



Farmington

Greater Salt Lake Area

SLC

Salt Lake City

West Valley City

Millcreek

West Jordan

Sandy

# Multifamily Market Report

MID-YEAR 2023

*Critical Data for Unsettled Times*

Lehi

Pleasant Grove

Eagle Mountain

Orem

Provo

Utah Lake

**CBRE**



CBRE represented the seller in Salt Lake Metro's largest sale to date.

## ASCEND AT NORTHSORE

- 230 Units
- Salt Lake Metro Location

CBRE Sale, June 2023

CBRE is pleased to publish this Mid-Year 2023 Greater Salt Lake Area Multifamily Market Report, providing the most comprehensive multifamily data available. Produced by CBRE's Salt Lake City Multifamily Team led by Patrick Bodnar, this report has been assembled to empower the decision making of multifamily professionals active within the Utah market.

CBRE consistently leads the local and national market. National multifamily investment sales totaled over \$39.33B in 2022 and \$11.4B for the first half of 2023 (Source: MSCI Real Assets). As the leader in multifamily sales every year since 2001, the exposure of CBRE is second to none!

With 65 locations and over 300 multifamily professionals, including direct lending services, CBRE's unparalleled multifamily platform has the most extensive reach in the multifamily space, providing our clients locally and nationally, the greatest market exposure available.

We welcome your inquiries into the Utah multifamily market.

## CBRE SALT LAKE CITY MULTIFAMILY TEAM



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This report has been prepared with data from the Greater Salt Lake Area/Wasatch Front Market, inclusive of Salt Lake, Utah, Davis and Weber Counties. Minimum reporting requirements were identified for each city and county by class, type and size. Data contributions for this publication were made by:

- CBRE Econometric Advisors
- CBRE SLC Multifamily
- CBRE Research
- CoStar
- Greystar Property Management
- MSCI Real Assets
- RealPage
- Wasatch Front MLS
- Western States Multifamily
- Yardi Matrix

# Contents

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**CBRE**

# Executive Summary

The first half of 2023 has demonstrated an obvious cooling of the multifamily market, much like the rest of the nation. Rising interest rates have depleted peak value pricing experienced in 2021/2022. More significant is the rapid and unpredictable debt markets that continue to persist, limiting multifamily deal makers across the country from transacting. This primary factor has “going-in” cap rates approximately 175 to 200 bps higher than at the recent peak. Additionally, the impact of recent inflation at its highest in June of 2022 (9.1%) and new supply has rent growth posting approximately 1% as of June 30th YOY — a stark contrast to the record rent growth the Greater Salt Lake Area has enjoyed for years (5.5% - 6% on average).

However, strong fundamentals remain in Utah and investor interest is high. Decreasing inflation, a strong labor market, low unemployment and market demand for housing validate the significant 11.8% increase in consumer confidence over the national average reported mid-Q2.

Multifamily in the Greater Salt Lake Area remains an excellent investment asset. Sound market fundamentals will always determine the multifamily market’s success and Utah always delivers. Owners and operators have much to look forward to amid this time of transition. The increase cost in construction and financing will eventually slow the delivery of new units and will set the stage for future rent growth as the market becomes supply constrained within the next 18 to 24 months. Additionally, the expected settling of the debt markets anticipated in the latter part of the year will make financing more predictable. This will greatly influence sales activity as long as buyers and sellers can come together on pricing sufficient enough to transact.

## GREATER SALT LAKE AREA HEADLINES TO KNOW

# 5.3%

Vacancy

# \$1,585

Monthly Average Rent

# 3.3%

Mid-year Rent Growth

# 1.0%

YOY Rent Growth

Source: CBRE SLC Multifamily

## LOOKING FORWARD PREDICTIONS

- Investor demand will increase as capital for product in the market becomes impatient
- On-market properties may realize a scarcity premium as sales volume is anticipated to be low
- New deliveries downtown and concessions will energize the leasing market due to greater optionality in apartment product to rent; however, the number of overall renters in the market is down from previous years
- Absorption periods in select submarkets will continue to be extended as more supply is delivered
- High interest rates for new construction will limit the delivery of new supply

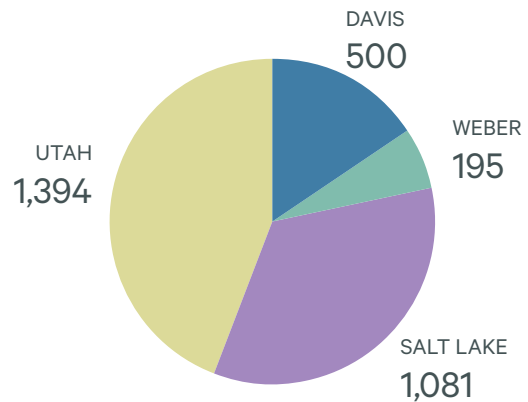
Source: CBRE SLC Multifamily

## GREATER SALT LAKE AREA COMPLETIONS AND CONSTRUCTION SUMMARY

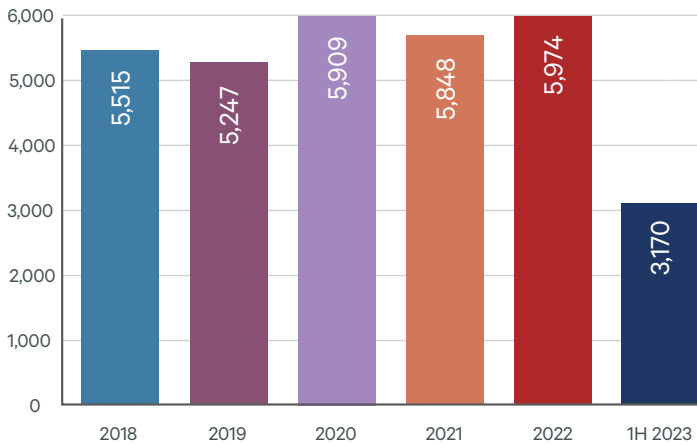
3,170

Wasatch Front  
Completed  
Units 1H 2023

Source: CBRE SLC Multifamily, Western States Multifamily



### GREATER SALT LAKE AREA COMPLETIONS



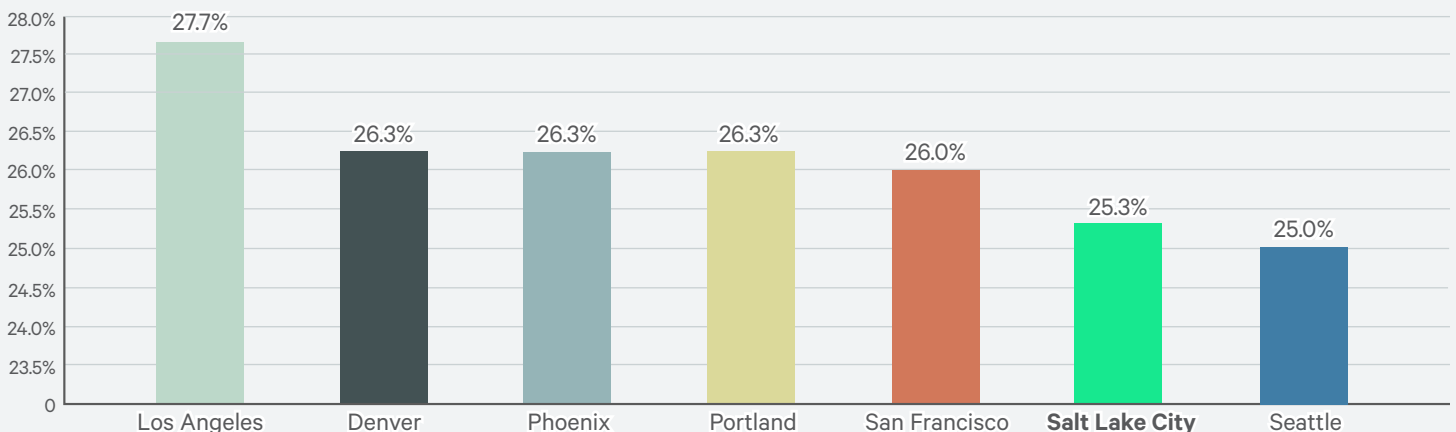
Source: CBRE SLC Multifamily, Western States Multifamily

### CONSTRUCTION SUMMARY

County	Completed 2018-1H 2023	Delivering 2H 2023-2026
Salt Lake	18,495	14,875
Utah	8,174	4,950
Davis	2,382	2,482
Weber	2,612	2,192
Totals	31,663	24,499

Source: CBRE SLC Multifamily, Western States Multifamily

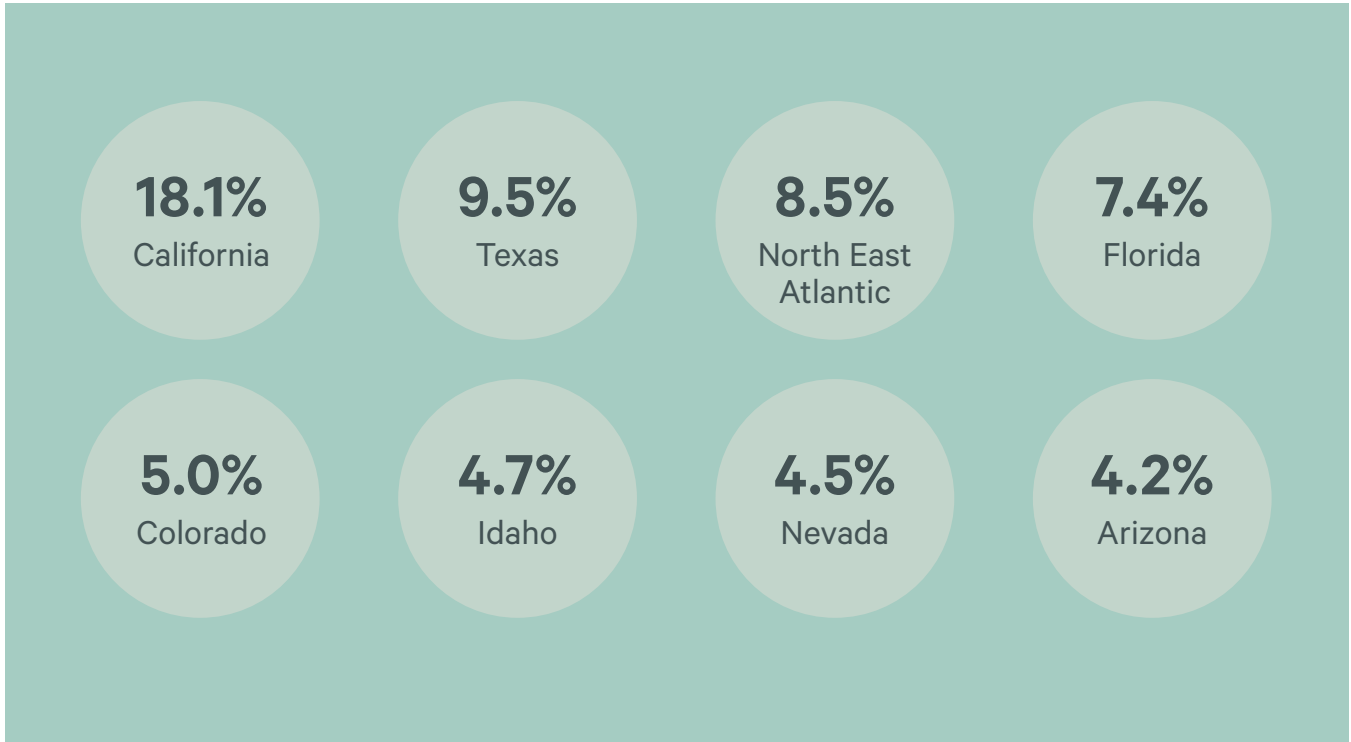
## WESTERN MARKET RENT TO INCOME



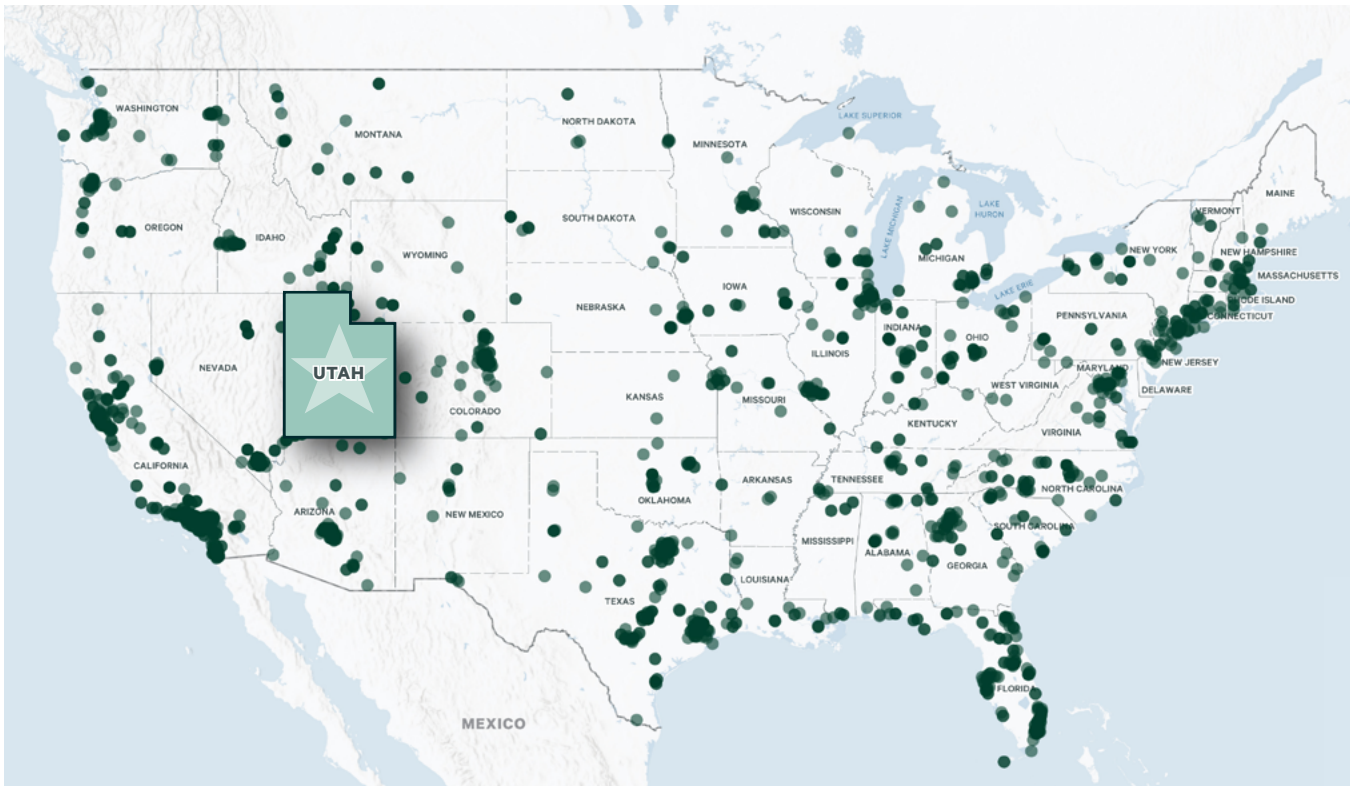
Rolling 3 month average of Median Income for all renters, April through June 2023.

Source: YardiMatrix

# Renters Moving to Utah are Coming From...



● = 1 Move to Utah



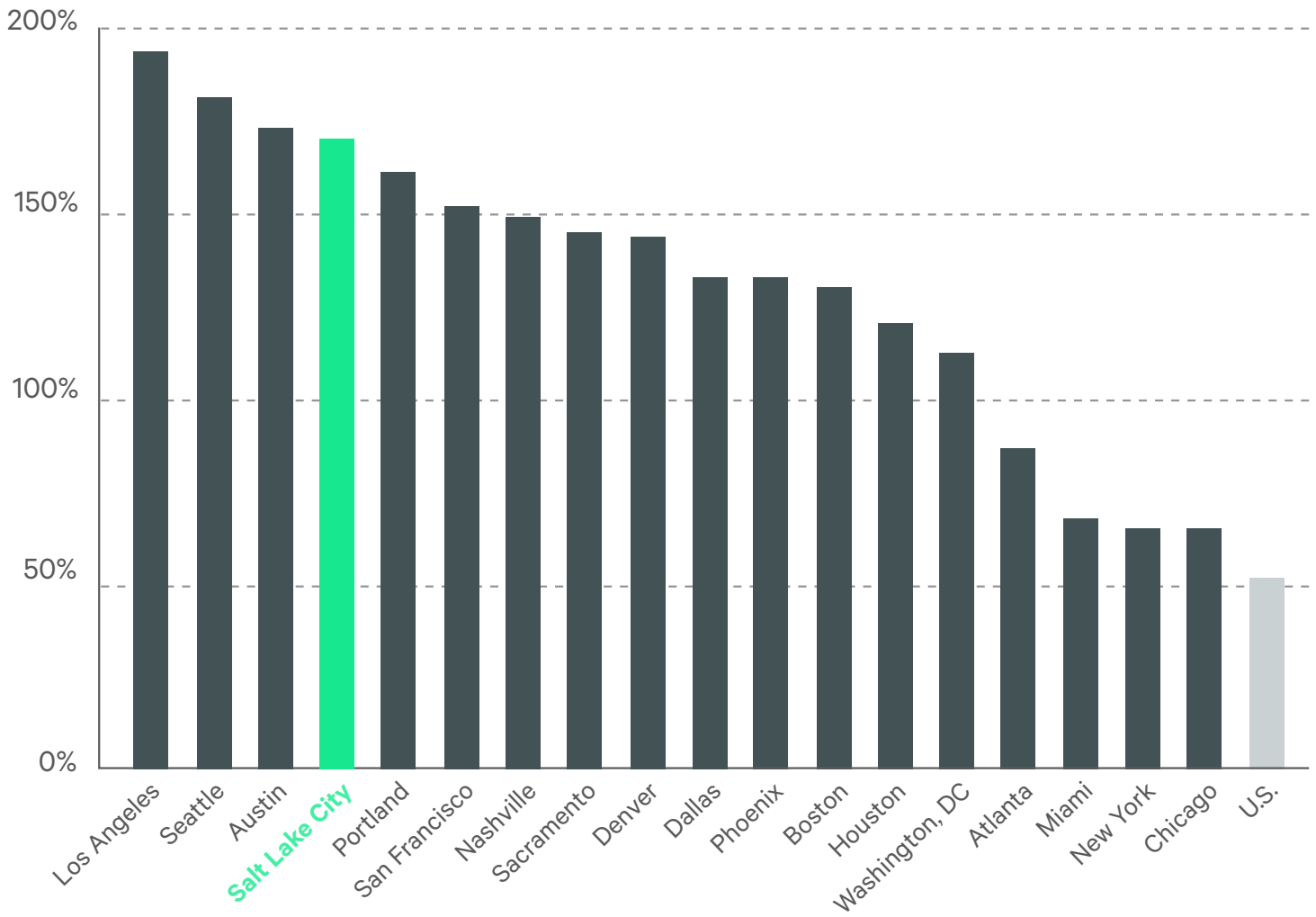
Source: Greystar

## SALT LAKE CITY RANKS AS ONE OF THE MOST EXPENSIVE FOR-SALE MARKETS

Buying a home in Salt Lake City now costs 170% more each month in a mortgage payment than in rent. Additionally, more is required for a down payment, a challenge for most Americans. The Salt Lake City market is ranked 4th highest of these cities; nationally,

the average is 52%. The elevated home ownership premium the current economic climate exerts on renters, will continue to drive apartment demand and keep occupancy rates higher.

### MONTHLY PAYMENT PREMIUM OF OWNING OVER RENTING (%)



Source: CBRE Research, CBRE Econometric Advisors, Q2 2023



# Renters by Necessity

Average Monthly Home Payment Vs. Average Monthly Rental Payment					
County	City	Median SFH Sold \$ (June 1-30, 2023)	Total SFH Payment**	Avg. Apt. Rent***	Added Monthly Expense to Own a Home
	Salt Lake Metro	\$575,000	\$4,156	\$1,585	\$2,571
SL County	Riverton	\$670,215	\$4,797	\$1,856	\$2,941
	South Jordan	\$699,000	\$4,991	\$1,711	\$3,280
	Herriman	\$649,728	\$4,659	\$1,788	\$2,871
	Cottonwood Heights	\$770,000	\$5,469	\$1,751	\$3,718
	Draper	\$887,500	\$6,260	\$1,721	\$4,539
	Midvale	\$455,000	\$3,348	\$1,513	\$1,835
	Murray	\$569,900	\$4,122	\$1,405	\$2,717
	Sandy	\$665,000	\$4,762	\$1,609	\$3,153
	South Salt Lake	\$442,500	\$3,264	\$1,603	\$1,661
	Taylorsville	\$480,000	\$3,517	\$1,328	\$2,189
	West Valley City	\$445,000	\$3,281	\$1,507	\$1,774
UT County	American Fork	\$445,000	\$3,281	\$1,703	\$1,578
	Orem	\$445,000	\$3,281	\$1,478	\$1,803
	Lehi	\$667,000	\$4,776	\$1,517	\$3,259
	Pleasant Grove	\$512,500	\$3,735	\$1,564	\$2,171
	Provo	\$623,465	\$4,483	\$1,328	\$3,155
	Saratoga Springs	\$670,000	\$4,796	\$1,702	\$3,094
Davis County	Bountiful	\$589,000	\$4,251	\$1,391	\$2,860
	Clearfield	\$440,460	\$3,250	\$1,398	\$1,852
	Layton	\$490,500	\$3,587	\$1,371	\$2,217
	North Salt Lake	\$500,000	\$3,651	\$1,530	\$2,121
Weber County	Ogden	\$366,000	\$2,749	\$1,411	\$1,338
	Roy	\$410,000	\$3,045	\$1,433	\$1,613
	West Haven	\$598,900	\$4,317	\$1,369	\$2,949

\*Assumes: (i) a 30 year mortgage rate of 7.3% with 10% down as of June 29, 2023 to calculate the Mortgage Payment, PMI of 3/4 of one percent of the loan amount, and (iii) \$285 in Property Taxes.

\*\*Not including the monthly cost of property insurance.

\*\*\*50 units or more.

For prospective homeowners, based on the Salt Lake Metro median sold price, average monthly single family home (SFH) payments make up 61% of average gross annual incomes. This is far more burdensome than the financial impact to prospective renters, where the average monthly rent payment makes up only 23% of average gross annual incomes.

Avg. Annual Income Required to Afford Payment\*

## \$152,050

Salt Lake County Median Income

## \$82,206

\*Using 28% standard banking figure devoted to housing.

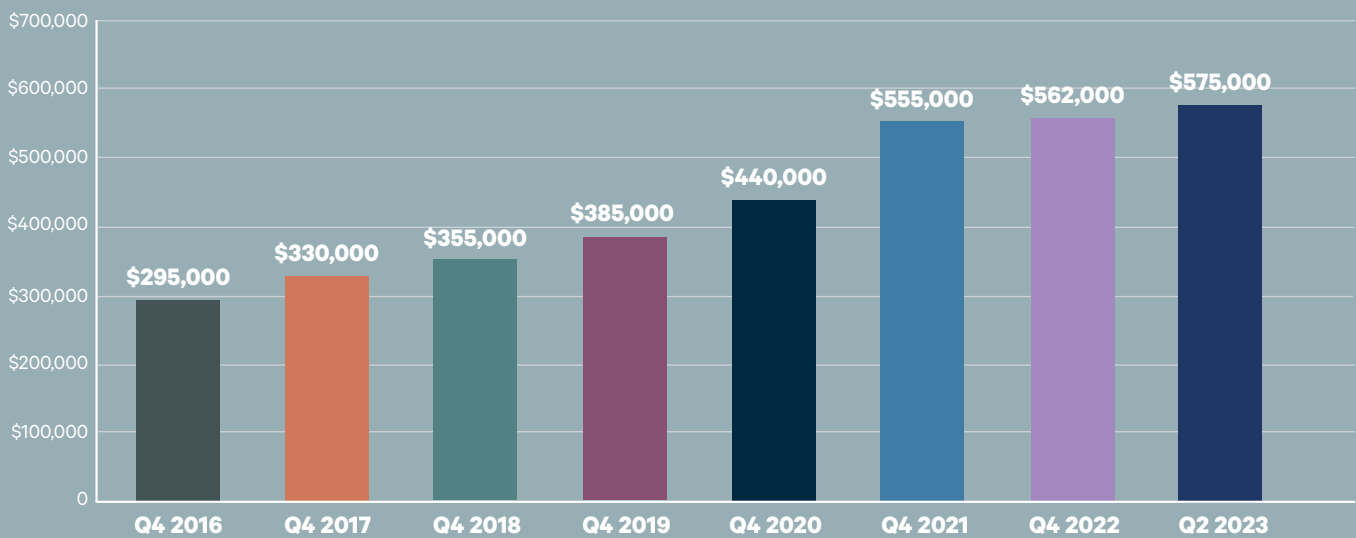


# Renters by Necessity

The high cost of for-sale housing is creating an expanding class of renters by necessity. With the Greater Salt Lake Area current median sales price of \$575,000 in the Salt Lake Metro, mortgages remain out of reach

for many. Monthly mortgage costs are unattainable at current median income levels and considering the necessary significant down payments. Average rent, however, remains affordable at 23% of median income.

## SALT LAKE COUNTY MEDIAN HOME SALES PRICE



Source: Wasatch Front MLS

## HOUSING TO INCOME RATIO

	\$/Mo	Housing/Income Ratio %
Payment, exclusive of home insurance*	\$4,156	61%
Salt Lake Metro 2023 Average Rent	\$1,585	23%

Median Household Income \$82k/year

\*Mortgage Interest Rate Estimated at 7.3% as of 6/29/2023

Source: CBRE Research, CBRE Econometric Advisors, Q2 2023, CBRE SLC Multifamily, Wasatch Front MLS, CoStar Kem C. Gardner Policy Institute, U.S. Census Bureau

# U.S. Multifamily Figures Q2 2023

## MULTIFAMILY FUNDAMENTALS BEGIN TO STABILIZE IN Q2 2023



Arrows indicate change in growth rate from the previous quarter.  
 Source: CBRE Research, CBRE Econometric Advisors, Q2 2023. Based on the 63 markets that comprise CBRE EA's Sum of Markets.

### NEARLY EVERY U.S. MARKET SEES POSITIVE ABSORPTION IN Q2

With the exception of 11 markets (Long Island, Colorado Springs, Greensboro, Tucson, Miami, Cleveland, Sacramento, Detroit, Tampa, Louisville, and Honolulu)

#### Leading the market:



Salt Lake City ranked 9th in Q1 2023 and dropped to 23rd in Q2.

U.S. Absorption Stats Q2 2023			
Total Net Absorption (Units)	Net Absorption Rate (%)	Total Net Absorption last 4 quarters (Units)	Net Absorption Rate last 4 Quarters (%)
70,187	.41%	5,690	.03%

Source: CBRE Research, CBRE Econometric Advisors, Q2 2023

# Greater Salt Lake Area Absorption

## Salt Lake County

	Downtown	Suburban
Total Units Currently Delivered of Properties in Lease-Up	1,681	2,441
Total Units Leased of Delivered	1,196	1,884
% Leased of Delivered	71%	77%
T12 Avg Property Absorption/Month	18	17
T6 Avg Property Absorption/Month	16	17
Q1 Avg Property Absorption/Month	15	16
Q2 Avg Property Absorption/Month	18	17

## Utah County

Total Units Currently Delivered of Properties in Lease-Up	1,512
Total Units Leased of Delivered	1,061
% Leased of Delivered	70%
T12 Avg Property Absorption/Month	17
T6 Avg Property Absorption/Month	19
Q1 Avg Property Absorption/Month	17
Q2 Avg Property Absorption/Month	20

## Davis County

Total Units Currently Delivered of Properties in Lease-Up	1,158
Total Units Leased of Delivered	847
% Leased of Delivered	73%
T12 Avg Property Absorption/Month	15
T6 Avg Property Absorption/Month	15
Q1 Avg Property Absorption/Month	13
Q2 Avg Property Absorption/Month	18

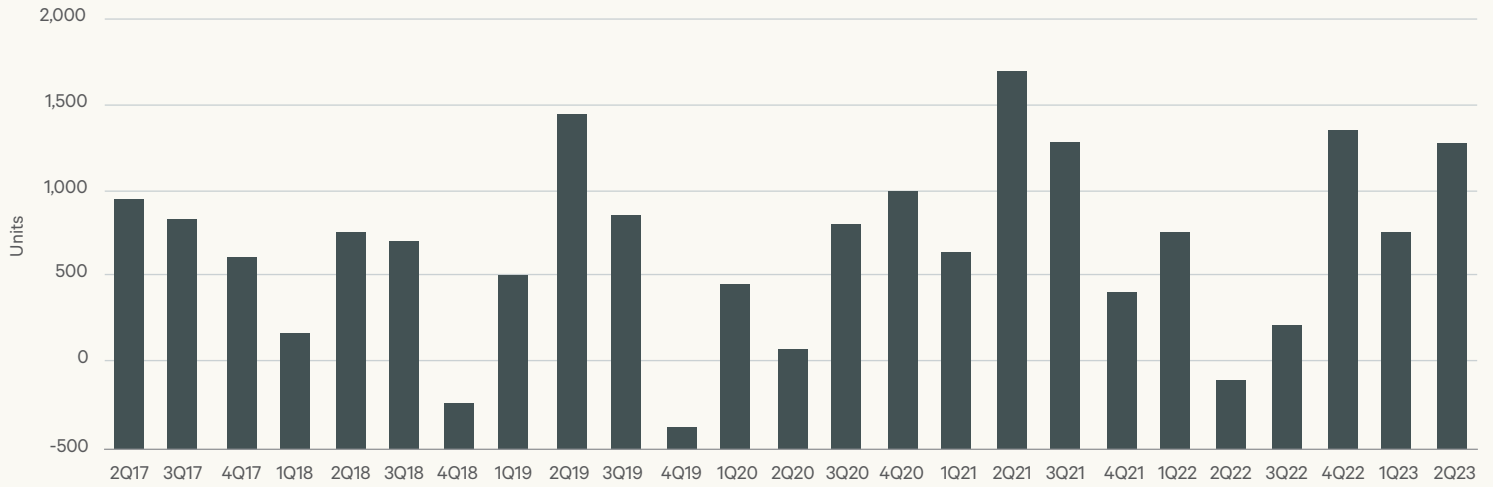
## Weber County

Total Units Currently Delivered of Properties in Lease-Up	534
Total Units Leased of Delivered	337
% Leased of Delivered	63%
T12 Avg Property Absorption/Month	12
T6 Avg Property Absorption/Month	12
Q1 Avg Property Absorption/Month	14
Q2 Avg Property Absorption/Month	12



Lehi, Utah Multifamily Construction

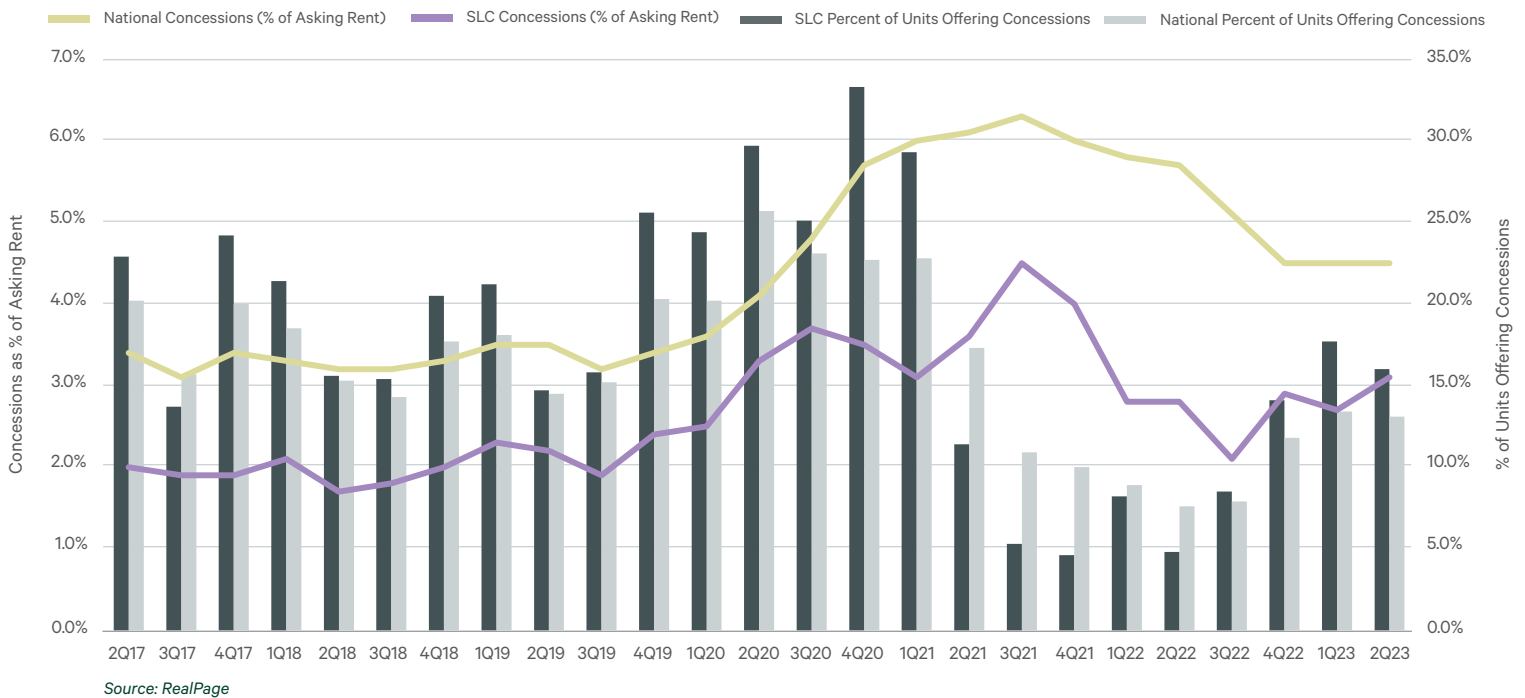
# Historic Greater Salt Lake Area Absorption



Source: CBRE Research, CBRE Econometric Advisors, Q2 2023



# U.S. vs Greater Salt Lake Historical Concessions



As of Q2 2023, the U.S. has a smaller percent of units offering concessions than the local Salt Lake market is offering; however, the concession is greater at a national level as a percentage of asking rent.

The Salt Lake market’s highest percentage of units offering concessions occurred in the fourth quarter of 2020 at 33.3% when concessions averaged 3.5% of asking rents. As of the second quarter of 2023,

the level is nearly the same at 3.1%; however, the percentage of units offering concessions is significantly lower, at 16.0%

The third and fourth quarters of 2021 exhibited the lowest percentage of units offering concessions in the Salt Lake market, which corresponds with the highest absorption in the market for back-to-back Q2 and Q3 of 2021, with 1,701 units and 1,269 units, respectively.

## GREATER SALT LAKE AREA CONCESSIONS IN THE MARKET

Roughly half the properties surveyed are offering a concession. Some properties with remaining construction or ongoing renovations are offering them to entice renters,

and others are offering something for immediate move-ins. It appears concessions have increased at both Downtown and Suburban properties as the summer has progressed.

### ESTIMATES OF MARKET CONCESSIONS

#### DOWNTOWN

May - June Concessions: 4 - 6 weeks free  
 July Concessions: 4 - 8 weeks free

#### SUBURBAN

May - June Concessions: Up to 4 weeks free  
 July Concessions: 4 - 6 weeks free

Source: Greystar, CBRE SLC Multifamily



# Higher-Class Assets Show Higher Vacancies Across the U.S.

Nationally Class A products have higher vacancies than lower Class B and C products. While this is not seen across all markets, it is especially true in markets with a lack of affordable housing as people have become more cost aware.

Source: CBRE Research, CBRE Econometric Advisors, Q2 2023, CBRE SLC Multifamily

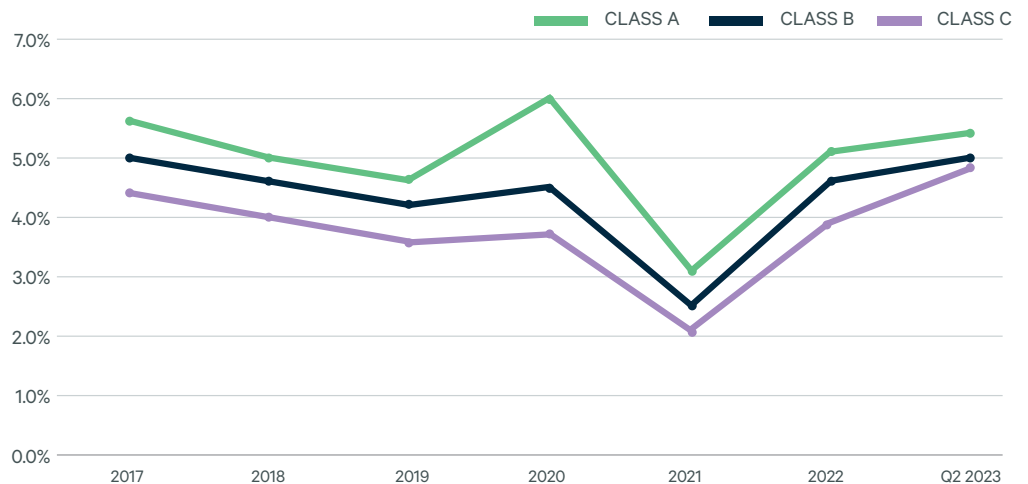
## AVERAGE HISTORIC VACANCY

	NATIONAL	GREATER SALT LAKE AREA
2017	5.0	4.0
2018	4.5	4.0
2019	4.2	4.0
2020	4.7	4.5
2021	2.6	2.7
2022	4.6	4.4
2023	5.0	5.3*

\*As of Q2 2023

### U.S. VACANCY RATES

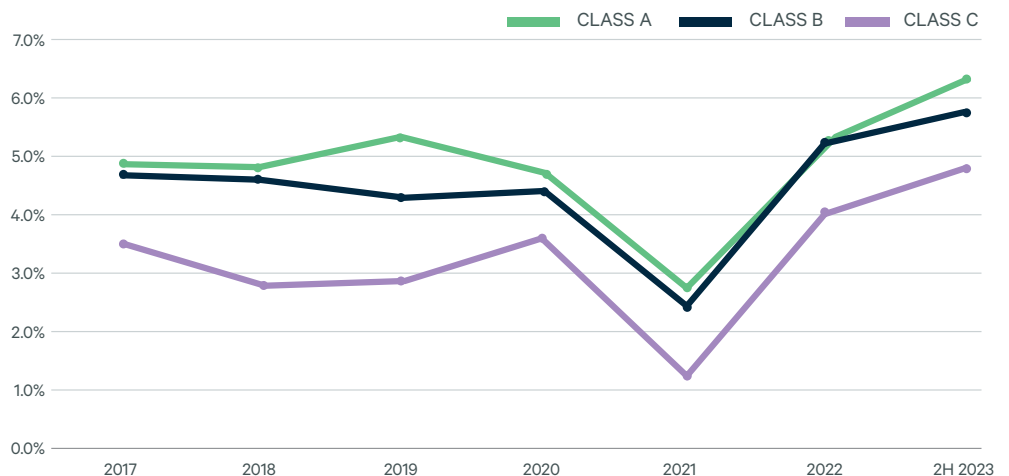
Greater supply and higher rents nationally has vacancy increasing sharply since 2001. Vacancy has never been tighter when comparing by property class.



Source: CBRE Research, CBRE Econometric Advisors, Q2 2023, CBRE SLC Multifamily

### GREATER SALT LAKE VACANCY RATES

The Greater Salt Lake Area experienced a sharper increase in vacancy since 2021 compared to the U.S. market, suggesting the rapid increase in supply provided greater optionality for renters.

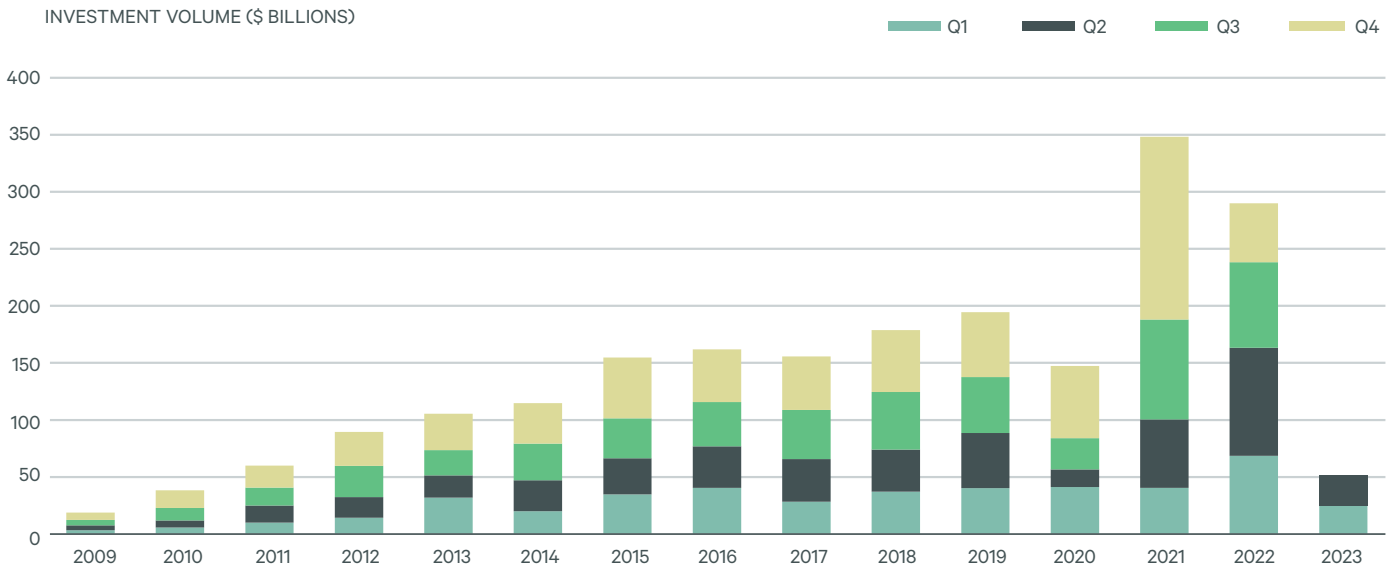


Source: CBRE Research, CBRE Econometric Advisors, Q2 2023, CBRE SLC Multifamily

# Lowest National Year-to-Date Investment Volume Since 2014

The U.S. multifamily investment volume has not been this low since 2014. Year-to-date Q2 totals for 2023 investment volume are \$52.2 billion. Multifamily investment sales at the end of Q2 in 2014 totaled \$46.7 billion. Nationally, higher mortgage interest rates, expanding cap rates, inflation,

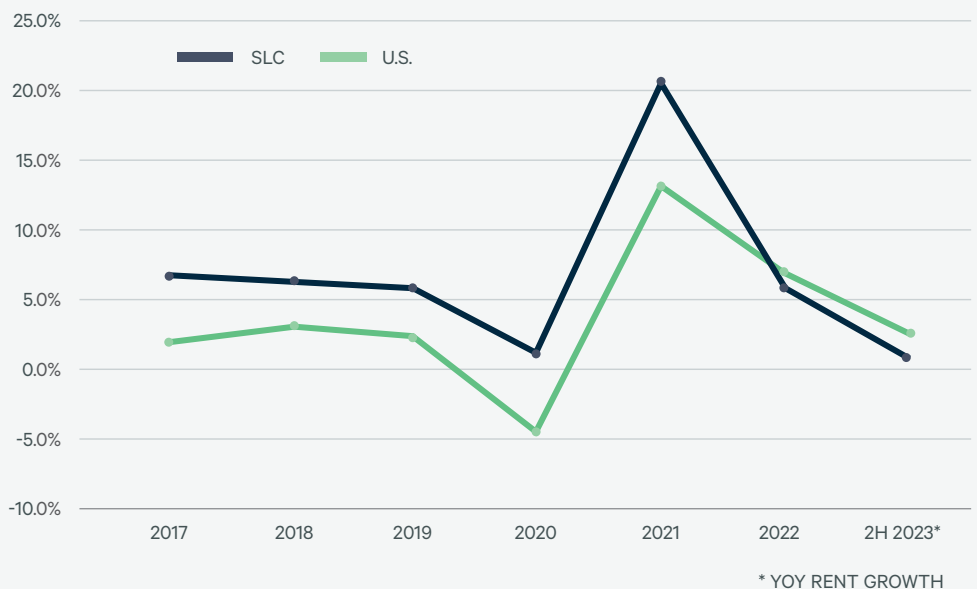
waning job growth and decreasing rent growth have weighed heavily on apartment sales. Mortgage debt coming due and the anticipation of more predictable interest rates approaching Q4 of 2023 on into 2024, will spark transactions thus increasing overall sales activity.



Source: CBRE Research, CBRE Econometric Advisors, Q2 2023, CBRE SLC Multifamily

## U.S. VS GREATER SALT LAKE AREA RENT GROWTH %

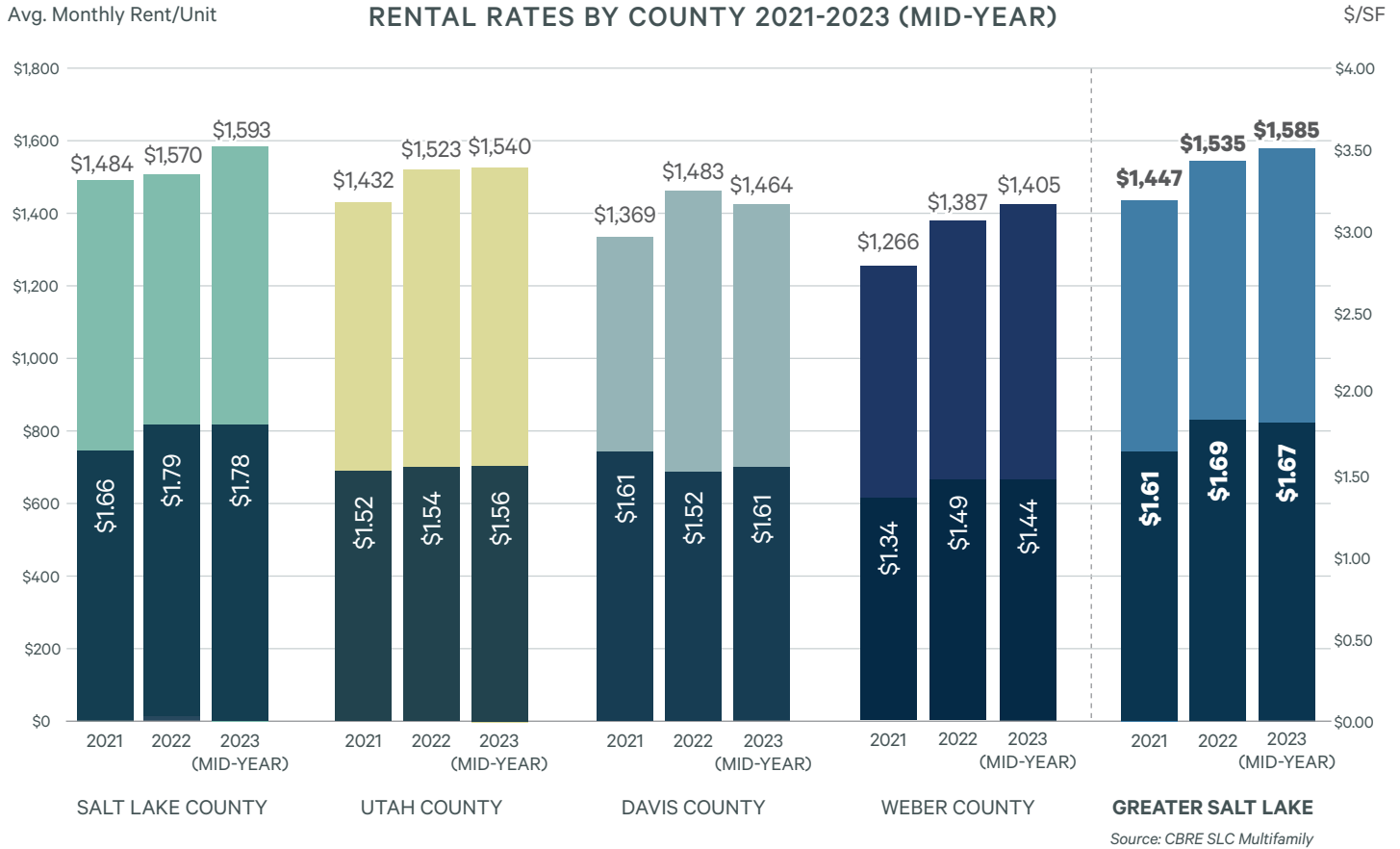
After rapid rent growth from 2020 to midyear 2021, the local and national markets have corrected, returning to industry norms.



Source: CBRE Research, CBRE Econometric Advisors, Q2 2023, CBRE SLC Multifamily



# Greater Salt Lake Summary



## HISTORICAL RENTAL & VACANCY RATES

	2021				2022				2023 (Mid-Year)			
	Rent	SF	\$/SF	Vacancy	Rent	SF	\$/SF	Vacancy	Rent	SF	\$/SF	Vacancy
Greater Salt Lake												
Salt Lake	\$1,484	892	\$1.66	2.9%	\$1,570	877	\$1.79	4.6%	\$1,593	897	\$1.78	5.3%
Utah	\$1,432	943	\$1.52	2.3%	\$1,523	988	\$1.54	3.8%	\$1,540	986	\$1.56	5.4%
Davis	\$1,369	848	\$1.61	2.0%	\$1,483	975	\$1.52	4.2%	\$1,464	907	\$1.61	5.4%
Weber	\$1,266	945	\$1.34	2.7%	\$1,387	932	\$1.49	4.3%	\$1,405	973	\$1.44	5.1%
Greater Salt Lake Averages	\$1,447	898	\$1.61	2.7%	\$1,535	908	\$1.69	4.4%	\$1,585	935	\$1.67	5.3%

Source: CBRE SLC Multifamily

## GREATER SALT LAKE CURRENT RENTAL & VACANCY RATES

BY CLASS	Class A		Class B		Class C	
	Rent	\$/SF	Rent	\$/SF	Rent	\$/SF
Category						
Studio	\$1,374	\$2.50	\$1,200	\$2.70	\$917	\$2.53
1 Bed 1 Bath	\$1,505	\$2.02	\$1,343	\$1.88	\$1,128	\$1.89
2 Bed 2 Bath	\$1,839	\$1.70	\$1,612	\$1.62	\$1,366	\$1.51
3 Bed 2 Bath	\$2,134	\$1.53	\$1,971	\$1.52	\$1,883	\$1.46
Overall	\$1,743	\$1.77	\$1,536	\$1.70	\$1,283	\$1.64

Source: CBRE SLC Multifamily

## GREATER SALT LAKE AREA TAKEAWAYS

- Highest average rent achieved across the entire market: \$1,593/Mo.
- Vacancy increased 2.2% YOY to a historical norm of 5.3%
- Class A&B rents are slightly down YOY while Class C rents are up 6.3%

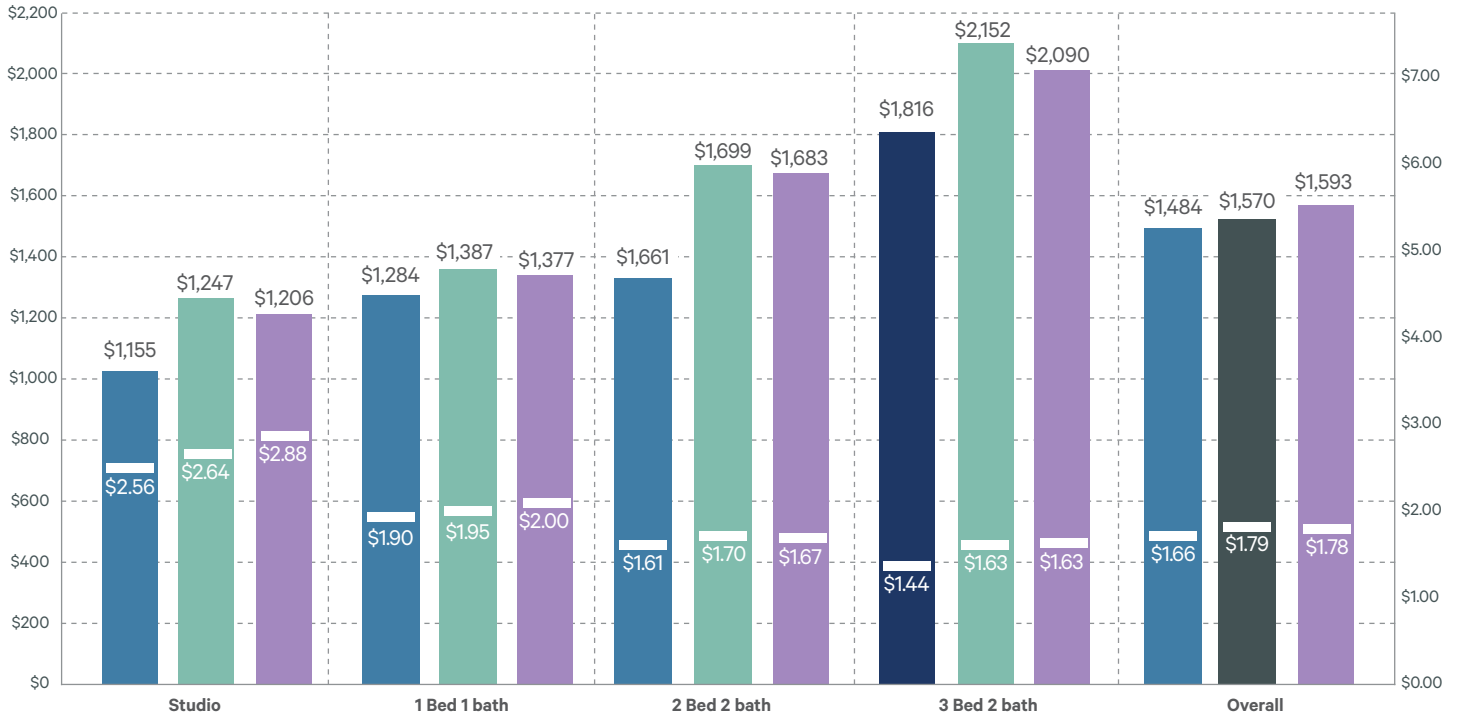
## GREATER SALT LAKE HISTORICAL RENTAL RATES & VACANCY SUMMARY TABLES BY COUNTY AND CITY

	2021				2022				2023 (Mid-Year)			
	Rent	SF	\$/SF	Vacancy	Rent	SF	\$/SF	Vacancy	Rent	SF	\$/SF	Vacancy
SALT LAKE COUNTY												
Cottonwood Heights	\$1,606	940	\$1.71	4.6%	\$1,694	1,020	\$1.66	3.2%	\$1,751	1,016	\$1.69	5.4%
Draper	\$1,639	1,002	\$1.64	1.5%	\$1,782	1,059	\$1.68	4.9%	\$1,721	994	\$1.68	4.8%
Herriman	\$1,705	1,129	\$1.51	2.8%	\$1,828	1,201	\$1.52	4.9%	\$1,788	1,186	\$1.51	5.9%
Midvale	\$1,454	844	\$1.72	2.5%	\$1,562	889	\$1.76	4.0%	\$1,513	877	\$1.70	5.0%
Murray	\$1,392	883	\$1.58	3.6%	\$1,336	862	\$1.55	4.2%	\$1,405	845	\$1.65	4.6%
Riverton	\$1,602	1,204	\$1.33	2.7%	\$1,823	1,107	\$1.65	4.6%	\$1,856	1,120	\$1.57	3.6%
Salt Lake City	\$1,484	775	\$1.91	3.0%	\$1,515	919	\$1.65	4.4%	\$1,493	918	\$1.77	5.2%
Sandy	\$1,578	906	\$1.74	3.6%	\$1,627	886	\$1.84	5.9%	\$1,609	905	\$1.75	6.2%
South Jordan	\$1,865	1,163	\$1.60	2.5%	\$1,757	1,051	\$1.67	4.6%	\$1,711	1,039	\$1.65	4.6%
South Salt Lake	\$1,303	817	\$1.60	1.5%	\$1,335	740	\$1.80	3.2%	\$1,603	855	\$1.86	7.7%
Taylorsville	\$1,323	828	\$1.60	2.9%	\$1,336	947	\$1.41	3.7%	\$1,328	843	\$1.48	7.7%
West Jordan	\$1,470	943	\$1.56	2.8%	\$1,550	955	\$1.62	6.4%	\$1,571	959	\$1.66	5.5%
West Valley City	\$1,309	798	\$1.64	2.4%	\$1,434	861	\$1.67	5.8%	\$1,507	872	\$1.73	5.0%
Downtown	\$1,677	859	\$1.95	2.9%	\$1,735	808	\$2.15	4.2%	\$1,894	851	\$2.23	6.3%
Overall	\$1,484	892	\$1.66	2.9%	\$1,570	876	\$1.79	4.6%	\$1,593	897	\$1.79	5.3%
UTAH COUNTY												
American Fork									\$1,703	1,048	\$1.60	5.8%
Orem	\$1,398	959	\$1.46	2.3%	\$1,453	934	\$1.56	3.0%	\$1,478	973	\$1.54	5.8%
Lehi									\$1,517	876	\$1.72	5.9%
Pleasant Grove	\$1,472	1,006	\$1.46	2.1%	\$1,696	1,117	\$1.52	5.4%	\$1,564	1,022	\$1.51	6.4%
Provo	\$909	641	\$1.42	1.5%	\$1,326	792	\$1.68	3.1%	\$1,328	765	\$1.68	5.9%
Saratoga Springs									\$1,702	1,282	\$1.37	5.1%
Overall	\$1,432	943	\$1.52	2.3%	\$1,523	988	\$1.54	3.8%	\$1,511	970	\$1.56	5.9%
DAVIS COUNTY												
Bountiful	\$1,306	896	\$1.46	1.9%	\$1,310	969	\$1.35	3.5%	\$1,391	933	\$1.47	3.7%
Clearfield	\$1,274	866	\$1.47	1.9%	\$1,324	892	\$1.48	5.0%	\$1,398	876	\$1.59	5.9%
Layton	\$1,312	723	\$1.82	1.6%	\$1,506	926	\$1.63	4.1%	\$1,371	848	\$1.53	6.4%
North Salt Lake	\$1,560	908	\$1.72	2.7%	\$1,480	925	\$1.60	3.3%	\$1,530	938	\$1.61	5.6%
Overall	\$1,369	848	\$1.61	2.0%	\$1,483	975	\$1.52	4.2%	\$1,408	881	\$1.55	5.8%
WEBER COUNTY												
Ogden	\$1,082	825	\$1.31	2.4%	\$1,308	871	\$1.50	3.8%	\$1,411	898	\$1.56	5.0%
Roy	\$1,317	1,078	\$1.22	4.2%	\$1,488	1,026	\$1.45	4.1%	\$1,433	1,128	\$1.33	7.2%
West Haven	\$979	834	\$1.17	1.7%	\$1,628	1,054	\$1.55	5.3%	\$1,369	1,096	\$1.16	5.0%
Overall	\$1,266	945	\$1.34	2.7%	\$1,387	932	\$1.49	4.3%	\$1,127	963	\$1.47	4.4%

# Salt Lake County

2021 2022 2023

## HISTORICAL RENTAL RATES BY UNIT TYPE (AVERAGE MONTHLY AND PER SQFT RATES)



Source: CBRE SLC Multifamily

## Downtown vs Suburban Comparison by Class

### DOWNTOWN RENTAL RATE COMPARISON BY CLASS

DOWNTOWN	CLASS A		CLASS B	
	Category	Rent	\$/SF	Rent
Studio	\$1,508	\$2.70	\$1,269	\$2.88
1 Bed 1 Bath	\$1,776	\$2.34	\$1,499	\$2.22
2 Bed 2 Bath	\$2,412	\$2.19	\$2,151	\$2.14
3 Bed 2 Bath	\$4,156	\$2.43	\$2,332	\$2.03
Overall	\$1,996	\$2.34	\$1,788	\$2.21

Source: CBRE SLC Multifamily

### Historical Rent Growth

10-Year Average Rent Growth Rate of Salt Lake County

6.6%

### SUBURBAN RENTAL RATE COMPARISON BY CLASS

SUBURBAN	CLASS A		CLASS B	
	Category	Rent	\$/SF	Rent
Studio	\$1,335	\$2.48	\$1,033	\$2.66
1 Bed 1 Bath	\$1,465	\$1.97	\$1,309	\$1.89
2 Bed 2 Bath	\$1,833	\$1.74	\$1,604	\$1.64
3 Bed 2 Bath	\$2,290	\$1.67	\$1,946	\$1.54
Overall	\$1,751	\$1.89	\$1,518	\$1.70

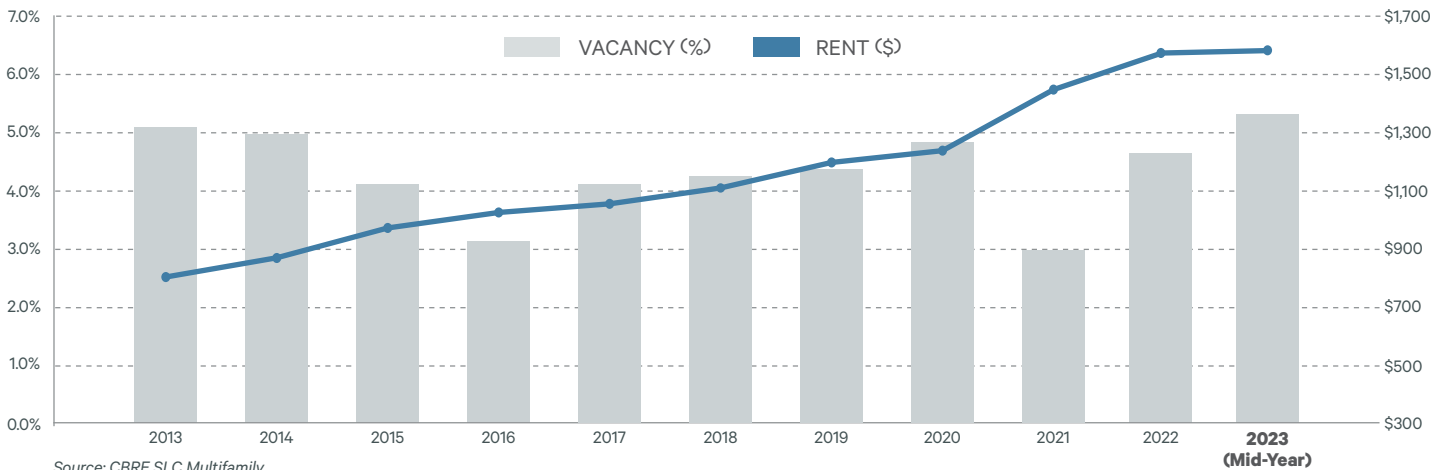
Source: CBRE SLC Multifamily



# Salt Lake County

## OVERALL VACANCY & RENT

	VACANCY RATE	AVERAGE RENT	RENT GROWTH
2023 (MID-YEAR)	5.3%	\$1,593	1.5%
2022	4.6%	\$1,570	5.8%
2021	2.9%	\$1,484	20.7%



Source: CBRE SLC Multifamily

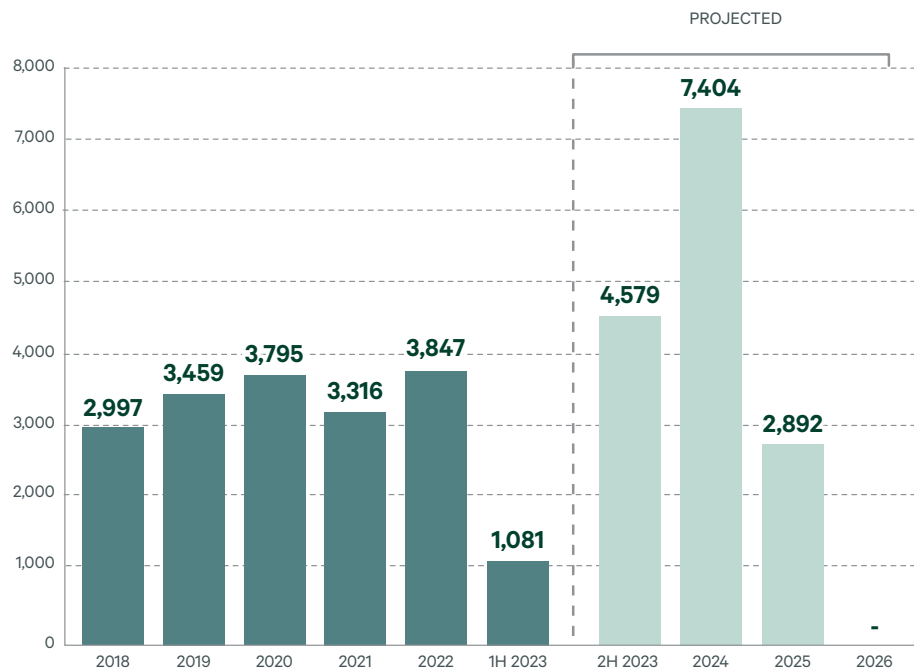
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 (MID-YEAR)
Vacancy (%)	5.1%	4.9%	4.1%	3.2%	4.1%	4.3%	4.4%	4.8%	2.9%	4.6%	5.3%
Rent (\$)	\$850	\$892	\$960	\$1,027	\$1,087	\$1,153	\$1,218	\$1,229	\$1,484	\$1,570	\$1,593
YOY Rent Growth	4.9%	4.9%	7.6%	7.0%	5.8%	6.1%	5.7%	0.9%	20.7%	5.8%	1.5%

Source: CBRE SLC Multifamily

## SALT LAKE COUNTY TAKEAWAYS

- 2023 total expected deliveries: 5,660 units 47% increase over 2022
- Salt Lake maintains a modest rent growth of 1.5%
- Vacancy is healthy at 5.3% freeing up potential renters to fill new supply

## SALT LAKE COUNTY UNITS DELIVERED/PROJECTED 2018-2026\*



Source: CBRE SLC Multifamily, Western States Multifamily

\*Projected units are those currently under construction with an estimated completion date.

**18,495**  
Units Delivered  
2018-1H 2023

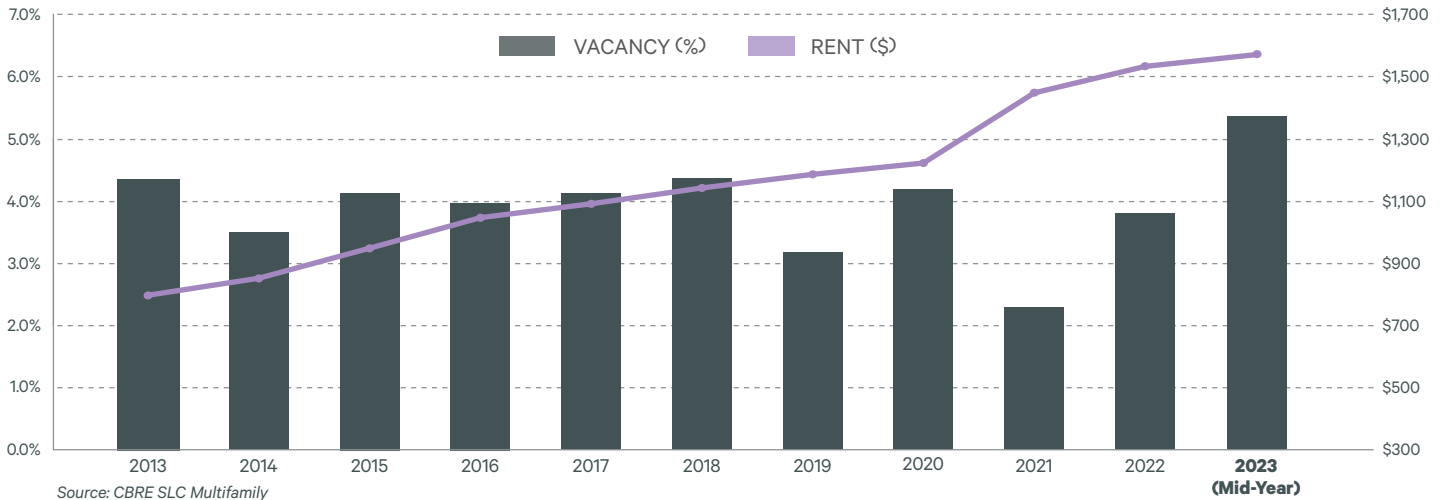
**3,083**  
Annual Deliveries  
5-Year Average

**14,875**  
Projected Deliveries  
2H 2023-2026

# Utah County

	VACANCY RATE	AVERAGE RENT	RENT GROWTH
2023 (MID-YEAR)	5.4%	\$1,540	1.1%
2022	3.8%	\$1,523	6.4%
2021	2.3%	\$1,432	19.7%

## OVERALL VACANCY & RENT



Source: CBRE SLC Multifamily

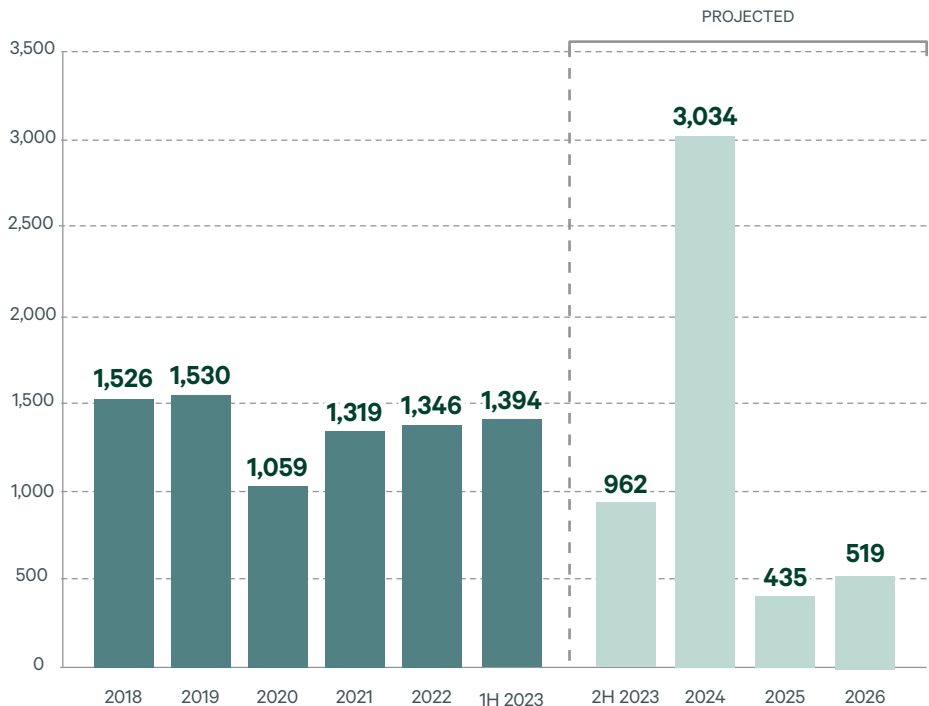
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 (MID-YEAR)
Vacancy (%)	4.4%	3.6%	4.1%	4.0%	4.1%	4.4%	3.2%	4.2%	2.3%	3.8%	5.4%
Rent (\$)	\$807	\$868	\$924	\$1,041	\$1,097	\$1,138	\$1,181	\$1,196	\$1,432	\$1,523	\$1,540
YOY Rent Growth	2.4%	7.6%	6.5%	12.7%	5.4%	3.7%	3.8%	1.3%	19.7%	6.4%	1.1%

Source: CBRE SLC Multifamily

## UTAH COUNTY TAKEAWAYS

- Record average rent ever achieved: \$1,540/mo.
- Many developments delayed; unit deliveries to peak in 2024
- Greatest increase in vacancy since year-end 2022 of the four counties: 1.6%

## UTAH COUNTY UNITS DELIVERED/PROJECTED 2018-2026\*



Source: CBRE SLC Multifamily, Western States Multifamily

\*Projected units are those currently under construction with an estimated completion date.

**8,174**  
Units Delivered  
2018-1H 2023

**1,362**  
Annual Deliveries  
5-Year Average

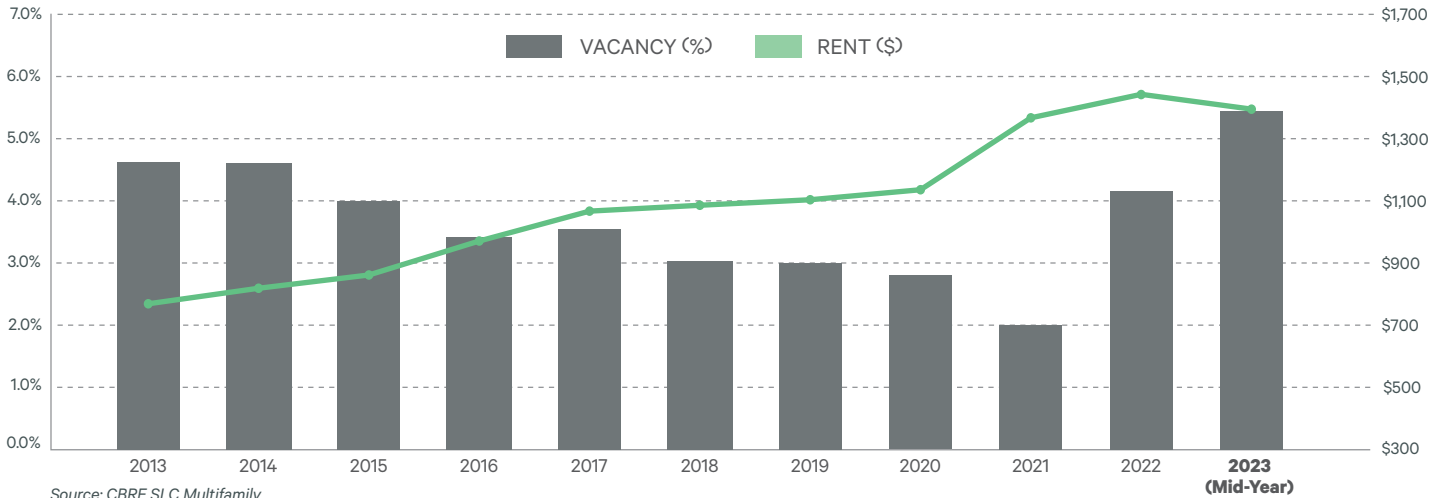
**4,950**  
Projected Deliveries  
2H 2023-2026

# Davis County

MID-YEAR 2023

	VACANCY RATE	AVERAGE RENT	RENT GROWTH
2023 (MID-YEAR)	5.4%	\$1,464	-1.2%
2022	4.2%	\$1,483	8.3%
2021	2.0%	\$1,369	20.5%

## OVERALL VACANCY & RENT



Source: CBRE SLC Multifamily

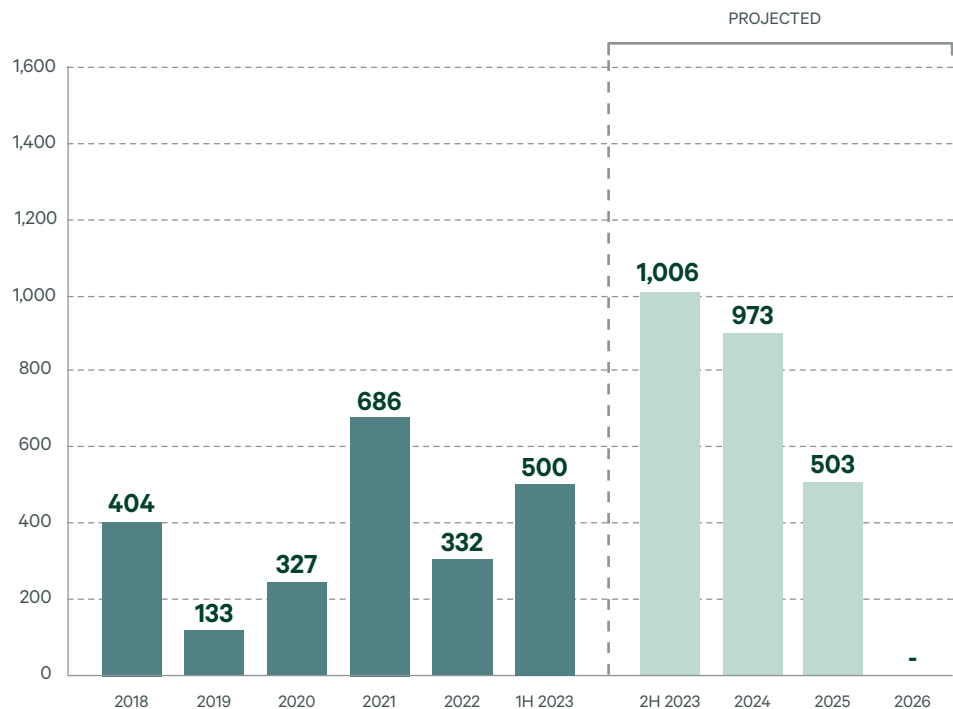
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 (MID-YEAR)
Vacancy (%)	4.6%	4.6%	4.0%	3.4%	3.5%	3.0%	3.0%	2.8%	2.0%	4.2%	5.4%
Rent (\$)	\$756	\$796	\$839	\$933	\$1,005	\$1,060	\$1,102	\$1,136	\$1,369	\$1,483	\$1,464
YOY Rent Growth	5.0%	5.3%	5.4%	11.2%	7.7%	5.5%	4.0%	3.1%	20.5%	8.3%	-1.2%

Source: CBRE SLC Multifamily

## DAVIS COUNTY TAKEAWAYS

- Only county reporting negative rent growth largely due to record-setting growth in 2021 & 2022
- New unit deliveries expected to peak in 2023 for a total of 1,506 units
- Near-term declining deliveries will create supply constrained market and promote rent growth

## DAVIS COUNTY UNITS DELIVERED/PROJECTED 2018-2026\*



Source: CBRE SLC Multifamily, Western States Multifamily

\*Projected units are those currently under construction with an estimated completion date.

**2,382**  
Units Delivered  
2018-1H 2023

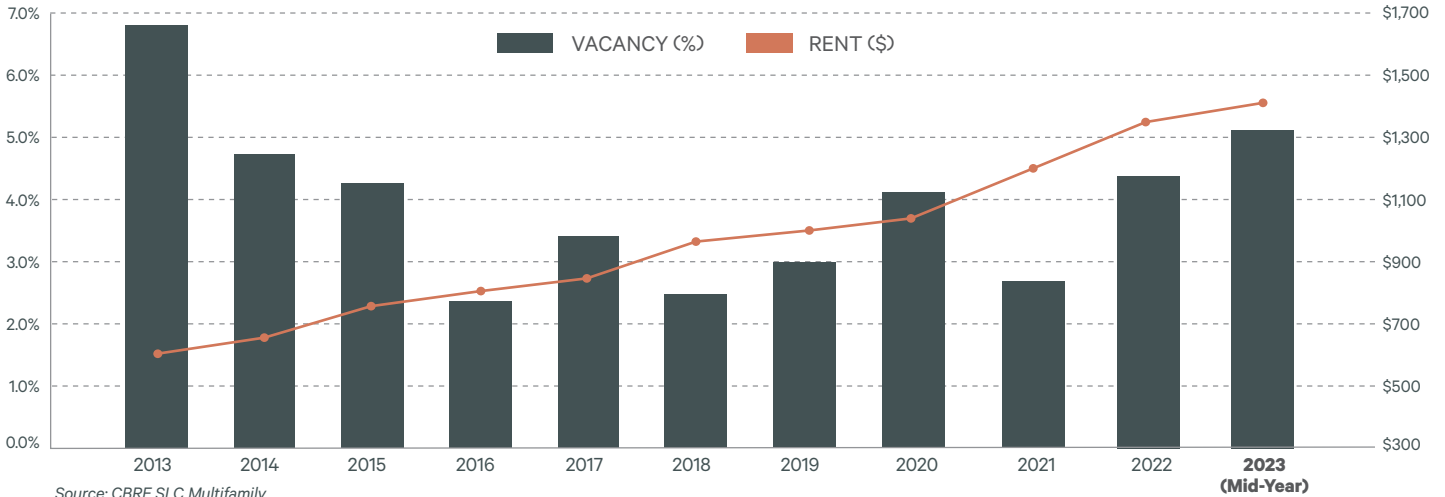
**397**  
Annual Deliveries  
5-Year Average

**2,482**  
Projected Deliveries  
2H 2023-2026

# Weber County

	VACANCY RATE	AVERAGE RENT	RENT GROWTH
2023 (MID-YEAR)	5.1%	\$1,405	1.3%
2022	4.3%	\$1,387	9.6%
2021	2.7%	\$1,266	21.8%

## OVERALL VACANCY & RENT



Source: CBRE SLC Multifamily

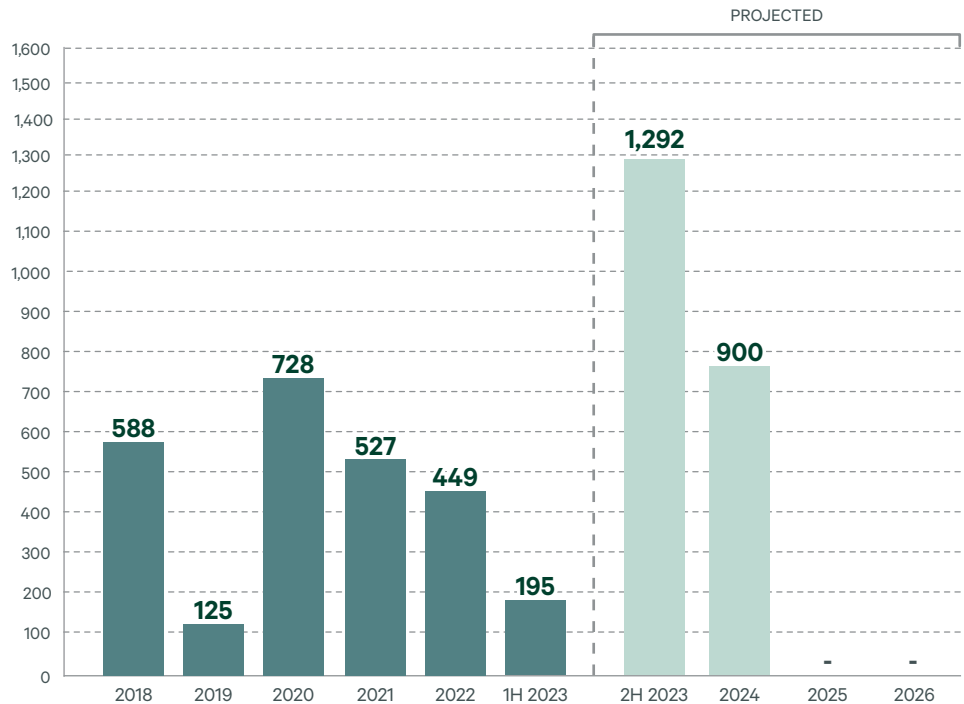
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 (MID-YEAR)
Vacancy (%)	6.9%	4.7%	4.2%	2.3%	3.2%	2.5%	3.0%	4.1%	2.7%	4.3%	5.1%
Rent (\$)	\$678	\$698	\$754	\$810	\$864	\$937	\$995	\$1,040	\$1,266	\$1,387	\$1,405
YOY Rent Growth	-0.9%	2.9%	8.0%	7.4%	6.6%	8.5%	6.2%	4.5%	21.8%	9.6%	1.3%

Source: CBRE SLC Multifamily

## WEBER COUNTY TAKEAWAYS

- Rent growth realized of 1.3% following sharp gains in 2021/2022
- Unit deliveries to peak in 2023 with a rapid decline in new supply, promoting rent growth
- Record high average rent: \$1,405/mo.

## WEBER COUNTY UNITS DELIVERED/PROJECTED 2018-2026\*



Source: CBRE SLC Multifamily, Western States Multifamily

\*Projected units are those currently under construction with an estimated completion date.

**2,612**  
Units Delivered  
2018-1H 2023

**558**  
Annual Deliveries  
5-Year Average

**2,192**  
Projected Deliveries  
2H 2023-2026



# Why Invest in Utah?



**LOWEST**

Median Age in the U.S.  
at 31.9



**#1 STATE**

For Economic Outlook  
16 Years Running  
*ALEC, 2023*



**2.2%**

Population Growth  
2022



**2.2%**

Annual Job Growth  
2022



**80%**

of population has  
access to transportation



**33%**

Bachelor's degree or higher  
% of persons age 25+  
*Most Educated States, June 2023*



**5**

National Parks  
*2023*



**6**

World-Class Ski Resorts  
10 Ski Resorts within a one-hour  
radius of the SLC Intl. Airport  
*2023*



**43**

State Parks  
*2023*



**#1**

Mountain Biking State  
*Two Wheeled Wanderer, 2023*

## World-Wide Tourist Destination

In 2021...

Utah visitors spent

**\$10.56B**

which supported

**130,600 Jobs**

resulting in

**\$1.81B**

in state & local tax revenue;

the estimated tax benefit equivalent of

**\$1,647**

per Utah Household

*Source: Kem C. Gardner Policy Institute*

For a market valuation on your property or more information contact:

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**TOP FIRM**

since 2001 U.S. Multifamily  
(PER MSCI Real Capital  
Analytics, formerly RCA)

**\$11.4B**

Multifamily sales  
Transactions 1H 2023

**300+**

Professionals in  
U.S. Multifamily

**#1**

Overall Multifamily Debt Provider  
\$35B+ in multifamily loan production  
across 238 lenders in 2022

**The CBRE Difference**



HIGHEST GROSS SALES,  
13 YEARS RUNNING



LARGEST LOCAL &  
NATIONAL MARKET SHARE



COMMANDING  
MARKET LEAD



PROVEN MARKETING  
PROCESS

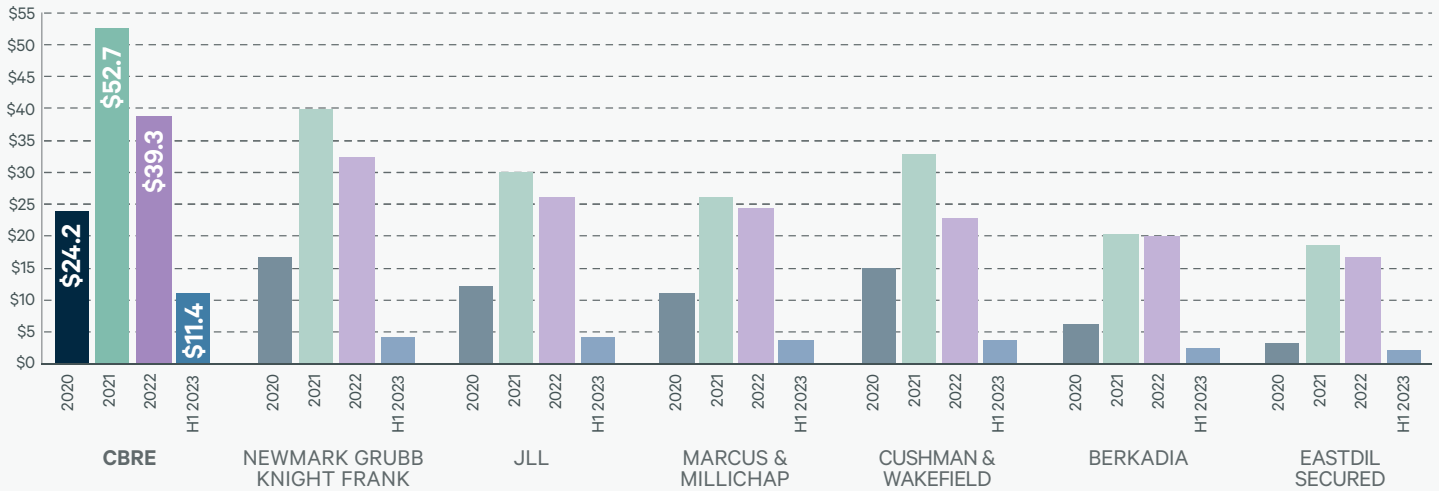


GREATEST MARKET  
EXPOSURE



MOST COMPREHENSIVE  
MARKET RESEARCH

**2020 - H1 2023 U.S. Multifamily Investment Sales Volume (Billions)**



Source: MSCI Real Assets, 2023  
Based on independent reports of properties and portfolios \$2.5 million and greater.

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