

UTAH'S ECONOMY

A monthly report produced for COMMERCE REAL ESTATE SOLUTIONS by Jim Wood, Bureau of Economic and Business Research, University of Utah



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ISSUE 110 MARCH 2014



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SALT LAKE COUNTY BY THE NUMBERS 2000 - 2013

From 2000 to 2013, the Salt Lake County economy faced not only the worst three years (2008-2011) since the Great Depression, but also three of the strongest years of economic growth in recent history (2004-2007). The tables below give a statistical history of this volatile period beginning with a snapshot of the Salt Lake County and Utah economy in 2013.

CURRENT DEMOGRAPHIC AND ECONOMIC PROFILE OF SALT LAKE COUNTY – 2013

	Salt Lake County	Utah
POPULATION	1,079,721	2,900,872
NET IN-MIGRATION	3,600	9,920
NON-AGRICULTURAL EMPLOYMENT	623,000	1,290,500
UNEMPLOYMENT RATE	4.2%	4.4%
GROSS TAXABLE SALES (BILLION)	\$21.9	\$49.4
SALES OF EXISTING HOMES (INCLUDING. CONDOMINIUMS, TOWN HOMES, ETC.)	14,753	40,676
MEDIAN SALES PRICE OF HOME (INCLUDING. CONDOMINIUMS, TOWN HOMES, ETC.)	\$225,000	\$209,000
NEW SINGLE FAMILY HOME CONSTRUCTION (UNITS)	3,122	10,688
VALUE OF NEW SINGLE FAMILY HOME CONSTRUCTION (MILLION)	\$713.2	\$2,455.3
NEW MULTIFAMILY CONSTRUCTION (UNITS)	1,622	2,841
VALUE OF NEW MULTIFAMILY CONSTRUCTION (MILLION)	\$146.0	\$275.5
TOTAL PERMIT AUTHORIZED NONRESIDENTIAL CONSTRUCTION VALUE (MILLION)	\$559.9	\$1,331.1
TOTAL PERMIT AUTHORIZED CONSTRUCTION VALUE (MILLION)	\$1,488.5	\$4,272.2

**TABLE 1
POPULATION OF
SALT LAKE COUNTY (JULY 1)**

Year	Population	Numeric Chg
2000	901,018	
2001	910,750	9,732
2002	918,152	7,402
2003	924,802	6,650
2004	934,140	9,338
2005	947,963	13,823
2006	966,798	18,835
2007	983,719	16,921
2008	999,553	15,834
2009	1,016,795	17,242
2010	1,032,954	16,159
2011	1,048,032	15,078
2012	1,064,069	16,037
2013	1,079,721	15,652

Source: Bureau of the Census.

Salt Lake County's population growth has been quite consistent since 2007, with annual increases ranging between 15,000 and 17,000, *Table 1*. Surprisingly the 2002-2004 period had population increases at less than half the level of recent years. In 2013 the county's population increased by 15,652 individuals, comprised of 12,028 in natural increase (births minus deaths) and 3,593 individuals from net in-migration, which included 2,500 individuals from countries outside the U.S.

**TABLE 2
EMPLOYMENT IN
SALT LAKE COUNTY**

Year	Tot. Employment	Numeric Chg	Unemp. Rate
2001	544,727		4.4%
2002	533,715	-11,012	5.9%
2003	527,956	-5,759	5.8%
2004	535,274	7,318	5.1%
2005	554,983	19,709	4.1%
2006	579,771	24,788	2.9%
2007	601,227	21,456	2.5%
2008	602,880	1,653	3.2%
2009	573,450	-29,430	7.5%
2010	571,259	-2,191	7.9%
2011	583,010	11,751	6.6%
2012	603,913	20,903	5.2%
2013	623,000	19,087	4.2%

Source: Utah Department of Workforce Services.

Since 2001 the average annual growth rate in employment in Salt Lake County has been relatively low at 1.1 percent. The loss of nearly 30,000 jobs in 2009 was very damaging to long-term growth rates, *Table 2*. However, there have been some very strong years offsetting the Great Recession. In 2006 the increase in jobs totalled 25,000 a 4.5 percent increase and in each of the past two years job gains have been about 20,000, a percentage increase of over 3 percent. The unemployment rate in the county has dropped to 4.2 percent the lowest level in five years.

**TABLE 3
AVERAGE PAY PER JOB IN
SALT LAKE COUNTY**

Year	Current Dollars	Constant Dollars (2013)
2001	\$32,880	\$43,200
2002	\$33,468	\$43,361
2003	\$33,960	\$43,006
2004	\$35,472	\$43,744
2005	\$36,756	\$43,842
2006	\$38,544	\$44,538
2007	\$40,872	\$45,929
2008	\$41,640	\$45,054
2009	\$42,612	\$46,277
2010	\$43,464	\$46,445
2011	\$44,460	\$46,051
2012	\$45,876	\$46,545
2013	\$46,380	\$46,380

Source: Utah Department of Workforce Services.

Average pay per job, in inflation adjusted dollars, has increased from \$43,300 in 2001 to \$46,380 in 2013, *Table 3*. Workers in Salt Lake County, like the nation, have faced stubborn wage conditions. Since 2000, both locally and nationally, the average growth rate in wages has been about one-half of one percent annually.

**TABLE 4
GROSS TAXABLE SALES IN
SALT LAKE COUNTY**

Year	Current Dollars	Constant Dollars (2013)
2003	\$15.4	\$19.5
2004	\$16.5	\$20.3
2005	\$18.0	\$21.5
2006	\$20.3	\$23.5
2007	\$21.6	\$24.3
2008	\$20.5	\$22.2
2009	\$18.3	\$19.9
2010	\$18.5	\$19.8
2011	\$19.7	\$20.4
2012	\$21.4	\$21.7
2013	\$21.9	\$21.9

Source: Utah State Tax Commission.

Gross taxable sales in Salt Lake County are still about 10 percent below the peak of 2007, Table 4. From peak to trough (2010) taxable sales dropped 20 percent. The last three years has seen only modest increases in sales. In 2013 sales were up less than one percent.



Photo by Jared Medley

**TABLE 5
EXISTING HOME AND CONDOMINIUM
SALES IN SALT LAKE COUNTY**

Year	Single Family	Condominium	Total
2000	9,871	1,642	11,513
2001	10,488	1,892	12,380
2002	10,672	1,979	12,651
2003	12,058	2,209	14,267
2004	12,995	2,657	15,652
2005	15,317	3,554	18,871
2006	15,283	3,704	18,987
2007	11,713	3,180	14,893
2008	8,794	2,419	11,213
2009	8,904	2,264	11,168
2010	8,567	1,765	10,332
2011	9,420	1,889	11,309
2012	11,060	2,363	13,423
2013	11,750	2,997	14,747

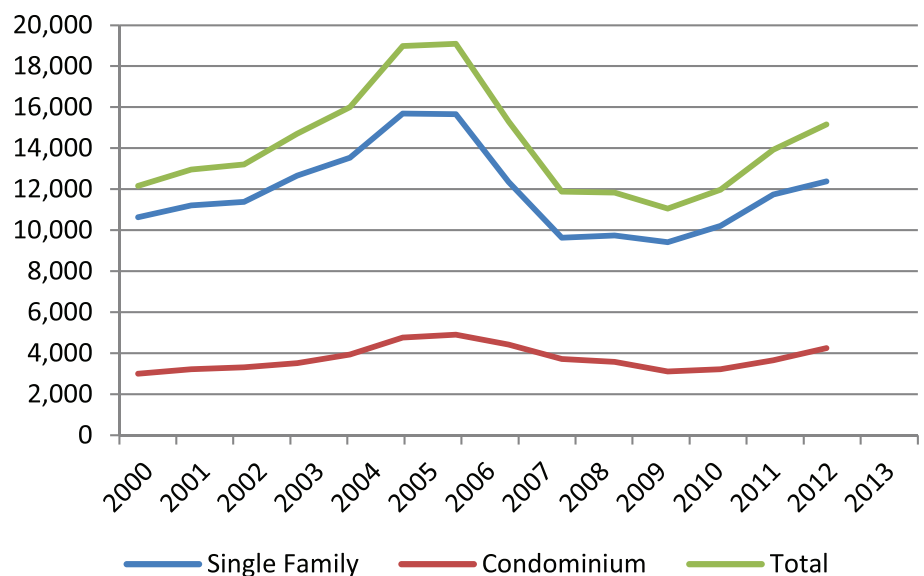
Source: Wasatch Front Regional Multiple Listing Service.

Residential real estate sales have recovered to almost 80 percent of the all-time high of 18,987 sales in 2006, Table 5 and Figure 1. Prices have done even better. The median sales price of a single family home in 2013 at \$245,000 is at 87 percent of the 2007 peak of \$280,942 (inflation adjusted). Similarly condominium prices have recovered to 85 percent of their peak, Tables 6-7.



Photo by Jared Medley

**FIGURE 1
SALES OF EXISTING HOMES AND CONDOMINIUMS IN
SALT LAKE COUNTY**



**TABLE 6
MEDIAN SALES PRICE OF
EXISTING HOMES IN
SALT LAKE COUNTY**

Year	Current Dollars	Constant Dollars (2013)
2000	\$150,000	\$202,924
2001	\$155,000	\$203,887
2002	\$159,000	\$205,916
2003	\$160,500	\$203,249
2004	\$165,000	\$203,483
2005	\$187,000	\$223,057
2006	\$228,000	\$263,463
2007	\$250,000	\$280,942
2008	\$247,000	\$267,257
2009	\$233,923	\$254,007
2010	\$220,000	\$235,034
2011	\$199,000	\$206,093
2012	\$211,000	\$214,091
2013	\$245,000	\$245,000

Source: Wasatch Front Regional MLS.

**TABLE 7
MEDIAN SALES PRICE OF
EXISTING CONDOMINIUMS
IN SALT LAKE COUNTY**

Year	Current Dollars	Constant Dollars (2013)
2000	\$108,000	\$146,271
2001	\$114,000	\$149,782
2002	\$118,000	\$152,882
2003	\$116,900	\$148,039
2004	\$124,200	\$153,162
2005	\$132,900	\$158,521
2006	\$148,000	\$171,015
2007	\$174,000	\$195,530
2008	\$172,300	\$186,425
2009	\$169,000	\$183,536
2010	\$162,000	\$173,110
2011	\$146,000	\$151,226
2012	\$144,100	\$146,203
2013	\$166,000	\$166,000

Source: Wasatch Front Regional MLS.

Permit authorized non-residential construction (excludes all government buildings, highways and roads) has been the most inconsistent of all of the measures considered. There is little sign of a trend. Activity has bounced from solid to weak within a year or two, *Table 9*. Volatility is inherent in this sector but it has been more exaggerated in recent years. In 2013, the value of nonresidential construction was at \$559 million, which is about half of what it was two years prior and the lowest level in 11 years.

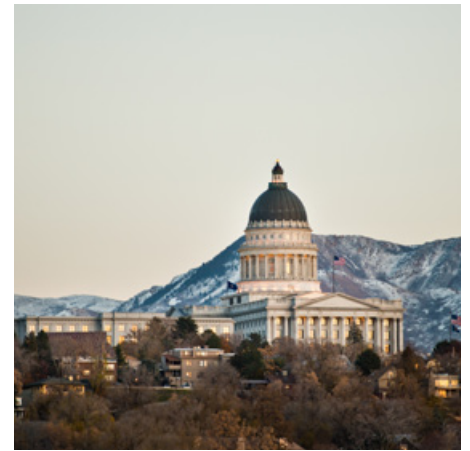


Photo by Jared Medley

Average pay per job, in inflation adjusted dollars, has increased from \$43,300 in 2001 to \$46,380 in 2013, *Table 3*. Workers in Salt Lake County, like the nation, have faced stubborn wage conditions. Since 2000, both locally and nationally, the average growth rate in wages has been about one-half of one percent annually.



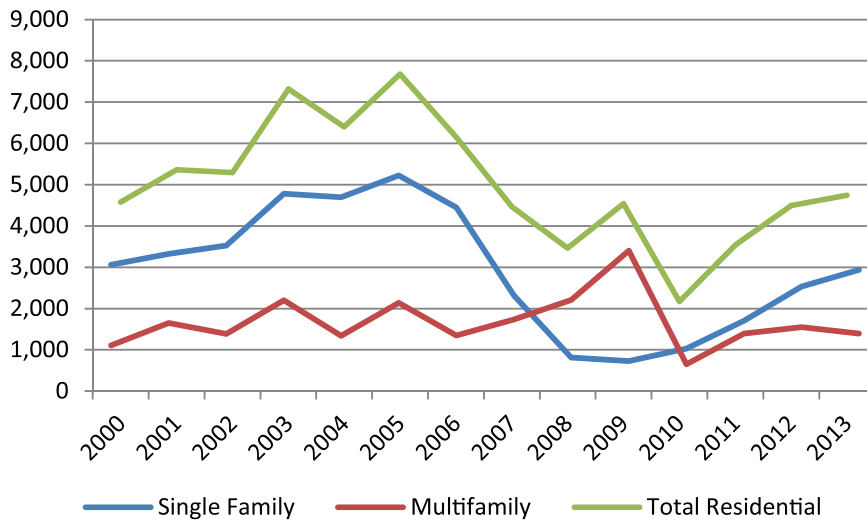
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**TABLE 8
BUILDING PERMIT AUTHORIZED IN
SALT LAKE COUNTY**

Year	Single Family Units	Multifamily Units	Total Residential Units
2000	3,238	1,343	4,581
2001	3,493	1,871	5,364
2002	3,687	1,610	5,297
2003	4,909	2,407	7,316
2004	4,829	1,571	6,400
2005	5,336	2,345	7,681
2006	4,584	1,576	6,160
2007	2,515	1,950	4,465
2008	1,059	2,408	3,467
2009	976	3,568	4,544
2010	1,266	901	2,167
2011	1,919	1,624	3,543
2012	2,725	1,774	4,499
2013	3,122	1,622	4,744

Source: Bureau of Economic and Business Research, University of Utah and Construction Monitor.

**FIGURE 2
PERMITS ISSUED FOR RESIDENTIAL UNITS
IN SALT LAKE COUNTY**



**TABLE 10
TOTAL PERMIT AUTHORIZED
CONSTRUCTION VALUE IN
SALT LAKE COUNTY
(MILLIONS)**

Year	Current Dollars (million)	Constant Dollars - 2013 (million)
2000	\$108,000	\$1,122.3
2001	\$114,000	\$853.9
2002	\$118,000	\$530.1
2003	\$116,900	\$601.6
2004	\$124,200	\$855.1
2005	\$132,900	\$991.2
2006	\$148,000	\$1,038.9
2007	\$174,000	\$1,387.4
2008	\$172,300	\$1,074.0
2009	\$169,000	\$881.0
2010	\$162,000	\$611.0
2011	\$146,000	\$1,171.7
2012	\$144,100	\$914.7
2013	\$166,000	\$559.9

Source: Bureau of Economic and Business Research, University of Utah and Construction Monitor.

Annual data for a several year period (2000-2013) is often not readily available for data users. This article brings together several basic measures of local economic activity. This time series data puts the recent boom and bust in a little broader context and adds some perspective to economic analysis of Salt Lake County economy.

**TABLE 9
VALUE OF PERMIT
AUTHORIZED
NONRESIDENTIAL
CONSTRUCTION IN
SALT LAKE COUNTY
(INCLUDES RENOVATION, REHAB. AND REPAIRS)**

Year	Current Dollars (million)	Constant Dollars - 2013 (million)
2000	\$829.5	\$1,122.3
2001	\$649.1	\$853.9
2002	\$409.1	\$530.1
2003	\$474.9	\$601.6
2004	\$693.3	\$855.1
2005	\$830.9	\$991.2
2006	\$899.0	\$1,038.9
2007	\$1,234.5	\$1,387.4
2008	\$992.5	\$1,074.0
2009	\$811.1	\$881.0
2010	\$572.0	\$611.0
2011	\$1,131.1	\$1,171.7
2012	\$901.4	\$914.7
2013	\$559.9	\$559.9

Source: Bureau of Economic and Business Research and Construction Monitor.

The residential building boom from 2003 through 2006 was remarkable. Over those four years 27,500 residential units were added to the housing inventory in Salt Lake County, Table 8 and Figure 2. That was an eight percent increase in the inventory, which proved to be unsustainable. Since 2010 the level of residential construction has shown steady improvement. With the inevitable release of pent-up demand due to the doubling-up of households new residential construction should comfortably reach 5,500 units annually.

**FIGURE 3
TOTAL PERMIT AUTHORIZED CONSTRUCTION VALUE IN
SALT LAKE COUNTY (MILLION)**





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