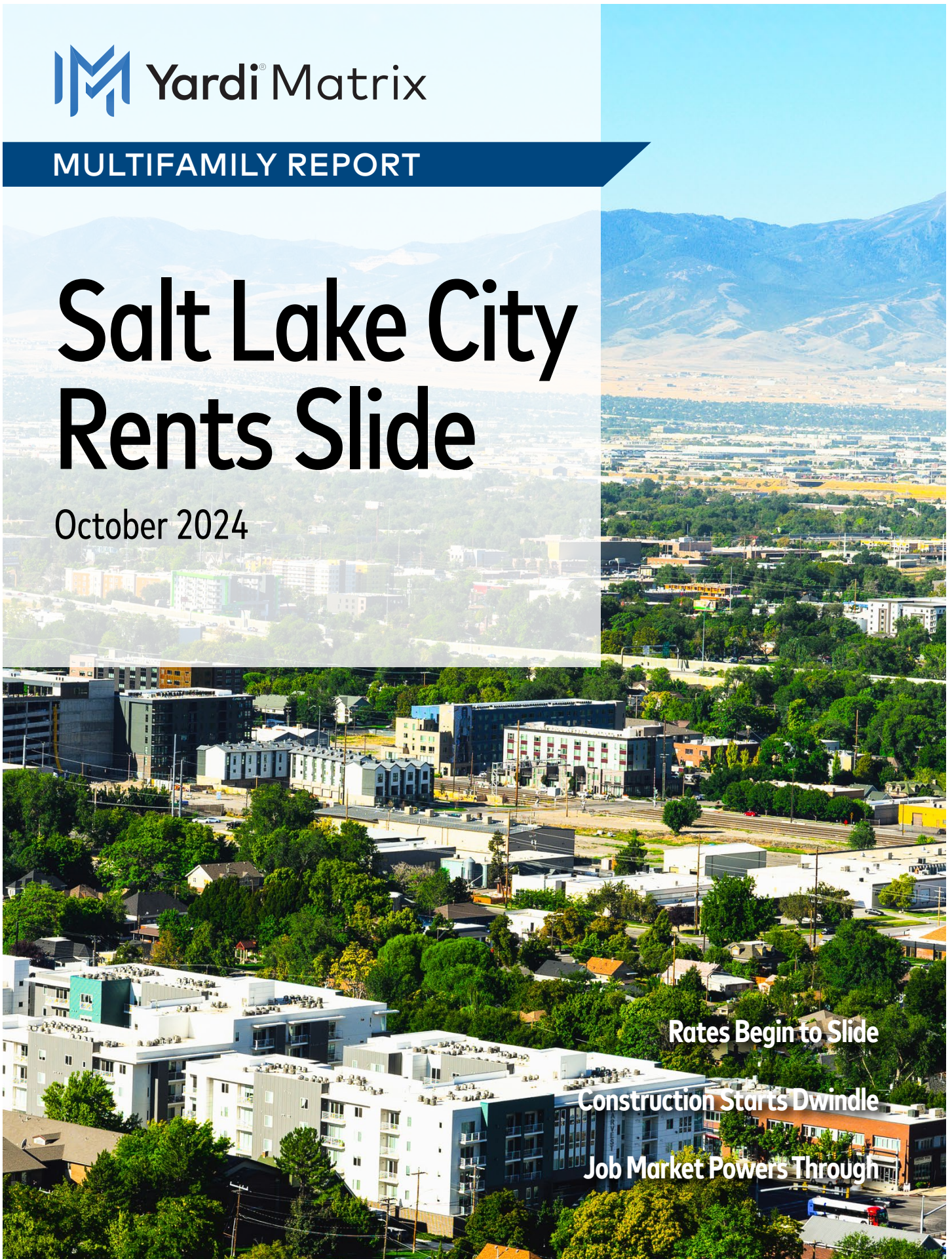




MULTIFAMILY REPORT

Salt Lake City Rents Slide

October 2024



Rates Begin to Slide

Construction Starts Dwindle

Job Market Powers Through

SALT LAKE CITY MULTIFAMILY



Rents Fall as Occupancy Holds Fast

Salt Lake City's strong economic performance has been a key driver of housing demand in the metro, though the industry faces some challenges. Average advertised asking rents fell 1.6% on a year-over-year basis, to \$1,561, while the U.S. average rose another 0.8%, to \$1,741. Occupancy trends indicate the market is absorbing robust supply, with stabilized rates dipping 0.1% year-over-year in July, reaching 94.5%.

Employment growth improved 2.1%, or 36,100 jobs, in the 12 months ending in June, placing the metro among the top performers in the country and well above the 1.3% national rate. Three sectors lost jobs—information (-500 jobs), financial activities (-400 jobs) and trade, transportation and utilities (-200 jobs). Education and health services (10,600 jobs) and government (8,200) led gains, followed by mining, logging and construction (5,800). Unemployment stood at 3.6% in July, according to Bureau of Labor Statistics data, reaching the highest point since 2021, outperforming the U.S. (4.3%) and trailing the state (3.2%).

Deliveries through August totaled 4,136 units and developers had 17,340 units under construction. Of these, only 1,686 apartments broke ground in 2024. Meanwhile, investors traded \$250 million, which, while low by the metro's standards, was higher than last year's \$192 million annual total. The price per unit fell 11.9% year-to-date to \$183,461 in August, below the \$184,269 U.S. rate.

Market Analysis | October 2024

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Recent Salt Lake City Transactions

Remington



City: Midvale, Utah
Buyer: DiNapoli Capital Partners
Purchase Price: \$63 MM
Price per Unit: \$218,931

Valley View



City: Magna, Utah
Buyer: Millburn & Co.
Purchase Price: \$58 MM
Price per Unit: \$224,103

The Falls at Canyon Rim



City: South Ogden, Utah
Buyer: TruAmerica Multifamily
Purchase Price: \$32 MM
Price per Unit: \$110,417

White Pines



City: Salt Lake City
Buyer: Streamline Capital Group
Purchase Price: \$12 MM
Price per Unit: \$208,133