Multifamily Update

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ALN Apartment Data

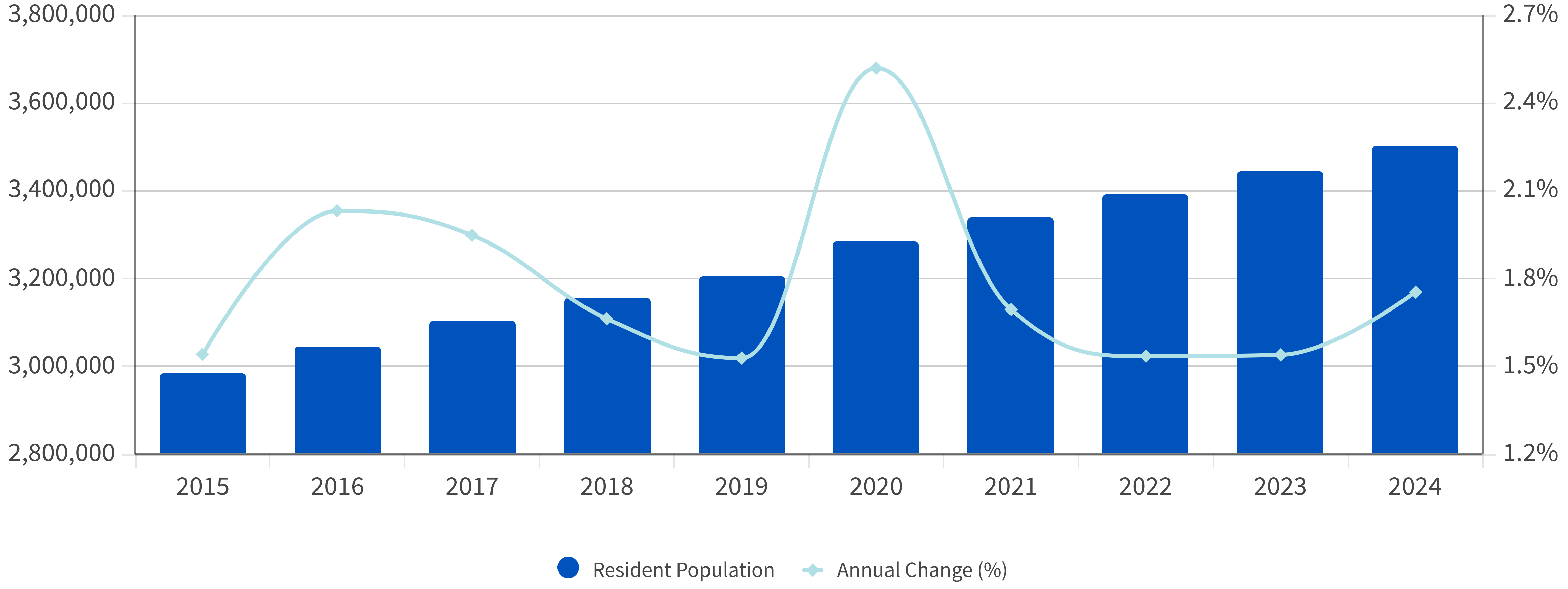
ALN Apartment Data Methodology

- Research is gathered in-house
- All multifamily verticals tracked
- All price classes tracked
- Focus of regular research are conventional properties of at least fifty units
- Details available at https://alndata.com/methodology/

Economic Context

Population Growth has Been Strong but High-Variance

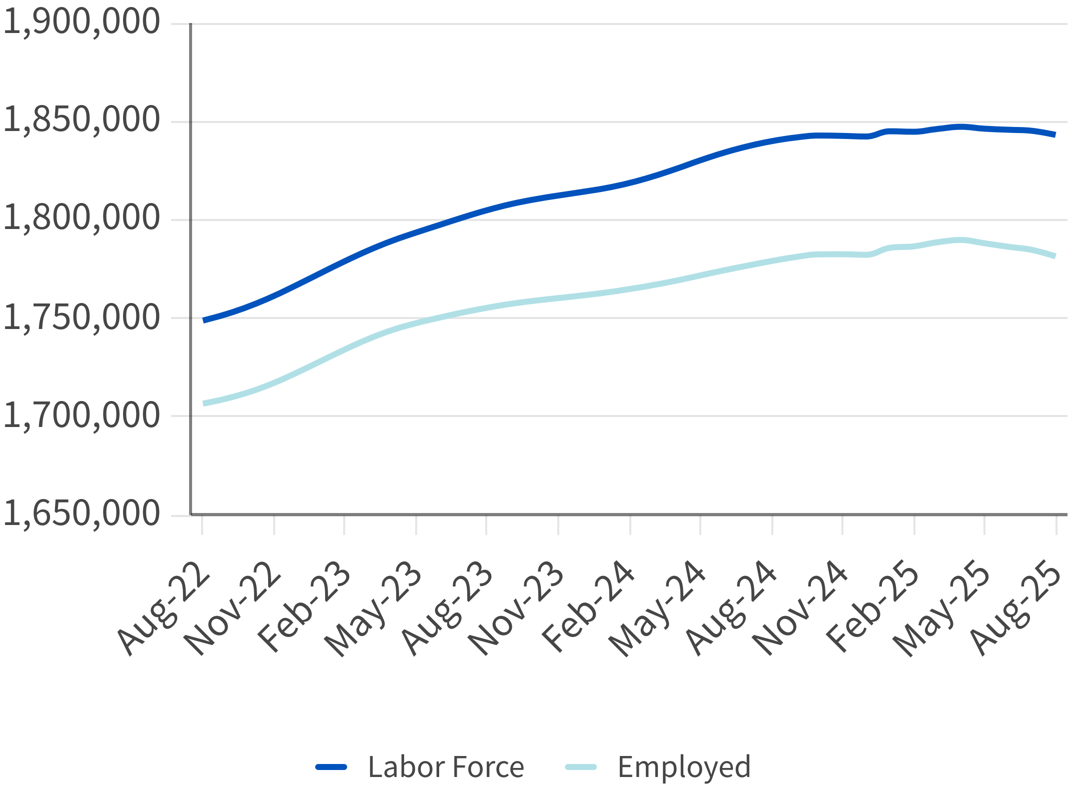
Utah

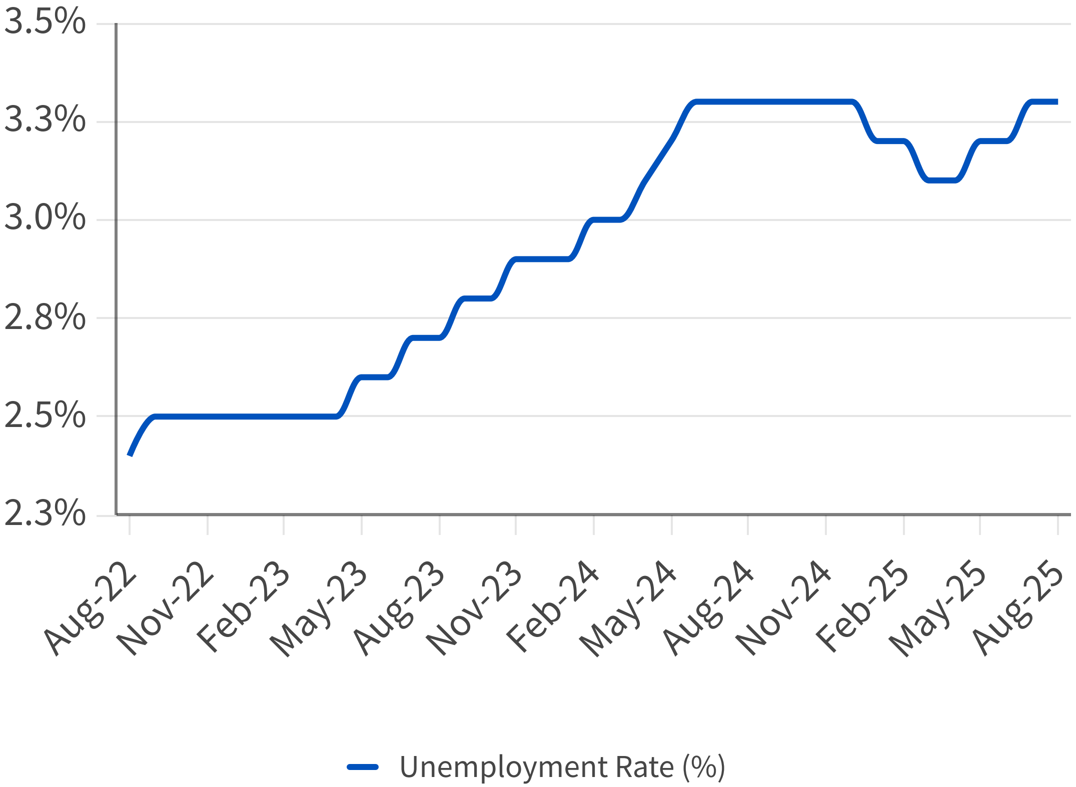


Source: U.S. Census Bureau

Labor Market Weakening in Recent Months

Utah





Source: U.S. Bureau of Labor Statistics

Gains in Three of Five Top Employment Sectors

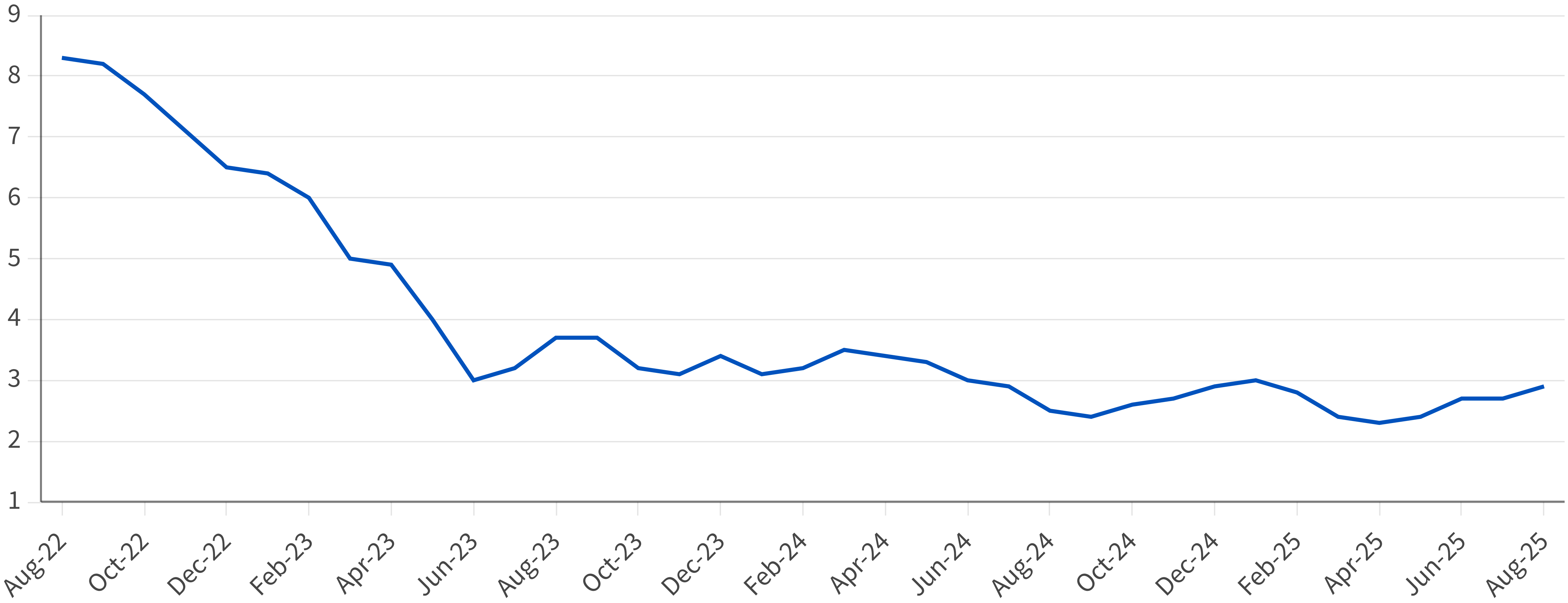
Utah

	Trade, Transport, & Utilities	Government	Professional & Business Services	Leisure & Hospitality	Manufacturing
Employed	312,400	284,300	246,900	176,900	153,500
Annual Chg (%)	-0.9%	3.0%	-0.3%	1.5%	0.3%

Source: U.S. Bureau of Labor Statistics; August 2025

Consumer Inflation Has Materially Eased

Nationwide, 12-mo Percent Change

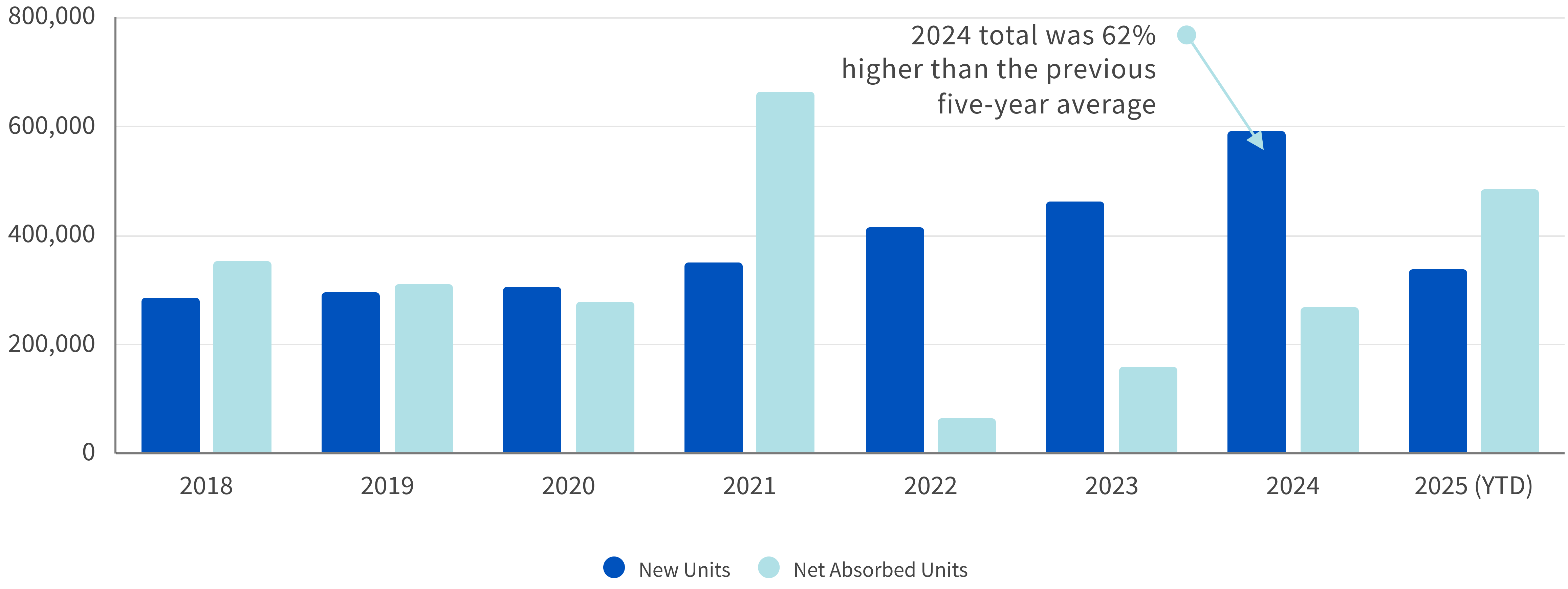


Source: U.S. Bureau of Labor Statistics

National Multifamily Context

Surge in Deliveries Beginning to Subside

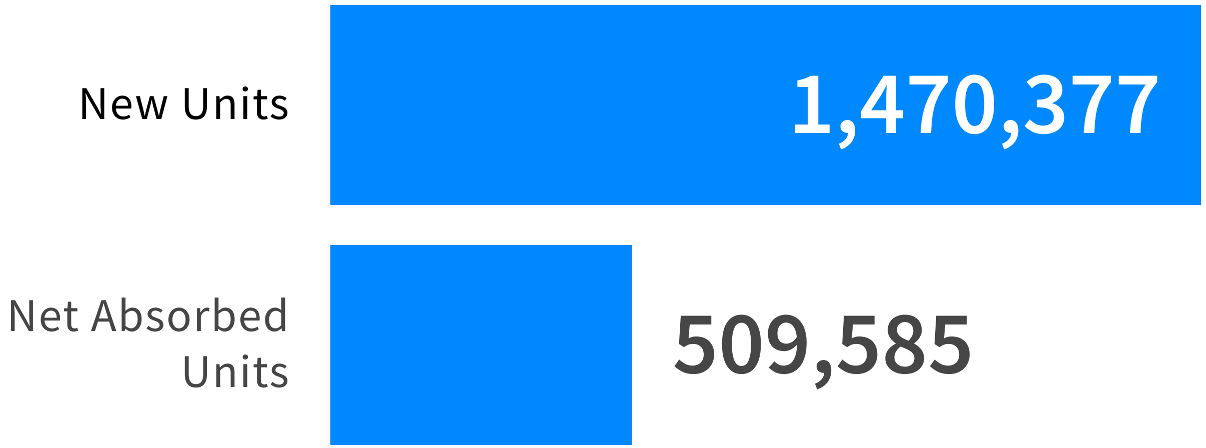
August 2025



Source: ALN Apartment Data

Imbalance in Supply and Demand Relationship

Nationwide, 2022-2024



New Units (% of Stock)

9.8%

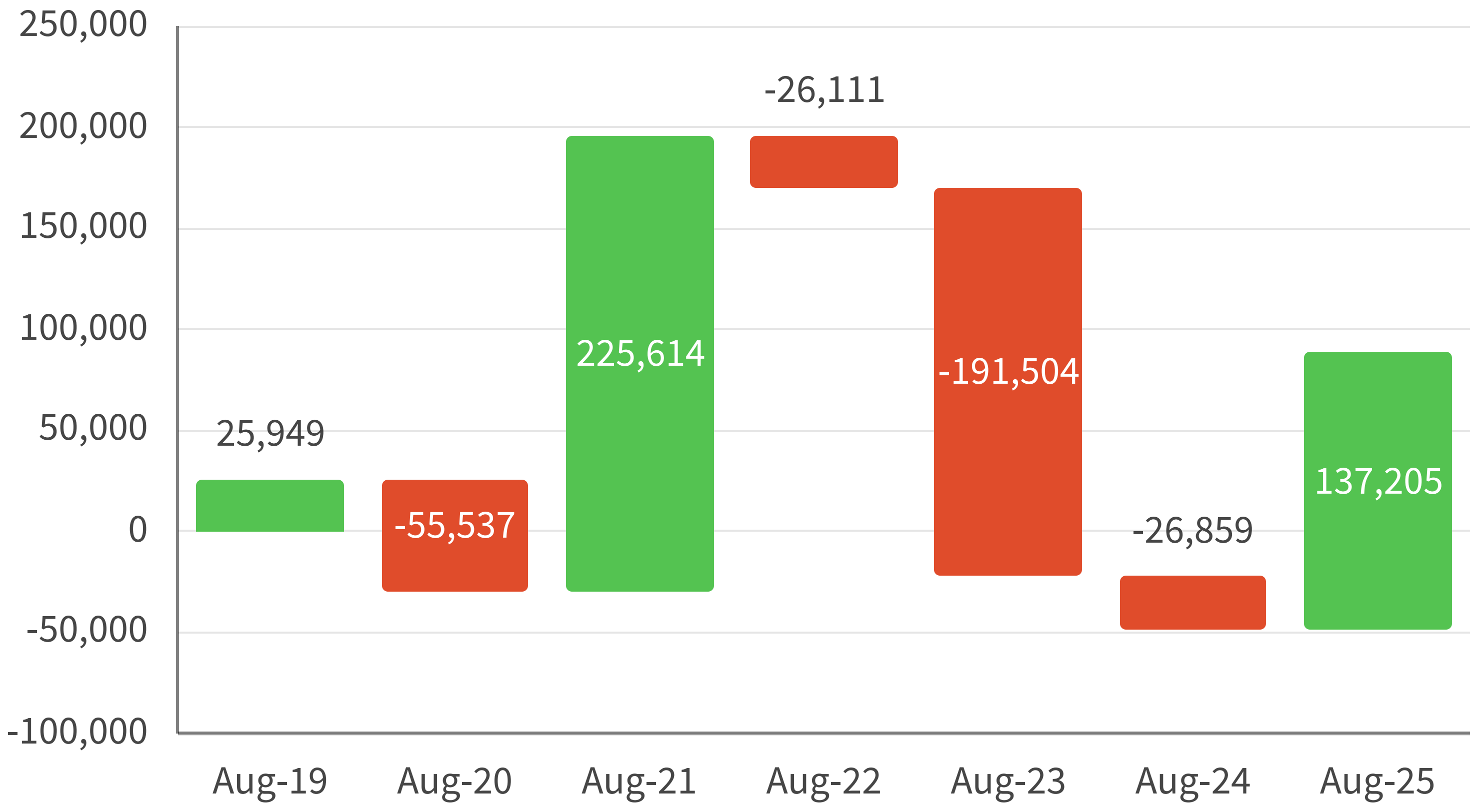
Net Absorbed Units (% of Stock)

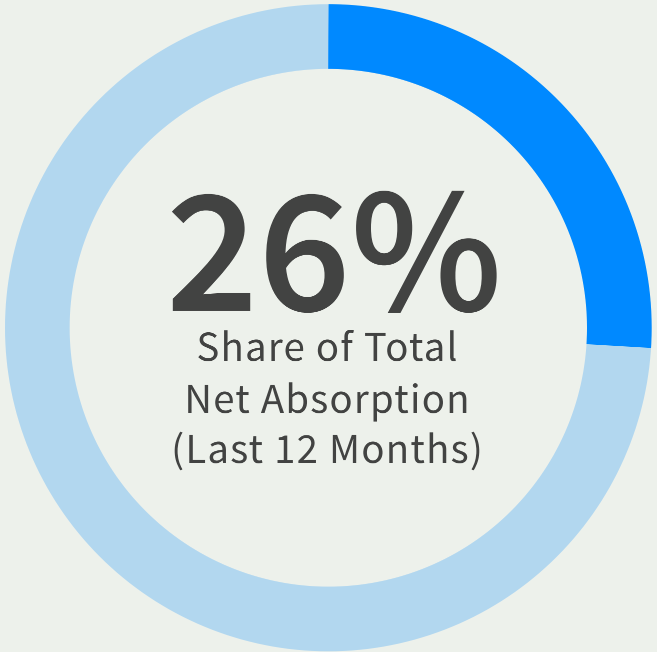
3.4%

Source: ALN Apartment Data

Stabilized Properties Regained Footing

Net Absorbed Units, YoY August





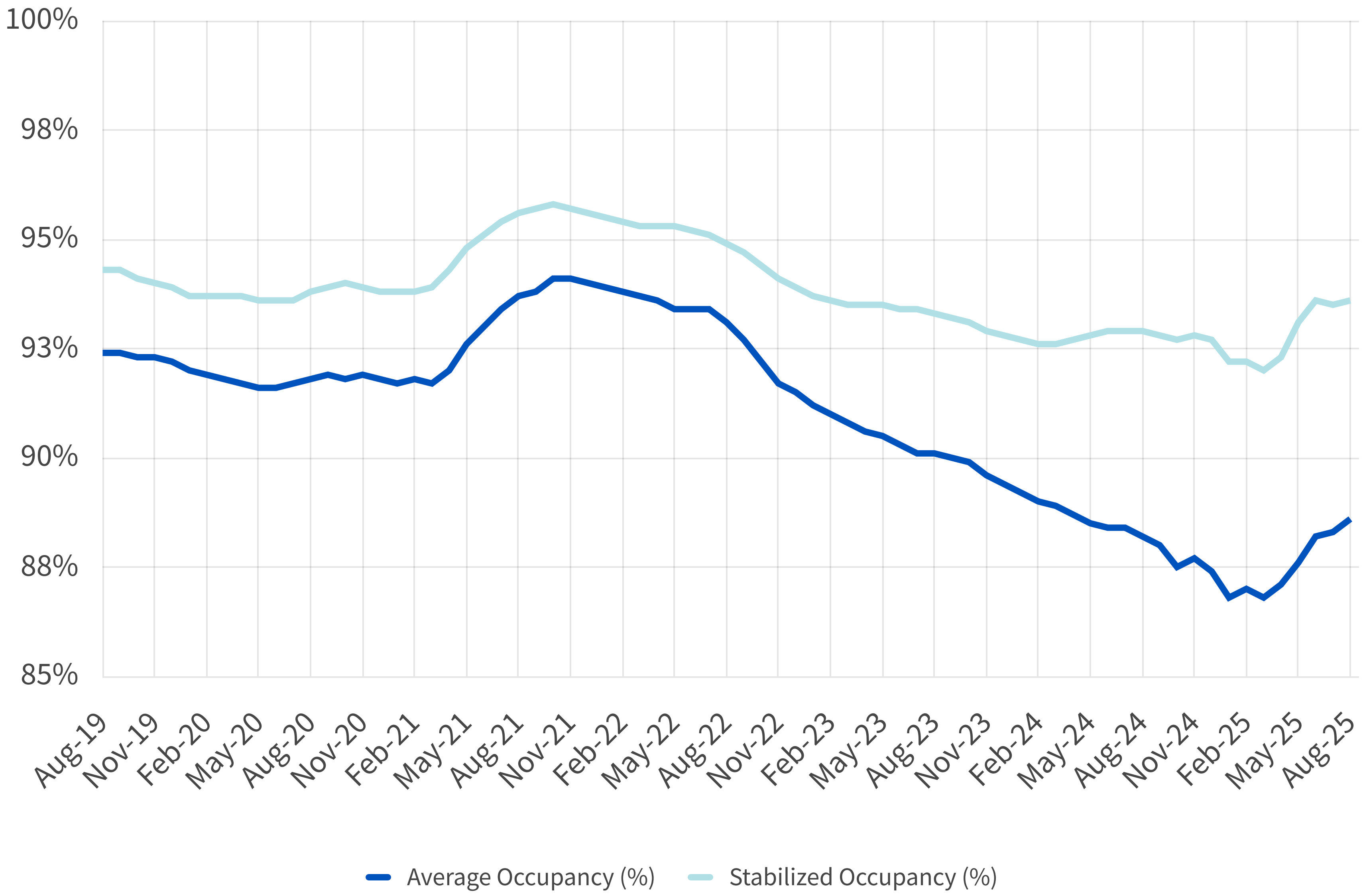
Source: ALN Apartment Data

89%

AVERAGE OCCUPANCY
AUGUST2025

94%

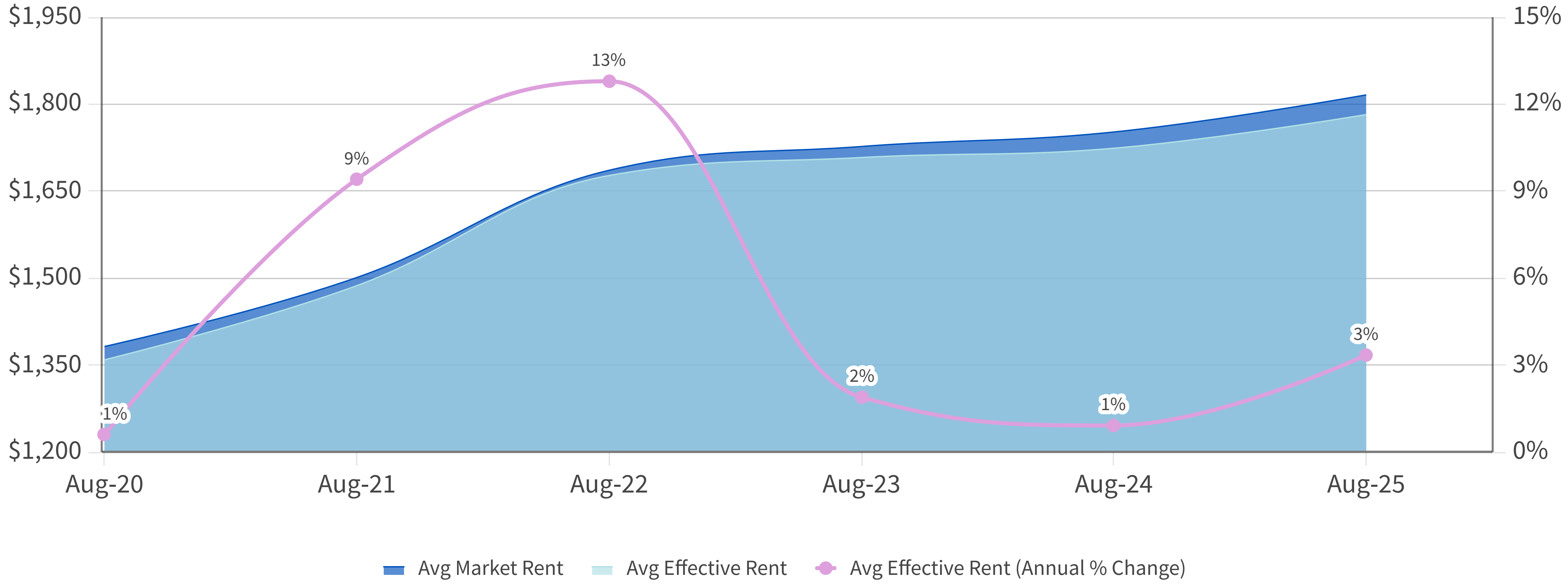
STABILIZED AVERAGE
AUGUST2025



Source: ALN Apartment Data

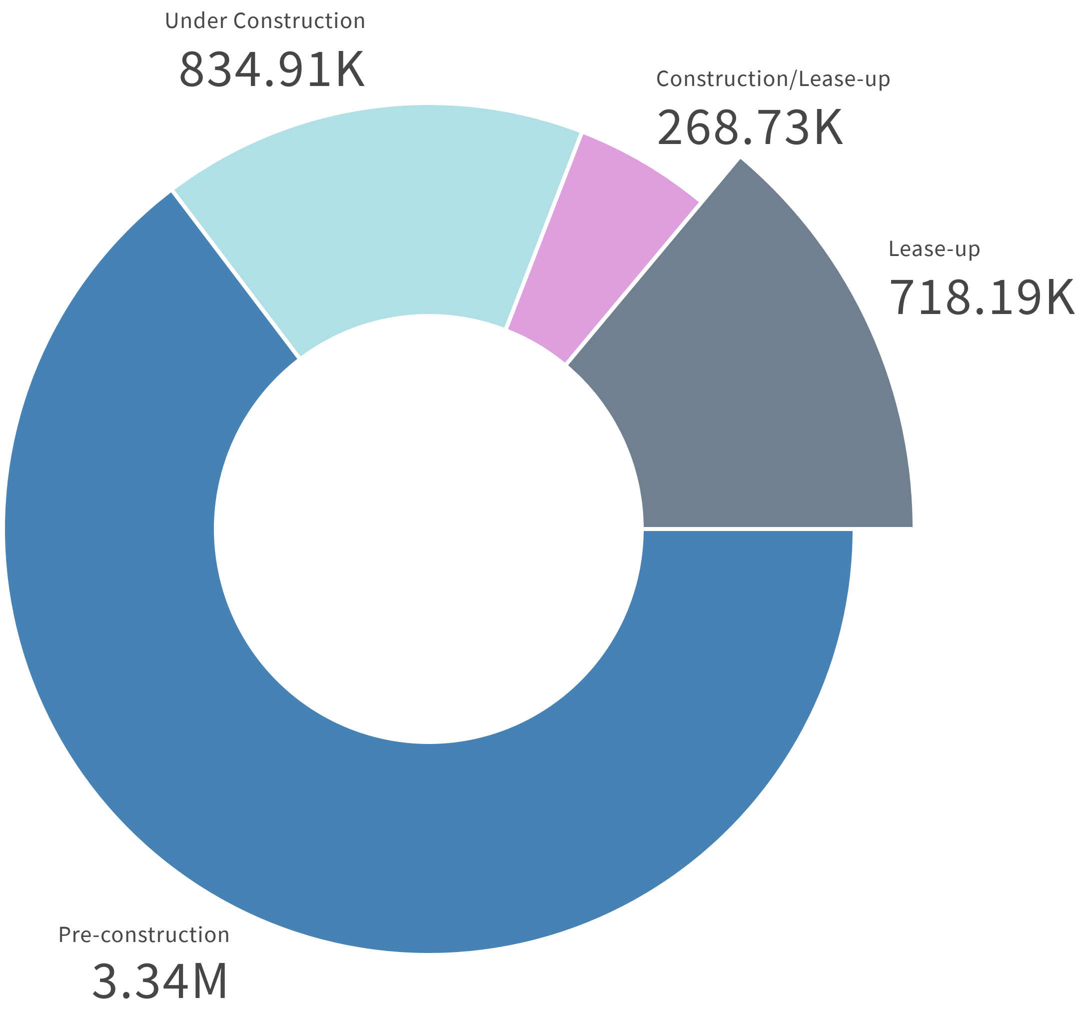
Volatile Rent Growth in Recent Years

Rents for New Leases, YoY August



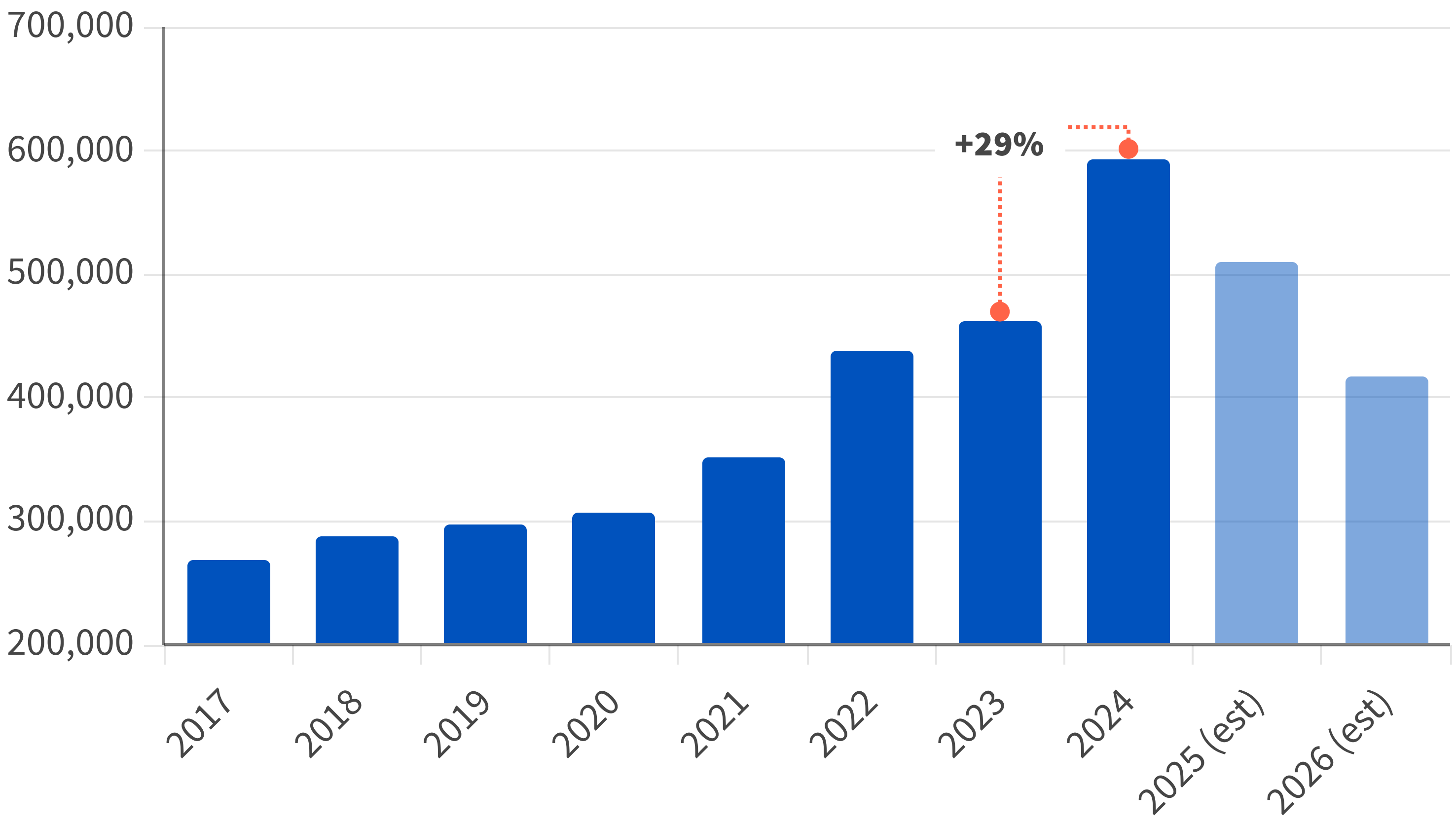
Source: ALN Apartment Data

New Construction Pipeline



Source: ALN Apartment Data

Completions Expected to Fall Moving Forward



509,154

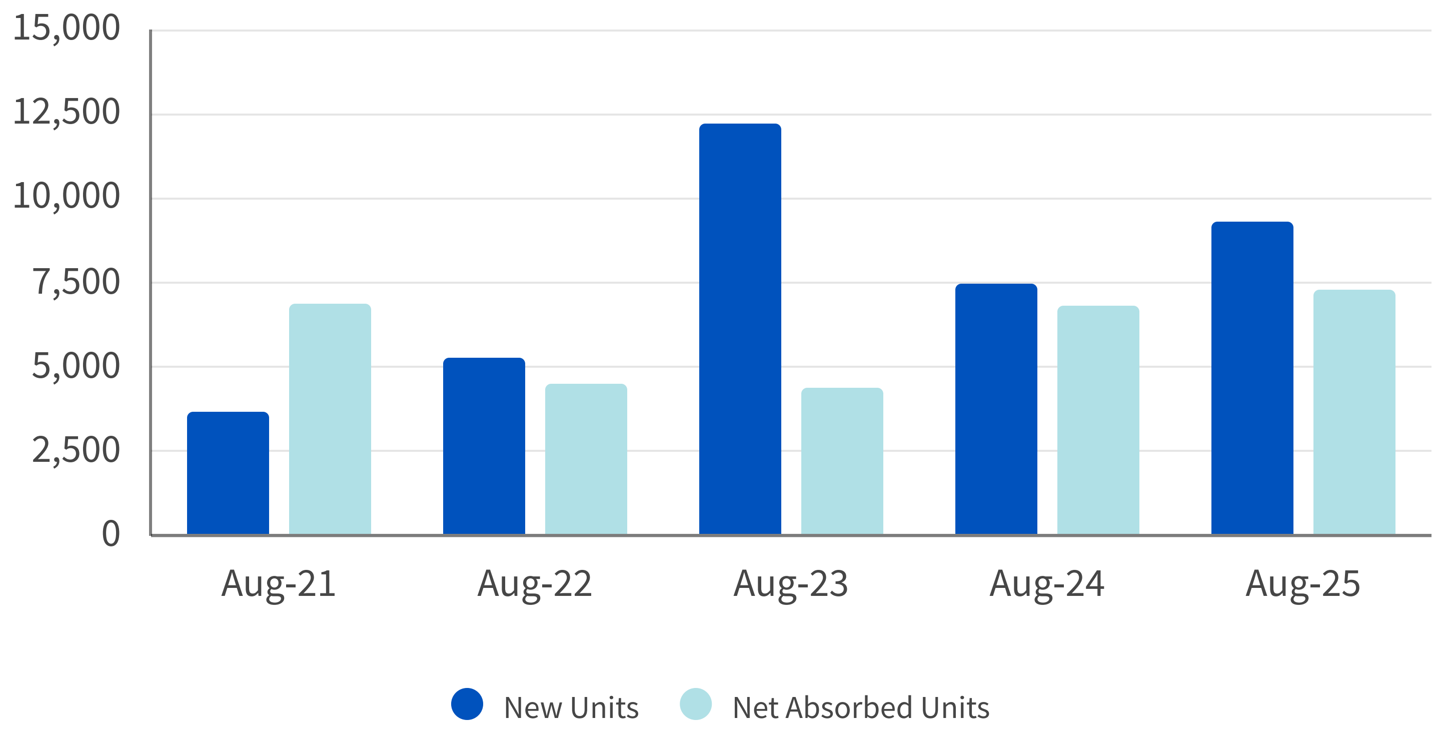
14% 2025 vs 2024

Source: ALN Apartment Data

Utah Multifamily

Both New Supply and Absorption Rising

YoY August

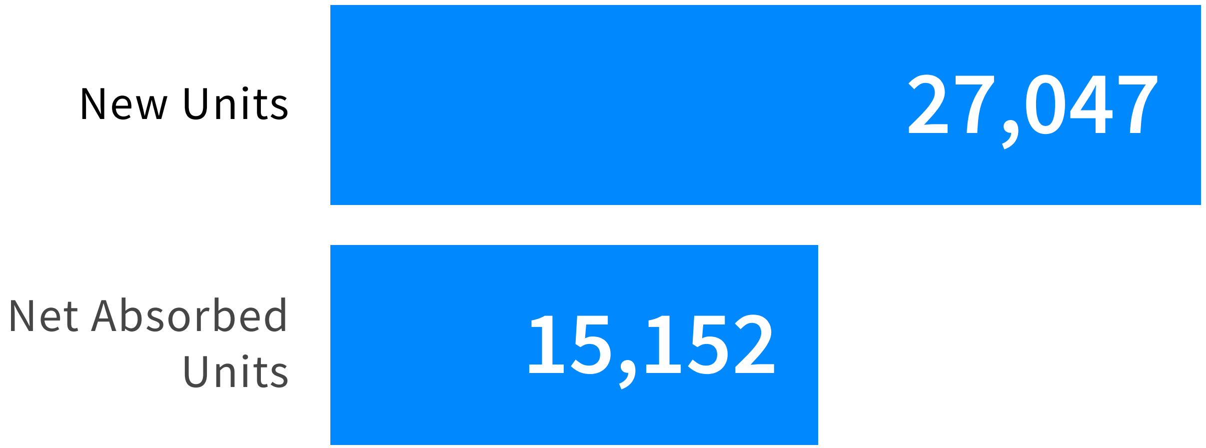


Source: ALN Apartment Data

- Demand has bounced back over the last two years, but that momentum has slowed recently.
- Unlike the US as a whole, deliveries have ticked up over the last twelve months.
- New supply peaked a year earlier for Utah than for the nation as a whole.

Moderate Imbalance in Supply and Demand

Utah, 2022-2024



New Units (% of Stock)

22%

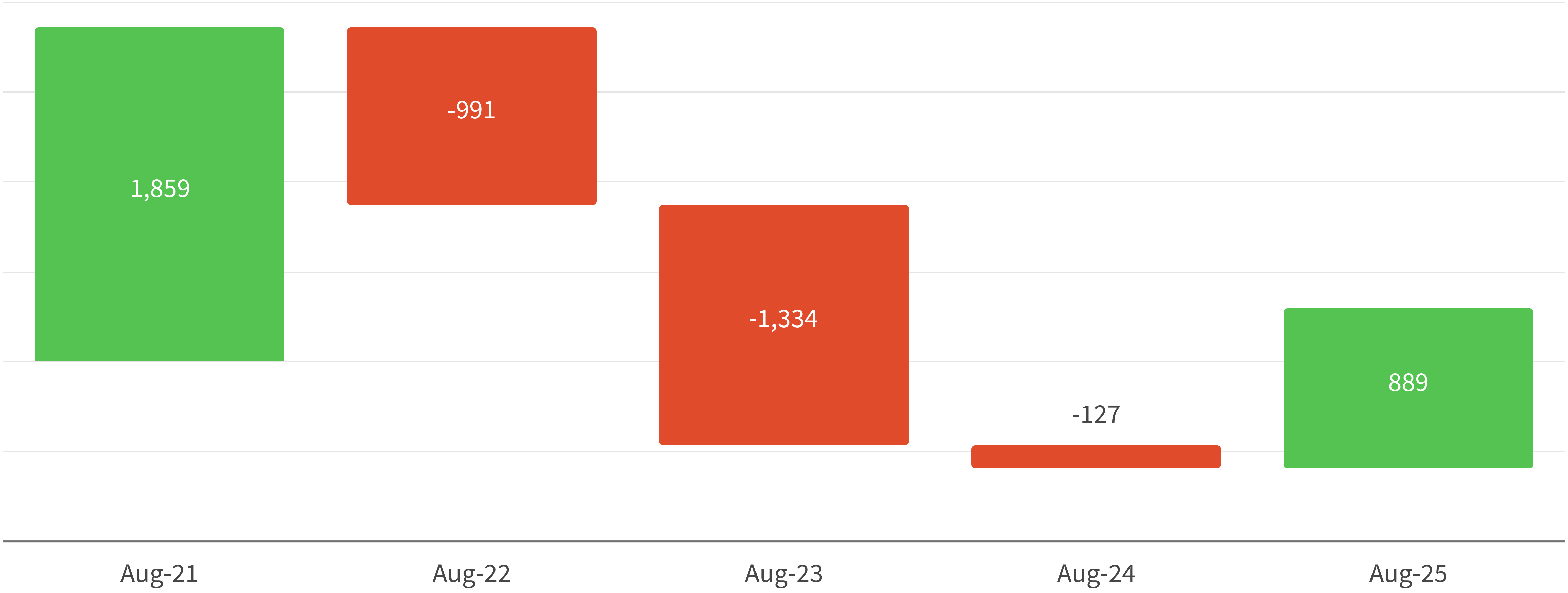
Net Absorbed Units (% of Stock)

13%

Source: ALN Apartment Data

Stabilized Demand Turned the Corner

Net Absorbed Units, YoY August



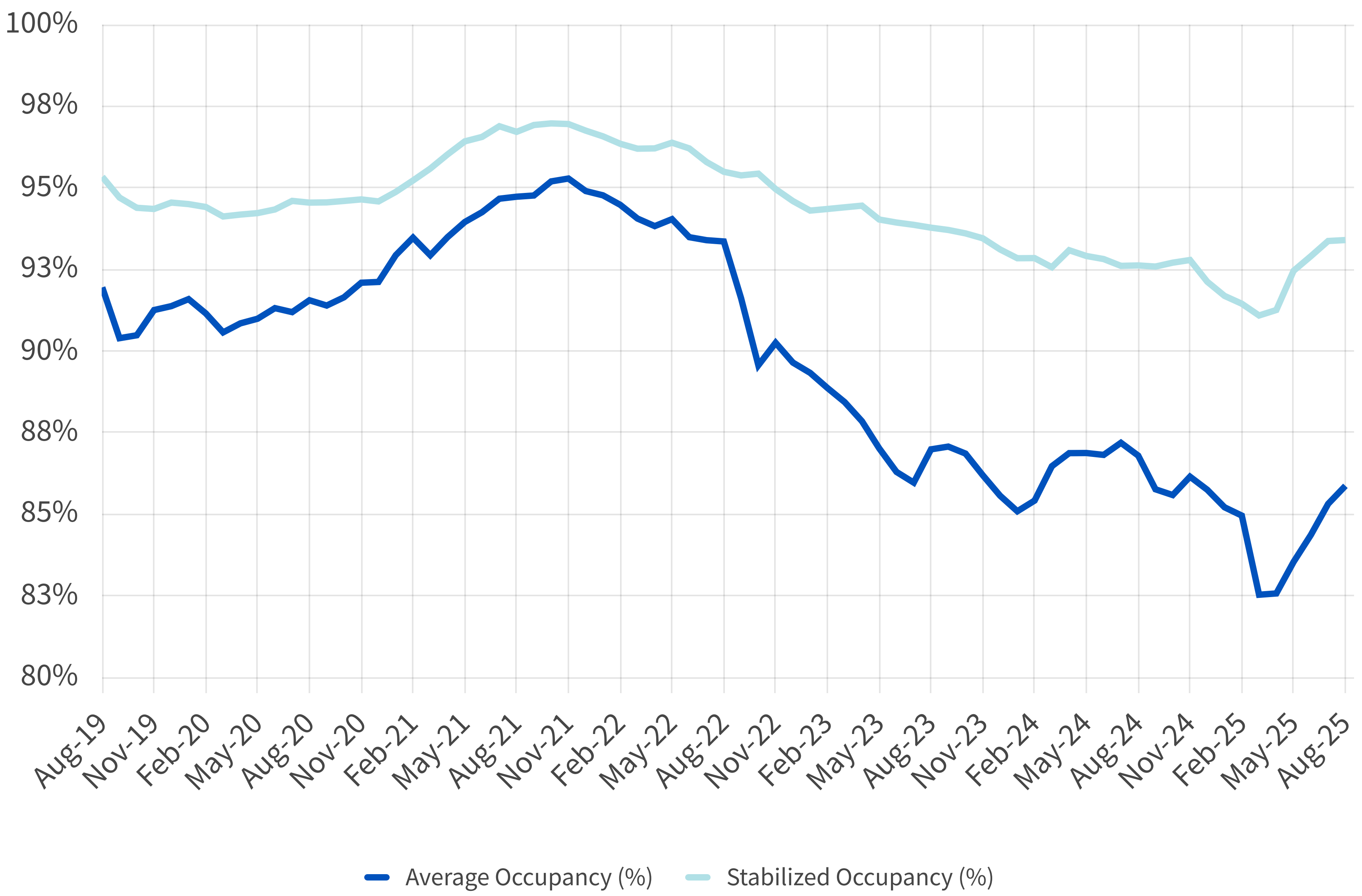
Source: ALN Apartment Data

86%

AVERAGE OCCUPANCY
AUGUST2025

93%

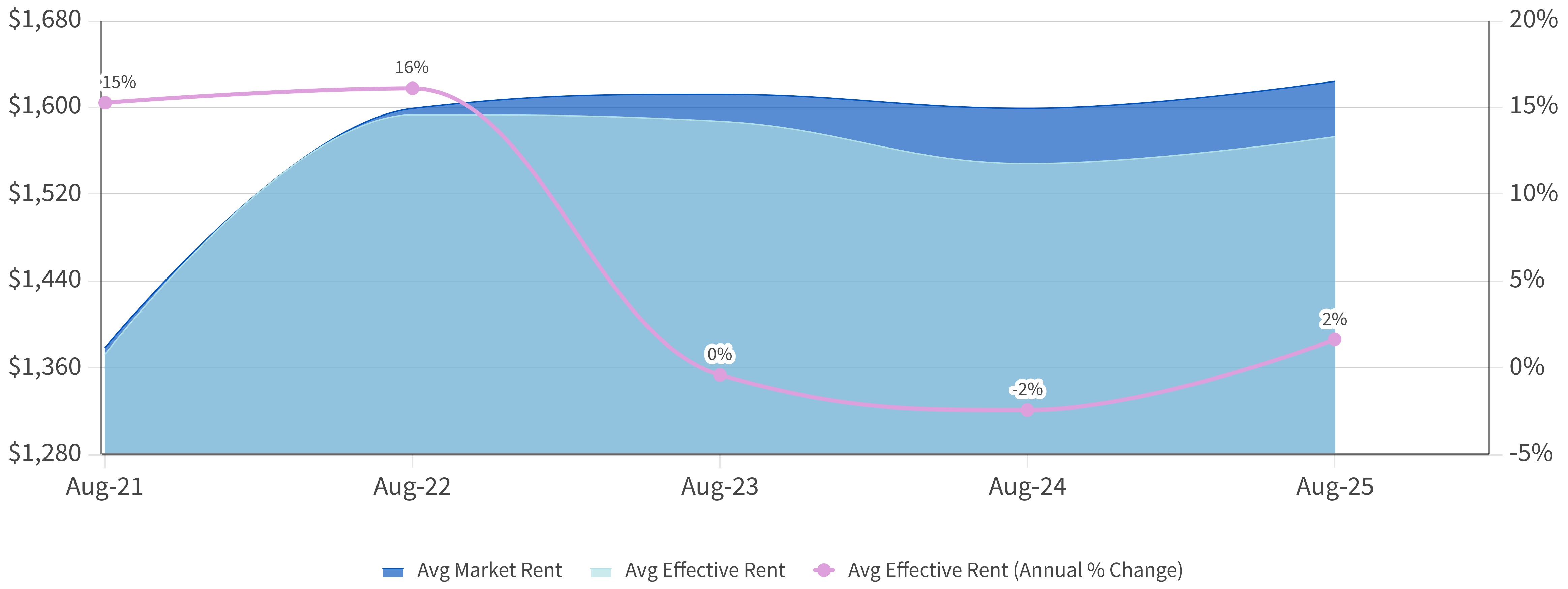
STABILIZED AVERAGE
AUGUST2025



Source: ALN Apartment Data

Rent Growth Improved but Underperforming

Rent for New Leases, YoY August

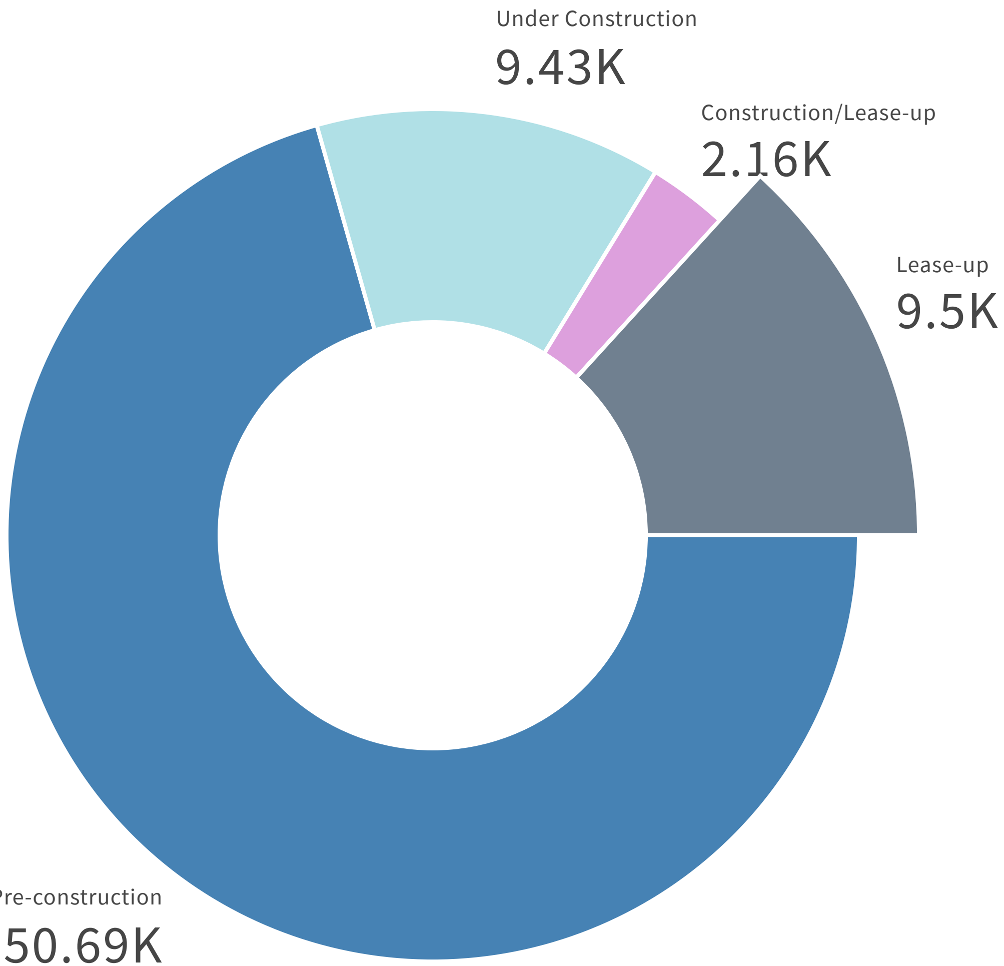


Source: ALN Apartment Data

Concessions Continue to Feature Prominently

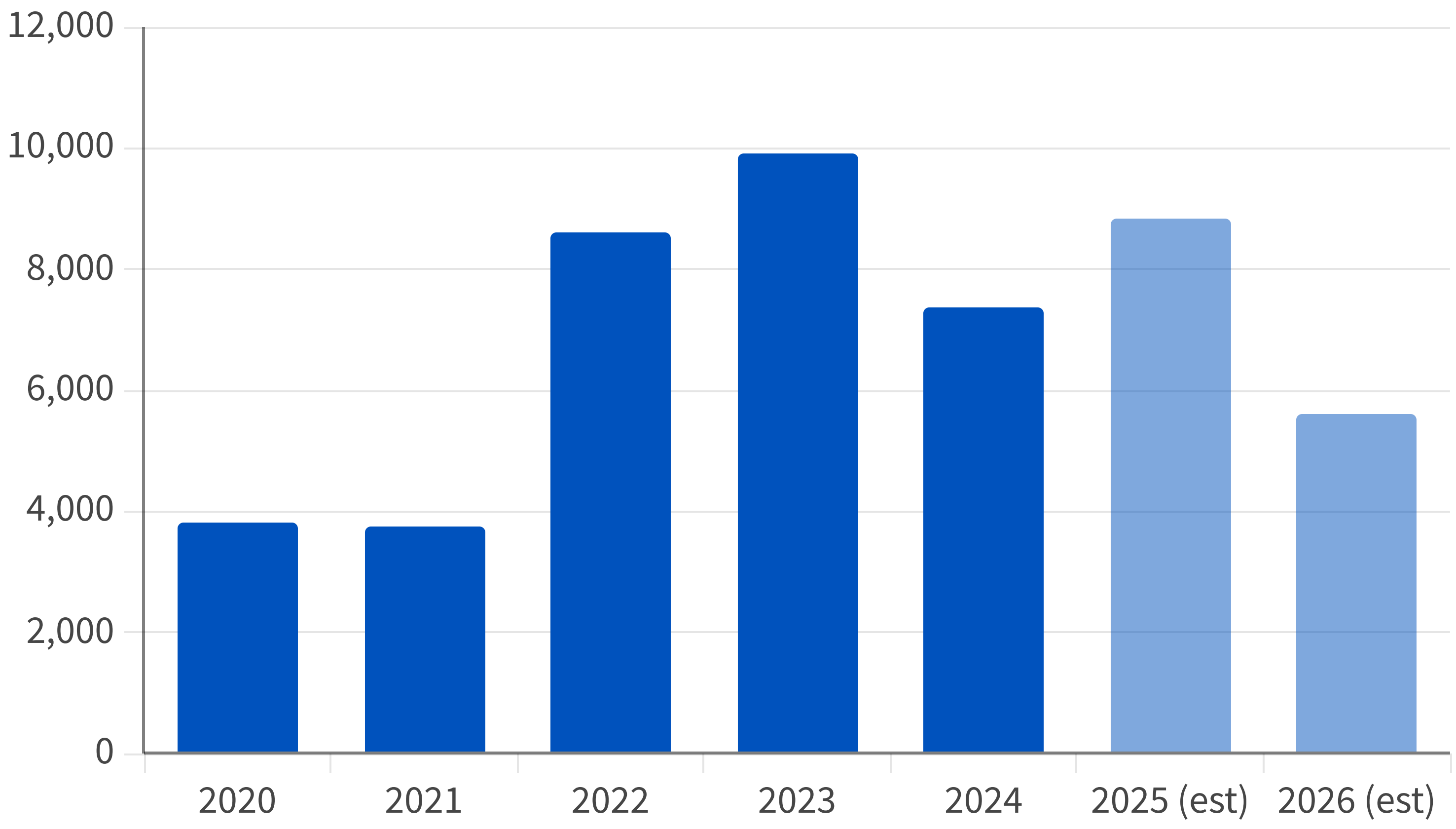
Source: ALN Apartment Data

New Construction Pipeline



Source: ALN Apartment Data

Deliveries Should Begin to Slow Next Year



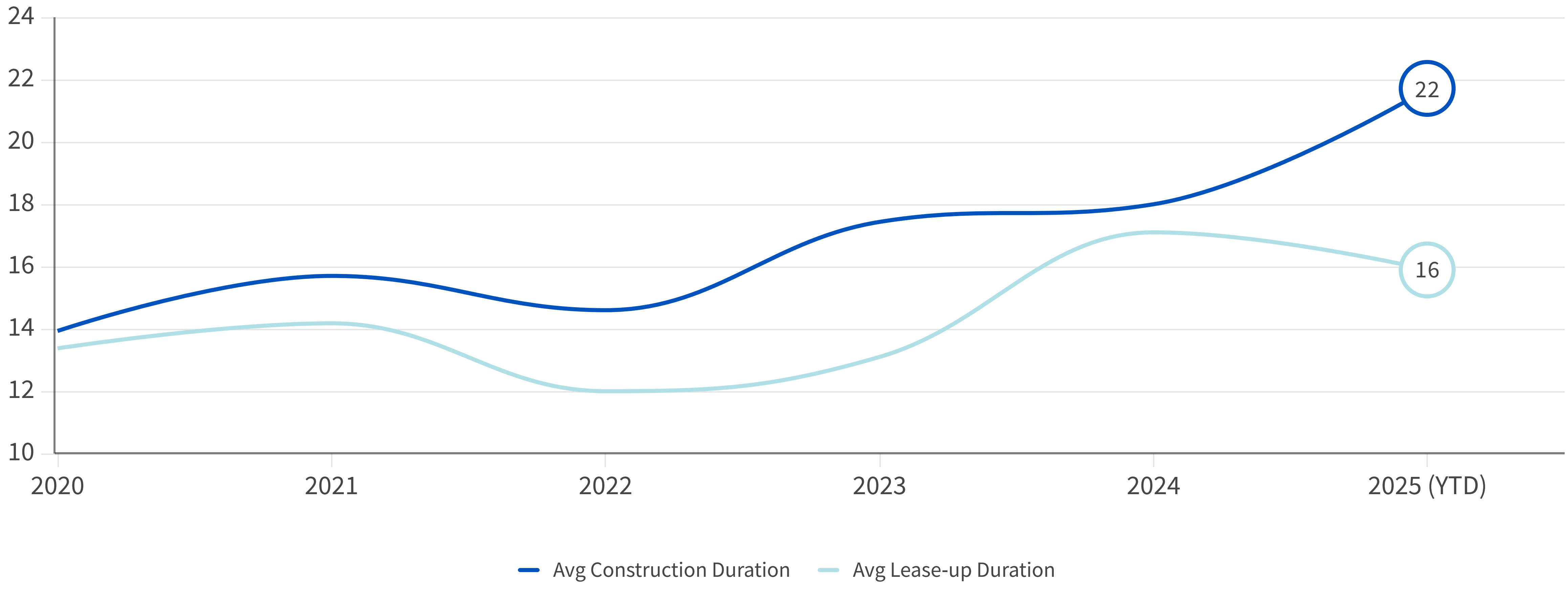
8,826

▲ 20% 2025 vs 2024

Source: ALN Apartment Data

Lease-up Duration Looks Encouraging

Average Number of Months

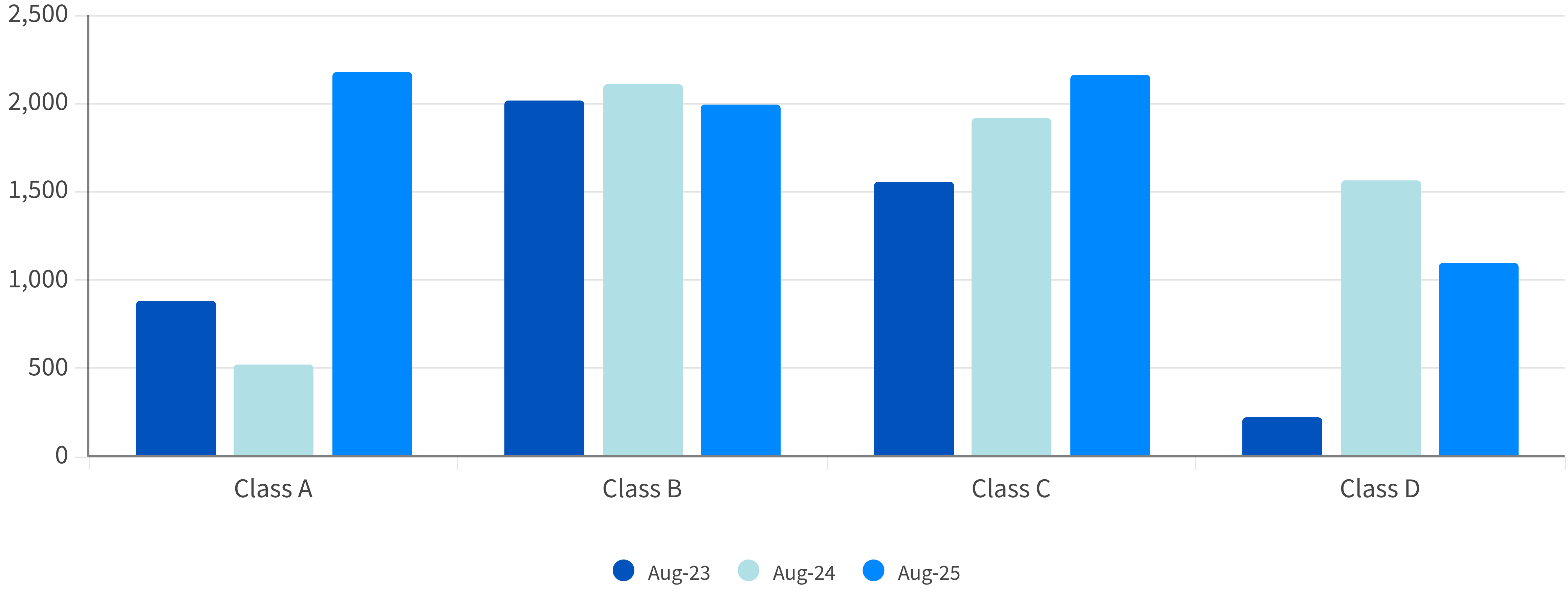


Source: ALN Apartment Data

Zooming In

Strong Demand Growth for Class A

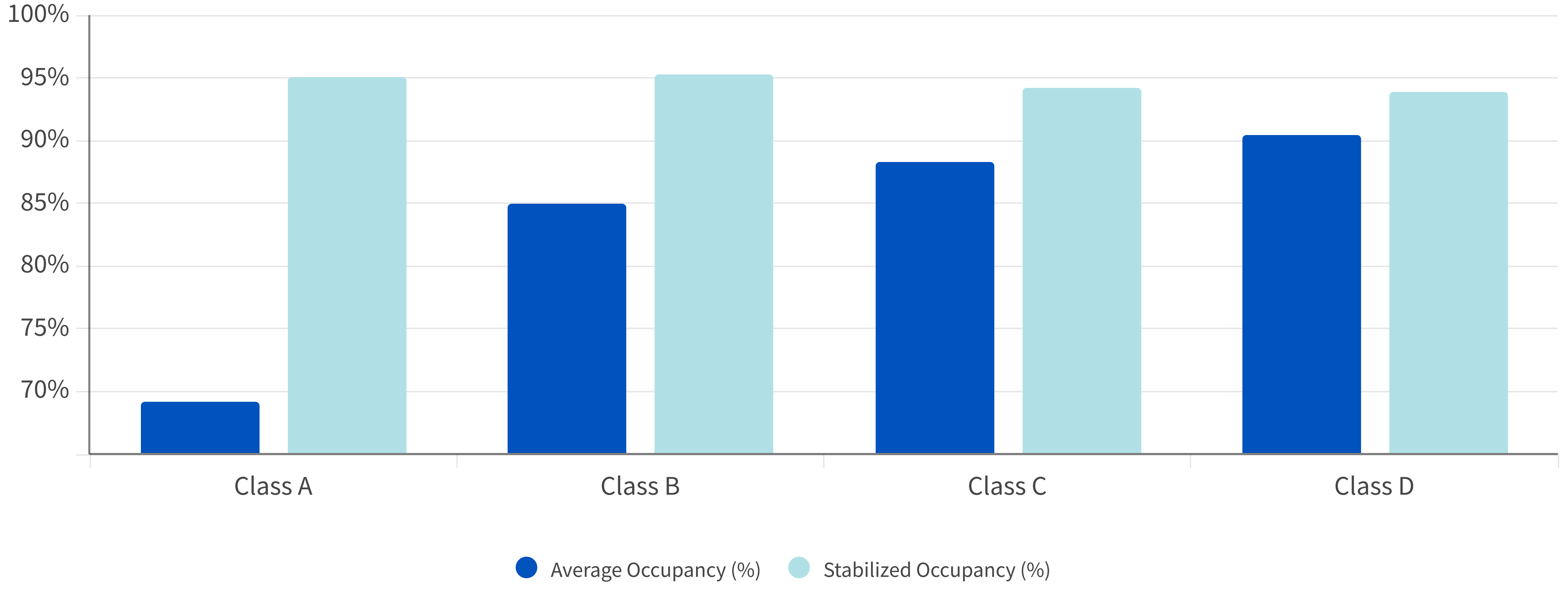
Net Absorbed Units, YoY August



Source: ALN Apartment Data

New Supply Impact Widely Felt

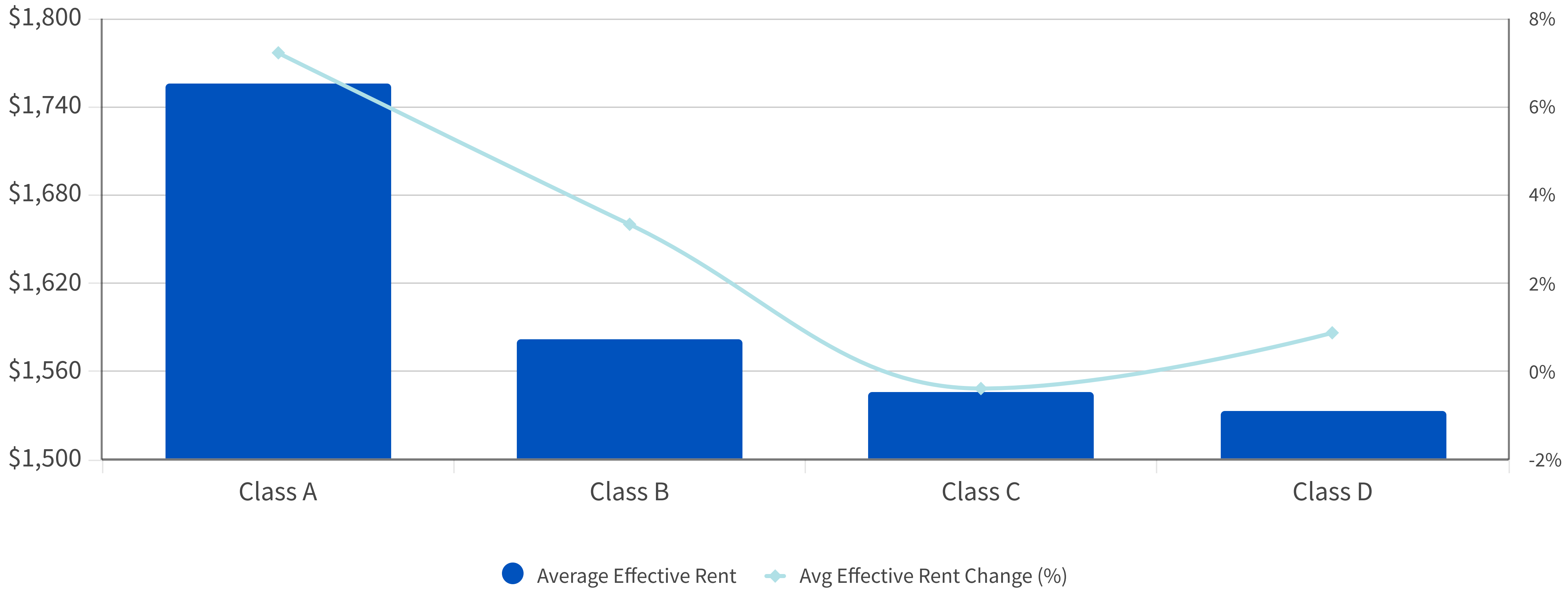
August 2025



Source: ALN Apartment Data

Class A Driving Rent Gains

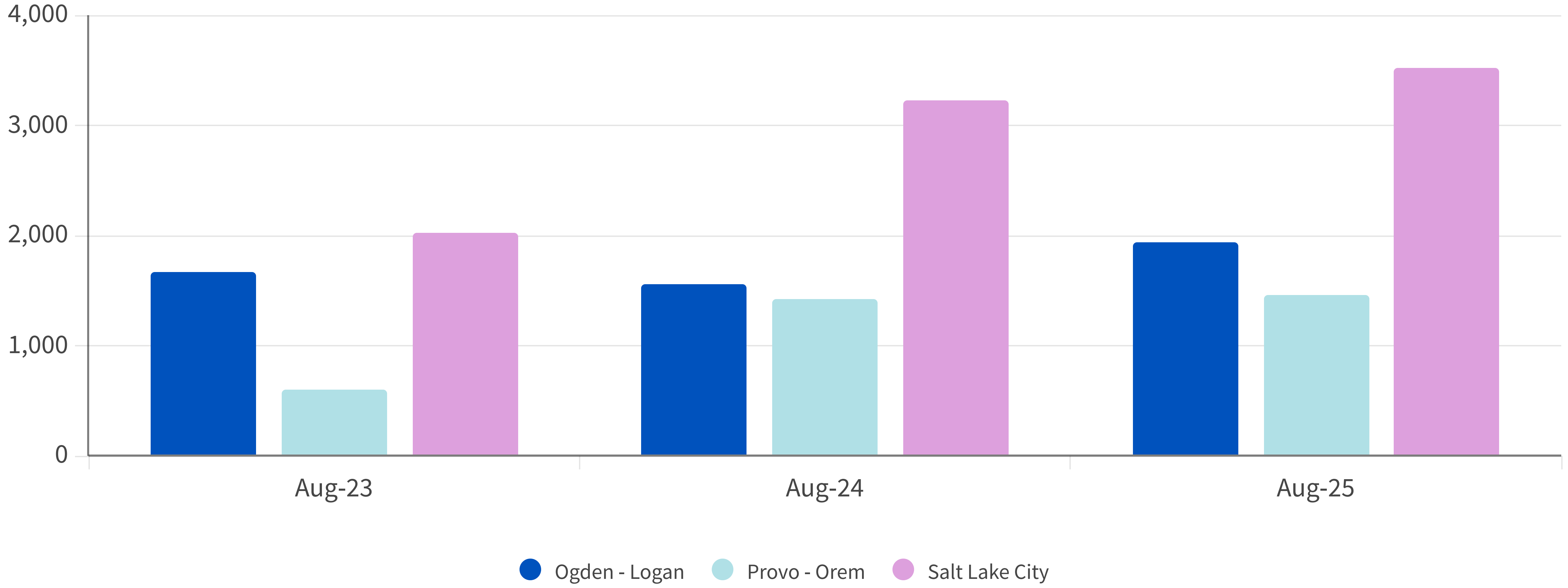
Rent for New Leases, YoY August



Source: ALN Apartment Data

Size-Adjusted Absorption Robust Outside SLC

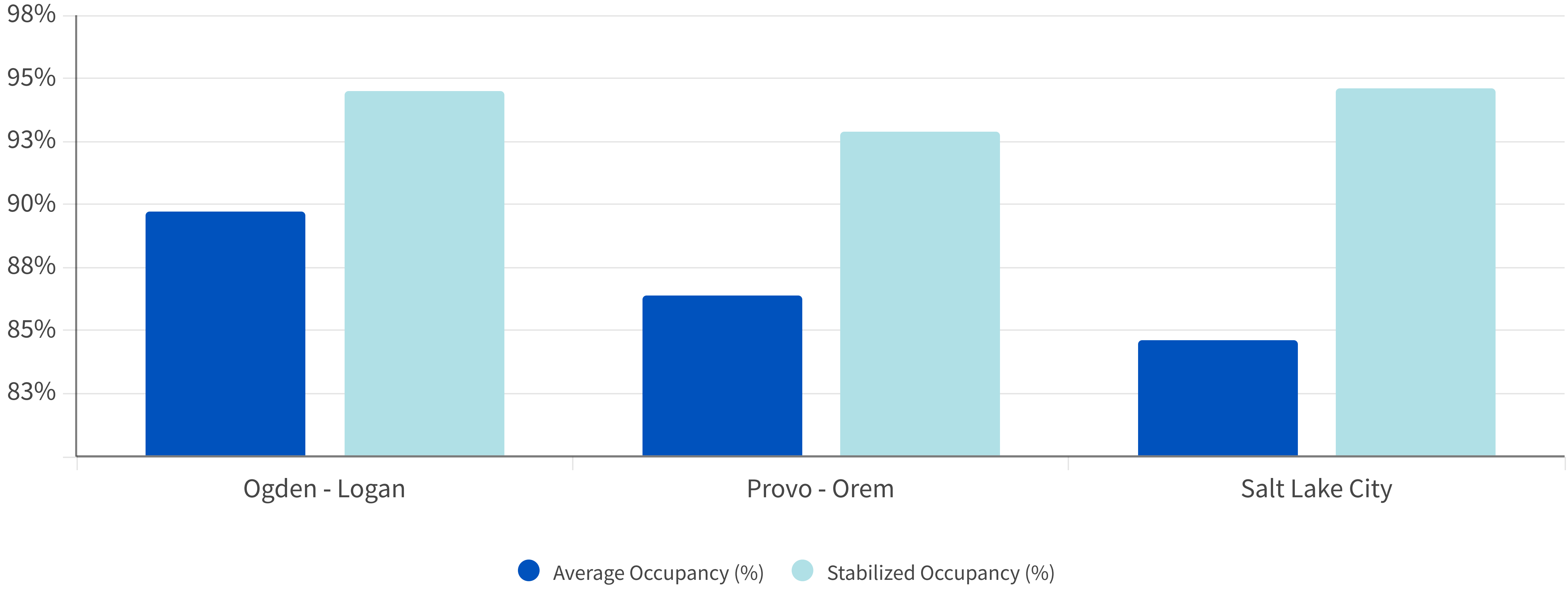
Net Absorbed Units, YoY August



Source: ALN Apartment Data

Average Occupancy Down YoY Only in SLC

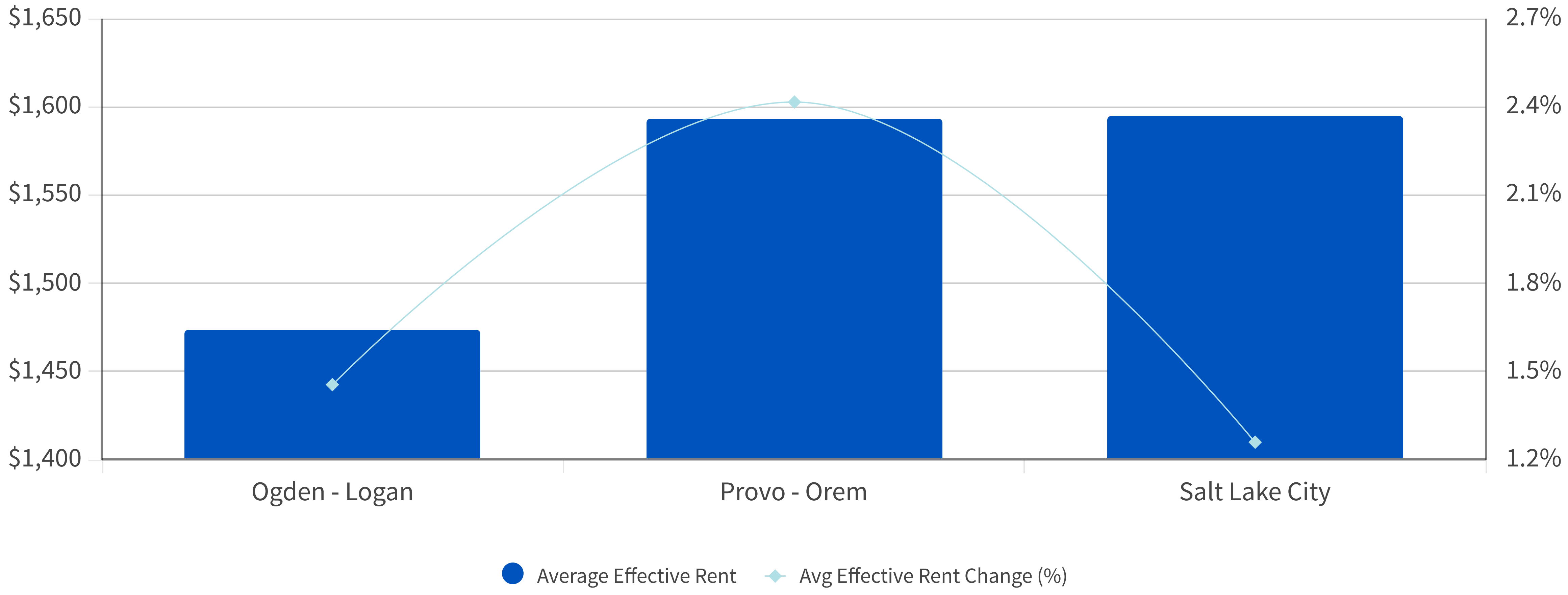
August 2025



Source: ALN Apartment Data

Rent Growth Below National Average Across the State

Rent for New Leases, YoY August



Source: ALN Apartment Data

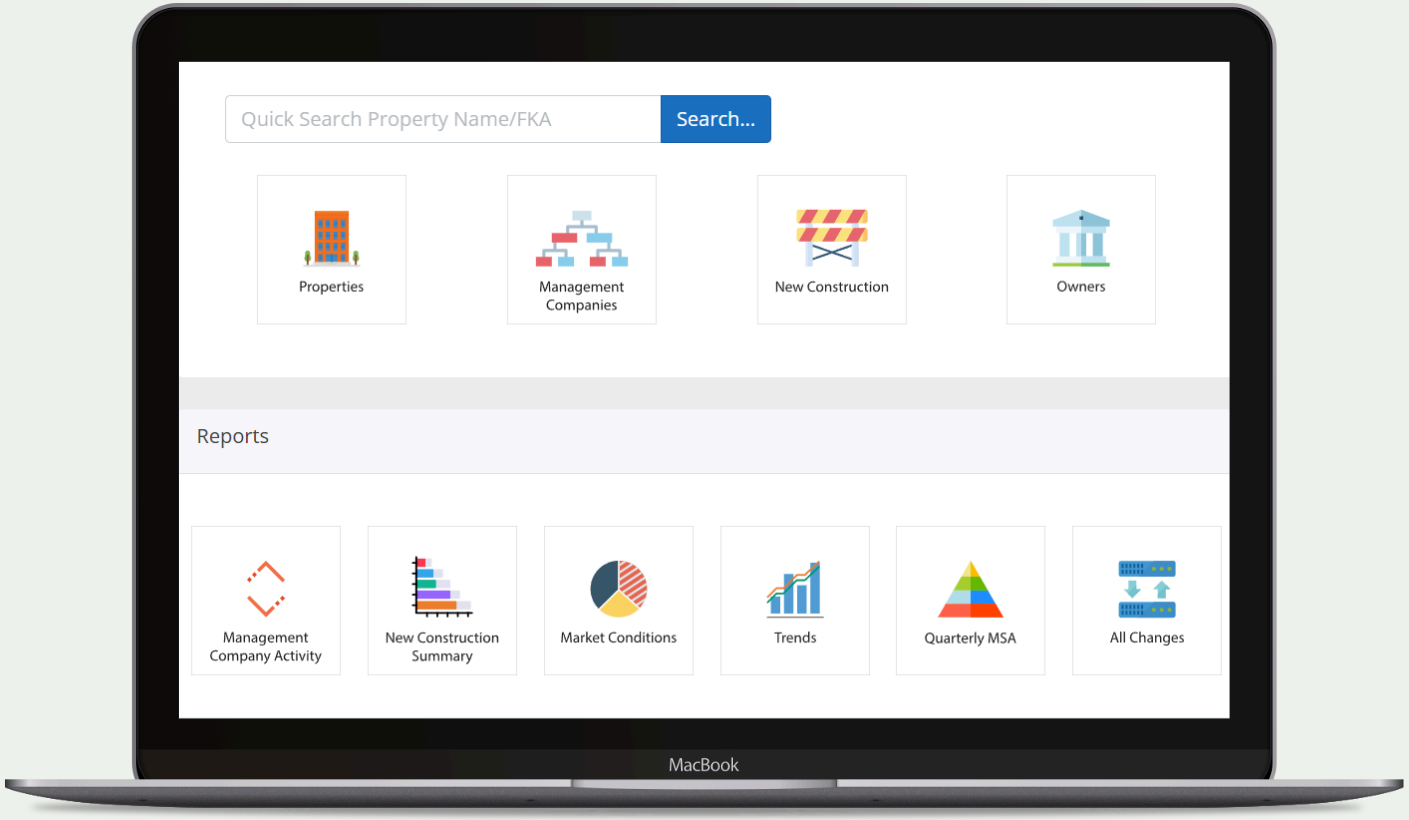
2025 Takeaways

Utah

- New supply pressure will continue to be a major driver of industry performance for the rest of the year.
- Positive demand trends and an expected slowdown in deliveries for 2026 indicate the potential for a return to balance next year.
- Average occupancy is likely to decline further in the coming months before rebounding starting next spring.
- Rent performance has improved but remains below the national average. Further market tightening next year would help sustain positive momentum.
- Fundamentals appear encouraging, there is just a lot of ground to be made up.

Source: ALN Apartment Data

Thank You



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