



MULTIFAMILY REPORT

Salt Lake City Keeps Its Appeal

Spring 2021

Rent Gains Continue to Outperform

Unemployment Among Lowest in the US

Developers, Investors Target Downtown Area

SALT LAKE CITY MULTIFAMILY



Wasatch Front Up for Fast-Paced Recovery

Backed by a diverse economy, a highly skilled workforce and relative affordability, Salt Lake City has proved highly resilient in the face of adversity. At 0.4% on a trailing three-month basis through February, rate growth has been positive for the ninth consecutive month. Average rents clocked in at \$1,249 in February, \$150 below the national figure.

At 3.5% as of January, the unemployment rate in Salt Lake City was among the lowest in the country. In 2020, trade, transportation and utilities added 13,700 positions—a 5.2% improvement—while the government and construction sectors added 3,500 jobs and 3,300 jobs, respectively. Overall, employment contracted by only 1.1%, well above the national rate, mainly due to Salt Lake City's strong economy preceding the pandemic. Many large employers—including Amazon, eBay and Adobe—are establishing roots in Utah, taking advantage of the highly educated employment base, low cost of doing business and ease of air travel. Due to Salt Lake City's location, the industrial sector has also been recording strong growth.

Over the first two months of 2021, developers completed 254 units and investors closed on only three significant deals. Despite the slow start, Salt Lake City is positioned to follow up on its swift rebound, as multifamily demand remains healthy.

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Recent Salt Lake City Transactions

Icon 9700



City: Sandy, Utah
Buyer: Starwood Capital Group
Purchase Price: \$77 MM
Price per Unit: \$292,566

Milagro



City: Salt Lake City
Buyer: Graycliff Capital
Purchase Price: \$68 MM
Price per Unit: \$372,313

Elevate on 5th



City: Salt Lake City
Buyer: Auctus Capital Partners
Purchase Price: \$57 MM
Price per Unit: \$238,605

Aspen Cove Townhomes



City: Salt Lake City
Buyer: Laguna Point Properties
Purchase Price: \$17 MM
Price per Unit: \$226,311