



MARKET AT A GLANCE



OCCUPANCY RATE 95.1%

Down **110 bps** since 2Q19



EFFECTIVE RENT \$1,212

Down **0.4%** since 2Q19



RENT PAYMENT TRACKER (July 1-13) 93.2%

Down **120 bps** since June 1-13

OCCUPANCY AND RENT TRENDS

LOCAL APARTMENT DEMAND POSITIVE, AND RENTERS PAY PROMPTLY

The Salt Lake City metro's diverse job market sheltered the local economy from much of the upheaval observed in other parts of the U.S. since March 2020. In May, the local jobless rate was 9.5%, 380 basis points below the national average. These conditions supported timely rent collection: from July 1 to July 13, 93.2% of local apartment renters attended to their rent obligation, the seventh-highest on-time rate among the 50 largest U.S. metro areas. Leasing activity remained positive in the second quarter of 2020, though lagged deliveries, spurring a 30-basis-point reduction in occupancy from March to 95.1% in June. Monthly effective rent averaged \$1,212 in June, down 0.8% from March. Amid the recent economic changes, the steady addition of Class A apartments placed heightened competitive pressure among upper-tier communities. Since the first quarter of 2020, Class A monthly effective rent dipped 1.9%, while Class B and C effective rent rose 0.3% and 1.2%, respectively. As of late-June 2020, 17 apartment communities representing 3,614 units were scheduled for delivery by mid-2021. This wave of new inventory has the potential to test fundamentals—particularly at Class A apartments—over the next couple of years.



SALT LAKE CITY

MULTIFAMILY REPORT

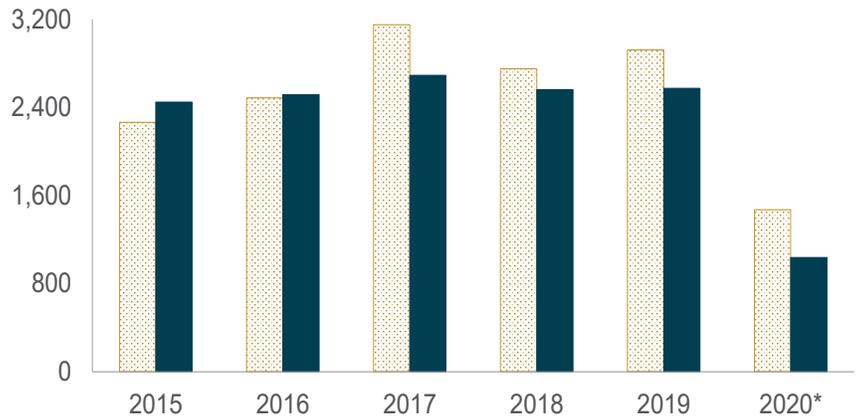
DELIVERIES AND DEMAND



DELIVERIES 1,471
Units YTD



NET ABSORPTION 1,038
Units YTD



*Year to date

■ Deliveries ■ Demand

ECONOMIC TRENDS

2019 2.6% **UNEMPLOYMENT*** 2020 9.5%
690 BPS CHANGE

2019 754.9k **EMPLOYMENT**** 2020 712.8k
-5.6% CHANGE

2019 19.6k **EXISTING SFH SALES**** 2020 17.8k
-9.2% CHANGE

2019 1.2m **POPULATION**** 2020 1.3m
1.4% CHANGE

2019 2.07% **10-YEAR TREASURY**** 2020 0.73%
-130 BPS CHANGE

*May; **June



SALT LAKE CITY

MULTIFAMILY REPORT

SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
	2Q20	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	2Q20	Q-o-Q Change	Y-o-Y Change	2Q20	Annual	2Q20	Annual
Downtown Salt Lake City/University	93.6%	-100	-100	\$1,339	-2.1%	-1.3%	-97	431	105	726
Midvale/Sandy/Draper	95.7%	-10	-70	\$1,218	-0.6%	-0.3%	312	651	335	773
South Salt Lake/Murray	95.1%	-80	-160	\$1,183	-1.0%	-1.7%	-182	283	0	649
Southwest Salt Lake City	95.3%	30	-120	\$1,196	0.3%	1.1%	317	1,016	256	1,322
West Valley City/Airport Area	96.4%	20	-40	\$1,079	0.1%	0.2%	26	-43	0	0
TOTALS	95.1%	-30	-110	\$1,212	-0.8%	-0.4%	376	2,338	696	3,470

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