)	\$14,700	\$16,200	\$16,900	\$28,400	\$31,400	\$33,300	\$37,500	\$41,500	\$44,200	\$42,000	\$46,500	\$49,600
Affordable Home Price Estimate	\$147,200	\$162,100	\$168,900	\$283,800	\$313,800	\$332,700	\$374,800	\$414,900	\$441,900	\$420,200	\$465,400	\$496,400

Assumptions

- Mortgage Interest Rate ⁽⁵⁾	6.60%
- Down Payment	10%
- Property Taxes (% of sales price) ⁽⁶⁾	1.24%
- Mortgage Insurance (% loan Amt) ⁽⁷⁾	0.50%

	<u>2BR</u>	<u>3BR</u>	<u>4BR</u>
- HOA (per month) ⁽⁸⁾	\$90	\$100	\$115
- Utilities (per month, all electric) ⁽³⁾	\$351	\$407	\$463

Notes:

- (1) California Department of Housing and Community Development 2026 Income Limits for Sacramento County.
- (2) Existing AHO specifies pricing based on 35% of income spent on housing.
- (3) Calculated using SHRA utility allowance calculator dated 4/1/2026.
- (4) Based on quote from Progressive.com
- (5) Based on average of Freddie Mac Primary Mortgage Market Survey weekly 30-year fixed rate mortgage rates over the one-year period ending December 31, 2025.
- (6) Average effective property tax rates for recently sold homes.
- (7) Based on Mortgage Insurance Premium rate schedule for FHA loans.
- (8) Sacramento County has seen a mix of developments with and without HOAs. Estimate is less than HOA dues for projects that are subject to them but is intended as a blend inclusive of some projects that do not have an HOA.

Appendix Table A-14
Published Cap Rate Surveys
Feasibility Analysis
Sacramento County AHO Update

Published Cap Rate Surveys

<u>Source:</u>	<u>Cap Rate</u>	<u>Type or Descriptor</u>
CoStar overall, Dec 2025	5.40%	Sacramento Market
CoStar 4&5 star, Dec 2025	5.10%	Sacramento Market
Pwc, Q2 2025	5.31%	Pacific Region
IRR ViewPoint 2025	6.0%	Sacramento Urban Multifamily
	6.25%	Sacramento Suburban Multifamily

Appendix Table A-15
Estimated Fees and Permit Cost Detail
Feasibility Analysis
Sacramento County AHO Update

	North of I-80			South of I-80 & North of US-50			South of US-50		
	Single Family, Prototype	Single Family, Prototype 2	Apartment	Single Family, Prototype	Single Family, Prototype 2	Apartment	Single Family, Prototype	Single Family, Prototype 2	Apartment
Density (dwelling units/acre)	5 dua	8 dua	27 dua	5 dua	8 dua	27 dua	5 dua	8 dua	27 dua
Average Unit Size (net)	2,400 sf	1,600 sf	950 sf	2,400 sf	1,600 sf	950 sf	2,400 sf	1,600 sf	950 sf
GSF per unit	2,400 sf	1,600 sf	1,056 sf	2,400 sf	1,600 sf	1,056 sf	2,400 sf	1,600 sf	1,056 sf
Average No. of Bedrooms	4 BR	3.3 BR	1.7 BR	4 BR	3.3 BR	1.7 BR	4 BR	3.3 BR	1.7 BR
Estimated Fees Per Unit									
Permit, Plan Check, Inspection, Processing	\$9,700	\$9,200	\$3,800	\$9,700	\$9,200	\$3,800	\$9,700	\$9,200	\$3,800
Library Fee	\$1,329	\$1,329	\$862	\$1,329	\$1,329	\$862	\$1,329	\$1,329	\$862
Measure A / SCTMFP	\$1,599	\$1,474	\$1,240	\$1,599	\$1,474	\$1,240	\$1,599	\$1,474	\$1,240
Sacramento Area Sewer District Fees	\$5,248	\$3,280	\$972	\$5,248	\$3,280	\$972	\$5,248	\$3,280	\$972
Sac Metro Fire Fees	\$1,677	\$1,677	\$1,314	\$1,677	\$1,677	\$1,314	\$1,677	\$1,677	\$1,314
SAFCA DIF	\$5,040	\$3,360	\$760	\$5,040	\$3,360	\$760	\$5,040	\$3,360	\$760
<i>Rates Assumed:</i>	<i>SF</i>	<i>SF</i>	<i>MF</i>	<i>SF</i>	<i>SF</i>	<i>MF</i>	<i>SF</i>	<i>SF</i>	<i>MF</i>
Drainage Fees	\$5,594	\$3,496	\$1,097	\$3,757	\$2,348	\$1,115	\$5,645	\$3,528	\$1,115
<i>Rates Assumed:</i>	<i>Zone 11C</i>			<i>Zone 11B</i>			<i>Zone 11A</i>		
Park Impact Fees	Included in Area Fees			\$8,416	\$8,416	\$5,820	Included in Area Fees		
<i>Rates Assumed:</i>				<i>Fair Oaks rates</i>					
SSHMP Mitigation Fees							\$2,547	\$1,592	\$472
<i>Rates Assumed:</i>							<i>Valley Grassland, 50% in area</i>		
SCTDF ⁽¹⁾	\$18,694	\$18,694	\$10,656	\$25,622	\$25,622	\$14,605	\$8,901	\$8,901	\$5,073
<i>Rates Assumed:</i>	<i>Antelope</i>			<i>District 2</i>			<i>Florin Vineyard</i>		
Area Fees ⁽¹⁾	\$21,043	\$21,043	\$21,043	n/a	n/a	n/a	\$28,925	\$28,801	\$17,300
<i>Rates Assumed:</i>	<i>Antelope</i>			<i>no area fees assumed</i>			<i>Florin Vineyard</i>		
Water District Fees	\$12,907	\$12,907	\$3,768	\$12,907	\$12,907	\$3,768	\$21,524	\$21,524	\$6,457
<i>District Assumed:</i>	<i>Sac Suburban Water District</i>						<i>SCWA Water Supply Zn 40</i>		
School District	\$12,408	\$8,272	\$5,457	\$12,408	\$8,272	\$5,457	\$17,568	\$11,712	\$7,727
<i>District Assumed:</i>	<i>Twin Rivers</i>			<i>San Juan Unified</i>			<i>Elk Grove</i>		
Fee Credits ⁽²⁾	(\$7,500)	(\$7,500)	(\$3,000)	(\$7,500)	(\$7,500)	(\$3,000)	(\$7,500)	(\$7,500)	(\$3,000)
Total									
Fees Except Affordability Fee	\$87,739	\$77,232	\$47,969	\$80,203	\$70,385	\$36,713	\$102,202	\$88,877	\$44,092
Affordability Fee	<u>\$9,384</u>	<u>\$6,256</u>	<u>\$3,715</u>	<u>\$9,384</u>	<u>\$6,256</u>	<u>\$3,715</u>	<u>\$9,384</u>	<u>\$6,256</u>	<u>\$3,715</u>
Total With Affordability Fee	\$97,123	\$83,488	\$51,684	\$89,587	\$76,641	\$40,428	\$111,586	\$95,133	\$47,806

(1) Illustrated assuming Antelope Fees and Florin Vineyard Fees for North of 80 and South of 50, respectively. Area fees not assumed for South of 80 / North of 50 area.

(2) Projects commonly receive credits for improvements made directly by the project which offset required fees. Amount is illustrative.

Source: FY 2025-26 rate schedules and County of Sacramento. Affordability Fee reflects \$3.91/SF rate effective March 27, 2026.

APPENDIX B

DEVELOPMENT PROJECT SUMMARIES

Appendix Table B-1

Projects North of I-80 (North Highlands, Rio Linda, Antelope, Elverta) ⁽¹⁾

Feasibility Analysis

Sacramento County AHO Update

Unit Type	Single Family	Single Family	Apartments
Image			
Project Name	Cottages	Villas	4020 Palm Ave Apartments
Location	7741 Silver Pond Way, Antelope, CA	3308 Misty Lake Dr, Antelope, CA	4020 Palm Ave, North Highlands, CA
Developer	KB Home	KB Home	
No. of Units (du) notes	70 du avg lot size: 2,925	203 du avg lot size: 2,925	6 du
Density (du/ac)			5.9 dua
Unit Size Range	3BR: 1537 sf 4BR: 1648 sf and 1824 sf	3BR: 1850 sf, 2126 sf, and 2487 sf 4BR: 2374 sf	2BR: 1,019 sf
Average Unit Size	1,669 sf	1,473 sf	1,019 sf
Bedroom Mix	3 and 4 BRs	3 and 4 BRs	2 BRs
Building Type	2-story detached, small lot units.	2-story detached, small lot units.	2-stories.
Parking	2 car garage.	2 car garage.	Tuck under
Pricing/Rents (if available)	3BR: \$449,990 4BR: \$466,990 - 486,990	3BR: \$497,990 - \$552,990 4BR: \$536,990	

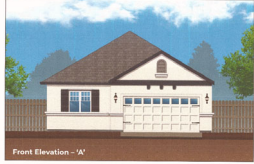
(1) Includes projects that have entitlements approved as well as proposed projects that are pre-entitlement approval.

Appendix Table B-2

Projects: S. of I-80 and N. of US-50 ⁽¹⁾

Feasibility Analysis

Sacramento County AHO Update

Unit Type	Single Family Detached	Mixed Income Apartments	Mixed Income Apartments	Mixed Use Apartments
Image				
Project Name	Hazel Ridge	Mission Ave East	Mission Ave West	The Auburn at Foothill Farms
Location	6422 Hazel Ave, Orangevale, CA	3532 Mission Avenue, Carmichael, CA	3537 Mission Avenue, Arden-Arcade, CA	5445 Auburn Blvd
Developer	Jim Luse			
Site Size	4.63 acres	1.05 acres	1.60 acres	6.13 acres
No. of Units (du) notes	35 du	33 du 4 units at very low-income	48 du 5 units at very low-income	396 du
Density (du/ac)	7.6 dua	31.4 dua	30.0 dua	64.6 dua
Unit Size Range	2BR: 1,354 sf (half plex - 1,969 sf) 3BR: 1,504 sf - 2,073 sf 4BR: 2,472 sf	1BR: 624 sf - 683 sf 2BR: 900 sf - 957 sf	1BR: 638 sf - 661 sf 2BR: 801 sf - 989 sf 3BR: 1,254 sf	Studio: 425 sf 1BR 625 sf 2BR: 880 sf 3BR: 1,200 sf
Average Unit Size	1,704 sf			597 sf
Avg No. Bedrooms	2.7 BRs	1 and 2 BRs	1, 2 and 3 BRs	0.8 BRs
Building Type	1,2-story homes	3-story buildings	3-story buildings	5 stories over subterranean garage
Parking	1-2 car garages	44 parking spaces	64 parking spaces	701 residential parking spaces

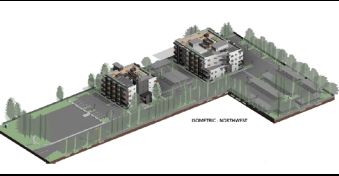
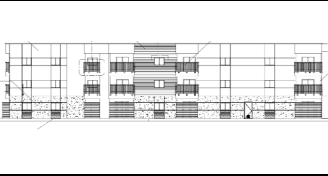
(1) Includes projects that have entitlements approved as well as proposed projects that are pre-entitlement approval.

Appendix Table B-2

Projects: S. of I-80 and N. of US-50 ⁽¹⁾

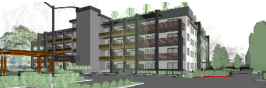
Feasibility Analysis

Sacramento County AHO Update

Unit Type	Apartments	Apartments	Apartments	Apartments
Image				
Project Name	5429 Marconi Ave Apartments	2862 & 2856 Arden Way Apartments	Markston Apartments	Blackhawk Apartments
Location	5429 Marconi Ave Apartments, Carmichael, CA	2862 Arden Way, Sacramento, CA	1811 Markston Rd, Sacramento, CA	7925 Fair Oaks Blvd, Carmichael, CA
Developer	Borole Construction Inc.			
Site Size	2.30 acres	3.08 acres	1.41 acres	1.00 acres
No. of Units (du) notes	74 du	76 du	39 du	30 du
Density (du/ac)	32.2 dua	24.7 dua	27.7 dua	30.0 dua
Unit Size Range	1BR: 807 sf 1BR ADA: 864 sf 2BR: 974 sf 2BR ADA: 983 sf		1BR: 645 sf and 805 sf 2BR: 885 sf	2BR: 728 sf - 881 sf
Average Unit Size	892 sf		764 sf	791 sf
Avg No. Bedrooms	1.5 BRs	0.9 BRs	1.5 BRs	2.0 BRs
Building Type	3-story buildings			3-story multifamily apt complex
Parking	112 total parking spaces consisting of garages, covered standard parking, compact parking, ADA parking, EV parking, and tandem parking	150 parking spaces which includes 8 standard ADA (2 of them ev) and 2 van accessible spaces	67 parking spaces and 3 motorcycle spaces	49 residential spaces (30 standard cover and 19 compact). 8 visitor spaces provided on-street.

(1) Includes projects that have entitlements approved as well as proposed projects that are pre-entitlement approval.

Appendix Table B-2
Projects: S. of I-80 and N. of US-50 ⁽¹⁾
Feasibility Analysis
Sacramento County AHO Update

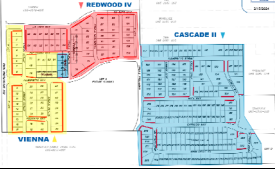
Unit Type	Apartments	Apartments	Affordable Apartments	Conversion - Office	Conversion - Office
Image					
Project Name	Bell St Townhomes	2511 Larkspur Ln Townhomes	Beech Hill Apartments	2391 Arden Way	5030 El Camino Ave
Location	1515 Bell St	2511 Larkspur Lane, Sacramento, CA	8796 Greenback Lane, Sacramento, CA (Orangevale)	2391 Arden Way, Sacramento, CA	5030 El Camino Ave, Carmichael, CA
Developer			Pacific Housing, Inc.		Onyx Investment Group?
Site Size	0.41 acres	0.43 acres	1.69 acres		2.36 acres
No. of Units (du) notes	8 du	12 du	29 du	9 du	94 du
Density (du/ac)	19.5 dua	27.9 dua	17.2 dua		39.8 dua
Unit Size Range	1BR: 542 sf - 559 sf	1BR: 854 sf - 908 sf	1BR: 601 sf 2BR: 807 sf and 822 sf 3BR: 1,001 sf		
Average Unit Size	544 sf	874 sf	785 sf		
Avg No. Bedrooms	1.0 BRs	1.0 BRs	1.9 BRs	1.2 BRs	0.4 BRs
Building Type	1 story townhome	2-story townhomes	3,4-story building	2-story building	4-story building
Parking	5 covered parking stalls, 2 parking stalls, and 1 2-car car port. There is also off- and on- street parking.	18 carports	45 parking spaces (36 standard stalls, 8 compact stalls, and 1 motorcycle stall)	27 parking spaces including 2 standard accessible and 1 van accessible	73 standard parking spaces, 54 compact, 5 ADA, 14 EV stalls, 11 motorcycle

(1) Includes projects that have entitlements approved as well as proposed projects that are pre-entitlement approval.

Appendix Table B-3
Projects: South of US-50
Feasibility Analysis
Sacramento County AHO Update

Unit Type	Single Family Detached	Single Family Detached	Single Family Detached	Single Family Detached
Image				
Project Name	Silveira (Wildhawk 11)	Wildhawk Master Plan Series 4 & 5	Wildhawk Master Plan Series 1, 2, & 3	Vineyard Glen
Location	Homes lie along Amisha Way and Piping Rock Dr with Spatal Way, Jovan Way, and Mesa Verde Way connecting the 2 roads	Southwest of the intersection between Gerber Rd and Vineyard Rd	Southwest of the intersection between Gerber Rd and Vineyard Rd	Bradshaw Rd, Sacramento, CA
Developer	Taylor Morrison	Taylor Morrison	Taylor Morrison	Lennar Homes
Status	approved	approved	approved	approved
Site Size				
No. of Units (du) notes	72 du min lot area - 5,500	min lot area - 3,200	minimum lot area - 3,200	265 du 4,725' and 5,460 lots
Density (du/ac)				
Unit Size Range	Units range from 2,260 sf to 3,291 sf	Each series has 4 plans. The unit sizes range from 2,270 sf to 3,392 sf	Each series has 4 plans. The unit sizes range from 1,557 sf to 2,386 sf	Of the various home plans from Antinori III, Arista, and Veneto, units range from 1,446 sf to 2,966 sf
Average Unit Size				
Avg No. Bedrooms	2,3, and 4 BR homes	3 and 4 BR homes	3 and 4 BR homes	3,4 and 5 BR homes
Building Type	1 and 2-story homes with garages	1 and 2-story homes with garages	2-story homes with garages	1 and 2-story homes with garages
Parking		2-car garages. Some plans include a 3-car tandem garage.	2-car garages	2-car garages

Appendix Table B-3
Projects: South of US-50
Feasibility Analysis
Sacramento County AHO Update

Unit Type	Single Family Detached	Single Family Detached	Single Family Detached	Single Family Detached
Image				
Project Name	Gerber Creek Unit 2	Gerber Creek	Villages at Elder Creek Unit 1	Lelani Village
Location	7444 Gardner Ave, Sacramento, CA (Vineyard community)	At the intersection South of Rockchester Dr and West of Elk Grove Florin Rd	7334 Hedge Ave, Sacramento, CA (Vineyard community). South of Florin Rd / Elk Grove Florin Rd Intersection.	Bounded by Penfield Dr to the west, Monroe Dr to the north, Elk Grove Florin Rd to the east, and Rockchester Dr to the south
Developer	Lennar Homes	Lennar Homes	Lennar Homes	Lennar Homes
Status	approved	approved	approved	approved
Site Size	9.92 acres		77 acres	9.8 acres
No. of Units (du) notes	50 du	177 du typical lot: 5,670sf	276 du	62 du
Density (du/ac)	5.0 dua		3.6 dua	6.3 dua
Unit Size Range	Units range from 1,653 sf to 3,161 sf	Units range from 1,991 sf to 3,035 sf	Units range from 1,596 sf to 2,658 sf	Units range from 2,107 sf to 2,776 sf. Lot coverage ranges from 39% to 48%.
Average Unit Size				
Avg No. Bedrooms	3,4 and 5 BR homes	3,4 and 5 BR homes	3,4 and 5 BR homes	3 and 4 BR homes
Building Type	1 and 2-story homes with garages	1 and 2-story homes with garages	1 and 2-story homes with garages	2-story homes with garages
Parking	2-car garages	2-car garages	2-car garages	2-car garages

Appendix Table B-3
Projects: South of US-50
Feasibility Analysis
Sacramento County AHO Update

Unit Type	Single Family Detached	Single Family Detached	Apartments	Affordable Apartments
Image				
Project Name	Riverhaven (fka Caselman NW)	Raj Subdivision	9055 Gerber Road Multifamily	San Juan Phase 1
Location	At the intersection of Riverhaven Way and Caselman Rd in the Vineyard community	7508 Elsie Ave, Sacramento, CA	9055 Gerber Rd	5700 Stockton Blvd
Developer	Beazer Homes			
Status	approved	approved	pipeline	approved
Site Size	17.9 acres	4.28 acres		5.9 acres
No. of Units (du) notes	66 du	30 du	132 du	160 du
Density (du/ac)	3.7 dua	7.0 dua		27.1 dua
Unit Size Range	Units range from 1,360 sf to 1,942 sf	Units range from 1,227 sf to 1,960 sf.	1BR: 625 SF 2BR: 975 SF	
Average Unit Size		1,458 sf	745 sf	
Avg No. Bedrooms	3 and 4 BR homes	3.0 BRs	1.2 BRs	
Building Type	1-story homes with garages	1 and 2-story homes with garages	4-story building	3-story building
Parking	2-car garages	1,2-car garages	231 parking spaces.	133 uncovered surface parking spaces

Appendix Table B-3
Projects: South of US-50
Feasibility Analysis
Sacramento County AHO Update

Unit Type	Affordable Apartments	Affordable Apartments	Affordable Apartments
Image			
Project Name	San Juan Phase 2	Terracina at Wildhawk	Mutual Housing on the Boulevard
Location	5700 Stockton Blvd	South of Gerber Rd, Vineyard Community	7351 Stockton Blvd
Developer		USA Properties Fund Inc.	Mutual Housing California
Status	approved	approved	approved
Site Size	1.28 acres		5.8 acres
No. of Units (du) notes	70 du		127 du
Density (du/ac)	54.7 dua		21.9 dua
Unit Size Range	Studio: 308 SF 1BR: 526 SF 3BR: 1,133 SF		
Average Unit Size	504 sf		
Avg No. Bedrooms	0.9 BRs	2.0 BRs	1.6 BRs
Building Type	4-story building		1-3 story buildings
Parking	39 on-site parking spaces	270 parking spaces.	173 total parking spaces