If the above vacancy estimate is anywhere near correct, there are approximately 29,200 occupied units in the city at this time, as compared with 24,687 in 1930 (as reported by the U. S. Census) or an increase of 4,514 occupied units. This compares very favorably with the previously mentioned estimate of an increase of 4,500 families.

IV. ESTIMATED NEED FOR HOUSING

It is assumed that a vacancy level of approximately 1.7% indicates an inadequate supply of housing to meet the normal requirements, and it is further assumed that the vacancy level could be increased by new building to 4% without seriously disturbing the market or to about 1,200 units. Allowing for the 500 units now vacant, it is estimated that about 700 additional units is the existing need for housing in Sacramento.

A. Type of Units Needed:

According to the R. P. I. in 1934, 16,275 or 58% of the 28,021 dwelling units in the city were single-family residences and the balance two-family, three-family or multi-families. This is rather a low percentage of one-family residences in comparison with other cities of equal size, and the probable explanation lies in the fact that the city being the State capital, has a large number of persons whose work is provided by political appointment and hence do not feel themselves permanently situated in the city. Then too, the State Legislature meets bi-annually, and during the period it is in session, there are a large number of persons coming to the city who prefer, during their relatively short residence there, the convenience of apartments. In view of this fact, it would seem that the current building should be fairly equally divided between one-family residences and multi-family structures. If this assumption is considered sound, then the current need is for approximately 350 multi-family units and approximately 350 one-family residences.

B. Need by Price groups:

It has been reported that recently certain price houses have been moving very slowly, particularly those in the $5,500 to $7,000 range. It seems quite possible that the saturation point for houses to sell in this price class has been reached for the moment. On the other hand, it is reported that there is a substantial demand for houses built to sell for between $3,700 and $5,000. Building costs in Sacramento are generally considered to be high, and it would probably be difficult, therefore, to produce houses to sell for less than $4,000. It should be possible, however, to build