



MULTIFAMILY REPORT

Adjustment In Salt Lake City

April 2025

Development Hits Record

Job Gains Sustain Demand

Rent Movement Trails Nation

SALT LAKE CITY MULTIFAMILY



Strong Supply Stalls Rent Gains

Salt Lake City's strong employment growth sustained demand at the start of 2025. Still, due to record supply volume, average advertised asking rents took a hit. The average rate was down 0.3% on a trailing three-month basis, also sliding 1.2% year-over-year, to \$1,538 in February. Robust supply also impacted occupancy in stabilized properties, but to a lesser degree. The figure was down 40 basis points year-over-year, to 94.1% as of February.

Job growth stood at 2.5% in metro Salt Lake City as of December 2024, nearly double the 1.3% U.S. average and leading all top 30 Yardi Matrix metros. Meanwhile, area unemployment remained tight at 3.2% as of January, on par with the state and below the 4.0% national average. Education and health services (14,500 jobs) and government (7,800 jobs) led employment gains, while trade, transportation and utilities was the only sector to shed positions (down 4,300 jobs). Construction continues on the 700-acre mixed-use Utah City in Vineyard, while the University of Utah is set to break ground this summer on a new hospital and medical campus in West Valley City, with completion slated for 2029.

Development remained robust, with 1,226 units coming online in 2025 through February and an additional 19,639 apartments underway. Meanwhile, sales totaled \$444 million in 2024, above 2023's volume but otherwise behind every other year in the past decade.

Market Analysis | April 2025

Contacts

Jeff Adler

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

Ron Brock, Jr.

Industry Principal, Matrix
JR.Brock@Yardi.com
(480) 663-1149 x14006

Doug Ressler

Media Contact
Doug.Ressler@Yardi.com
(480) 695-3365

Author

Anca Gagiuc

Senior Associate Editor

Recent Salt Lake City Transactions

Enclave at Redwood



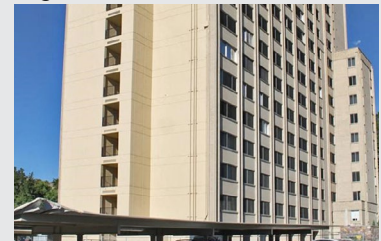
City: West Valley City, Utah
Buyer: Artemis Real Estate Partners
Purchase Price: \$90 MM
Price per Unit: \$185,975

Aria



City: Syracuse, Utah
Buyer: Millburn & Co.
Purchase Price: \$80 MM
Price per Unit: \$227,540

Hightower



City: Salt Lake City
Buyer: Hill Street Realty
Purchase Price: \$24 MM
Price per Unit: \$207,275

White Pines

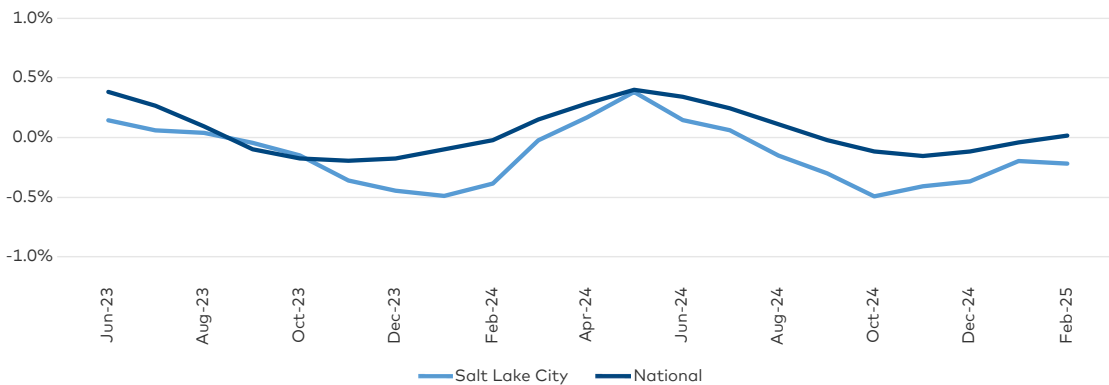


City: Salt Lake City
Buyer: Streamline Capital Group
Purchase Price: \$12 MM
Price per Unit: \$208,133

RENT TRENDS

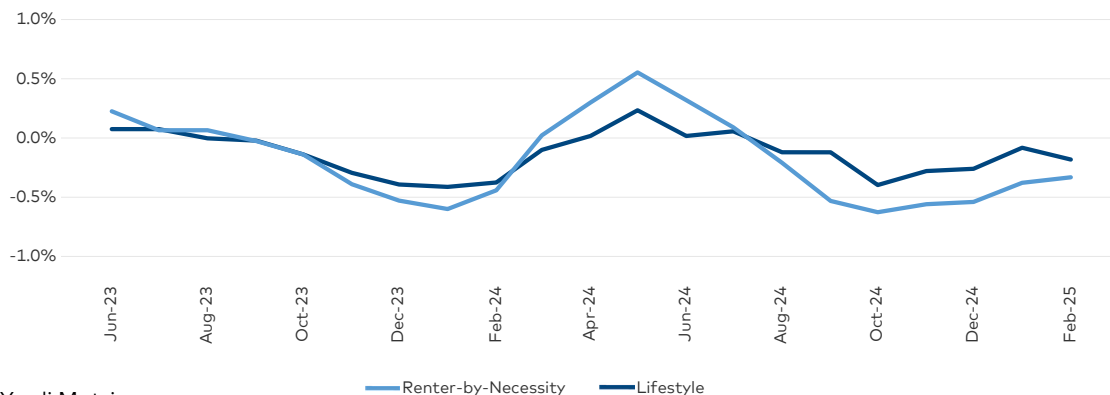
- ▶ Salt Lake City advertised asking rents fell 0.2% on a trailing three-month (T3) basis through February, to \$1,538. Meanwhile, the U.S. average remained unchanged, at \$1,751. The metro's robust supply expansion has impacted rent movement, which has been trailing the nation since 2022, except for two months in 2023. Year-over-year, the market's average rent fell by 1.2%, while the U.S. rate rose by 1.2% as of February.
- ▶ Working-class Renter-by-Necessity rates fell 0.3%, on a T3 basis through February, to \$1,405. That marked a slightly sharper decline than Lifestyle rents, which were down 0.2%, to \$1,666. Bucking the national trend, RBN rents have lagged behind Lifestyle rates since 2022, recording a T3 contraction as steep as -0.6% in the fourth quarter of 2024.
- ▶ The occupancy rate in stabilized properties declined 40 basis points year-over-year, to 94.1% as of February. This was due to an 80-basis-point drop in the RBN segment, to 94.0%. Meanwhile, Lifestyle occupancy inched up 10 basis points, to 94.3%.
- ▶ Only nine of the 33 submarkets tracked by Yardi Matrix saw year-over-year rent growth as of February 2025. This included Salt Lake City–West Central (1.2% to \$1,708), the third most expensive submarket in the metro. The steepest declines were registered in Salt Lake City–Ballpark (-11.5% to \$1,244) and Salt Lake City–Downtown (-9.6% to \$1,992). The latter remained the priciest submarket in the metro despite the most recent contractions.

Salt Lake City vs. National Rent Growth (Trailing 3 Months)



Source: Yardi Matrix

Salt Lake City Rent Growth by Asset Class (Trailing 3 Months)



Source: Yardi Matrix

ECONOMIC SNAPSHOT

- Salt Lake City employment growth has been decelerating since 2021 peak values, but remained particularly strong going into 2025. The figure stood at 2.5% in December, nearly double the 1.3% U.S. average. The market's performance surpassed all top 30 Yardi Matrix metros, including the top three: Indianapolis (2.4%), Raleigh (2.3%) and Charlotte (2.2%). Meanwhile, the unemployment rate stood at 3.2% in January, on par with the state and ahead of the 4.0% national average, according to data from the Bureau of Labor Statistics.
- Salt Lake city added 38,400 net jobs in 2024. Growth was primarily sustained by education and health services (14,500), government (7,800) and mining, logging and construction (6,800). Trade, transportation and utilities was the only sector in the red, down 4,300 positions.
- While construction continues on the 700-acre, 17 million-square-foot mixed-use Utah City in Vineyard, the University of Utah is planning a new hospital and medical campus on 21 acres in West Valley City. Late last year, University of Utah Health officials announced the project is slated to break ground in the summer, with construction unfolding in two phases. The first will deliver a multispecialty health clinic targeting a 2028 completion. The second phase is slated to bring hospital rooms and is expected to open in 2029.

Salt Lake City Employment Share by Sector

Code	Employment Sector	Current Employment	
		(000)	% Share
65	Education and Health Services	227.5	14.6%
90	Government	240	15.4%
15	Mining, Logging and Construction	125.6	8.1%
60	Professional and Business Services	237.7	15.3%
30	Manufacturing	144.1	9.3%
55	Financial Activities	91.9	5.9%
50	Information	42.1	2.7%
80	Other Services	39.4	2.5%
70	Leisure and Hospitality	130.2	8.4%
40	Trade, Transportation and Utilities	276.2	17.8%

Sources: Yardi Matrix, Bureau of Labor Statistics

Population

- Population growth moderated in Salt Lake City, from 2.4% year-over-year in 2021 to 0.8% in 2022.
- Between the 2010 U.S. Census and 2022, the metro's population rose 15.0%, significantly outpacing the 8.9% U.S. rate.

Salt Lake City vs. National Population

	2019	2020	2021	2022
National	324,697,795	326,569,308	329,725,481	331,097,593
Salt Lake City	1,201,043	1,215,955	1,244,671	1,254,675

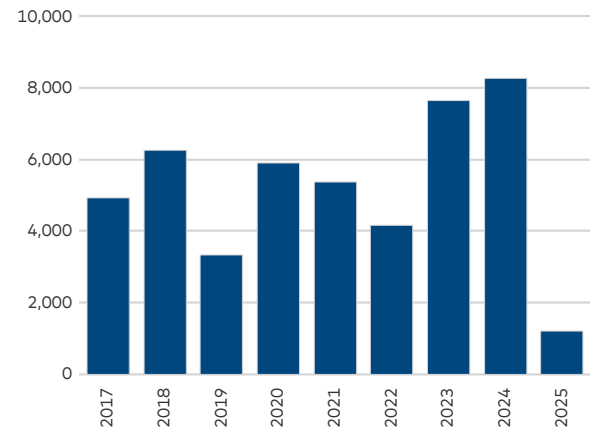
Source: U.S. Census

SUPPLY

- ▶ Development remained elevated in Salt Lake City, with 19,639 units underway in February and another 46,000 in the planning and permitting stages. Nearly one-quarter (23.1%) of units under construction were in fully affordable projects, but the bulk comprised Lifestyle units (73.4%). RBN accounted for just 3.5% of apartments underway.
- ▶ Salt Lake City's stock expanded by 8,246 units in 2024, the largest volume in at least 15 years. Developers remained focused on the upscale segment, with Lifestyle accounting for 86.6% of last year's new supply. The pipeline powered through, with an additional 1,226 units coming online in the first two months of 2025. That accounted for 0.9% of existing stock, three times the national supply growth rate. This year through February, Lifestyle units comprised 82.2%, followed by RBN with 12.4% and 5.3% in fully affordable communities.
- ▶ Bucking the national trend, construction starts went up in 2024, increasing to 7,837 units across 39 properties. That was up from 5,438 units across 25 properties in 2023. Additionally, Yardi Matrix data already confirms that work started on 754 units across four properties this year through February.

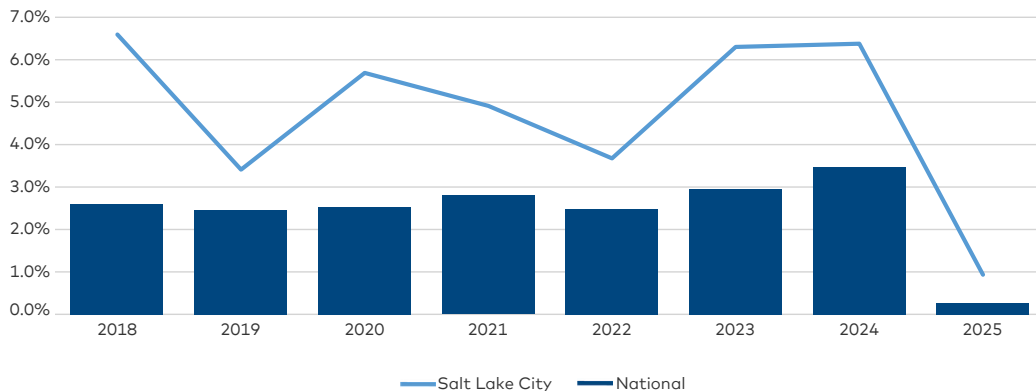
- ▶ Developers were active in 22 of the 33 submarkets tracked by Yardi Matrix, with Salt Lake City–West (3,230 units) and Salt Lake City–West Central (2,537 units) leading the way.
- ▶ The largest project delivered in the first two months of 2025 was Skyline Peaks, a mixed-use, 423-unit Lifestyle property in Draper owned and managed by CJM Development Group. The new, three-building community includes 75,884 square feet of retail space.

Salt Lake City Completions (as of February 2025)



Source: Yardi Matrix

Salt Lake City vs. National Completions as a Percentage of Total Stock (as of February 2025)



Source: Yardi Matrix

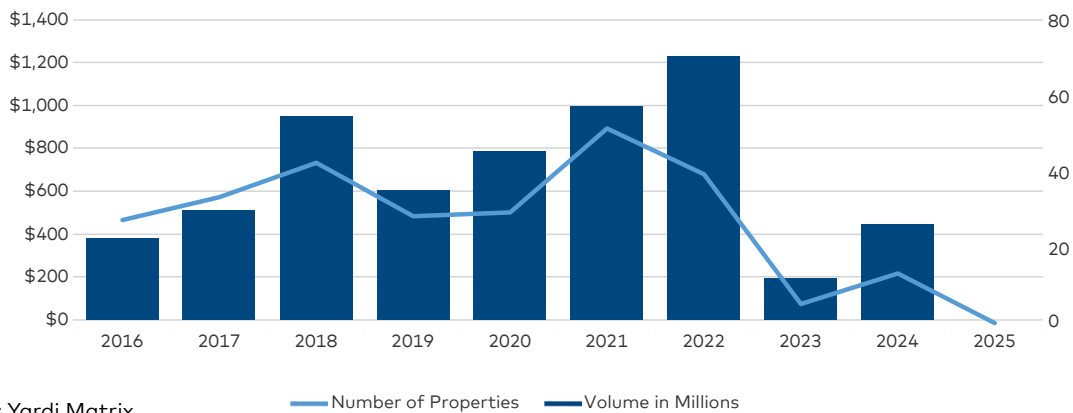
TRANSACTIONS

- ▶ Investment activity rebounded slightly in 2024 in Salt Lake City, totaling \$444 million in multifamily sales. However, it remained low compared to the \$654 million annual average recorded over the past 10 years.
- ▶ Investors focused on value-add opportunities in 2024, as more than 85% of last year's sales involved RBN and fully affordable assets. This has impacted the average price per unit, down 7.9% year-over-year to \$191,852, and below the U.S.

rate for the first time since at least 2010. The U.S. figure, however, was up slightly last year, clocking in at \$194,060.

- ▶ Among the few Lifestyle assets that changed hands in 2024 was Aria, a 351-unit property in suburban Syracuse. The recently completed 25-building community was acquired by Millburn & Co. from C.W. Urban. The asset sold with help from a \$60 million, fixed-rate Fannie Mae loan originated by Berkadia Commercial Mortgage.

Salt Lake City Sales Volume and Number of Properties Sold (as of February 2025)



Source: Yardi Matrix

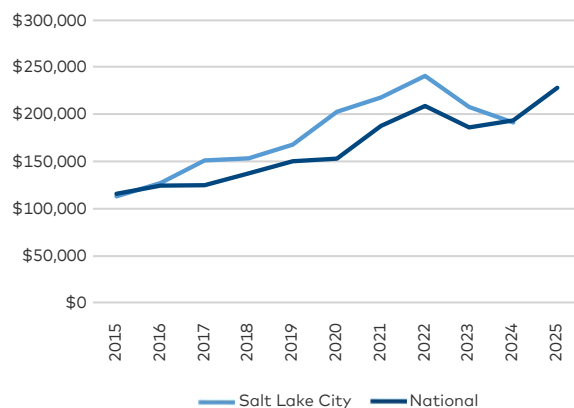
Top Submarkets for Transaction Volume¹

Submarket	Volume (\$MM)
West Valley City	134
Ogden	112
Midvale	81
Magna	58
Salt Lake City–East Central	24
Millcreek	23
South Salt Lake	12

Source: Yardi Matrix

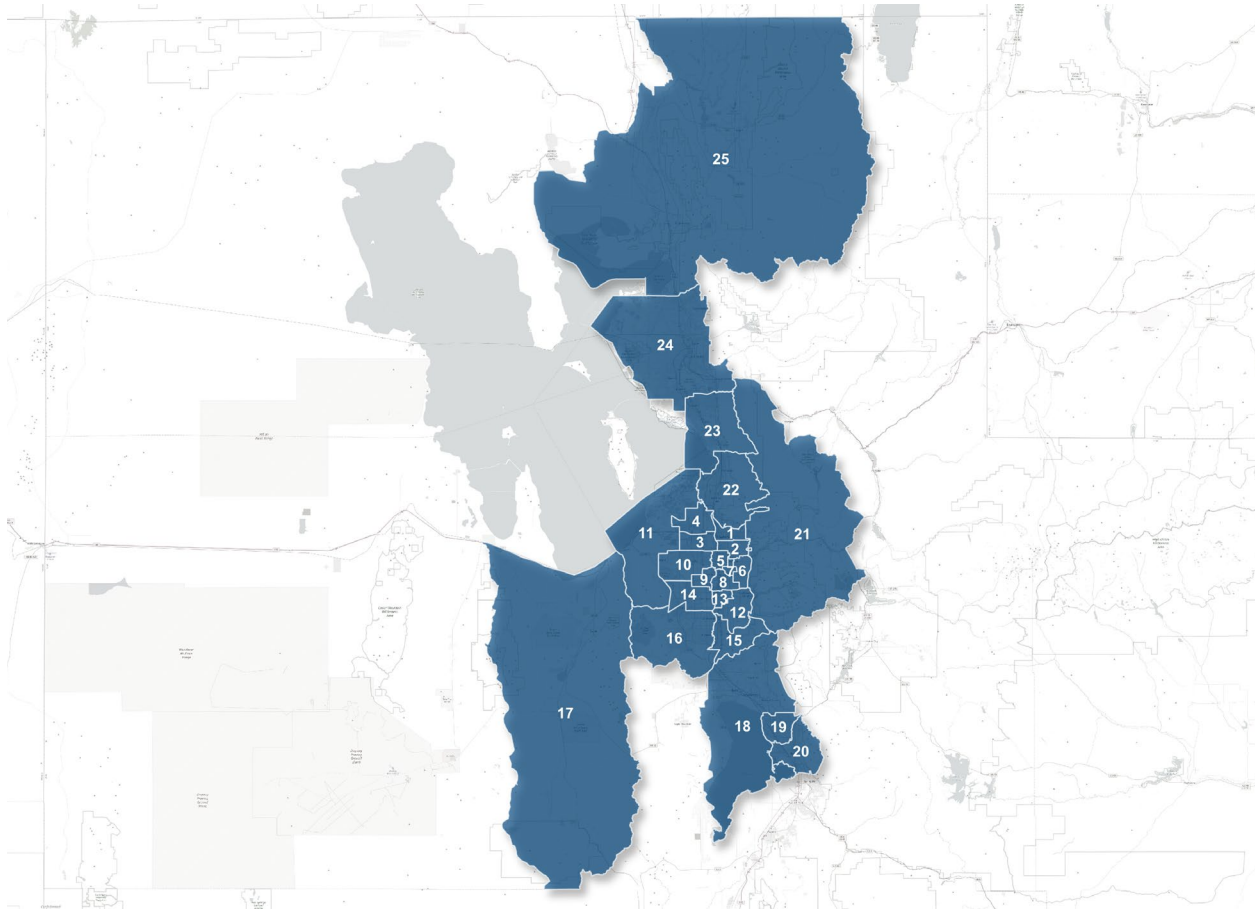
¹ From March 2024 to February 2025

Salt Lake City vs. National Sales Price per Unit



Source: Yardi Matrix

SALT LAKE CITY SUBMARKETS



Area No.	Submarket
1	Salt Lake City–Downtown
2	Salt Lake City–Central City
3	Salt Lake City–West Salt Lake
4	Salt Lake City–Northwest
5	South Salt Lake
6	Holladay
7	Millcreek
8	Murray
9	Taylorsville
10	West Valley City
11	Magna
12	Sandy
13	Midvale

Area No.	Submarket
14	West Jordan
15	Draper
16	South Jordan/Herriman
17	Tooele
18	Pleasant Grove/Lehi
19	Orem
20	Provo
21	Park City
22	North Salt Lake/Bountiful
23	Layton
24	Ogden/Clearfield
25	Logan

DEFINITIONS

Lifestyle households (renters by choice) have wealth sufficient to own but have chosen to rent. Discretionary households, most typically a retired couple or single professional, have chosen the flexibility associated with renting over the obligations of ownership.

Renter-by-Necessity households span a range. In descending order, household types can be:

- *A young-professional*, double-income-no-kids household with substantial income but without wealth needed to acquire a home or condominium;
- *Students*, who also span a range of income capability, extending from affluent to barely getting by;
- *Lower-middle-income ("gray-collar") households*, composed of office workers, policemen, firemen, technical workers, teachers, etc.;
- *Blue-collar households*, which barely meet rent demands each month and likely pay a disproportionate share of their income toward rent;
- *Subsidized households*, which pay a percentage of household income in rent, with the balance of rent paid through a governmental agency subsidy. Subsidized households, while typically low income, extend to middle-income households in some high-cost markets, such as New York City;
- *Military households*, subject to frequency of relocation.

These differences can weigh heavily in determining a property's ability to attract specific renter market segments. The five-star resort serves a very different market than the down-and-outer motel. Apartments are distinguished similarly, but distinctions are often not clearly definitive without investigation. The Yardi® Matrix Context rating eliminates that requirement, designating property market positions as:

Market Position	Improvements Ratings
Discretionary	A+ / A
High Mid-Range	A- / B+
Low Mid-Range	B / B-
Workforce	C+ / C / C- / D

The value in application of the Yardi® Matrix Context rating is that standardized data provides consistency; information is more meaningful because there is less uncertainty. The user can move faster and more efficiently, with more accurate end results.

The Yardi® Matrix Context rating is not intended as a final word concerning a property's status—either improvements or location. Rather, the result provides reasonable consistency for comparing one property with another through reference to a consistently applied standard.

To learn more about Yardi® Matrix and subscribing, please visit www.yardimatrix.com or call Ron Brock, Jr., at 480-663-1149 x14006.



Yardi[®] Matrix

Power your business
with the industry's
leading data provider



MULTIFAMILY KEY FEATURES

- Pierce the LLC every time with true ownership and contact details
- Leverage improvement and location ratings, unit mix, occupancy and manager info
- Gain complete new supply pipeline information from concept to completion
- Find acquisition prospects based on in-place loans, maturity dates, lenders and originators
- Access aggregated and anonymized residential revenue and expense comps



Yardi Matrix Multifamily
provides accurate data on
nearly **23 million** units, covering
over **92%** of the U.S. population.



(800) 866-1144

Learn more at yardimatrix.com/multifamily

Contact
US



DISCLAIMER

Although every effort is made to ensure the accuracy, timeliness and completeness of the information provided in this publication, the information is provided "AS IS" and Yardi Matrix does not guarantee, warrant, represent or undertake that the information provided is correct, accurate, current or complete. Yardi Matrix is not liable for any loss, claim, or demand arising directly or indirectly from any use or reliance upon the information contained herein.

COPYRIGHT NOTICE

This document, publication and/or presentation (collectively, "document") is protected by copyright, trademark and other intellectual property laws. Use of this document is subject to the terms and conditions of Yardi Systems, Inc. dba Yardi Matrix's Terms of Use (<http://www.yardimatrix.com/Terms>) or other agreement including, but not limited to, restrictions on its use, copying, disclosure, distribution and decompilation. No part of this document may be disclosed or reproduced in any form by any means without the prior written authorization of Yardi Systems, Inc. This document may contain proprietary information about software and service processes, algorithms, and data models which is confidential and constitutes trade secrets. This document is intended for utilization solely in connection with Yardi Matrix publications and for no other purpose.

Yardi®, Yardi Systems, Inc., the Yardi Logo, Yardi Matrix, and the names of Yardi products and services are trademarks or registered trademarks of Yardi Systems, Inc. in the United States and may be protected as trademarks in other countries. All other product, service, or company names mentioned in this document are claimed as trademarks and trade names by their respective companies.

© 2025 Yardi Systems, Inc. All Rights Reserved.