



MULTIFAMILY REPORT

Salt Lake City Rides Out The Storm

Fall 2020



Rent Gains Pick Up Again

Investor Interest Endures

Deliveries Power Through

SALT LAKE CITY MULTIFAMILY



The Wasatch Front Gradually Bounces Back

Salt Lake City's multifamily market has been among the most resilient in the country, outperforming peer metros. Although rent growth started to slowly decelerate at the beginning of the year, it promptly rebounded at the end of the second quarter. On a trailing three-month basis through October, rents rose 0.5% to \$1,229, while the national figure stayed flat.

The metro experienced less severe job losses than the U.S., as an interval of strong economic development acted as insulation for this interval of volatility. In the 12 months ending in September, employment growth contracted by 3.4%, while the U.S. rate dipped 9.3%. Projects such as the new \$4.1 billion airport moved forward due to the significant decrease in air traffic, while other large-scale developments broke ground, undaunted by the ongoing unpredictability. Zions Bancorporation began work on a 400,000-square-foot technology campus in Midvale, while St. John Properties plans to invest \$120 million in office and flex/R&D space in Taylorsville and Springville.

Bucking the national trend, transaction activity endured, and multifamily deliveries—at 3,800 units in 2020 through October—have already surpassed last year's stock additions. Salt Lake City is positioned to be among the first metros to eventually bounce back from economic disruption, according to a Moody's Analytics report.

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Contacts

Jeff Adler

Vice President & General
Manager of Yardi Matrix
Jeff.Adler@Yardi.com
(303) 615-3676

Jack Kern

Director of Research
and Publications
Jack.Kern@Yardi.com
(800) 866-1124 x2444

Ron Brock, Jr.

Industry Principal, Matrix
JR.Brock@Yardi.com
(480) 663-1149 x2404

Author

Laura Calugar

Senior Associate Editor

Recent Salt Lake City Transactions

Embarc at West Jordan



City: West Jordan, Utah
Buyer: Marble Partners
Purchase Price: \$77 MM
Price per Unit: \$175,212

Seasons at Pebble Creek



City: Salt Lake City
Buyer: Insite Development
Purchase Price: \$52 MM
Price per Unit: \$172,000

Ascent in Cottonwood



City: Cottonwood Heights, Utah
Buyer: The Warmington group of companies
Purchase Price: \$35 MM
Price per Unit: \$219,025

Strata99



City: Salt Lake City
Buyer: Elan Multifamily Investments
Purchase Price: \$16 MM
Price per Unit: \$163,509