



MULTIFAMILY REPORT

# Salt Lake City Rides Out The Storm

Fall 2020



**Rent Gains Pick Up Again**

**Investor Interest Endures**

**Deliveries Power Through**

# SALT LAKE CITY MULTIFAMILY



## The Wasatch Front Gradually Bounces Back

Salt Lake City's multifamily market has been among the most resilient in the country, outperforming peer metros. Although rent growth started to slowly decelerate at the beginning of the year, it promptly rebounded at the end of the second quarter. On a trailing three-month basis through October, rents rose 0.5% to \$1,229, while the national figure stayed flat.

The metro experienced less severe job losses than the U.S., as an interval of strong economic development acted as insulation for this interval of volatility. In the 12 months ending in September, employment growth contracted by 3.4%, while the U.S. rate dipped 9.3%. Projects such as the new \$4.1 billion airport moved forward due to the significant decrease in air traffic, while other large-scale developments broke ground, undaunted by the ongoing unpredictability. Zions Bancorporation began work on a 400,000-square-foot technology campus in Midvale, while St. John Properties plans to invest \$120 million in office and flex/R&D space in Taylorsville and Springville.

Bucking the national trend, transaction activity endured, and multifamily deliveries—at 3,800 units in 2020 through October—have already surpassed last year's stock additions. Salt Lake City is positioned to be among the first metros to eventually bounce back from economic disruption, according to a Moody's Analytics report.

### Market Analysis | Fall 2020

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#### Recent Salt Lake City Transactions

##### Embarc at West Jordan



City: West Jordan, Utah  
Buyer: Marble Partners  
Purchase Price: \$77 MM  
Price per Unit: \$175,212

##### Seasons at Pebble Creek



City: Salt Lake City  
Buyer: Insite Development  
Purchase Price: \$52 MM  
Price per Unit: \$172,000

##### Ascent in Cottonwood



City: Cottonwood Heights, Utah  
Buyer: The Warmington group of companies  
Purchase Price: \$35 MM  
Price per Unit: \$219,025

##### Strata99



City: Salt Lake City  
Buyer: Elan Multifamily Investments  
Purchase Price: \$16 MM  
Price per Unit: \$163,509