

SALT LAKE CITY, UT

2023 MARKET AT A GLANCE

Occupancy Rate

94.7%



DOWN 70 BPS YOY

Effective Rent

\$1,686



UP 3.7% YOY

Rent Share of Wallet

19.5%



DOWN 10 BPS YOY

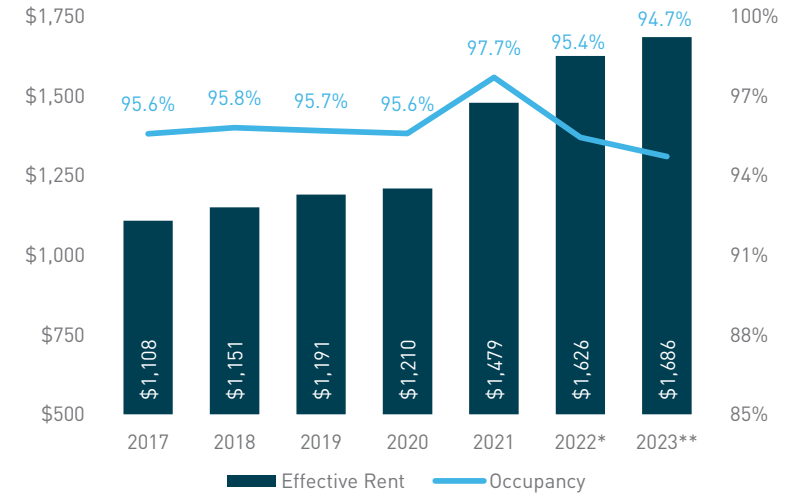
Effective Rent Projected to Rise in 2023 Amid Heightened Leasing Activity

Salt Lake City's quality of life and business-friendly atmosphere will continue to support healthy apartment fundamentals in 2023. Approximately 9,200 additional households are forecast in the metro area this year, driven in part by brisk in-migration. Much of the housing needed by the new and existing residents will be met with the anticipated delivery of 10,942 apartment units in 2023, as numerous multifamily developments will be completed following delays attributed to the pandemic and supply chain issues. The influx of new apartment stock will facilitate demand, with an estimated net apartment absorption of 9,509 units. A generous selection of new, amenity-rich apartments will spur especially high leasing activity in the Downtown Salt Lake/University submarket. The elevated metrowide demand will prompt projected annual rent growth of 3.7% in 2023. For renters relocating to the Rocky Mountain states, Salt Lake City's projected year-end average monthly effective rent of \$1,686 will be considered an excellent value compared to Boise's and Denver's respective forecasted average effective rents of \$1,726 and \$1,929. In addition to in-migration, the 1.8% job growth during 2023 will contribute to the vitality of the local apartment market. Over the long term, the local manufacturing sector will be a standout, as hundreds of workers will be hired at Northrop Grumman Corporation's expanded rocket motor manufacturing plant in Magna in 2025. Additionally, BAE Systems was awarded a \$12 billion contract to modernize U.S. ballistic missiles at Hill Air Force Base through 2040.

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 2022 are projected values. 2023 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.

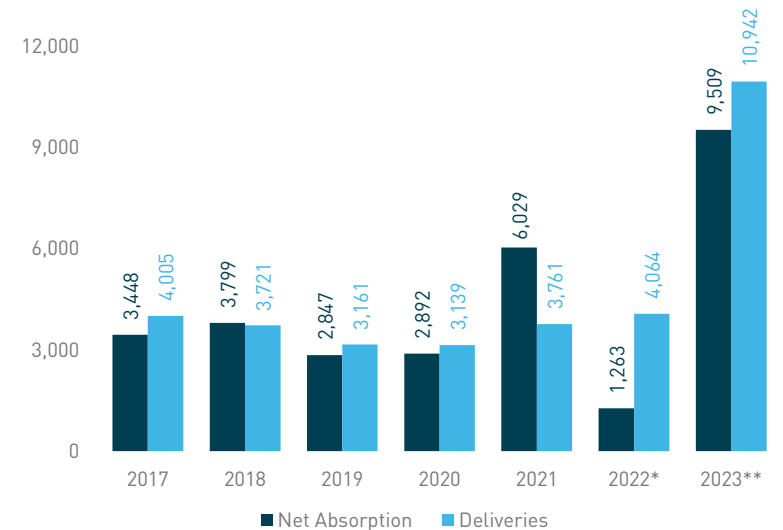
Apartment Trends

Effective Rent & Occupancy



*Projected **Forecast

Absorption & Deliveries

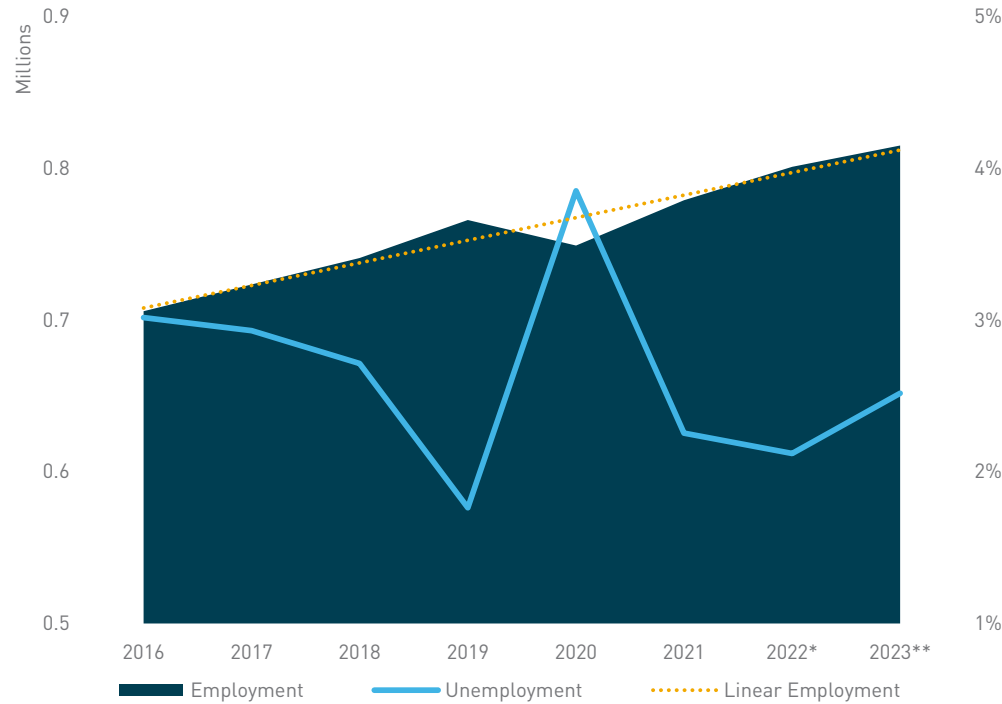


*Projected **Forecast

SALT LAKE CITY, UT

Employment Trends

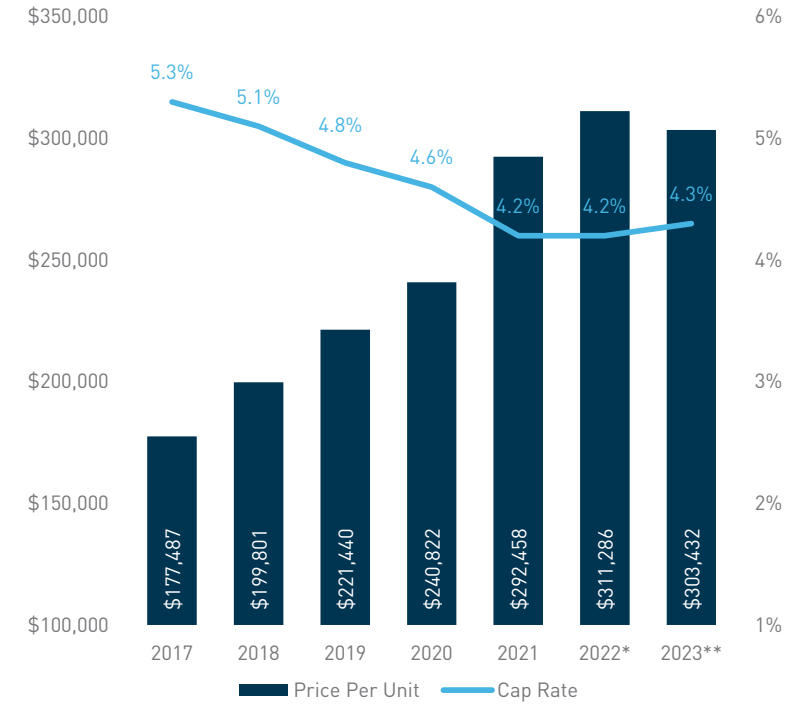
Market Employment Trends



*Projected **Forecast

Sales Trends

Price Per Unit & Cap Rate



*Projected **Forecast

Employment

814,900



UP 1.8% YOY

Unemployment

2.5%



UP 40 BPS YOY

Median Household Income

\$103,645



UP 4.2% YOY

Price Per Unit

\$303,432



DOWN 2.5% YOY

Cap Rate

4.3%



UP 10 BPS YOY