

Yardi® Matrix

# Salt Lake City's Growth Streak

Multifamily Report Summer 2017

Housing Shortage Pushes Rents Higher

Diversified Economy Bolsters Employment

New Development Targets Urban Core

# SALT LAKE CITY MULTIFAMILY

Yardi® Matrix

## Market Analysis

Summer 2017

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## Demand Outpaces Insufficient Supply

Driven by robust population growth and low unemployment, Utah's largest city is rapidly expanding, generating healthy housing demand. Salt Lake City continues to appeal to major employers such as Amazon, UPS and big-brand companies based along the Wasatch Front, due to the region's good connectivity, infrastructure and solid demographics.

Employment gains have been consistent, with the addition of more than 43,600 jobs year-over-year through March, most of them in the trade, transportation and utilities sector. Furthermore, prominent projects such as Austin Okland Aviation's \$740 million expansion of Salt Lake City International Airport and Amazon's new 800,000-square-foot fulfillment facility are expected to boost the metro's business infrastructure and add construction jobs. Also in the works is Biomerics' 230,000-square-foot headquarters in the International Center, west of Salt Lake City International Airport. Proximity to major employers and education hubs explains investors' interest in Salt Lake City–Downtown and Orem, two of the fastest-growing submarkets.

Salt Lake City's residential market is in the midst of a boom, as strong demand and economic prosperity drive rents and transaction volume higher. Developers have aggressively increased the construction pipeline and expect new supply to be absorbed quickly, as population and household growth continue.

## Recent Salt Lake City Transactions

Rockledge at Quarry Bend



City: Sandy, Utah  
Buyer: ColRich Group  
Purchase Price: \$94 MM  
Price per Unit: \$225,690

The Vue



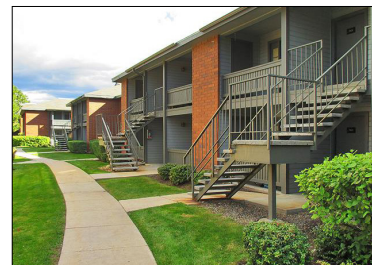
City: Salt Lake City–Central City  
Buyer: De Anza Properties  
Purchase Price: \$75 MM  
Price per Unit: \$355,450

Sandalwood



City: West Valley City, Utah  
Buyer: ColRich Group  
Purchase Price: \$53 MM  
Price per Unit: \$189,511

Mission Meadowbrook



City: South Salt Lake City  
Buyer: Maxx Properties  
Purchase Price: \$48 MM  
Price per Unit: \$116,505

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