

# SALT LAKE CITY, UT

## 2022 MARKET AT A GLANCE

### Occupancy Rate

96.0%



DOWN 130 BPS YOY

### Effective Rent

\$1,566



UP 8.0% YOY

### Rent Share of Wallet

21.4%



UP 90 BPS YOY

## Vibrant Apartment Market and Investor Interest Expected in 2022

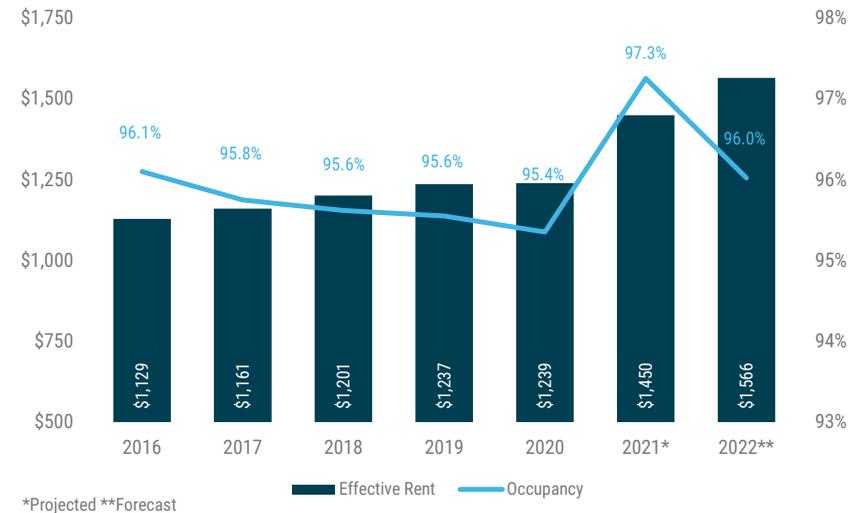
Utah's diverse economy and business-friendly environment has had a decidedly favorable impact on the Salt Lake City metro area's employment recovery and apartment market. By August 2021, metrowide employment surpassed the pre-pandemic peak in January 2020. Multifamily investors, keenly aware of Salt Lake City's strengths, are expected to continue pursuing opportunities in 2022, following heightened transactions in 2021 and record deal volume of nearly \$1.1 billion in 2020. The average cap rate for apartments in the metro area is forecast to remain in the upper-4% range this year. Despite a projected 8.5% increase in the average unit price in 2022, the Salt Lake metro area will remain an attractive alternative to the costlier Denver market. Prolonged employment expansion is anticipated, as well. Metrowide payrolls are projected to grow 3.3% this year as the jobless rate falls to 2.4%. This growth will be a major factor in the formation of approximately 8,100 households in the metro area in 2022. The timely completion of 4,937 new apartments is expected, approximately half of which will appear in the Downtown Salt Lake City/University submarket in proximity to lifestyle amenities and major employers occupying expansive offices. New Class A apartments emerging in the metro area will attract high-wage renters, as a typical mortgage payment in the metro area commands at least a 20% premium compared to average Class A effective rent. By year-end 2022, healthy metrowide apartment occupancy of 96.0% is projected. Meanwhile, average monthly effective rent is forecast to rise 8.0% to \$1,566.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2021 are projected values. 2022 figures are forecast projections. The apartment sales information represents transactions of apartment properties with a sales price of \$2.5 million or more, unless otherwise indicated.

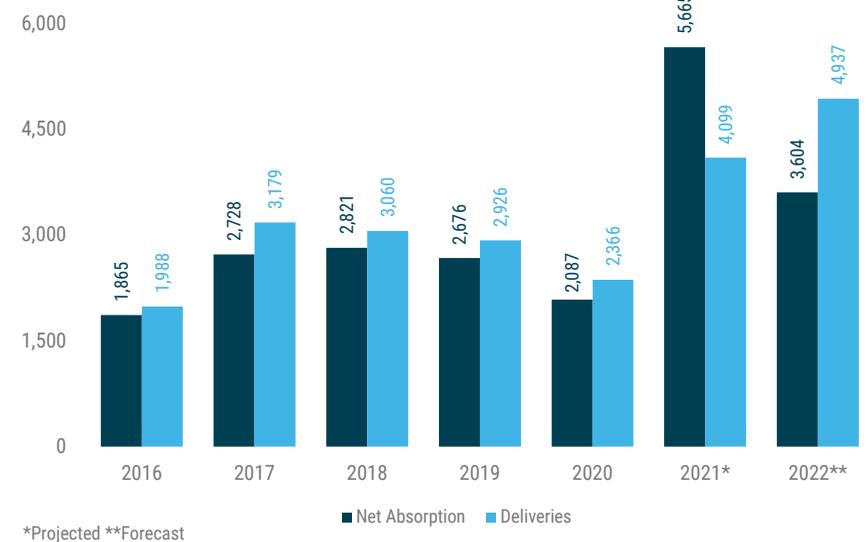
2022 FORECAST

## APARTMENT TRENDS

### Effective Rent & Occupancy



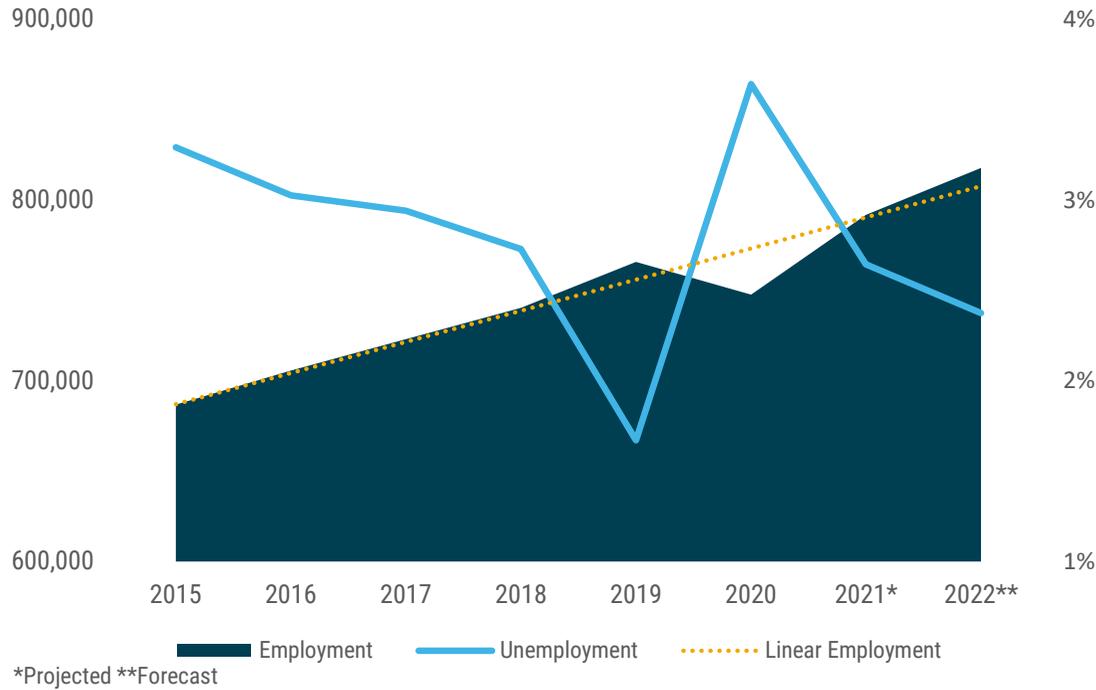
### Absorption & Deliveries



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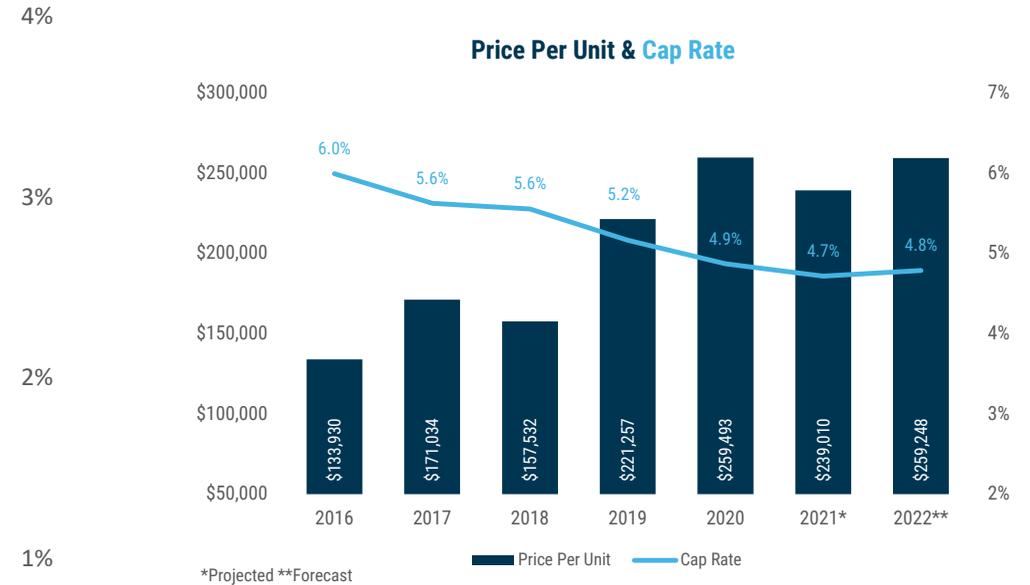
## EMPLOYMENT TRENDS

Market Employment Trends



## SALES TRENDS

Price Per Unit & Cap Rate



**Employment**

817,800



UP 3.3% YOY

**Unemployment**

2.4%



DOWN 20 BPS YOY

**Median Household Income**

\$87,716



UP 3.5% YOY

**Price Per Unit**

\$259,248



UP 8.5% YOY

**Cap Rate**

4.8%



UP 10 BPS YOY