

### MARKET AT A GLANCE



#### OCCUPANCY RATE

95.5%

Down 30 bps since 1Q19



#### EFFECTIVE RENT

\$1,211

Up 2.5% since 1Q19



#### DELIVERIES

760

Units YTD

### MARKET IMPACT ANALYSIS

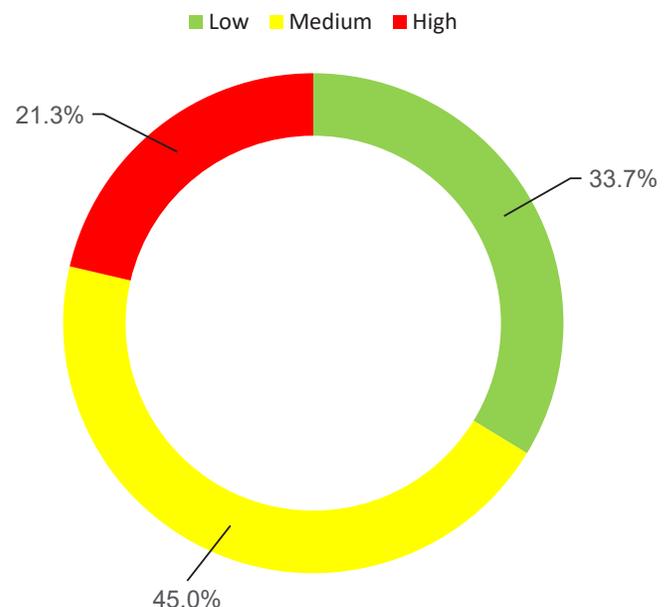
## RISKS TO LOCAL WORKERS & LANDLORDS LOWER THAN MOST OF U.S.

The Salt Lake City metro area is likely to have a less painful exit from today's economic downturn than many other metro areas in the U.S. The reason for this optimism is that, leading into Governor Herbert's stay-at-home directive in March 2020, the area had a robust economy and an exceptionally business-friendly atmosphere. The tech-heavy economy has also kept apartment rent delinquencies low. However, challenges in the Wasatch Front include damage to the nearly \$4 billion tourism industry and upheaval to small businesses. Furloughs and layoffs have sidelined many of the metro's 70,400 workers in the leisure and hospitality industry. Additionally, nearly one-quarter of businesses in the metro area employ fewer than 50 people. As of April 22, many of these businesses will remain closed through April 30 resulting from Salt Lake County Mayor Jenny Wilson's stay-at-home order. Salt Lake City Mayor Erin Mendenhall's stay-at-home mandate is more stringent, still allowing essential errands, but is backed by warnings from police officers witnessing nonessential activities—and for gross offenders, fines and potential arrest. Governor Herbert's April 1 executive order protecting renters is more friendly to multifamily operators than in most other states. Under nearly all conditions, renters cannot be evicted through May 15, 2020. Renters current on obligations on March 31, 2020, may defer subsequent rent payments to May 15, 2020, but not beyond that date.

### INDUSTRY COMPOSITION

| Risk Level                                   | % of Market  | National Avg |
|--|--------------|--------------|
| <b>LOW</b>                                   |              |              |
| Agriculture, forestry, fishing, & hunting    | 0.1%         | 1.1%         |
| Finance & insurance                          | 7.7%         | 4.7%         |
| Health care & social assistance              | 10.9%        | 16.0%        |
| Information                                  | 3.2%         | 2.2%         |
| Mining, quarrying, & oil & gas extraction    | 0.4%         | 0.5%         |
| Transportation & warehousing                 | 6.0%         | 4.4%         |
| Utilities                                    | 0.2%         | 0.4%         |
| Wholesale trade                              | 5.2%         | 4.7%         |
| <b>Total</b>                                 | <b>33.7%</b> | <b>33.9%</b> |
| <b>MEDIUM</b>                                |              |              |
| Administrative & waste services              | 8.8%         | 7.4%         |
| Educational services                         | 2.5%         | 2.3%         |
| Manufacturing                                | 9.3%         | 10.1%        |
| Other services, except public administration | 3.0%         | 3.6%         |
| Professional & technical services            | 9.6%         | 7.5%         |
| Retail trade                                 | 11.8%        | 12.2%        |
| <b>Total</b>                                 | <b>45.0%</b> | <b>43.1%</b> |
| <b>HIGH</b>                                  |              |              |
| Accommodation & food services                | 8.5%         | 11.1%        |
| Arts, entertainment, & recreation            | 1.5%         | 1.9%         |
| Construction                                 | 7.2%         | 6.1%         |
| Management of companies & enterprises        | 2.3%         | 1.9%         |
| Real estate & rental & leasing               | 1.9%         | 1.8%         |
| Unclassified                                 | 0.0%         | 0.1%         |
| <b>Total</b>                                 | <b>21.3%</b> | <b>23.0%</b> |

### JOBS EXPOSURE



Analysis based on RealPage Market Analytics' first quarter 2020 data, which sources more than 3 million units across more than 400 U.S. markets in real time. Data may be revised in future publications as additional information becomes available after the initial release. Risk level based on the percentage of essential vs. nonessential jobs for that sector, along with work-from-home opportunity and impacted revenue.



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