

# Economic Insights

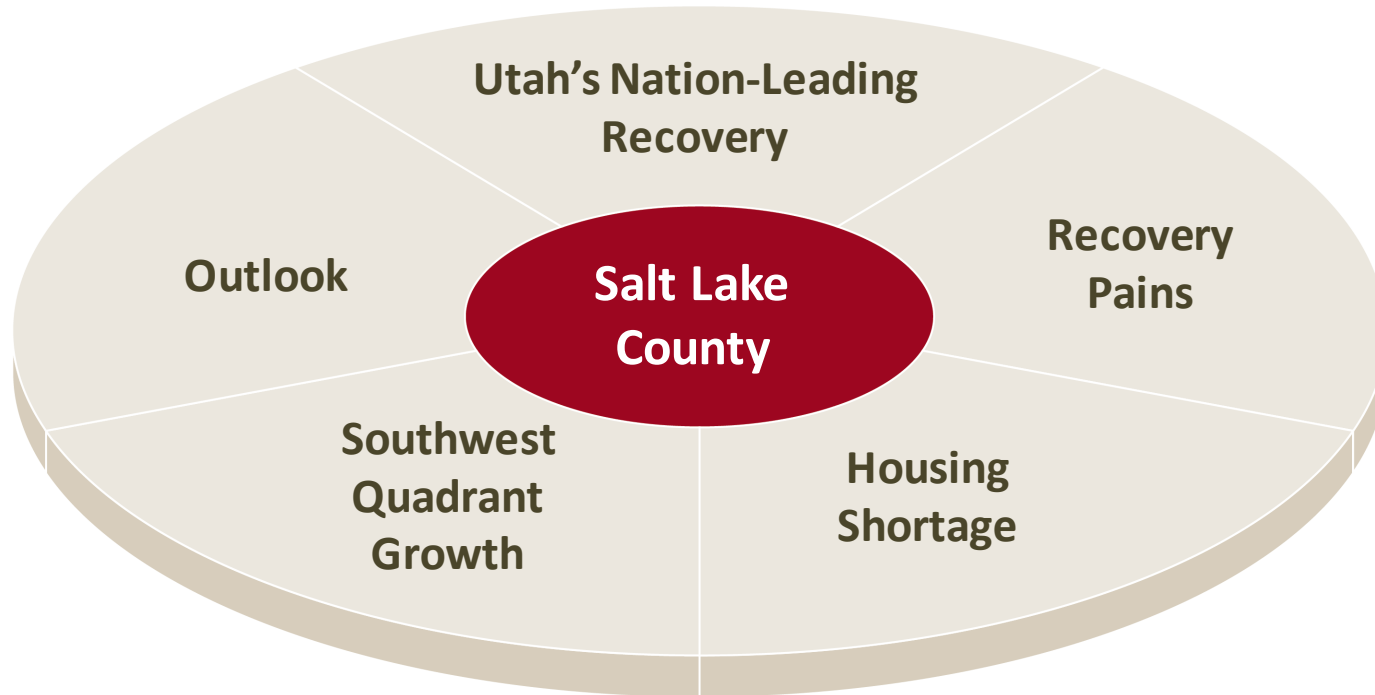
Salt Lake County Council  
October 12, 2021

INFORMED DECISIONS™

# Key Points

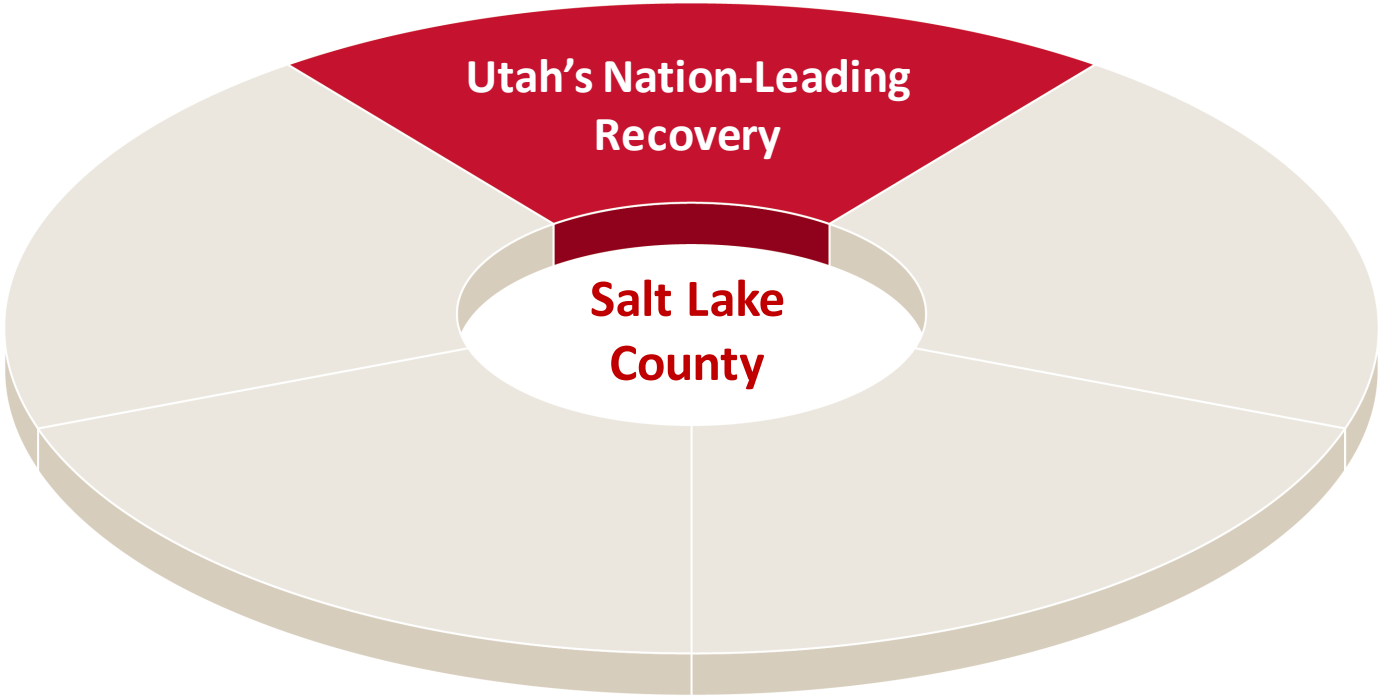
- **Utah's nation-leading recovery** – Utah is and will continue to be among the top-performing states. Salt Lake County serves as the epicenter of Utah's economy.
- **Recovery pains** – Expect the recovery to be uneven. Recovery pains include supply constraints and price instability.
- **Housing crunch** – A housing shortage remains. This is among the most critical issues facing our state.
- **Southwest quadrant** – Southwest Salt Lake County leads growth.
- **Outlook** – Positive, with risks. Keep an eye on Covid-19 and consumer confidence.

# Economic Context



Source: Kem C. Gardner Policy I

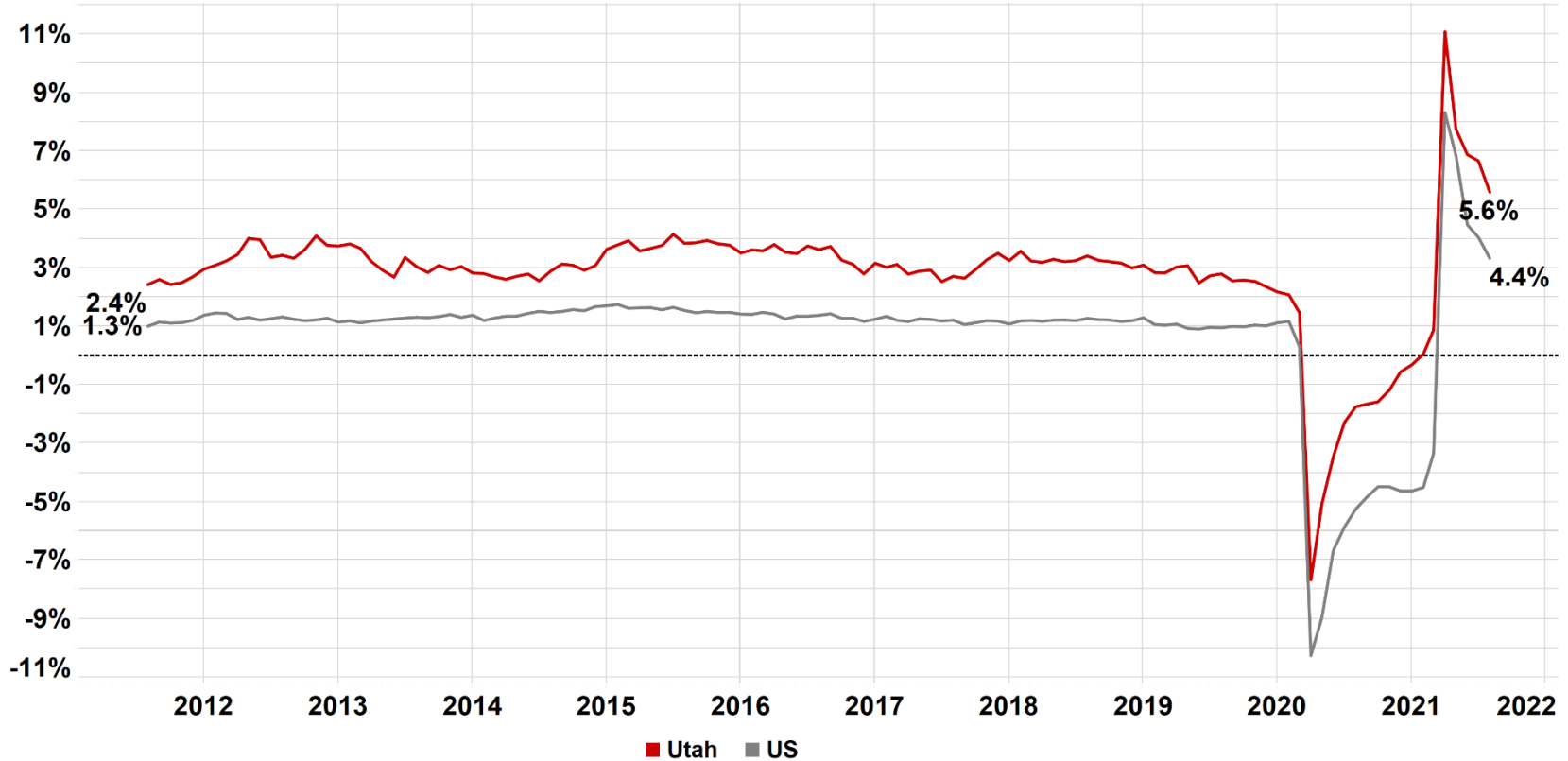
# Utah will continue to be a top-performing state



Source: Kem C. Gardner Policy I

# Job Change

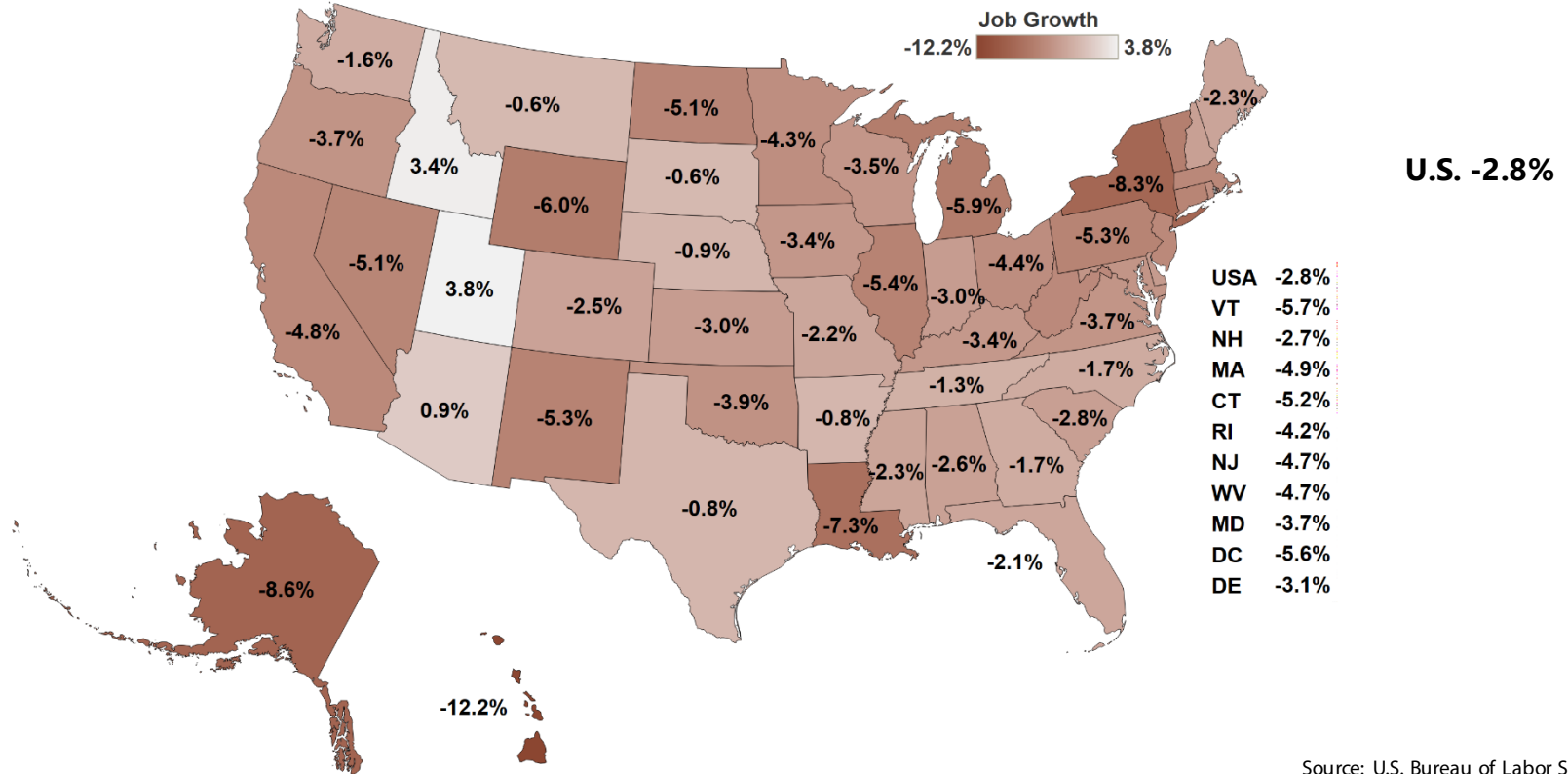
Year-Over Percent Change



Source: U.S. Bureau of Labor Statistics

# Job Change

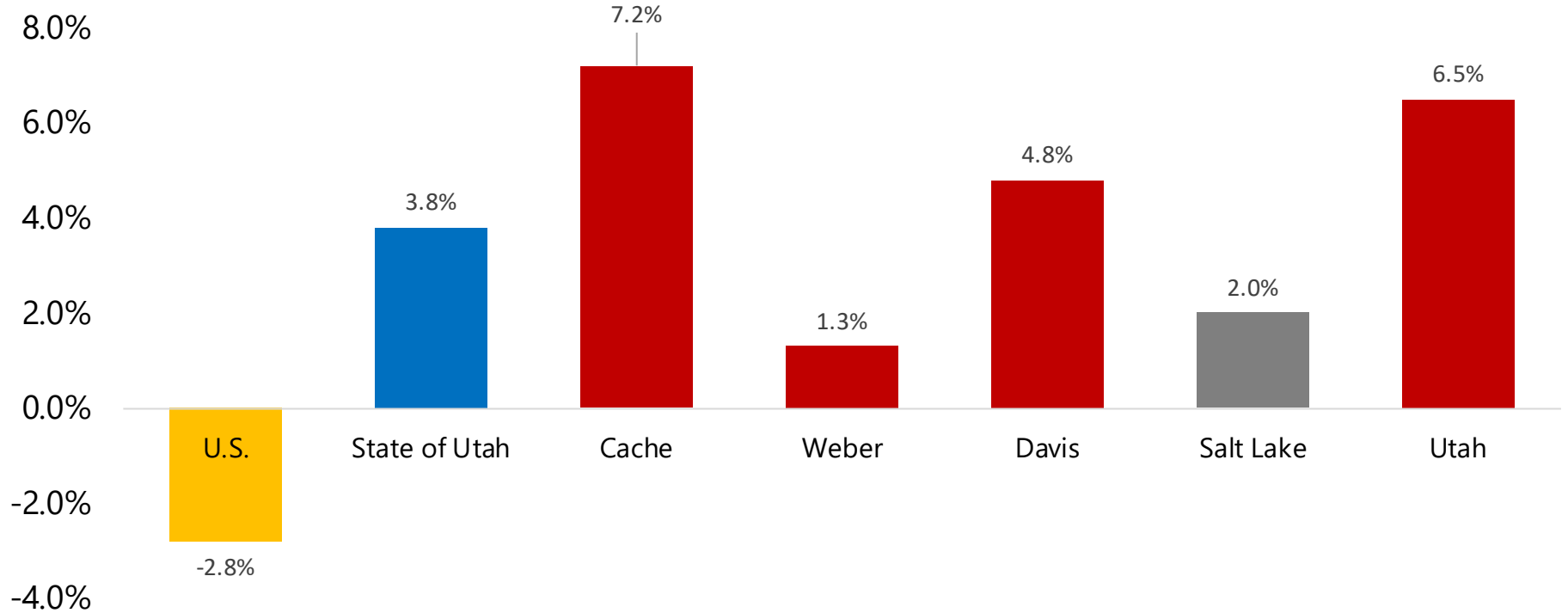
Two-Year Percent Change August 2021, Not Seasonally Adjusted



Source: U.S. Bureau of Labor Statistics

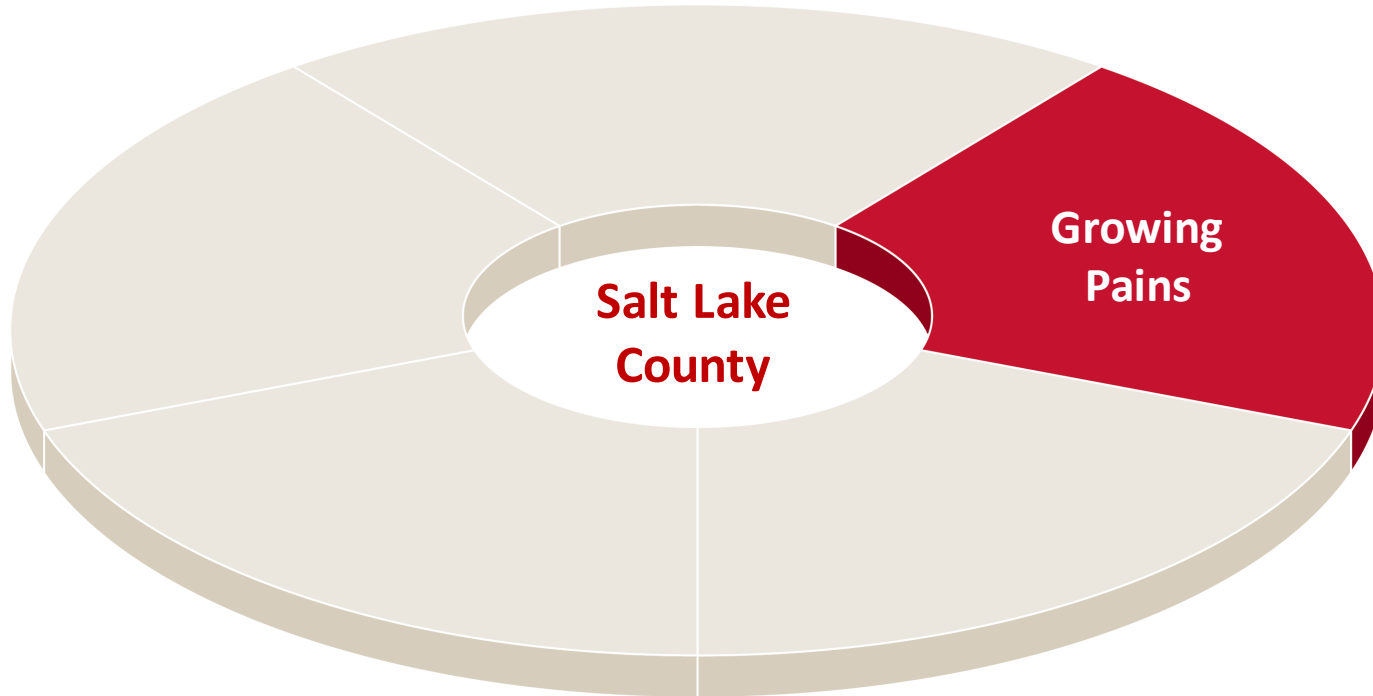
# Job Growth

August 2019-2021, Not Seasonally Adjusted



Source: Bureau of Labor Statistics

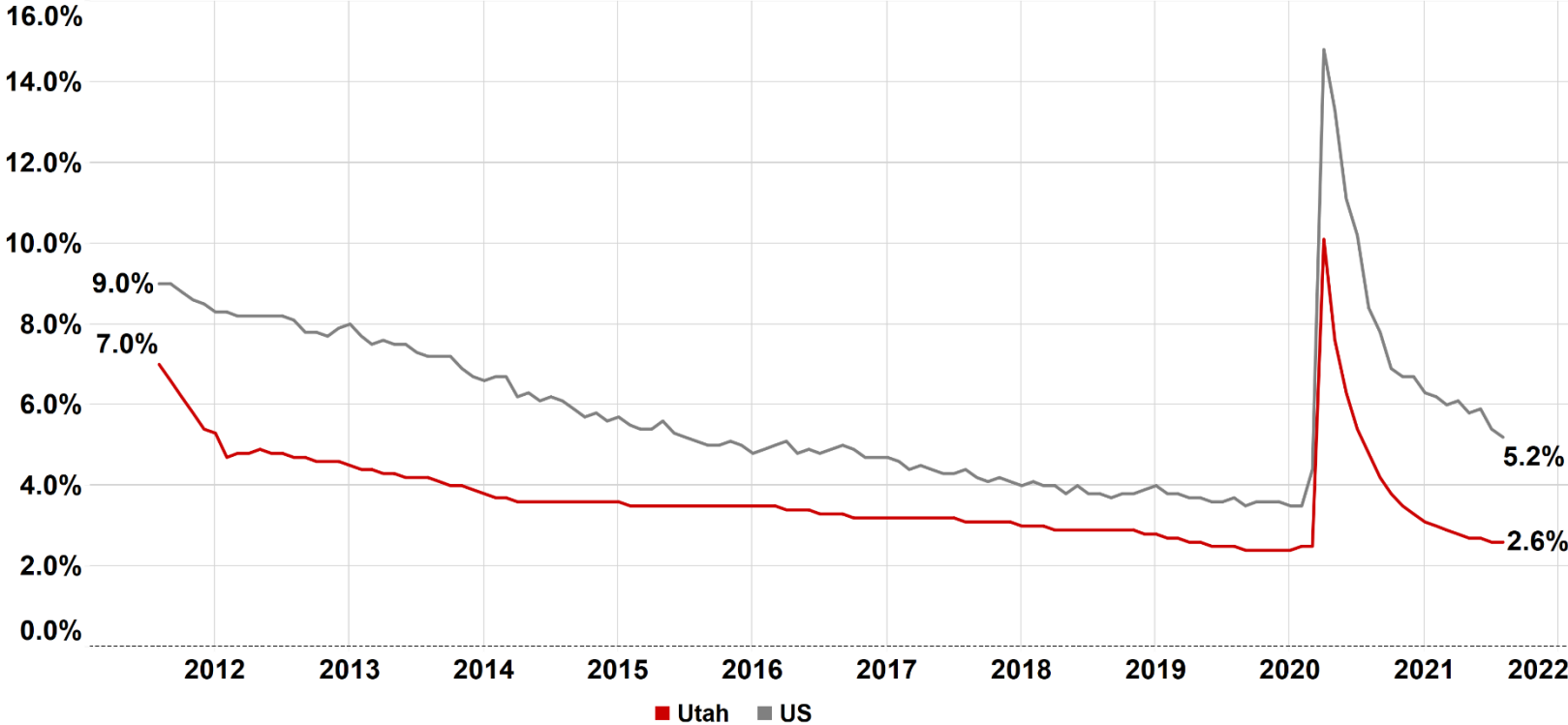
# Expect an uneven recovery



Source: Kem C. Gardner Policy Institute



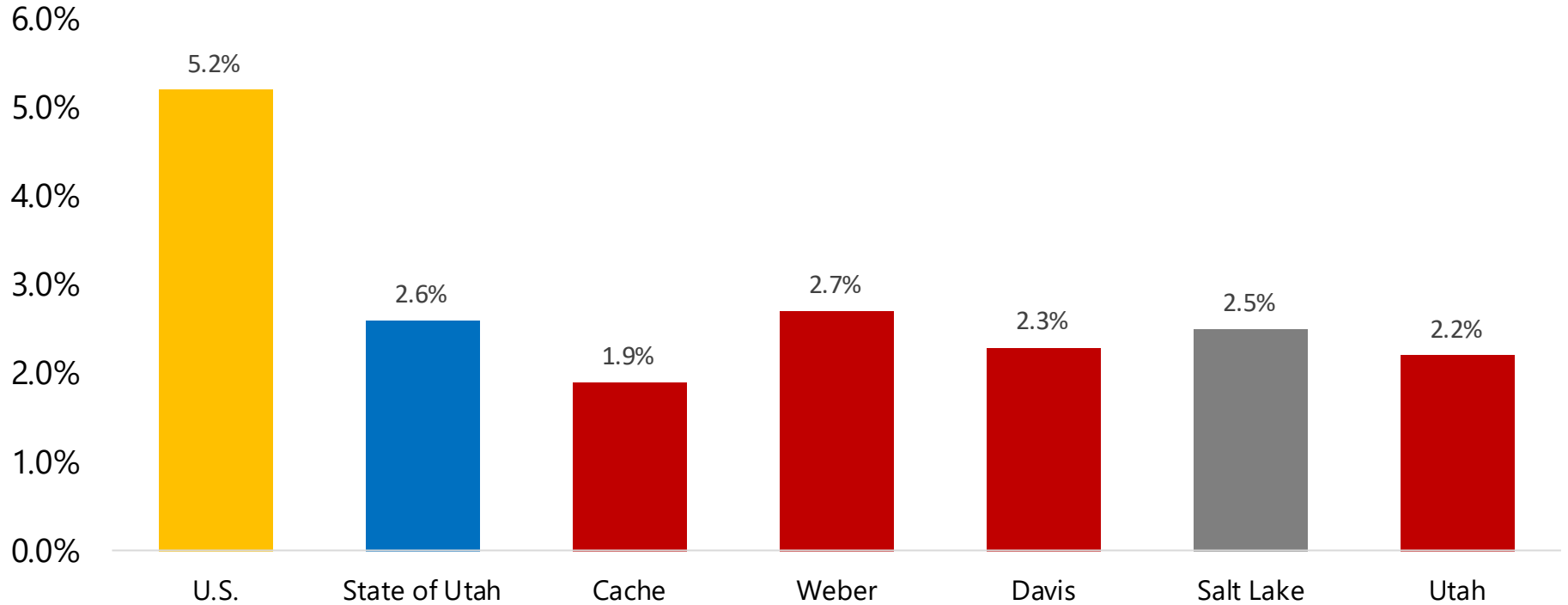
# Unemployment Rate



Source: U.S. Bureau of Labor Statistics

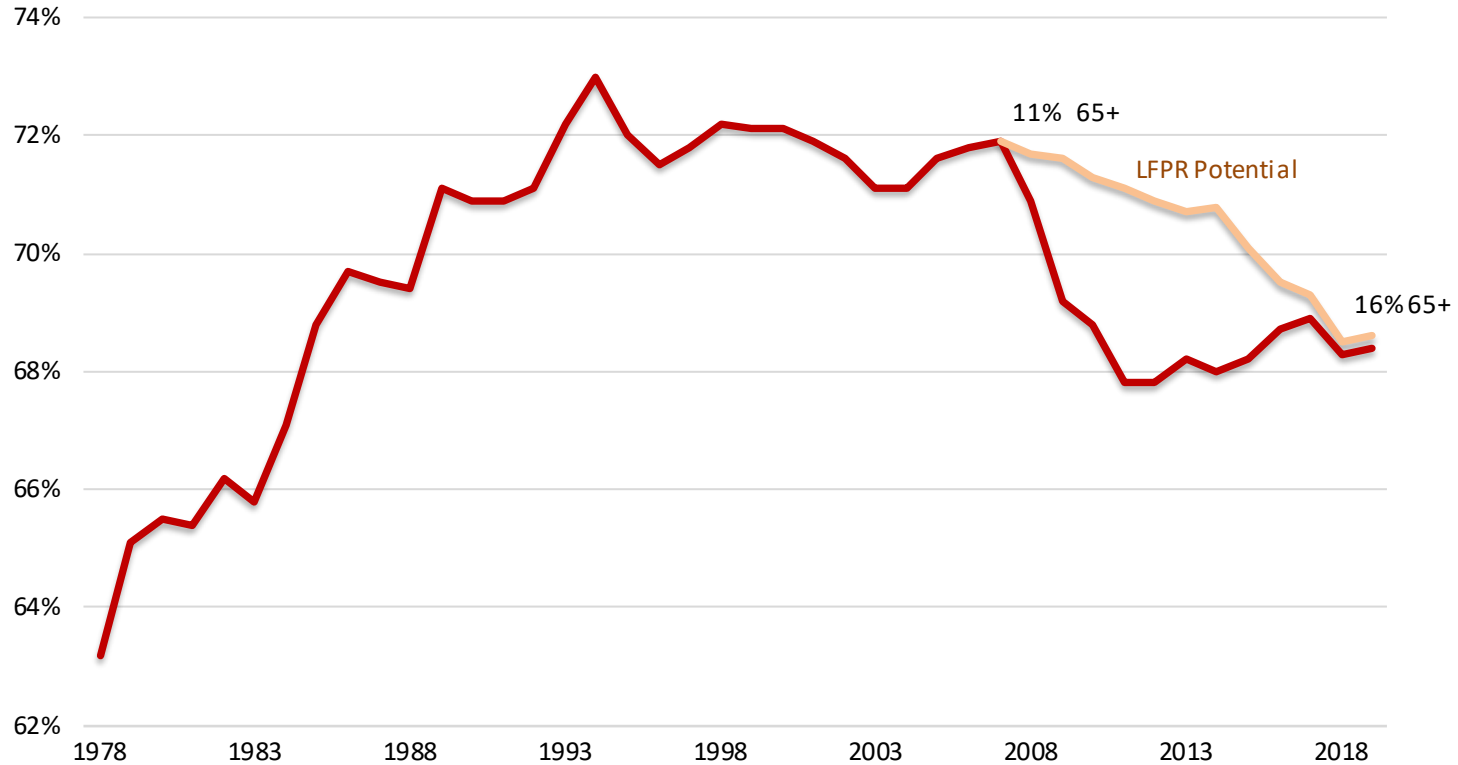
# Unemployment Rate

*August 2021, Seasonally Adjusted*



Source: Bureau of Labor Statistics

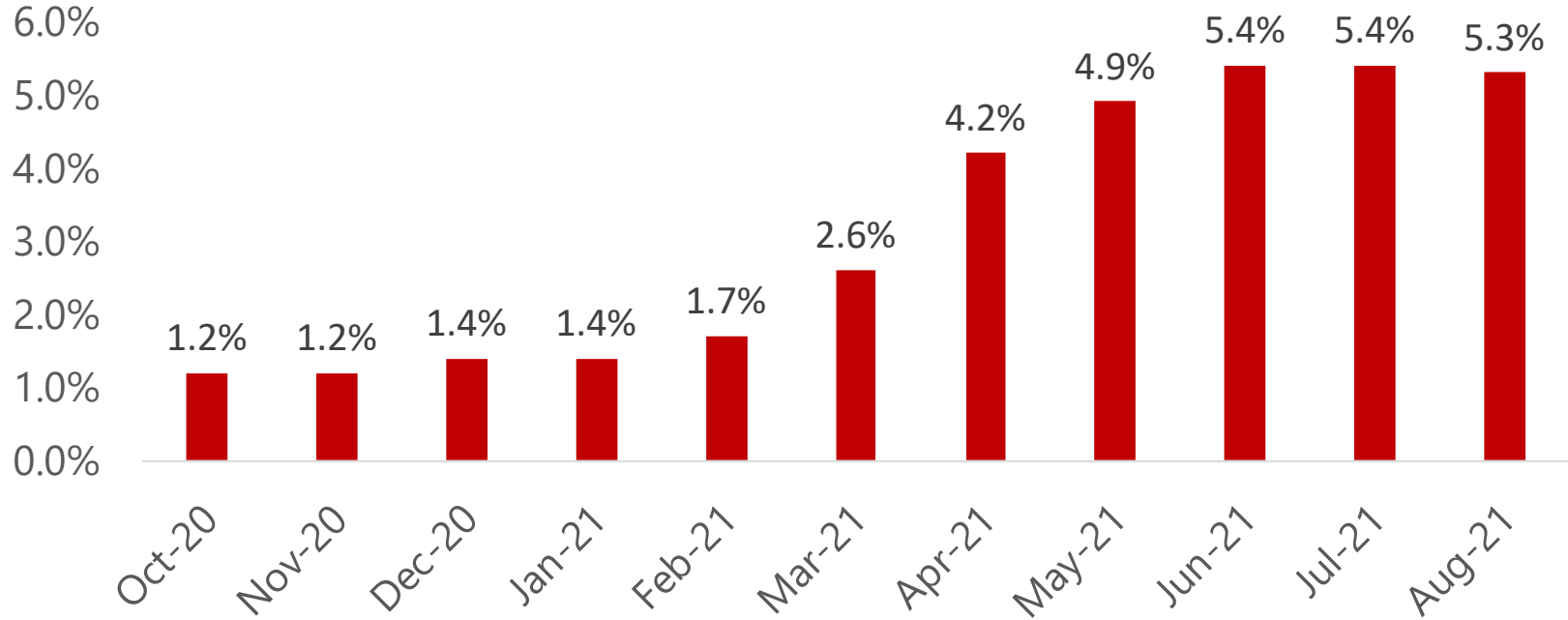
# Utah Labor Force Participation Rate



Source: U.S. Bureau of Labor Statistics; Utah Department of Workforce Services

# Headline Inflation Climbs and Levels

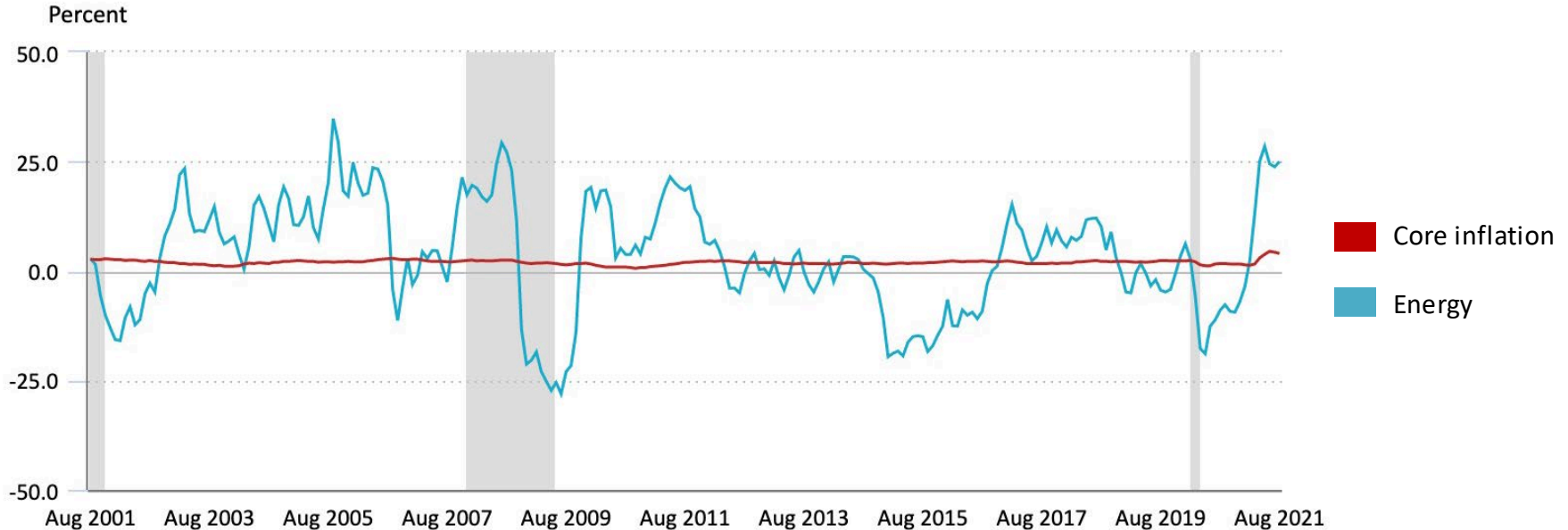
*12-month Percent Change, U.S. Consumer Price Index*



Source: Bureau of Labor Statistics

# Inflation Trends

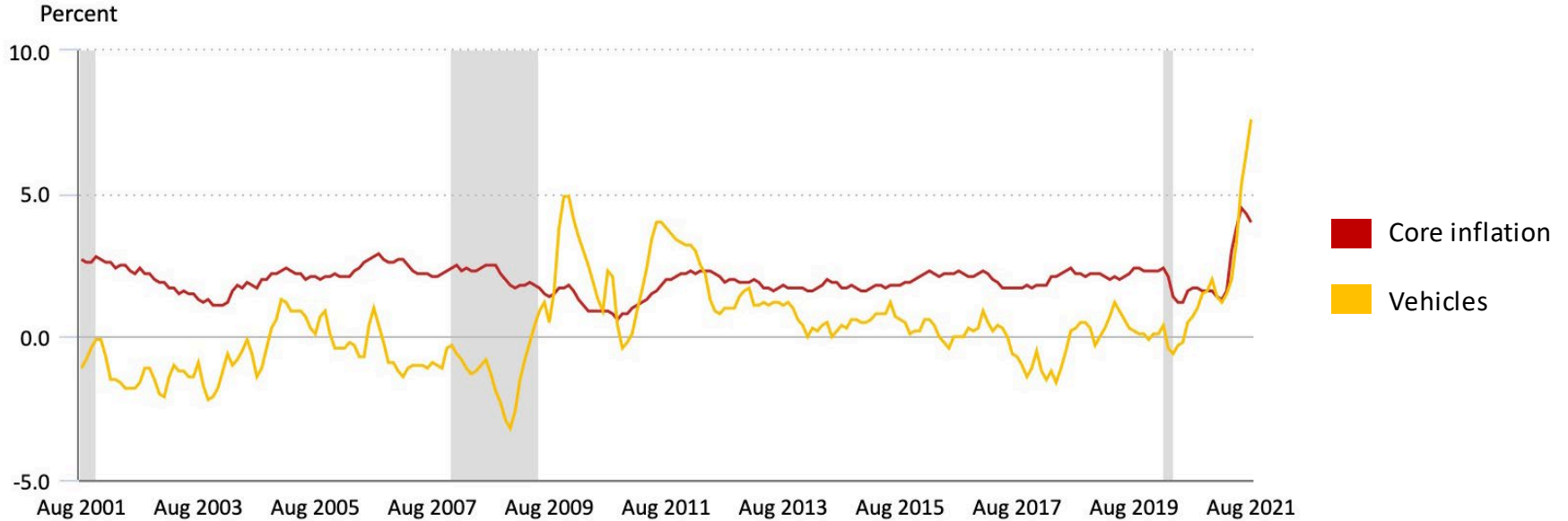
*U.S. Consumer Price Index, 12-Month % Change, Not Seasonally Adjusted*



Source: U.S. Bureau of Labor Statistics

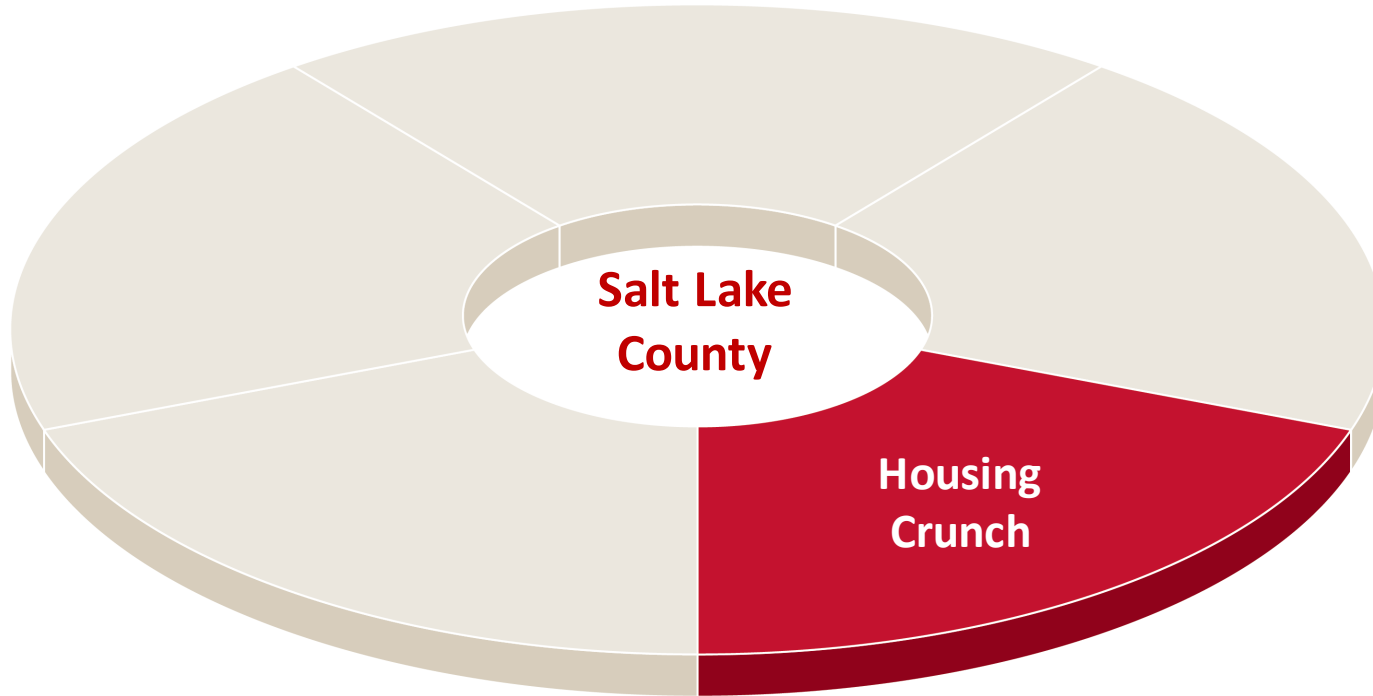
# Inflation Trends

*U.S. Consumer Price Index, 12-Month % Change, Not Seasonally Adjusted*



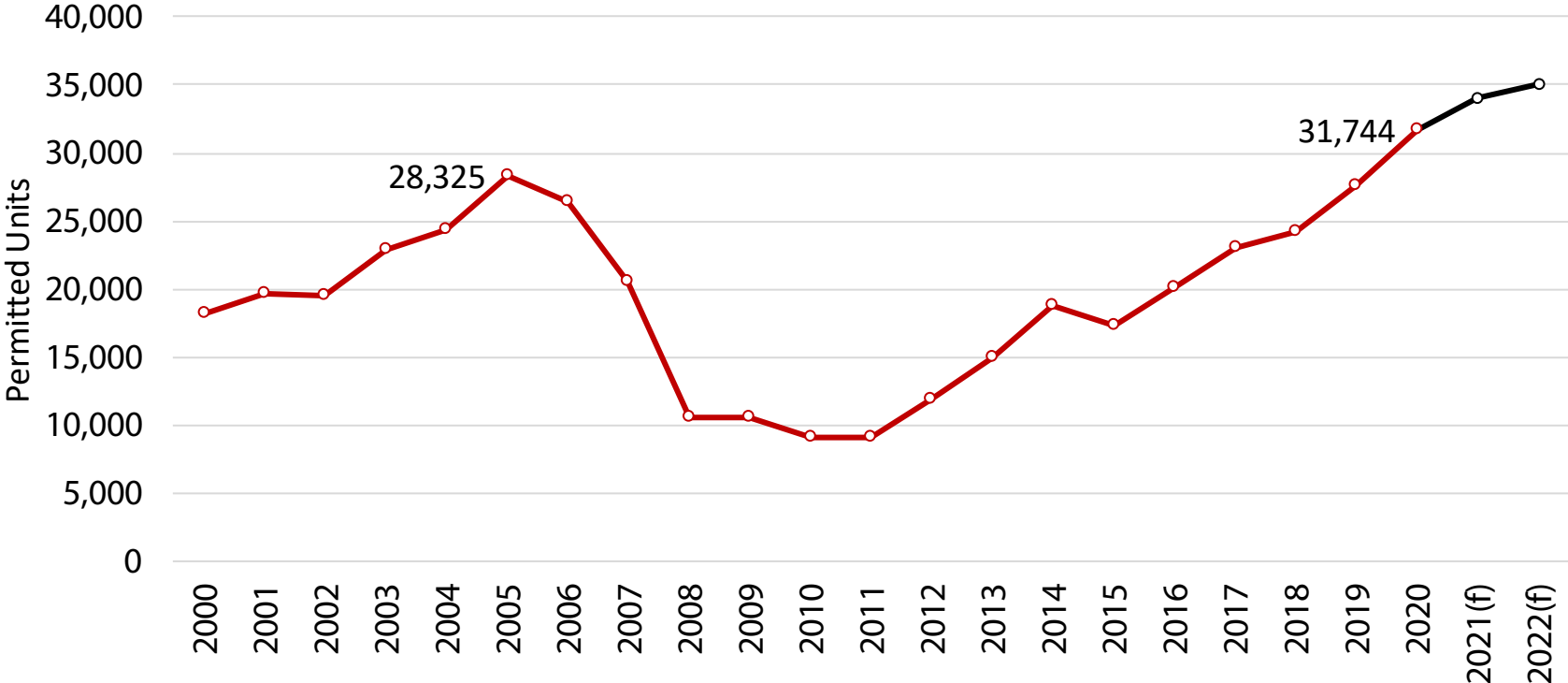
Source: U.S. Bureau of Labor Statistics

# Housing shortage remains



Source: Kem C. Gardner Policy I

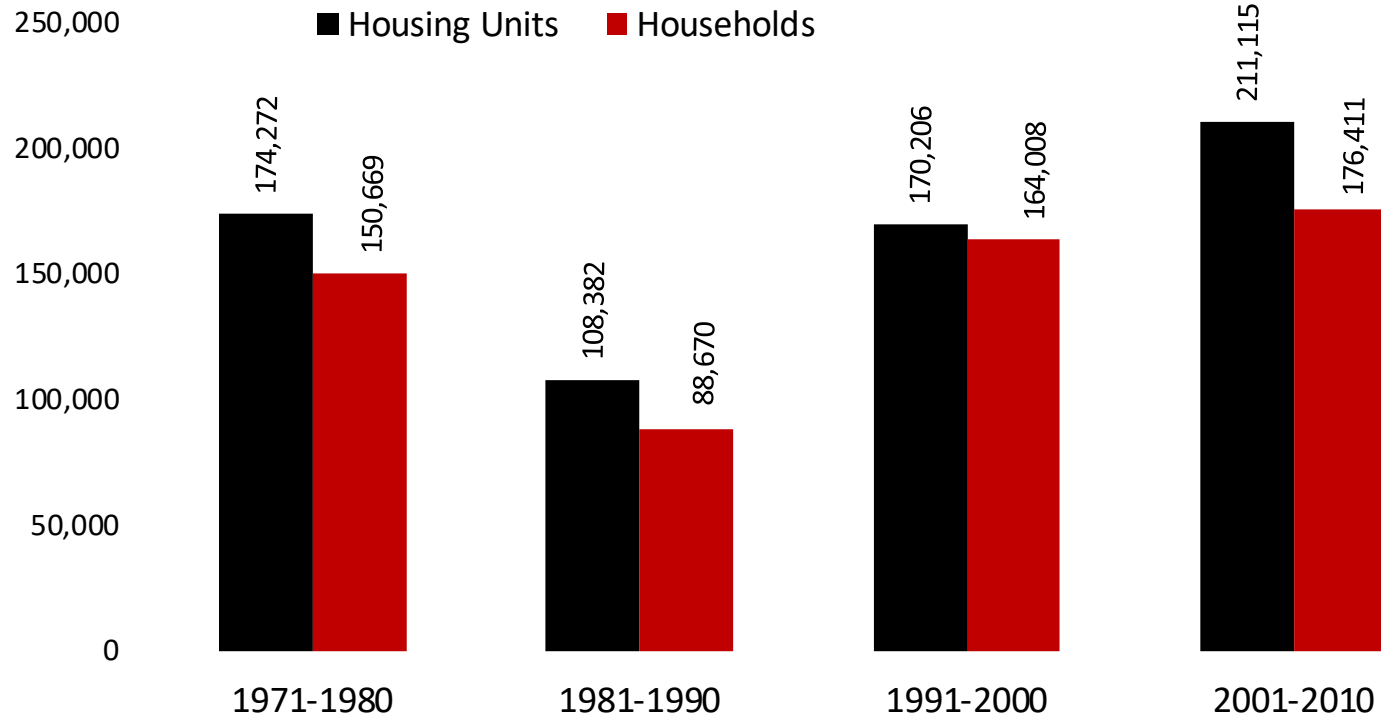
# Utah Residential Activity



Source: Kem C Gardner Policy Institute

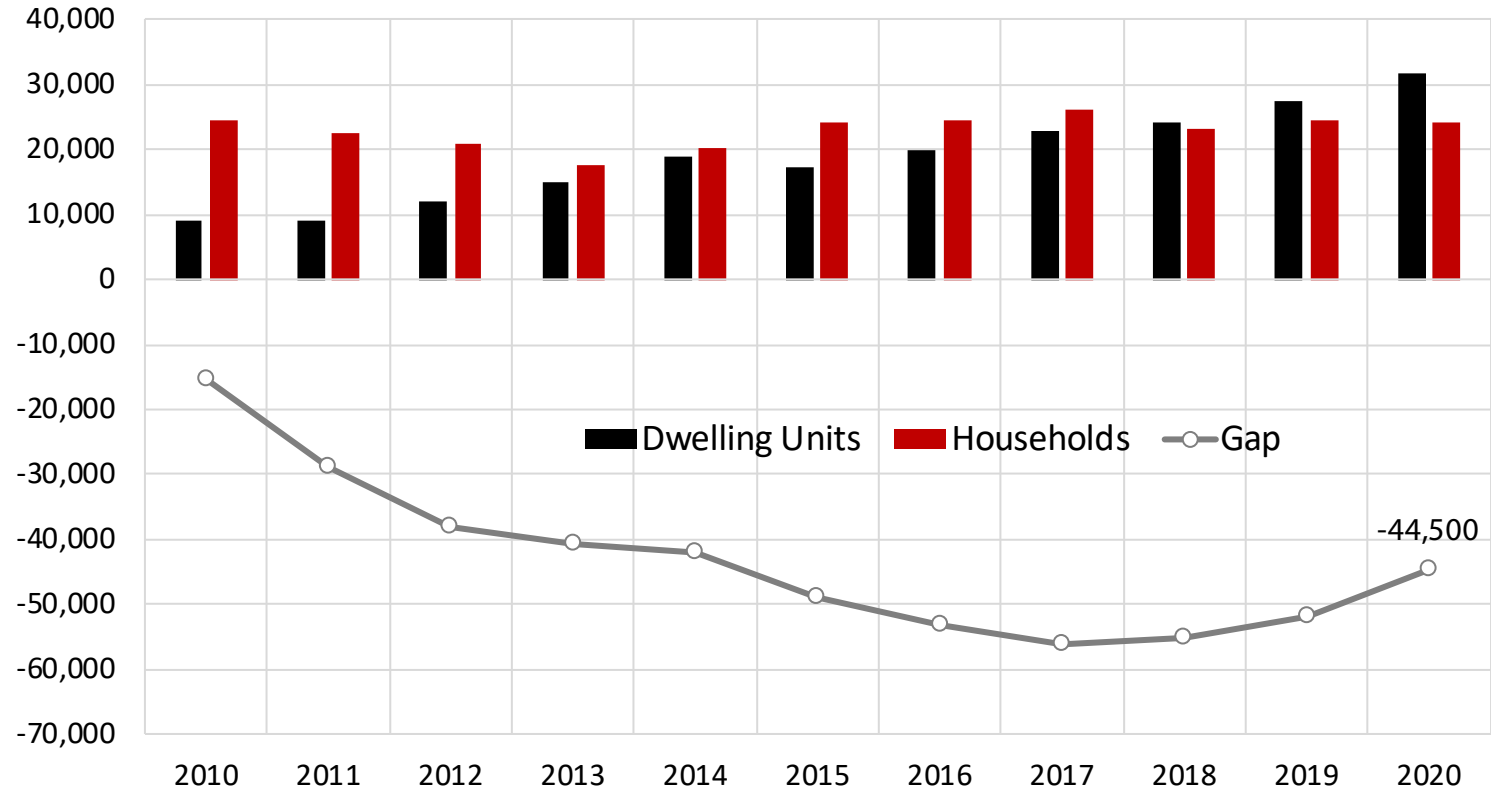


# Supply Outpaced Demand Previously



Source: Kem C Gardner Policy Institute

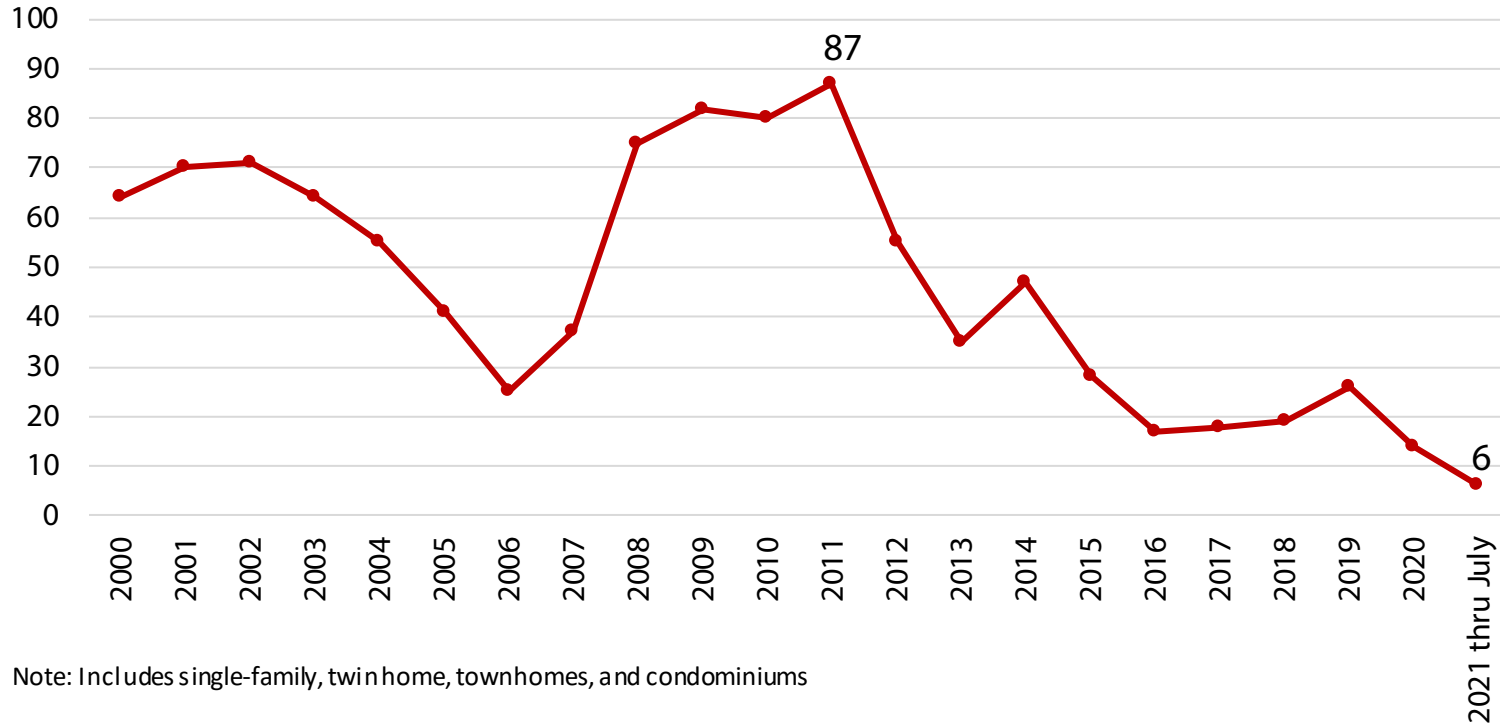
# Utah's Housing Gap



Source: Kem C Gardner Policy Institute

# Median Days on the Market

*Residential Units in Utah*

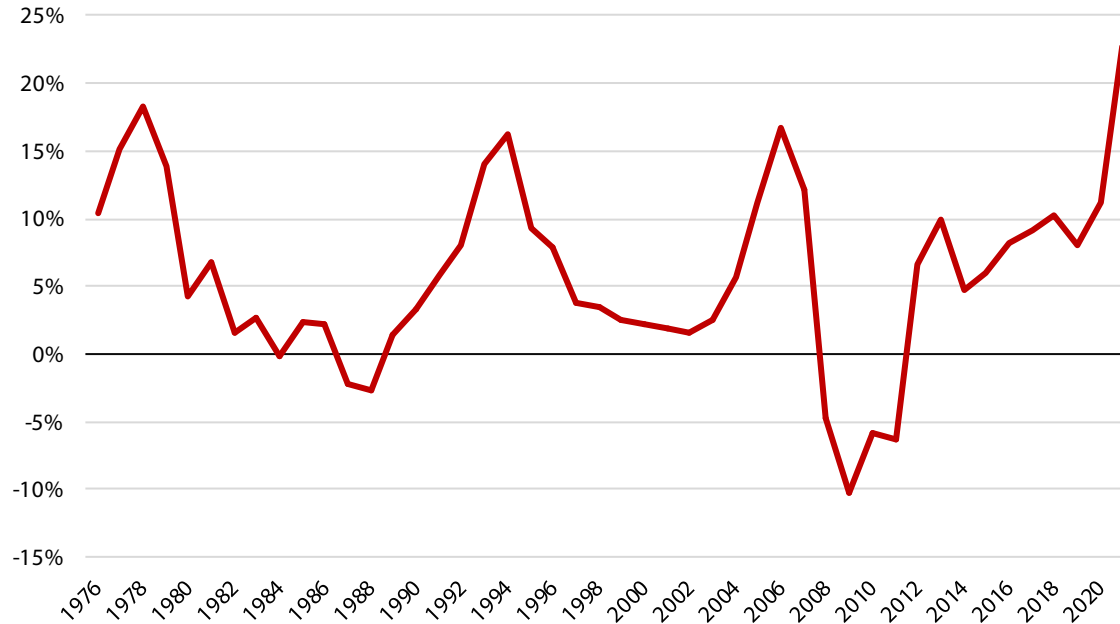


Note: Includes single-family, twin home, townhomes, and condominiums

Source: UtahRealEstate.com

# Housing Prices in Utah

*Annual Percent Change*



Source: Federal Housing Finance Agency

# Year-Over Change in Median Sales Price of Single-Family Homes

*2Q 2021, Cities over 50,000 w/ >100 sales transactions*

City	2nd Qtr. 2020	2nd Qtr. 2021	Percent Change
Layton	\$355,910	\$504,289	41.7%
Herriman	\$449,000	\$620,000	38.1%
Lehi	\$408,500	\$556,000	36.1%
Logan	\$259,000	\$350,000	35.1%
St. George	\$415,000	\$554,700	33.7%
Provo	\$350,000	\$465,000	32.9%
Ogden	\$250,600	\$332,000	32.5%
Orem	\$344,900	\$455,000	31.9%
Sandy	\$440,000	\$575,000	30.7%
Salt Lake City	\$415,000	\$542,000	30.6%
Taylorsville	\$330,000	\$430,000	30.3%
West Valley City	\$315,000	\$405,000	28.6%
South Jordan	\$500,000	\$630,000	26.0%
West Jordan	\$379,000	\$473,000	24.8%

Source: UtahRealEstate.com

# Rental Vacancy Rates and Rental Rates

*Wasatch Front Counties*

**Vacancy Rates**

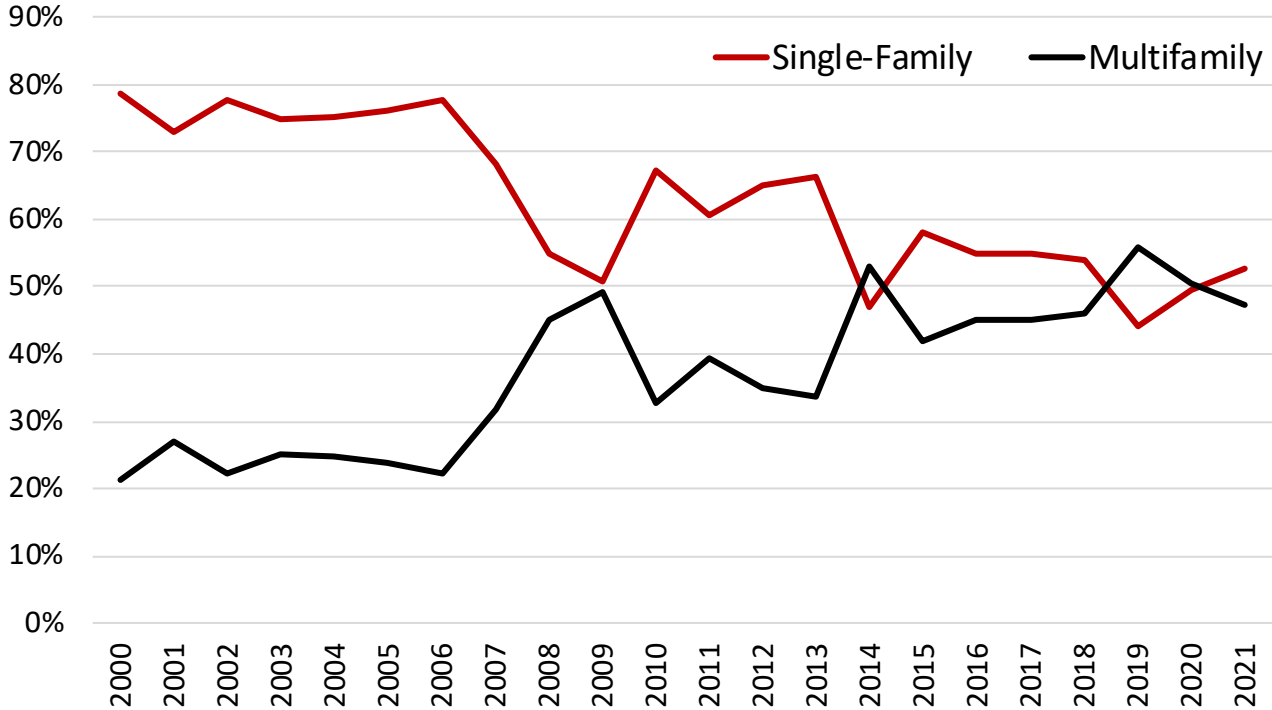
Year	Davis	Salt Lake	Utah	Weber
2006	5.8%	4.0%	3.8%	6.5%
2007	4.8%	3.2%	3.6%	6.2%
2008	5.9%	4.6%	5.8%	7.0%
2009	8.0%	7.2%	7.0%	9.0%
2010	5.1%	5.7%	5.5%	6.8%
2011	5.8%	5.2%	5.0%	6.5%
2012	6.6%	3.8%	3.2%	6.1%
2013	4.6%	3.9%	4.4%	6.9%
2014	4.6%	3.0%	3.6%	4.7%
2015	4.0%	2.7%	4.1%	4.2%
2016	3.4%	2.9%	4.0%	2.3%
2017	3.5%	2.6%	4.1%	3.2%
2018	3.0%	2.7%	4.4%	2.5%
2019	3.0%	3.4%	3.2%	3.0%
2020	2.8%	3.9%	4.2%	4.1%
2021	1.9%	<2.0%	2.2%	2.1%

**Rental Rates**

Year	Davis	Salt Lake	Utah	Weber
2006	\$630	\$652	\$660	\$596
2007	\$670	\$728	\$705	\$623
2008	\$715	\$793	\$719	\$651
2009	\$701	\$740	\$701	\$639
2010	\$711	\$720	\$716	\$640
2011	\$701	\$754	\$753	\$655
2012	\$720	\$814	\$788	\$684
2013	\$756	\$850	\$807	\$678
2014	\$796	\$865	\$868	\$698
2015	\$839	\$907	\$924	\$754
2016	\$933	\$949	\$1,041	\$810
2017	\$1,005	\$1,011	\$1,097	\$864
2018	\$1,060	\$1,072	\$1,138	\$937
2019	\$1,102	\$1,145	\$1,181	\$995
2020	\$1,136	\$1,182	\$1,196	\$1,040
2021	\$1,272	\$1,301	\$1,395	\$1,206

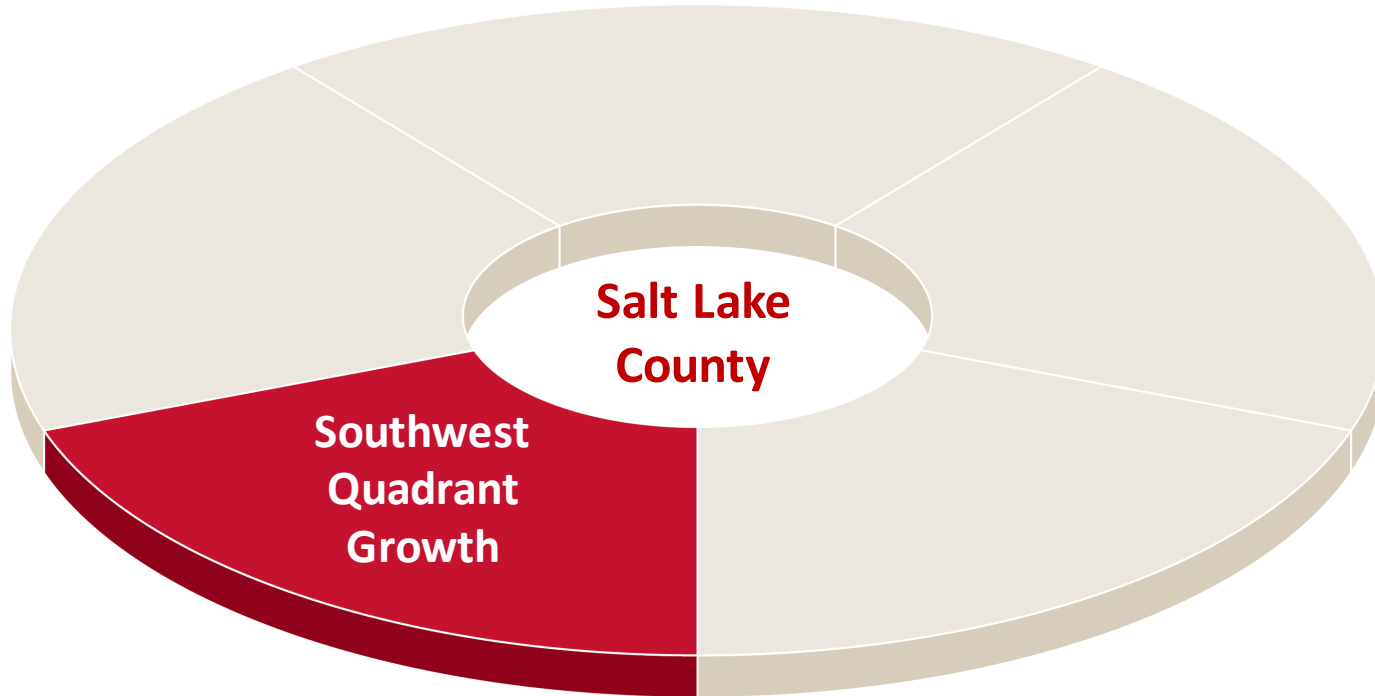
Source: CBRE and Cushman Wakefield

# What are we building in Utah?



Source: Kem C Gardner Policy Institute

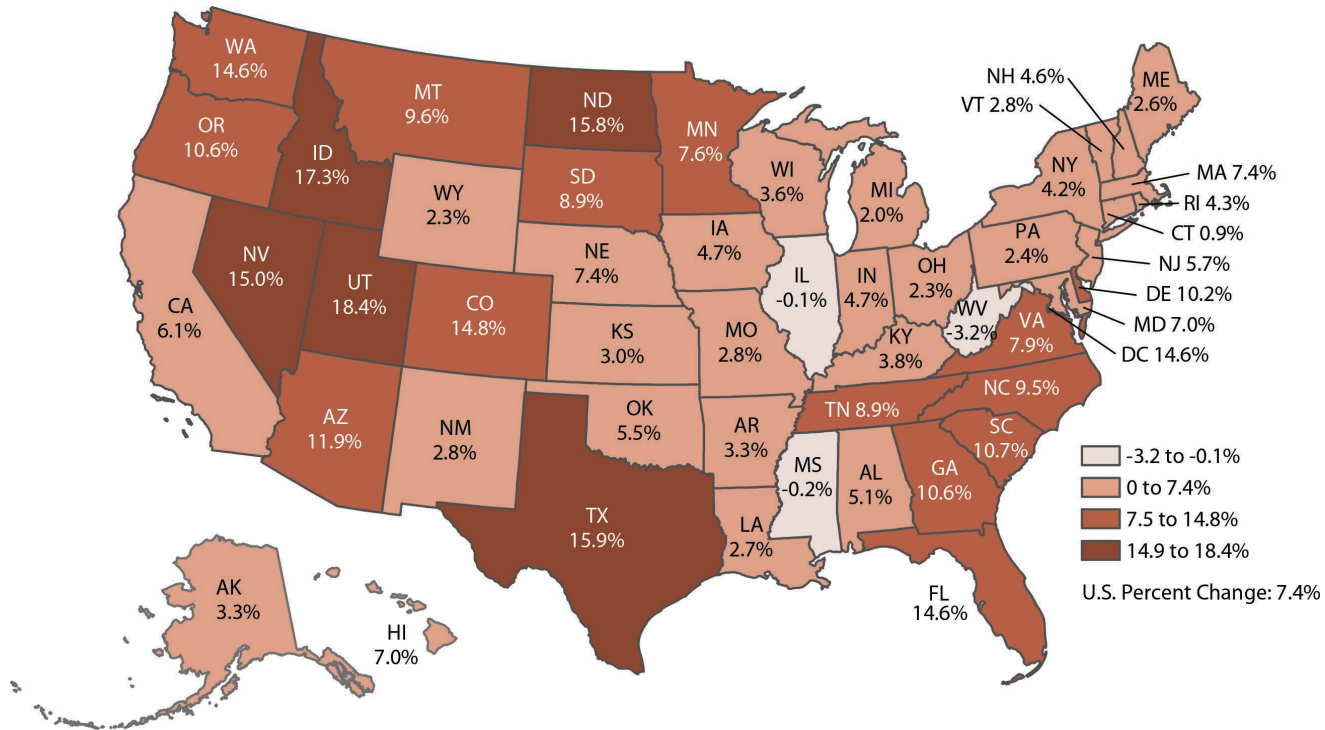
# Growth Cushion and Challenge



Source: Kem C. Gardner Policy I



# Decadal Population Growth, 2010-2020



Source: 2020 Apportionment Data, U.S. Census Bureau

# Utah Population Change

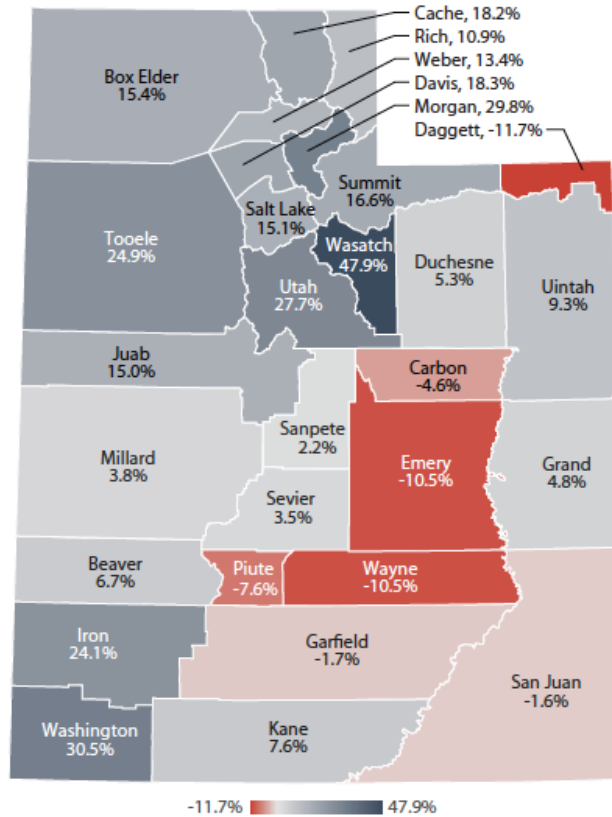
Percent Change, 2010-2020

Percent Change, 2010-2020

U.S. 7.4%

Utah 18.4%

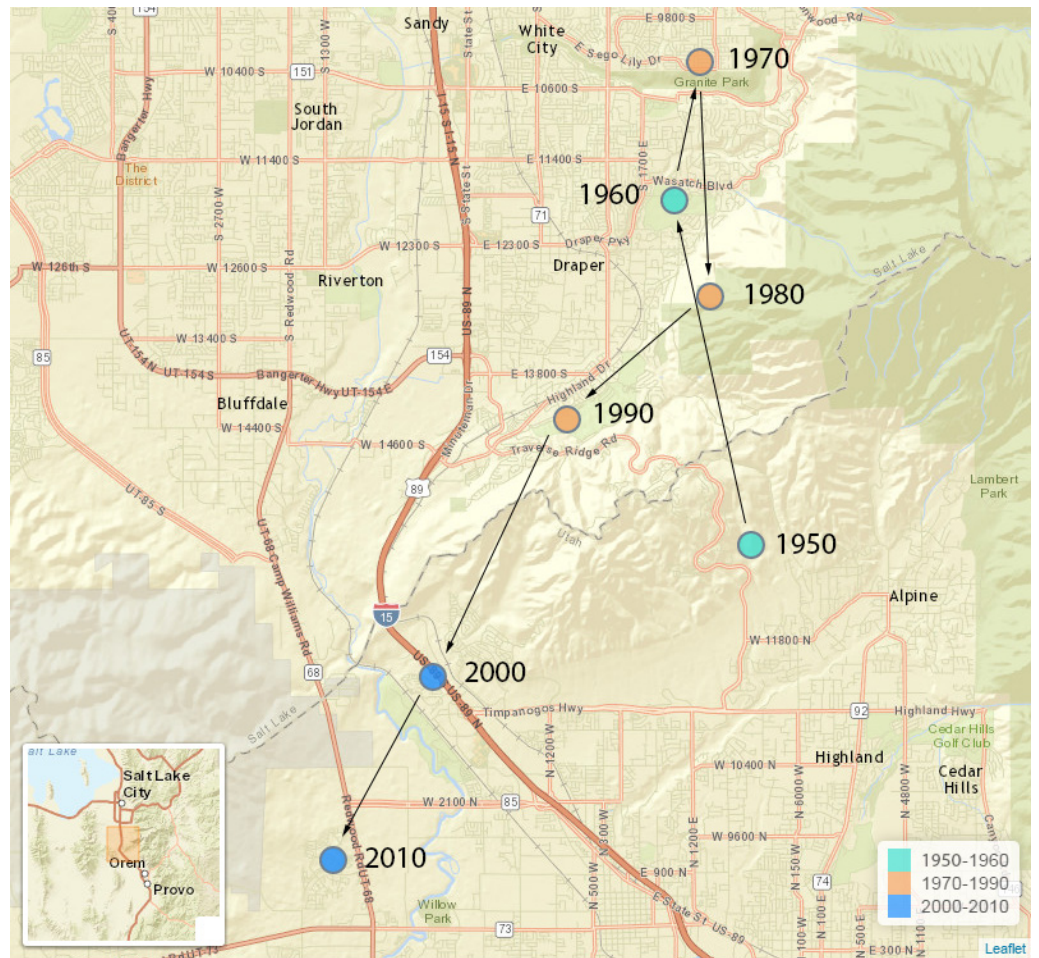
SLCO 15.1%



Source: 2020 Census

# Utah's population is shifting south

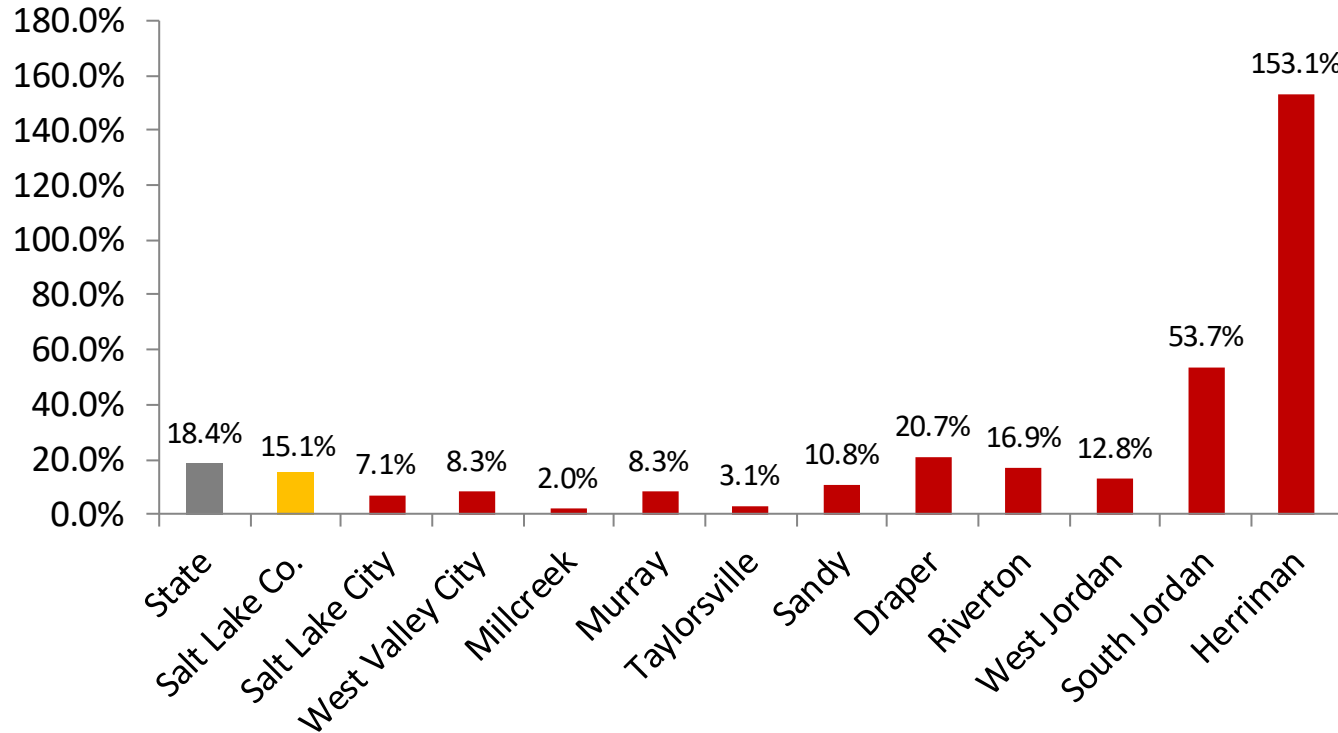
Utah Mean Center of Population



Source: Census Bureau

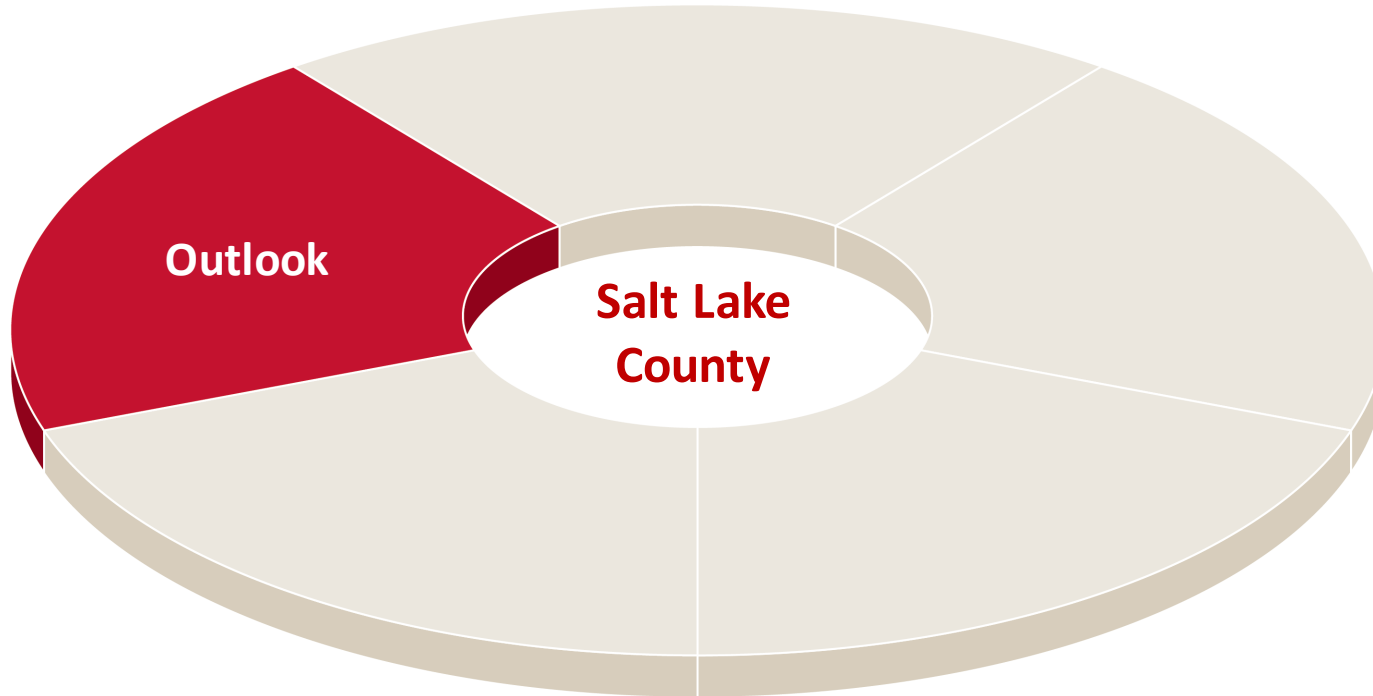
# Southwest Quadrant Leads Population Growth

2010-2020 Percent Change, SLCo cities over 45,000 population



Source: 2020 Census

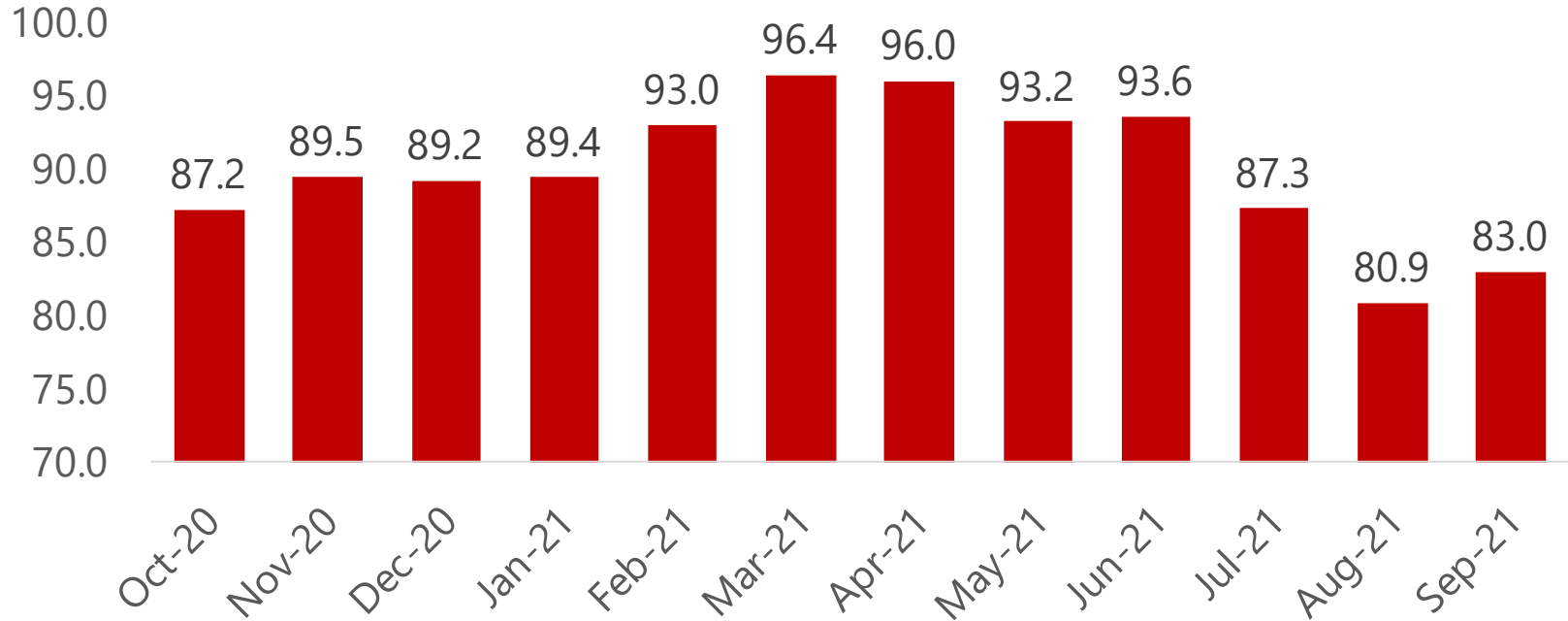
# Outlook Positive with Risks



Source: Kem C. Gardner Policy I

# Utah Consumer Confidence

*Monthly Index*



Source: Kem C. Gardner Policy Institute

# Utah Macro Forecast

*2021 and 2022 look steady and strong*

	<b>Job Growth</b>	<b>Unemployment Rate</b>	<b>Wage Growth</b>	<b>Personal Income Growth</b>	<b>CPI Inflation</b>
2019	2.8%	2.5%	7.1%	5.8%	1.8%
2020	-1.3%	4.7%	7.4%	8.5%	1.2%
2021(e)	4.4%	2.7%	7.5%	6.5%	3.7%
2022(f)	3.2%	2.8%	6.5%	4.6%	2.4%

Source: Kem C. Gardner Policy Institute

# **Kem C. Gardner Policy Institute**

Thomas S. Monson Center | 411 E. South Temple Street  
Salt Lake City, UT 84111 | 801-585-5618 | [gardner.utah.edu](http://gardner.utah.edu)

DAVID ECCLES SCHOOL OF BUSINESS  
UNIVERSITY OF UTAH

