B-2, B-3, B-4, B-8, and B-12, parts of which, upon casual inspection, would be classed as first grade. This pride of ownership and tenancy does not stop with the better grade areas but is noticeable in many third and fourth grade areas and in every part of the city.

There are three principal contributing factors which account for this unusual degree of upkeep: First, the fertile delta land upon which the city is built. Second, the equitable climate which prevails and makes possible the growth of subtropical vegetation. The third, and probably the greatest influence, is the abundant supply of low-cost water which is available. In this connection should also be mentioned the sub-irrigation of the soil which underlies the city. This last factor, however, is not an unmixed blessing, and in seasons of "high water," hydrostatic pressure causes the flooding of basements in some parts of the city. This is notably true in Areas B-9, B-11, C-20, and D-7.

The business and industry of the city, which are largely supported by agriculture and governmental activities, is widely scattered, and in many districts, interspersed with residential structures. This is not only true within the old city limits but also gives a heterogeneous aspect to many of the newer sections as well.

The main business district occupies the blocks between "H" and "L" Streets from 16th Street to the Sacramento River. "K" Street, the principal business thoroughfare, is solidly built for six blocks with business structures, many of which would be a credit to a much larger community.

"East Sacramento" which, generally speaking, occupies that portion of the city lying north of "R" Street and east of Alhambra Boulevard, was the scene of the city's greatest residential development between the years 1920 and 1930. This section is still highly desirable, and there is an active demand for single-family residences throughout that section.

Owing to the physical barriers of rivers and levees, it was inevitable that sooner or later the direction of residential development would turn southward, and this change of direction is now definitely taking place. The greatest residential expansion during the past several years has been in the southwestern part of the city, south of "Y" Street and west of Franklin Boulevard, 43.6% of Sacramento's residential activity in 1937 being in Areas A-2, A-3, B-10, B-12, and C-21, which are located in that section.