a satisfactory small house to sell for between $4,000 and $5,000 and it is believed that substantial quantity of houses in this price class could be readily absorbed.

C. Rent Levels:

According to the R. P. I. in 1934 only 3 1/2% of all rental units in the city were rented for over $50.00 a month. While rents have increased since that time, probably 20% to 25%, these data suggest a very limited demand for house units renting for over $60.00 a month.

The R. P. I. reported a total of 3,565 apartment units, 74% of which rented for less than $15.00 per room per month. Of the total apartments renting for over $15.00 per room per month, 82% were in one or two room apartments, thus, only 167 or about 4 1/2% of the total apartment units in the city, consisting of three or more rooms, rented at over $15.00 a room per month. Again suggesting the limitations of the market for the larger apartments, renting over $15.00 per month. Apartment house rents have increased, it is reported, somewhat less than the rents for private residences, probably not over 10% to 15%. If these reports are reliable it would appear that at the present time rental projects built in the city should have a rent scale, for three and four room apartments of not over $17.50 per room.

V. CONCLUSION:

It is concluded that the city of Sacramento has enjoyed a substantial growth in population during the past three years and that building has not kept pace with this growth. As a consequence it is estimated there is an immediate demand for approximately 700 additional housing units, however, the bulk of the demand for houses built to sell appears to be in the $4,000 or $5,000 price range. In rental housing the top rental appears to be in the neighborhood of $17.50 per room per month.