



MULTIFAMILY REPORT

# Salt Lake City Fights Slowdown

April 2023

**Occupancy On Par With US Rate**

**Deliveries Decelerate Significantly**

**Short-Term Rent Growth Still Negative**

# SALT LAKE CITY MULTIFAMILY



## Signs of Stagnation Along The Wasatch Front

Mirroring nationwide trends, the Salt Lake City multifamily market continues to adapt to the weakening economic landscape. In November, rent growth turned negative, and by February, rates had posted a 0.5% decline on a trailing three-month basis, to \$1,568. The national figure contracted by only 0.1%, to \$1,702. Meanwhile, occupancy declined 180 basis points in the 12 month ending in January, clocking in at 95.2% and on par with the U.S. rate.

The Wasatch Front job market expanded by 2.8% in 2022, having added 28,900 positions. Three sectors, including financial services and professional and business services, shed a combined 5,300 jobs. Tech unicorns MX, Route and Podium have already reduced their workforce and other layoffs are expected, as tech companies continue to navigate macroeconomic concerns. Despite these challenges, several large infrastructure projects are moving forward, including the 10-year, \$4.1 billion Salt Lake City International Airport capital improvement program. The second phase is on track for completion this year.

Deliveries dropped significantly, with only a 230-unit project coming online in the first two months of the year. Construction starts ground to a halt as many developers have postponed projects until the economy stabilizes. The market volatility also pushed many investors to the sidelines, bringing sales to a standstill.

## Market Analysis | April 2023

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### Recent Salt Lake City Transactions

#### Downtown West



City: Salt Lake City  
Buyer: Tailwind Investment Group  
Purchase Price: \$83 MM  
Price per Unit: \$197,767

#### Tuscany Cove



City: West Valley, Utah  
Buyer: Preserve Partners  
Purchase Price: \$31 MM  
Price per Unit: \$123,339

#### Downtown 360



City: Salt Lake City  
Buyer: Hill Street Realty  
Purchase Price: \$31 MM  
Price per Unit: \$205,559