Cache County: A Rental Market in Equilibrium

Apartment Development 2014-2026 -Since the Great Recession, the Utah housing market has undergone a historic apartment boom. adding nearly 100,000 rental units to the statewide inventory. Cache County has participated in the boom, issuing permits for additional 2,779 apartment units from 2014-2026. The county's rental inventory represents 4.8% of the statewide renter occupied units, a total of nearly 17,000 rental units, *Table 1*. The increased demand has been driven by employment, population, and USU enrollment growth. *Table 2*.

Table 1
Percent Share of Utah's Renter Occupied Units by County

County	Renter Occupied Units	Percent Share Of State Total
Salt Lake	157,164	44.6%
Utah	62,336	17.7%
Davis	28,065	8.0%
Weber	26,720	7.6%
Washington	21,822	6.2%
Cache	16,902	4.8%
Iron	6,128	1.7%
Tooele	5,311	1.5%
Box Elder	4,651	1.3%
Uintah	3,338	0.9%
Rest of State	19,891	5.6%
Total	352,328	100.0%

Source: U.S. Census Bureau.

Table 2
Drivers of Renter Growth in Cache County

	2020	2025	Change	% Change
Employment	61,959	68,443	6,484	10.5%
Population	133,743	145,865	12,122	9.1%
USU Enrollment	27,810	28,900	1,090	3.9%
Source: Utah Department of Workforce Services, Gardner Policy Institute, University of Utah, Utah System of Higher Education.				

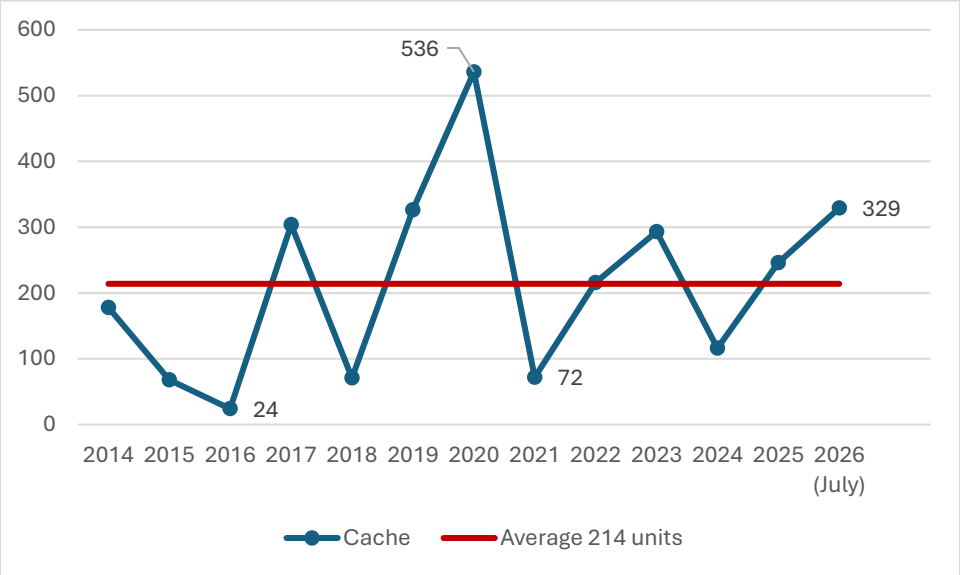
In comparison to the five other major counties the increase in rental units in Cache County has been more balanced. Consequently, the local market has not seen a spike in vacancy rates or the introduction of rent concessions that the Davis, Salt Lake, and Utah markets have experienced. The rental inventory in Cache County increased by 21.5% from 2014 to 2026 (July), which is the smallest percentage increase (just barely) of the major counties. Salt Lake County's inventory increased by 41.4% over the 12-year period, Utah County is up 38.8%, and Davis County is up 35.0%. These substantial inventory increases have brought stressful market conditions for property owners. Even some tax credit units in Salt Lake City, usually the most reliably high occupancy projects, have dropped rents, offered concessions for first time in the program's forty-year history, and seen vacancy rates rise and absorption slow.

Table 2
Percent Increase in Rental Inventory in Major Counties, 2014-2026

	Permits Issued For Rental Units 2014-2026	Percent Increase In Inventory
Cache	2,779	21.5%
Davis	7,991	35.0%
Salt Lake	50,970	41.4%
Utah	19,288	38.8%
Weber	4,895	21.6%
Washington	4,587	29.6%
Source: Gardner Policy Institute, University of Utah		

The recent building permit activity has been volatile. Over the 12-year period the trend line has taken on a sawtooth feature, *Figure 1*. The first three years out of the Great Recession (2014-2016) development activity could find little traction bottoming out at 24 units in 2016. Activity surged in 2019 followed by a record 536 units in 2020, then a Covid induced decline to seventy-two units in 2021. In 2025 and 2026 permits have been above the historic average of 214 units with 2026 well on the way to being the second highest year ever. Through July, 329 rental units have received building permits.

Figure 1
Building Permits Issued for Apartment Units in Cache County



Source: Gardner Policy Institute, University of Utah.

All 329 units are in Logan, which dominates the Cache County rental market. Since 2014, 2,454 of the 2,779 units added to the county's rental inventory have been in Logan, 88% of all new units in the past twelve years. From 2017-2021 North Logan saw some development activity but no new units have received permits since 2021. Nevertheless, North Logan accounts for ten percent (291 units) of the increase in the county's rental inventory since 2014.

Table 3
Building Permits Issued for Cache County, Logan, and North Logan

	Cache	Logan	North Logan	Other
2014	178	159	13	6
2015	68	48	20	0
2016	24	24	0	0
2017	304	135	151	18
2018	71	51	20	0
2019	326	311	15	0
2020	536	536	0	0
2021	72	0	72	0
2022	216	216	0	0
2023	293	293	0	0
2024	116	116	0	0
2025	246	236	0	10
2026 July	329	329	0	0
Total	2,779	2,454	291	58
% Share	100%	88%	10%	2%
Source: Gardner Policy Institute, University of Utah.				

Although recent apartment development has been concentrated in Logan and North Logan many of the smaller cities in the county have renter occupied units. Smithfield has 820 renter occupied units, Hyrum 541 and Providence 409, *Table 4*.

Table 4
Renter Occupied Units by City, 2024*

City	Renter Occupied Units	% Share
Logan	11,580	72.2%
North Logan	1,586	9.9%
Smithfield	820	5.1%
Hyrum	541	3.4%
Providence	409	2.5%
Benson	150	0.9%
Hyde Park	148	0.9%
Nibley	137	0.9%
Lewiston	133	0.8%
Wellsville	112	0.7%
Richmond	106	0.7%
Other Small Cities	326	2.0%
Total	16,048	100.0%
* Source: U.S. Census Bureau.		

Current Conditions and Outlook - The Cache County rental market is a market in equilibrium. The vacancy rate at 5.5% provides housing opportunities for new renters and softens rental rate increases while generating sufficient revenue for the successful operation of apartment communities. The average rent for a one-bedroom unit is $1,100, two-bedroom unit $1,325-and three-bedroom unit $1,762. In the past year rents have increased by 3.5%.

The local market has averaged 214 additional rental units annually since 2014. The annual growth rate in renter households has been 1.8%. Given the current size of the county's rental market, the

growth in demand will require about four hundred additional units annually to meet growing demand for rental housing. Renter household growth, as projected by Western States Multifamily, shows the annual increase in demand fluctuating between 413 units to 430 units from 2026 to 2029, *Table 5*.

Table 5
Projections for Rental Growth for Cache County

	Renter Households*	Growth in Renter Households
2026	17,956	
2027	18,387	431
2028	18,815	428
2029	19,228	413
Total		1,272

*Slightly higher estimates than those derived from US Census.
Source: Western States Multifamily.

Currently 534 rental units are under construction, and another 1,526 units are planned. But given the recent increase in interest rates it is unlikely that more than 50% of the planned units will be developed by 2029. The projected increase in demand of 1,272 renter households is nearly equivalent to the projected increase in supply of 1,297 units, *Table 6*. Consequently, by 2029 Cache County market conditions will be similar to today's market with a vacancy rate around 5% and rental rate increases of three to four percent.

Table 6
Projected Increase in Supply of Rental Units, Cache County
(2027-2029)

		% Reaching Market 2029	New Units
Under Construction	534	100%	534
Planned Starts	1,526	50%	763
Potential New Supply	2,060	63%	1,297
Source: Western States Multifamily.			

A summary profile of the Cache County rental market, *Table 7*

Table 7
Profile of Cache County Rental Market, 2026

Category	Amount
Total Rental Units	18,000
Renter Occupied Units	16,900
Vacancy Rate	5.50%
Rental Rate Increase 2026	3.50%
Unit Under Construction	534
Low Income Tax Credit Units	1,514
USU Campus Housing	3,487
Average One Bedroom Rent	$1,100
Average Two-Bedroom Rent	$1,325
Average Three-Bedroom Rent	$1,762