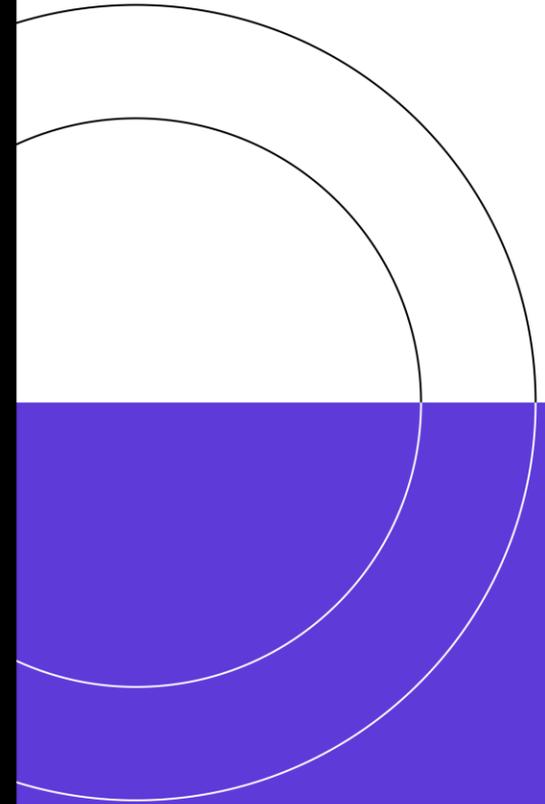


Wasatch Front Housing Market

| Evan Forrest - Senior Vice President





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Senior Vice President

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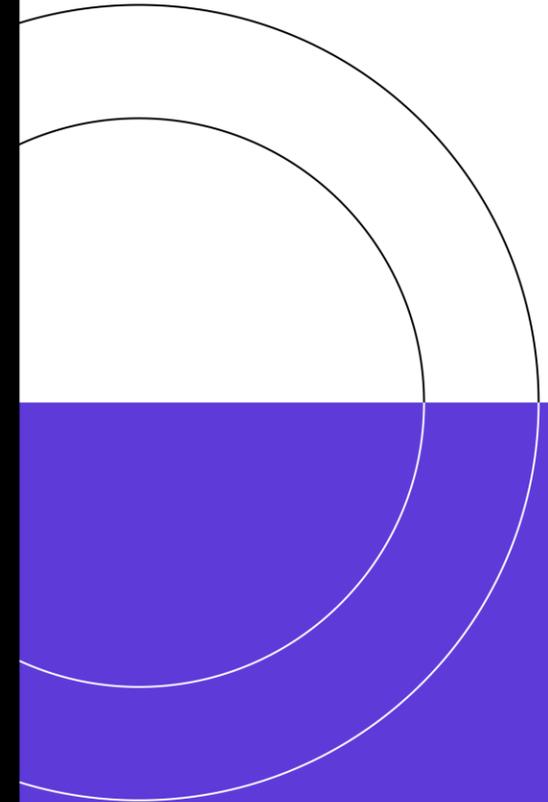
Tim Sullivan

Chief Advisory Officer

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|
On to Today's Agenda



Today's Agenda

1. Wasatch Front Economic Review
2. Rental Market
3. Resale Market
4. New Home Supply
5. Lot Supply
6. New Home Demand
7. On the Horizon

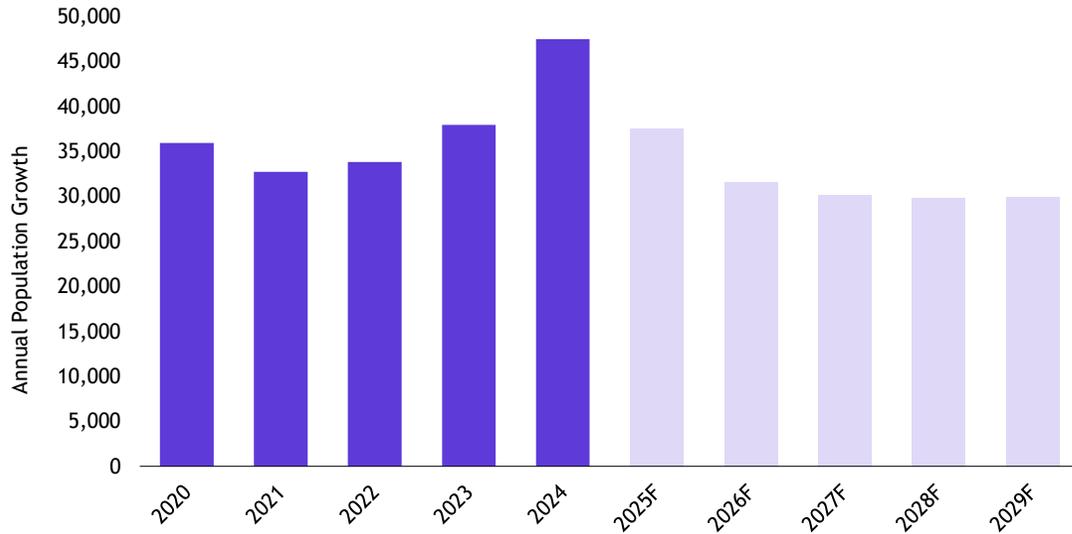
Wasatch Front Economic Overview



Growth is expected to continue

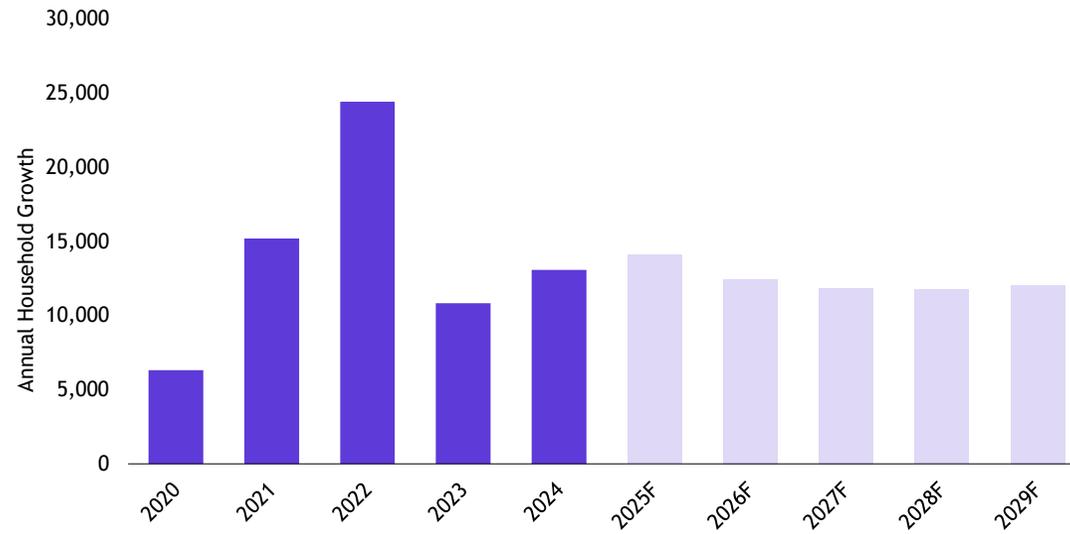
Area	Population Projections (5 - Year Avg.)		Household Projections (5 - Year Avg.)	
	Avg. Per Year	% Yearly Growth	Avg. Per Year	% Yearly Growth
Wasatch Front	+/- 31,785	1.1%	+/- 12,400	1.4%
Wasatch Back	+/- 1,238	1.5%	+/- 488	1.7%
Logan (Cache/Box Elder)	+/- 2,610	1.2%	+/- 1,014	1.5%
St. George/Cedar City	+/- 4,525	1.6%	+/- 1,851	1.9%

Population Growth Expectations



Source: Moody's Analytics; U.S. Census Bureau

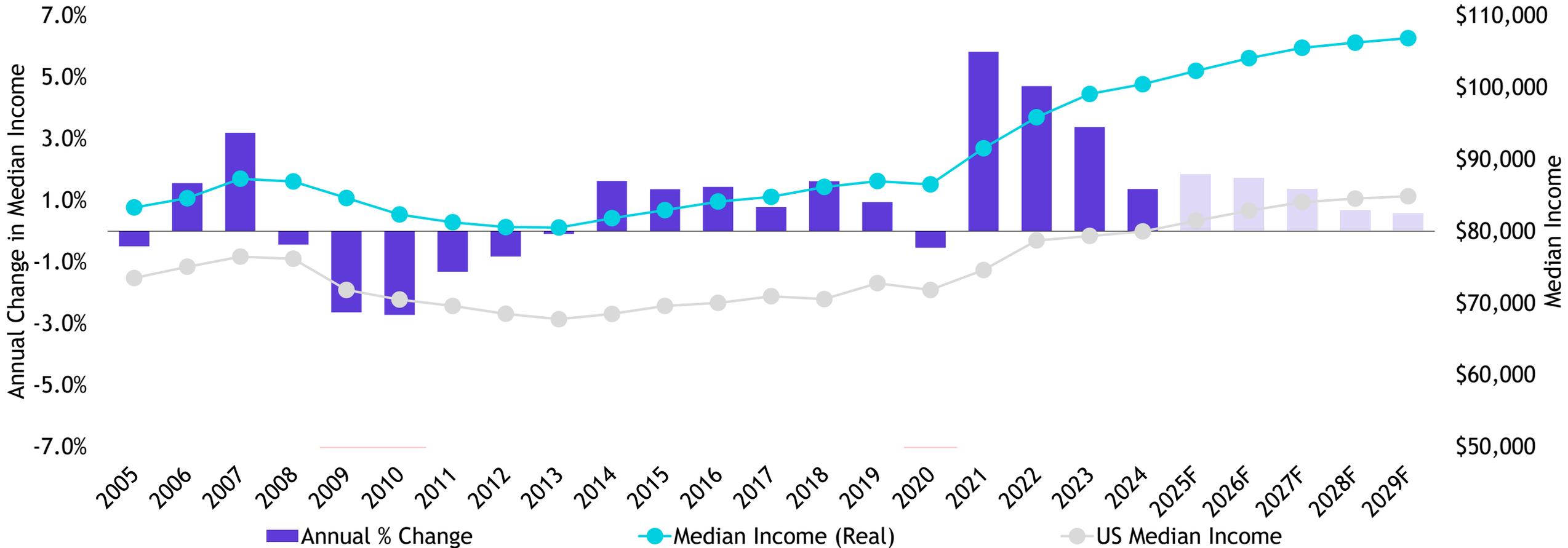
Household Growth Expectations



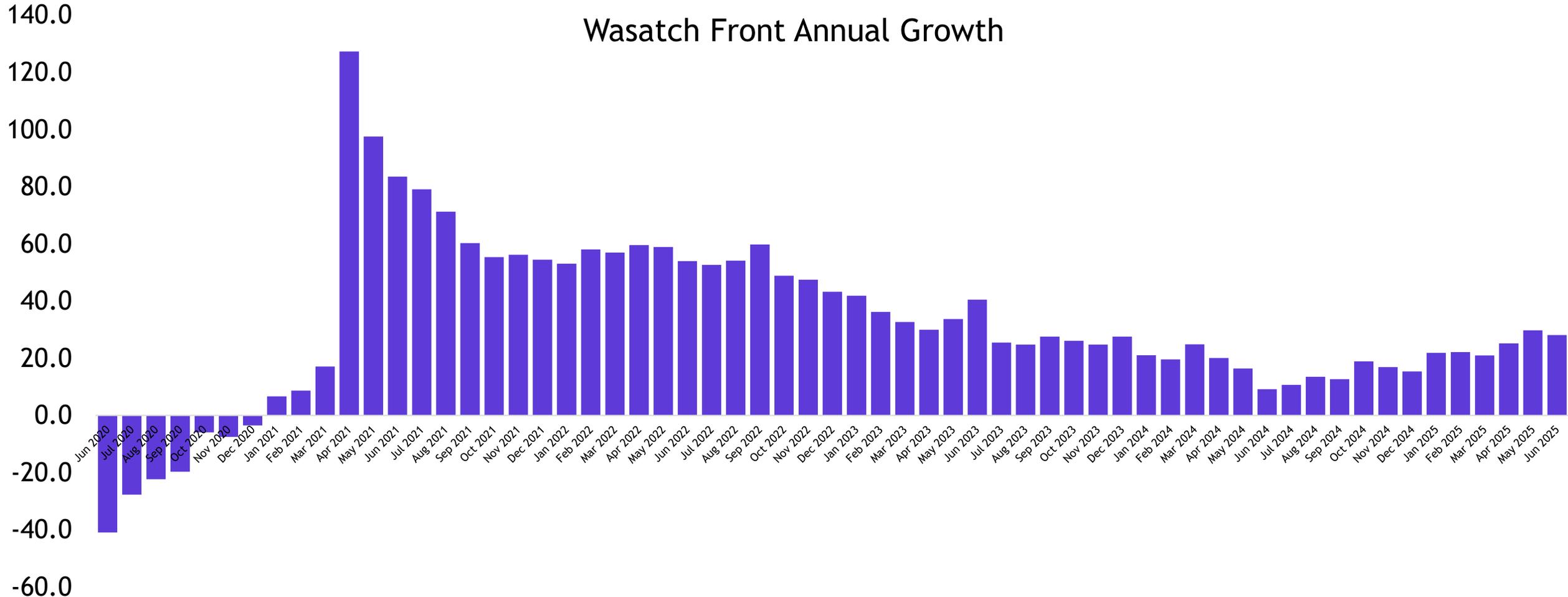
Source: Moody's Analytics; U.S. Census Bureau (BOC)

Note: Not all household growth is expected to be for sale housing, but it provides a market share opportunity if attainable. 2nd Home Growth excluded.

Wasatch Front income is 25.5% higher than the national average



Employment growth for 54 straight months.... Growth had been accelerating before summer

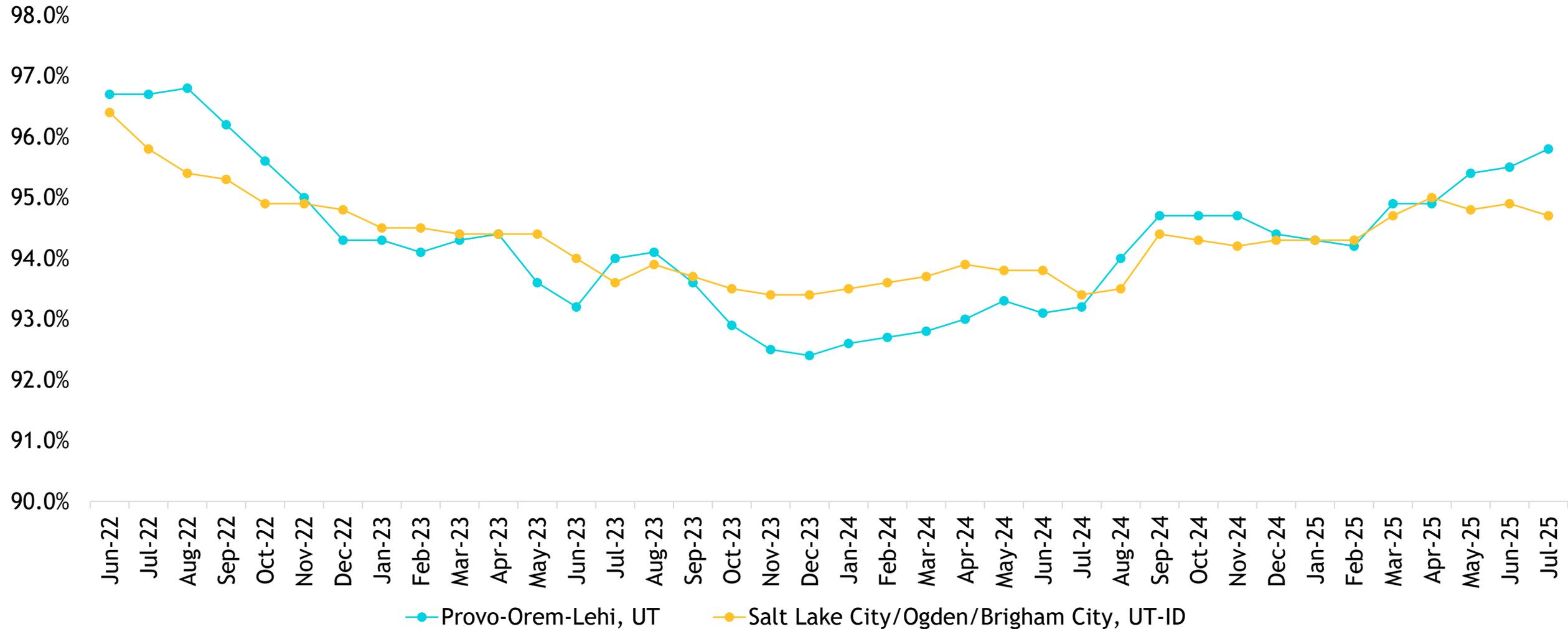


Rental Market

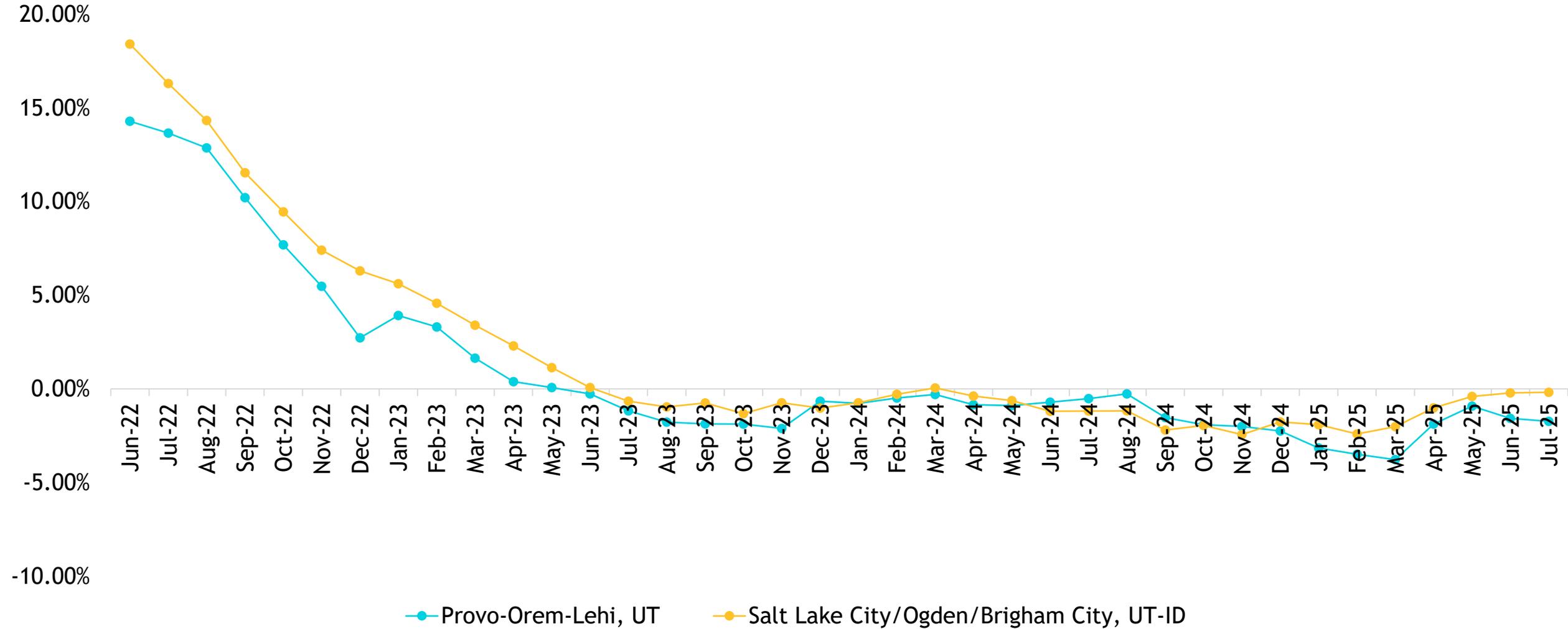
(Source: RealPage)



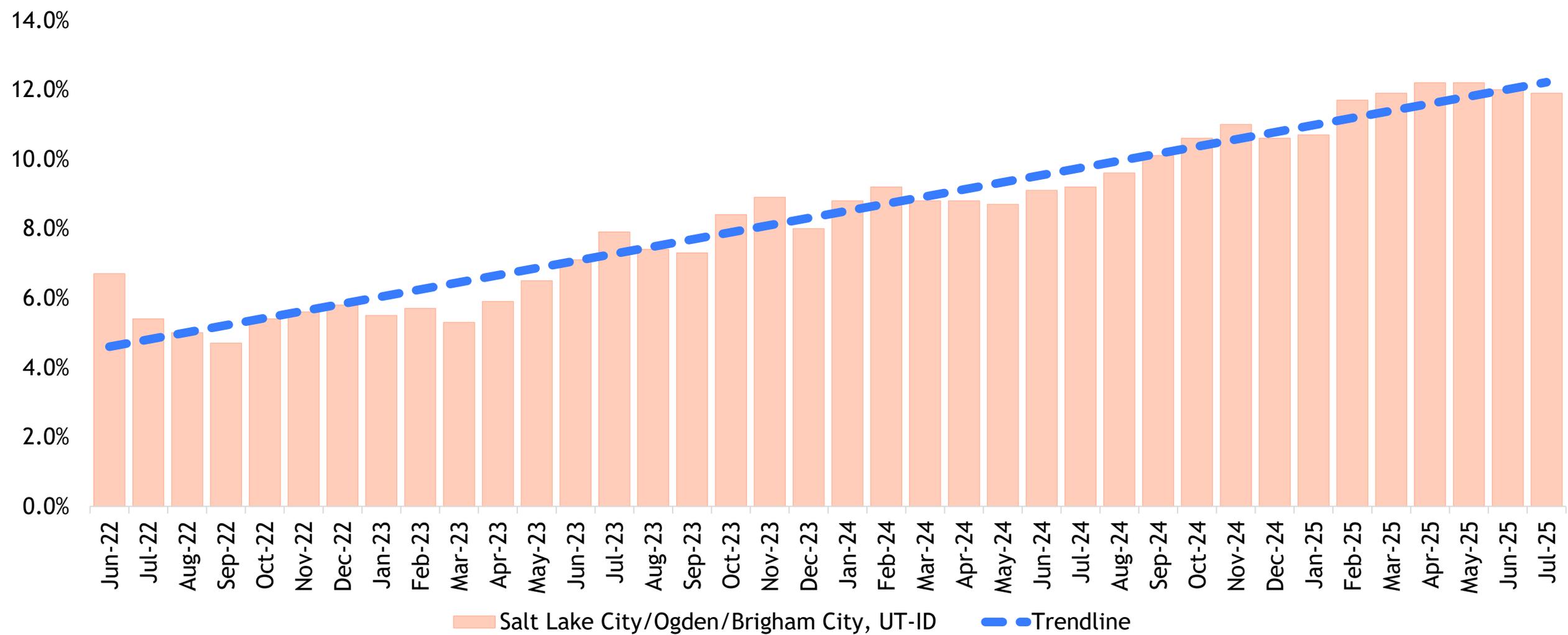
Occupancy is increasing as recent product leases-up



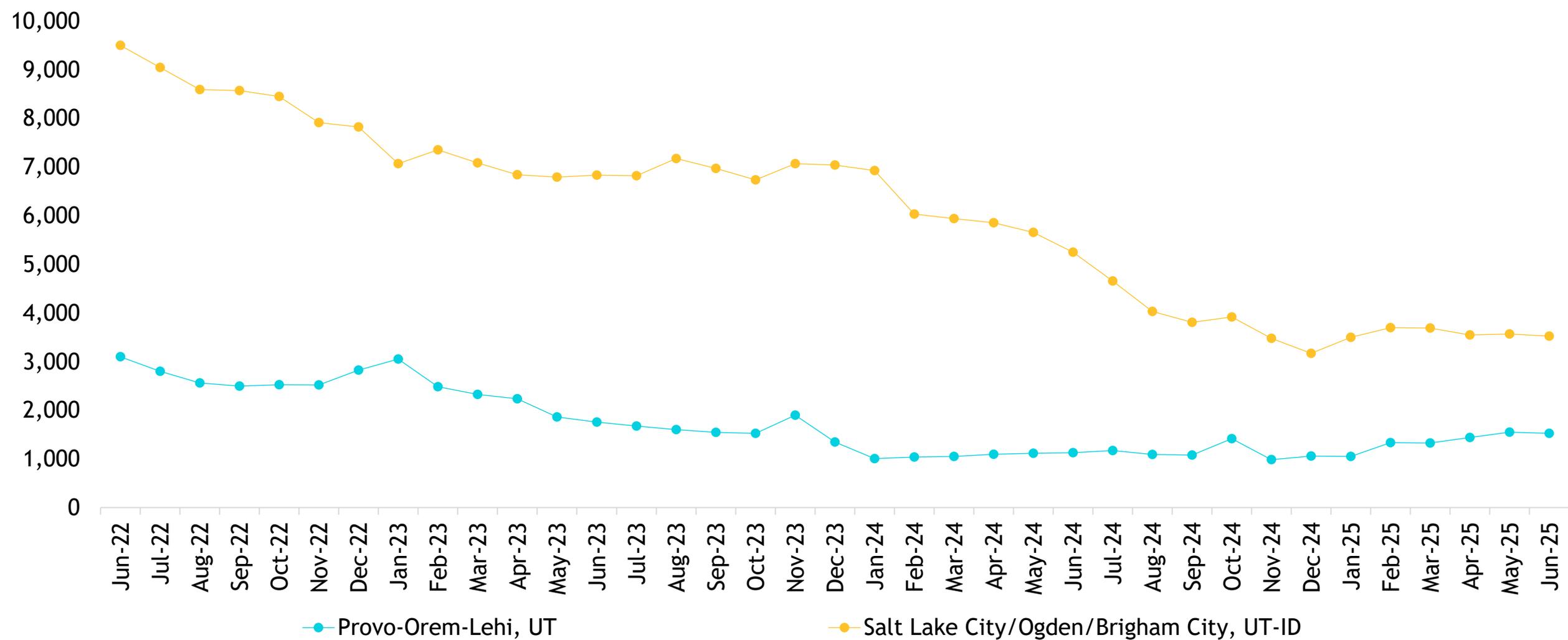
Annual rent growth remains just negative in Salt Lake and Provo



Concessions have been leveling off as occupancy increases



Annual Multi-family permits are returning to historical norms from the highs of the 2020-2022 period



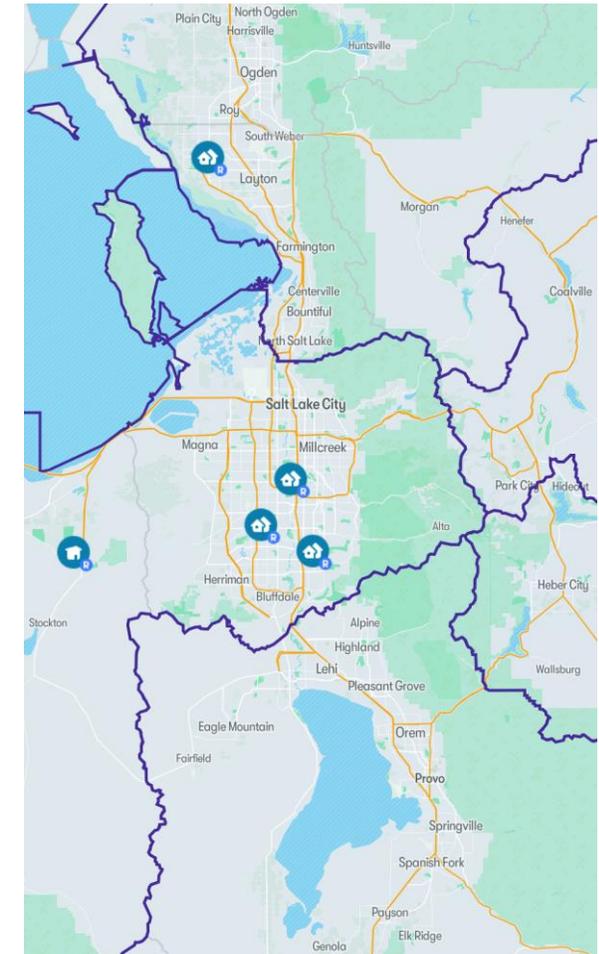
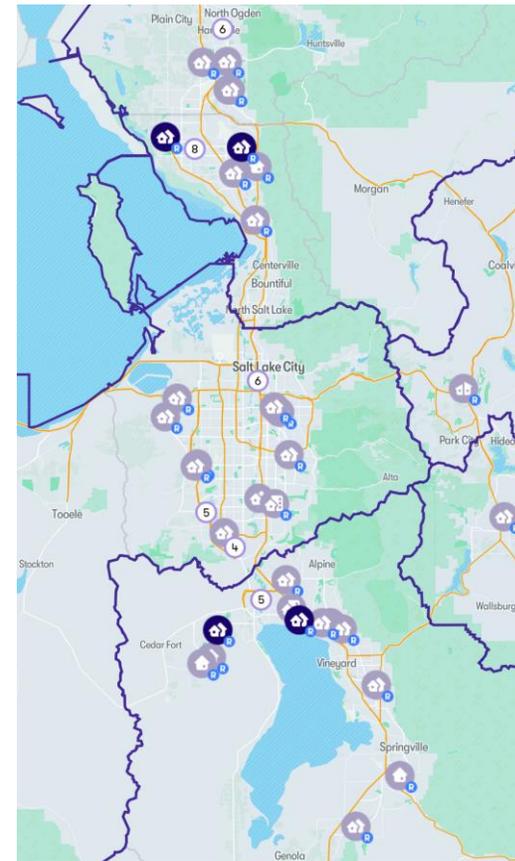
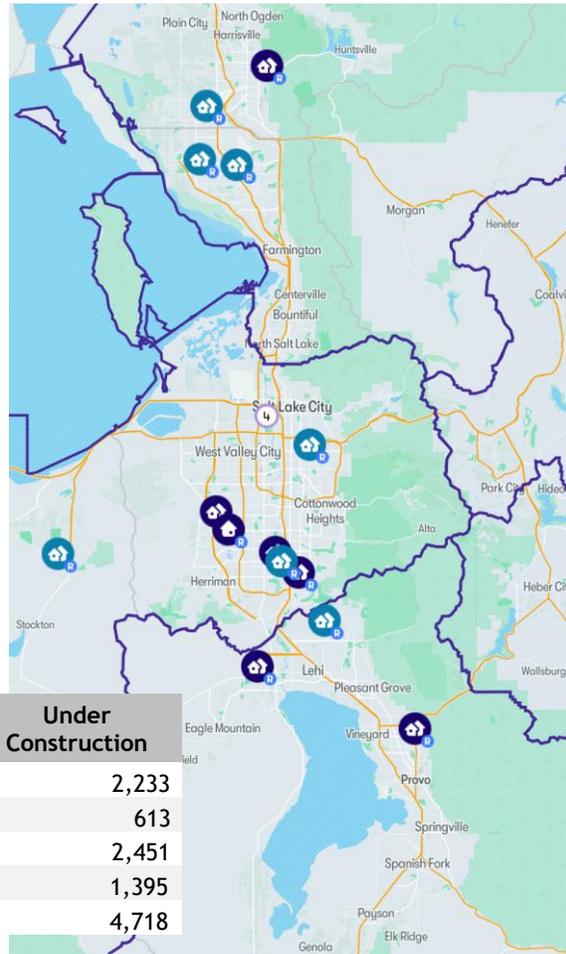
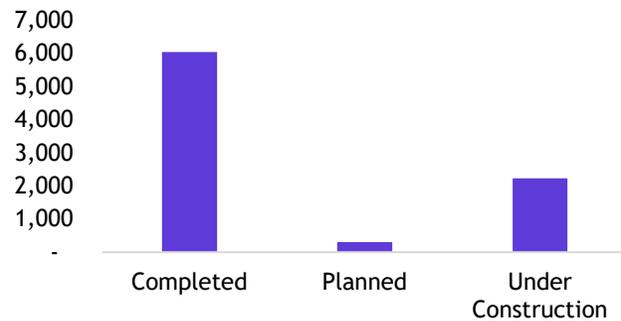
Build to Rent is increasing as cap rates become more digestible

Under Construction

Complete

Planned/Proposed

Total Units



Category	Completed	Planned	Under Construction
Total Units	6,042	304	2,233
SF - Min	572		613
SF - Max	3,414		2,451
\$ - Min	\$ 1,329		\$ 1,395
\$ - Max	\$ 4,325		\$ 4,718

Build To Rent Projects

- Single Family Home
- Townhome
- High-Density Detached

Cottage-Style

- Lease-Up
- Not Leasing

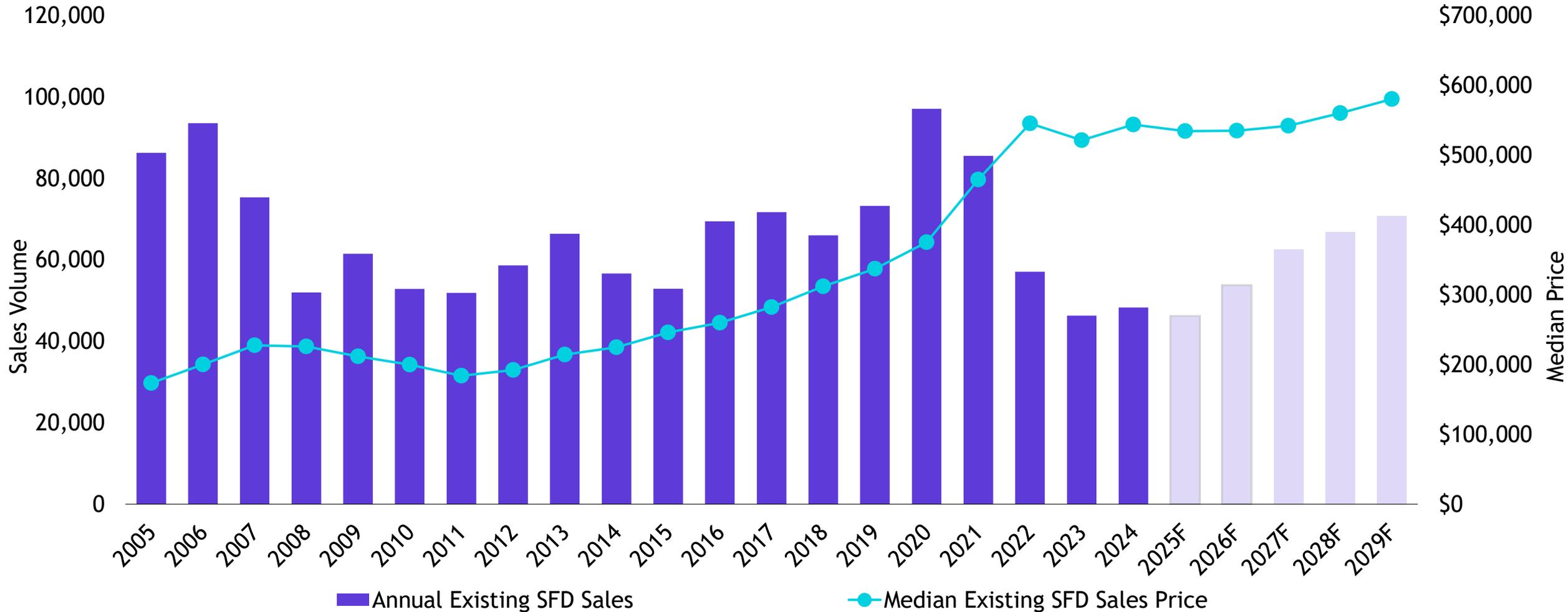
- Stabilized

Resale Market

(Source: St. Louis FED Fred)

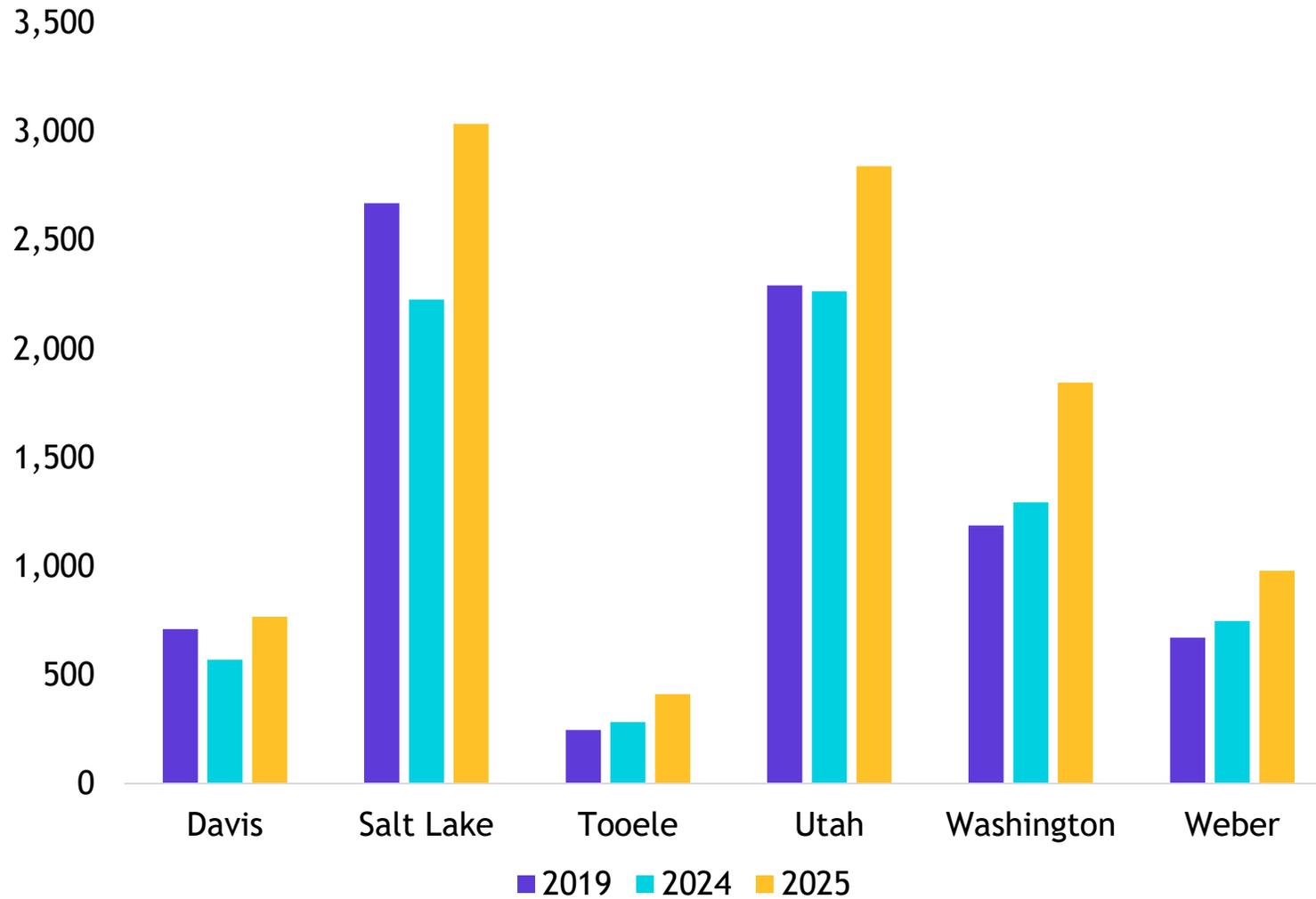


Increasing existing sales only if stock is available and desirable...it hasn't been and likely isn't as desirable as new



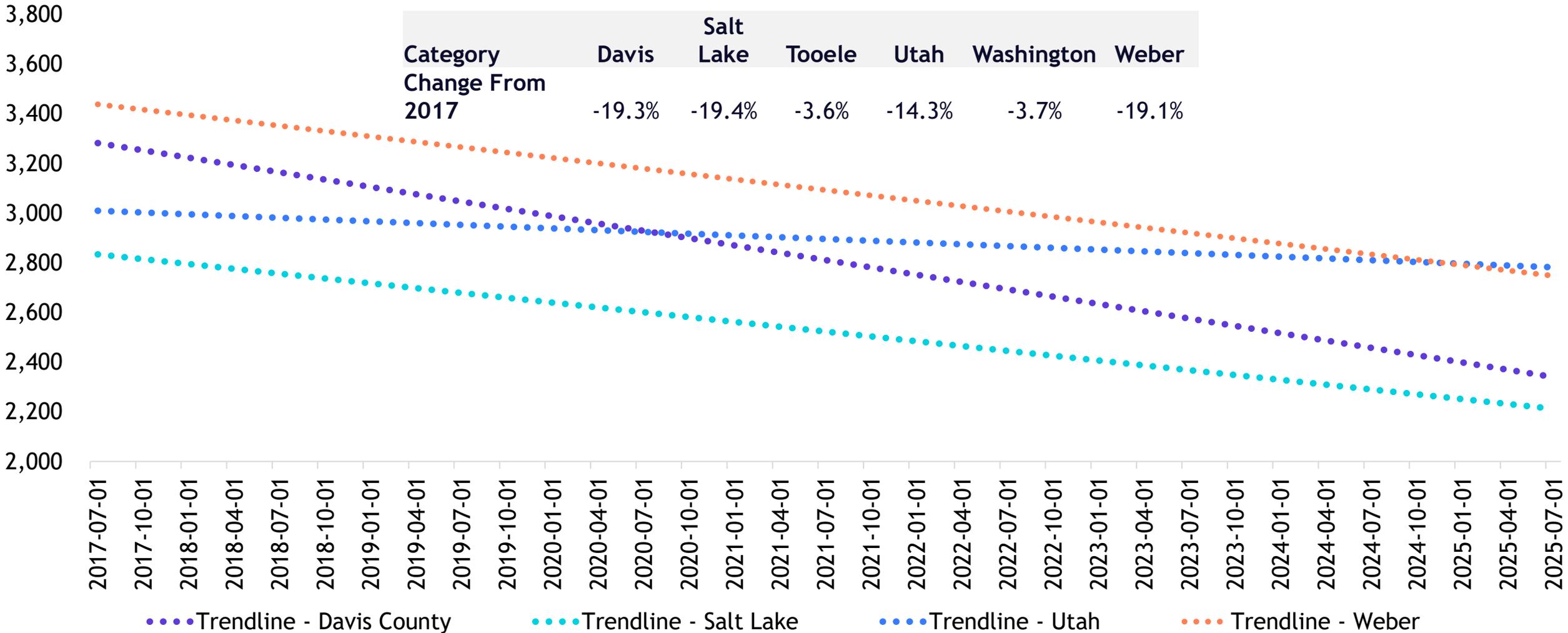
Source: National Association of Realtors (NAR); Zonda Price Forecast; Moody's Analytics Sales Forecast

Active Listings have increased 30% - 45% annually

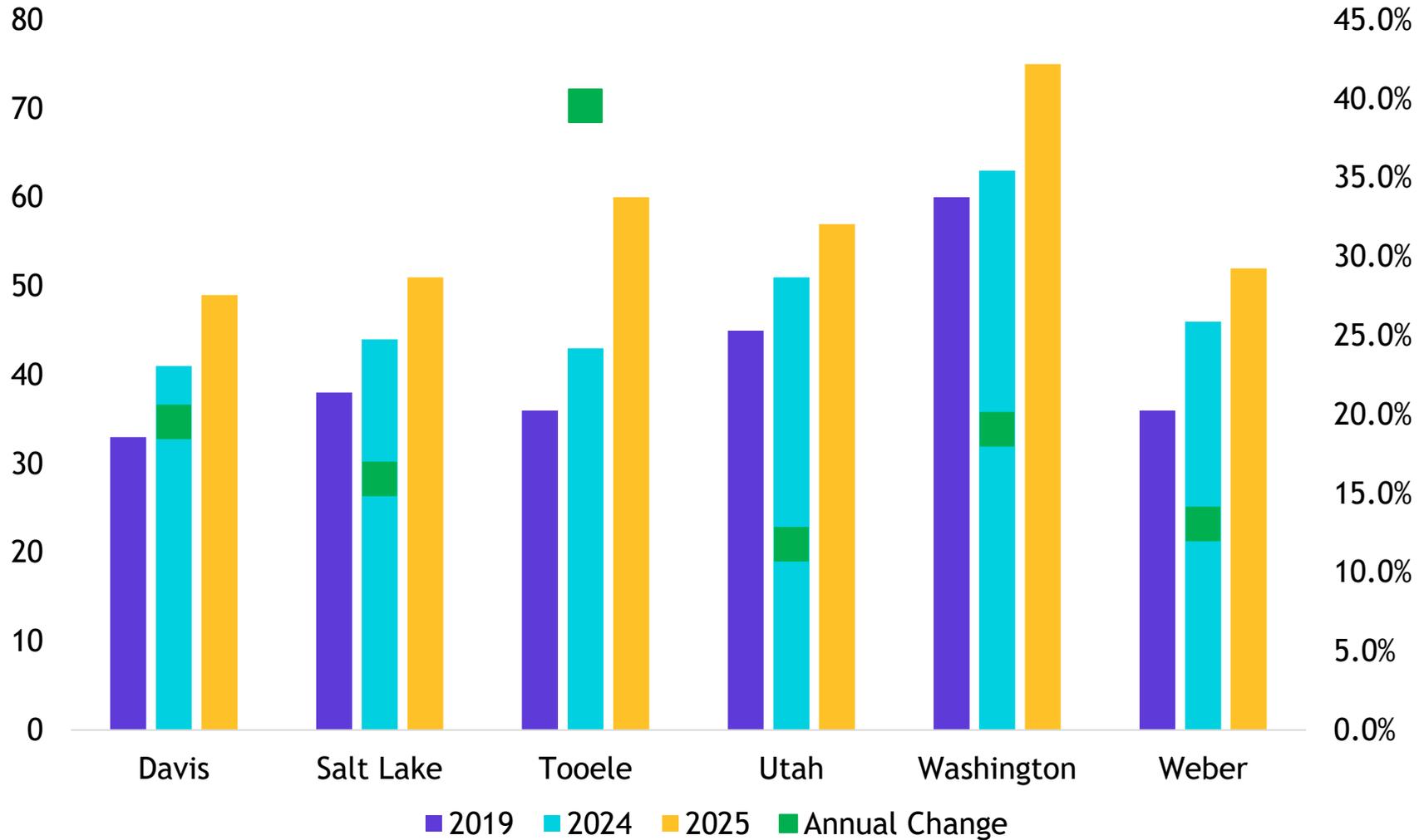


Resale homes are decreasing in size down 14% to 19% since 2017

Category	Davis	Salt Lake	Tooele	Utah	Washington	Weber
Change From 2017	-19.3%	-19.4%	-3.6%	-14.3%	-3.7%	-19.1%



Median days on the market have been increasing annually...



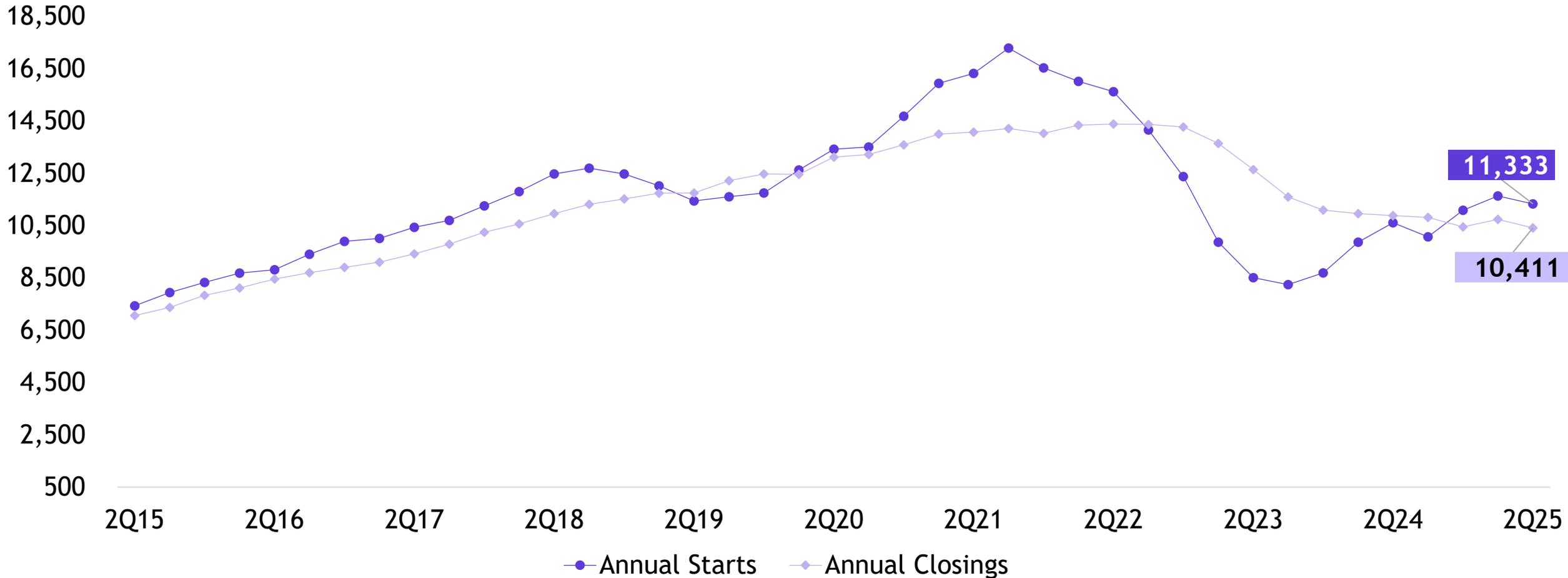
New Home Supply

(Source: Zonda)

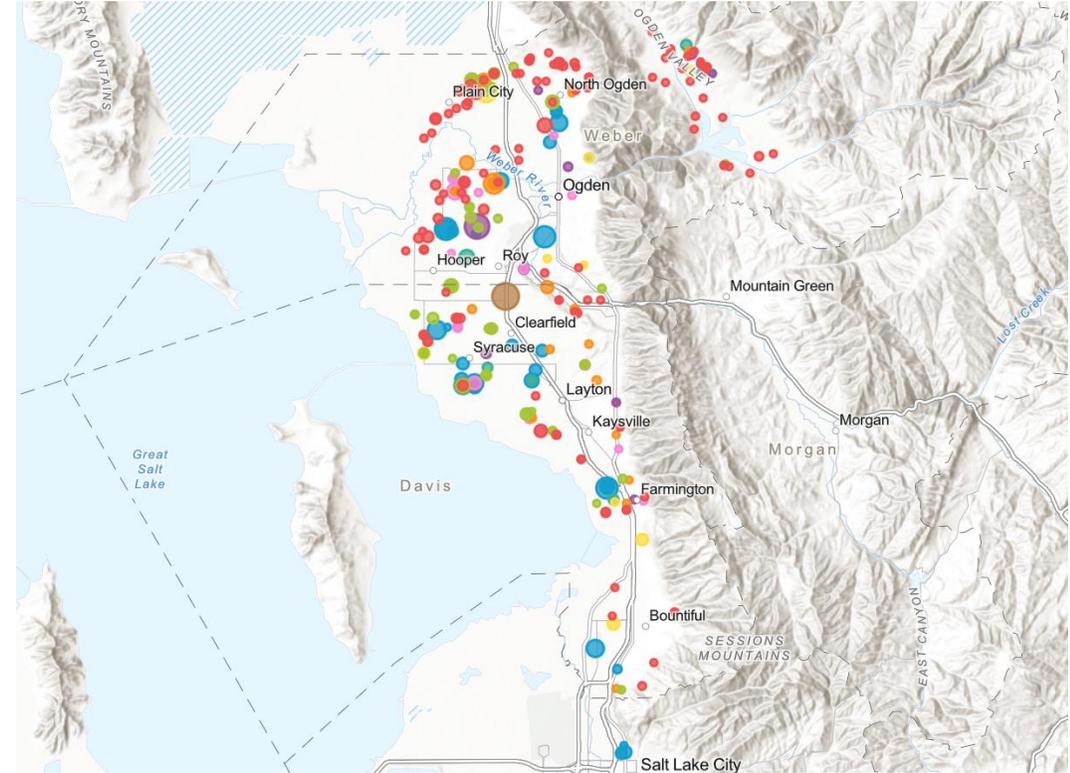
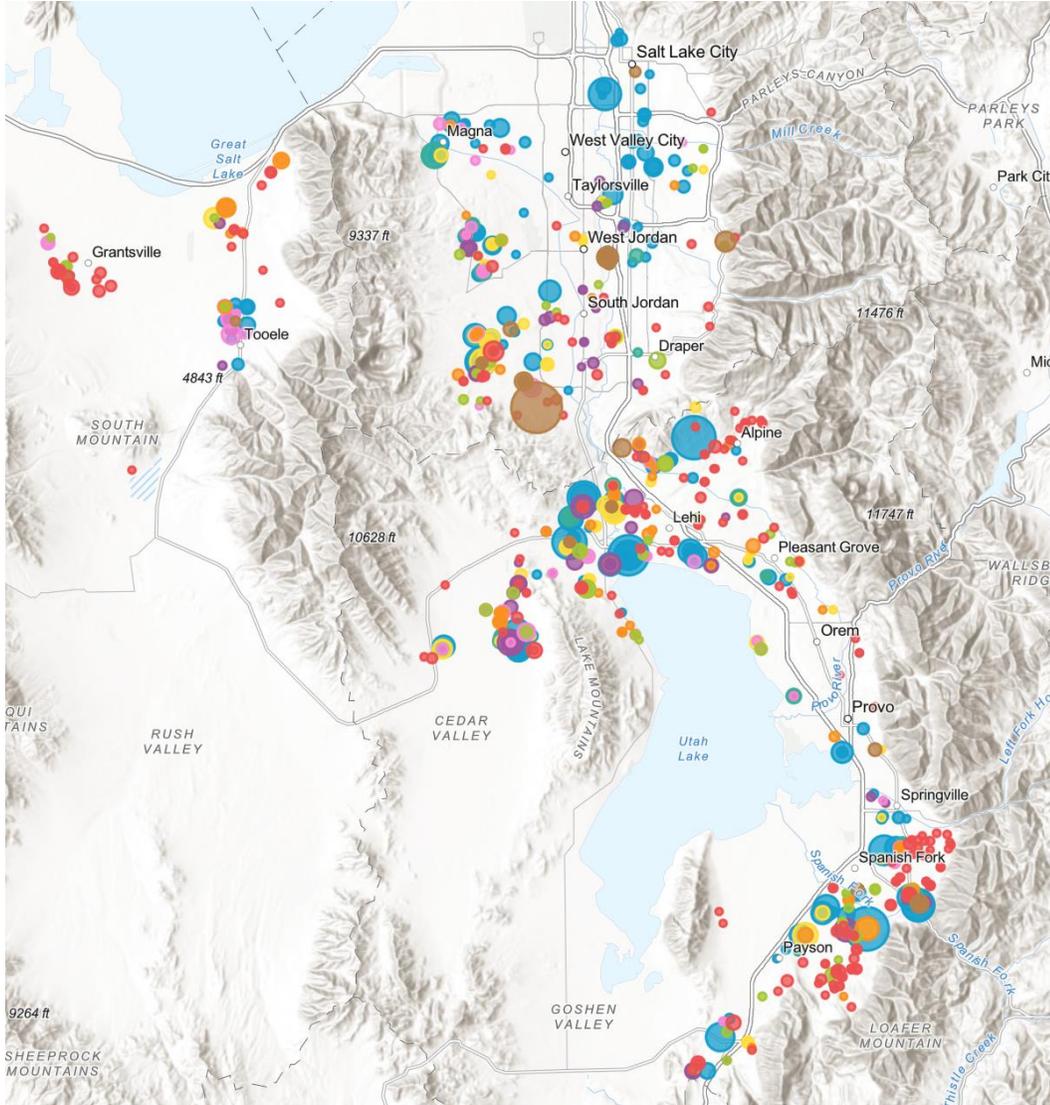
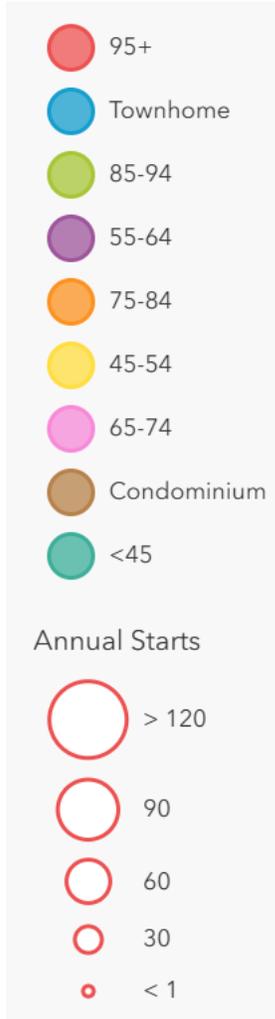


Annual starts are down Quarter to Quarter....where are they headed

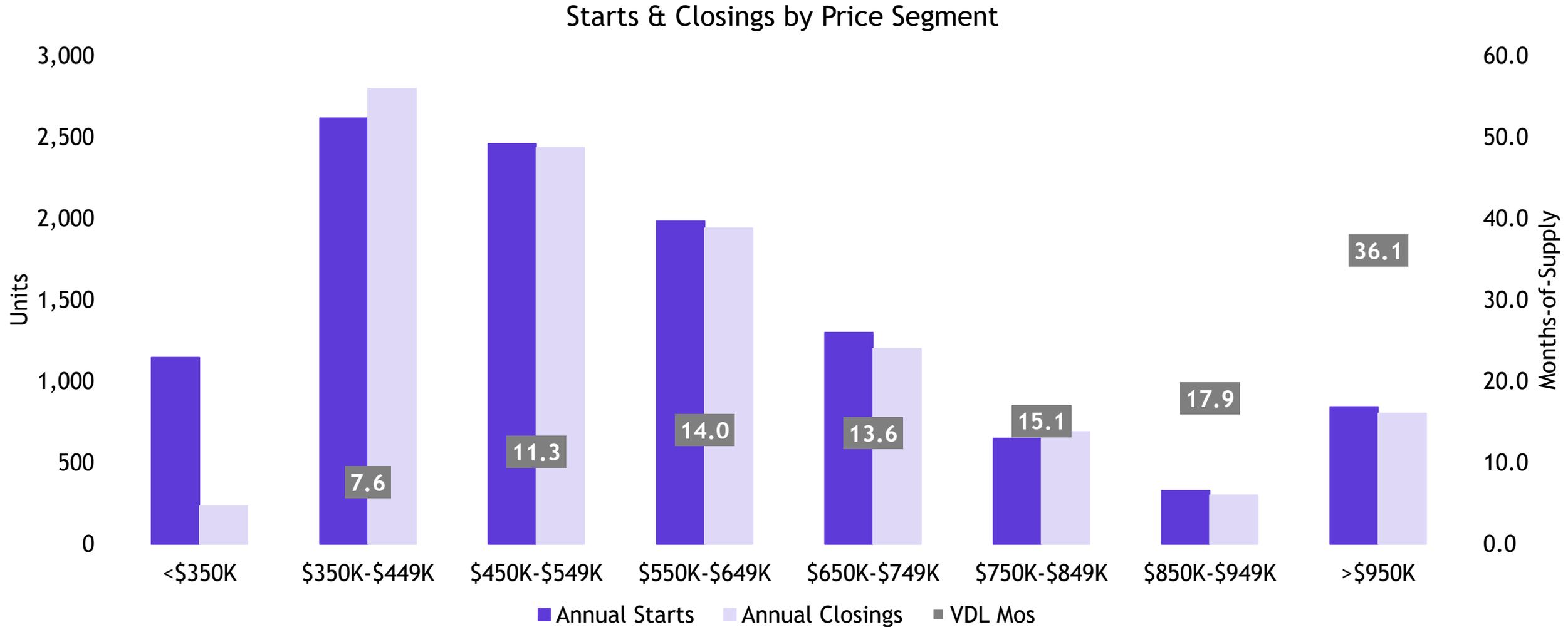
Annual Starts, & Closings



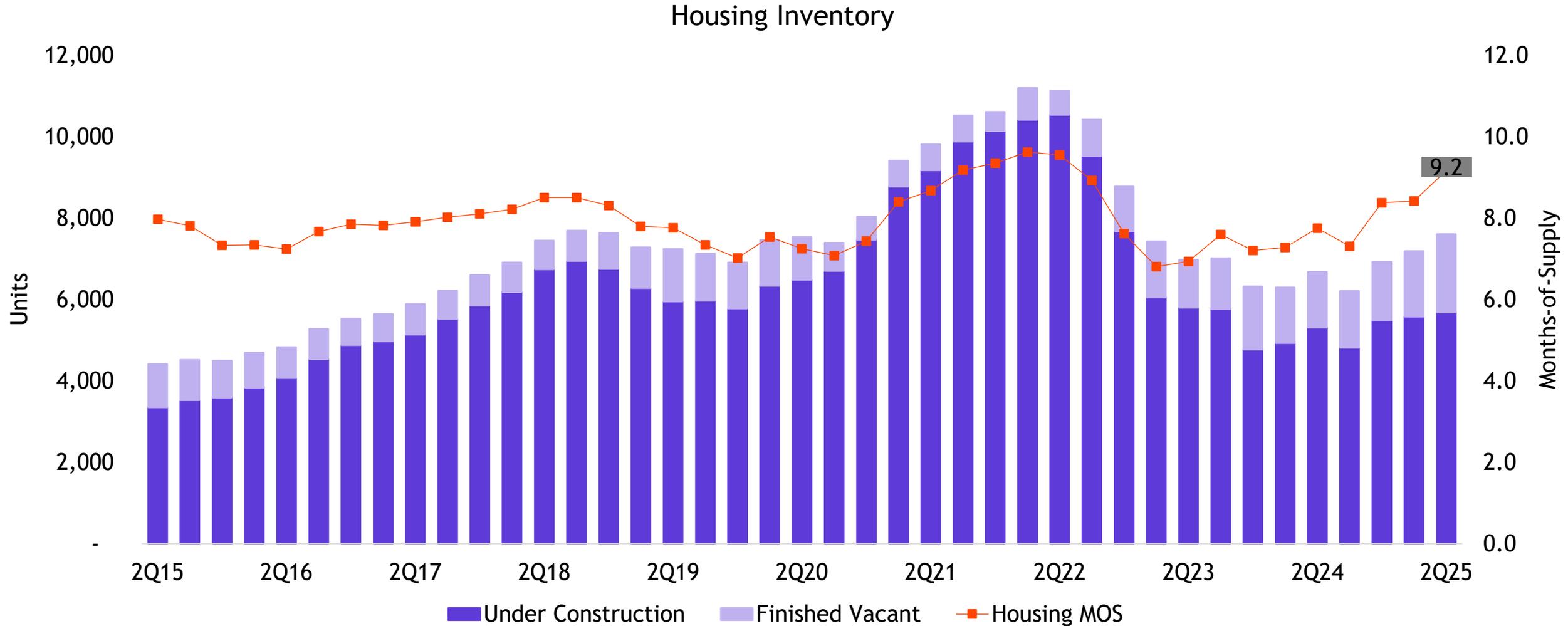
Where and Why Starts are Happening



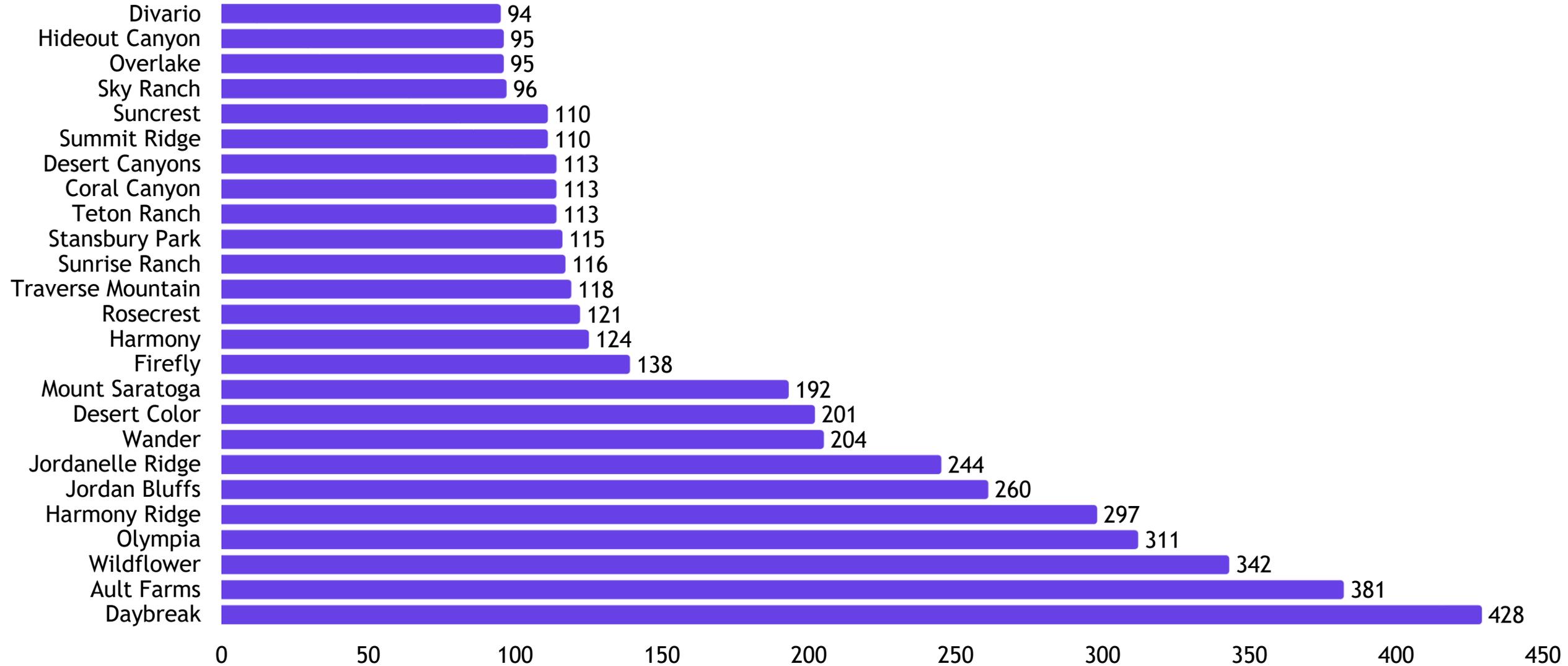
Most pricing has some similar segments to the Nation



Housing Inventory remains within reasonability without overbuilding



Utah's top communities by Annual Starts



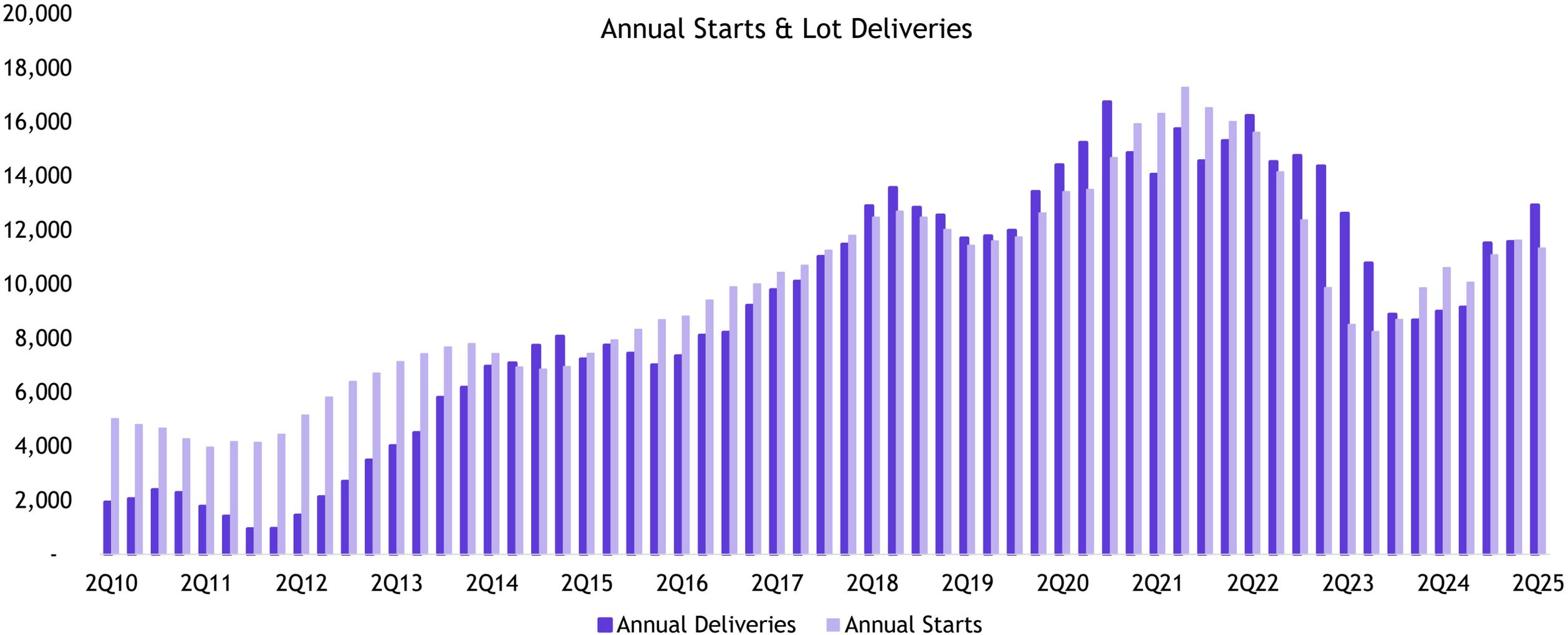
New Home Lot Supply

(Source: Zonda)

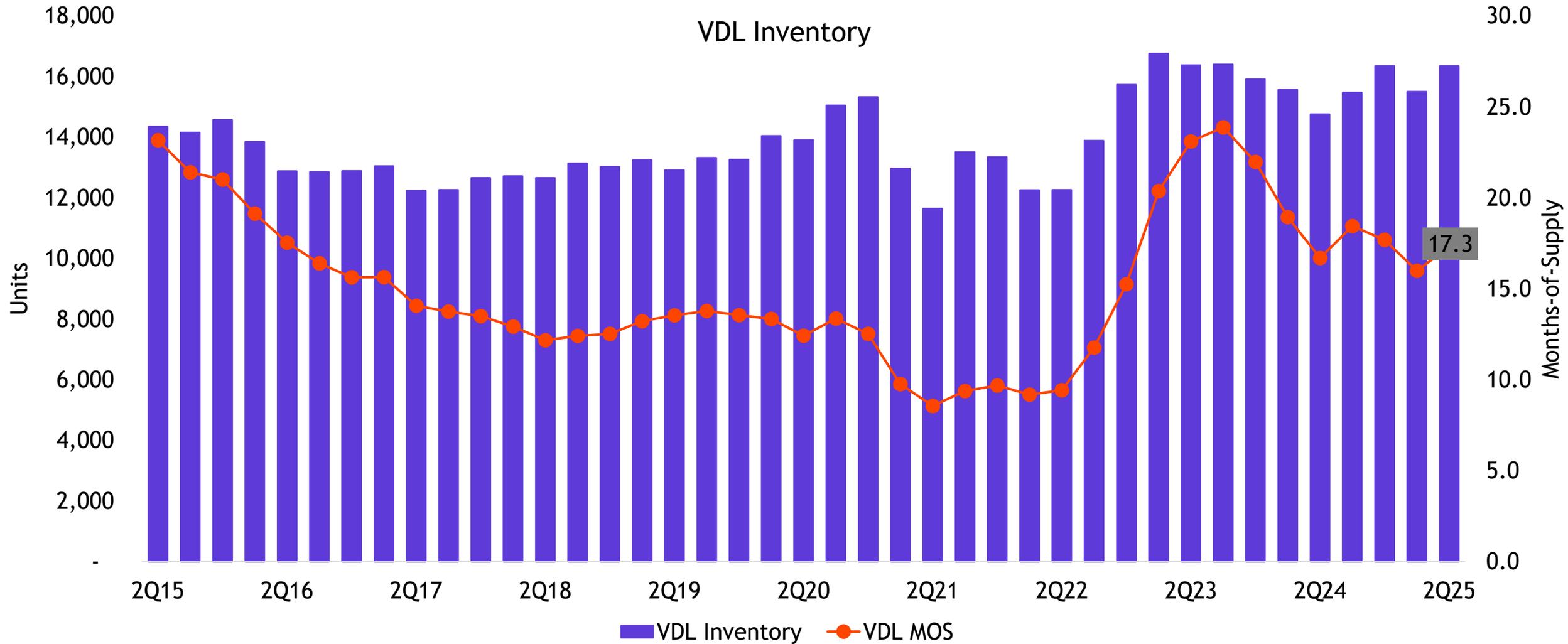


Lot deliveries are not creating enough replacement communities to counter the under-supply

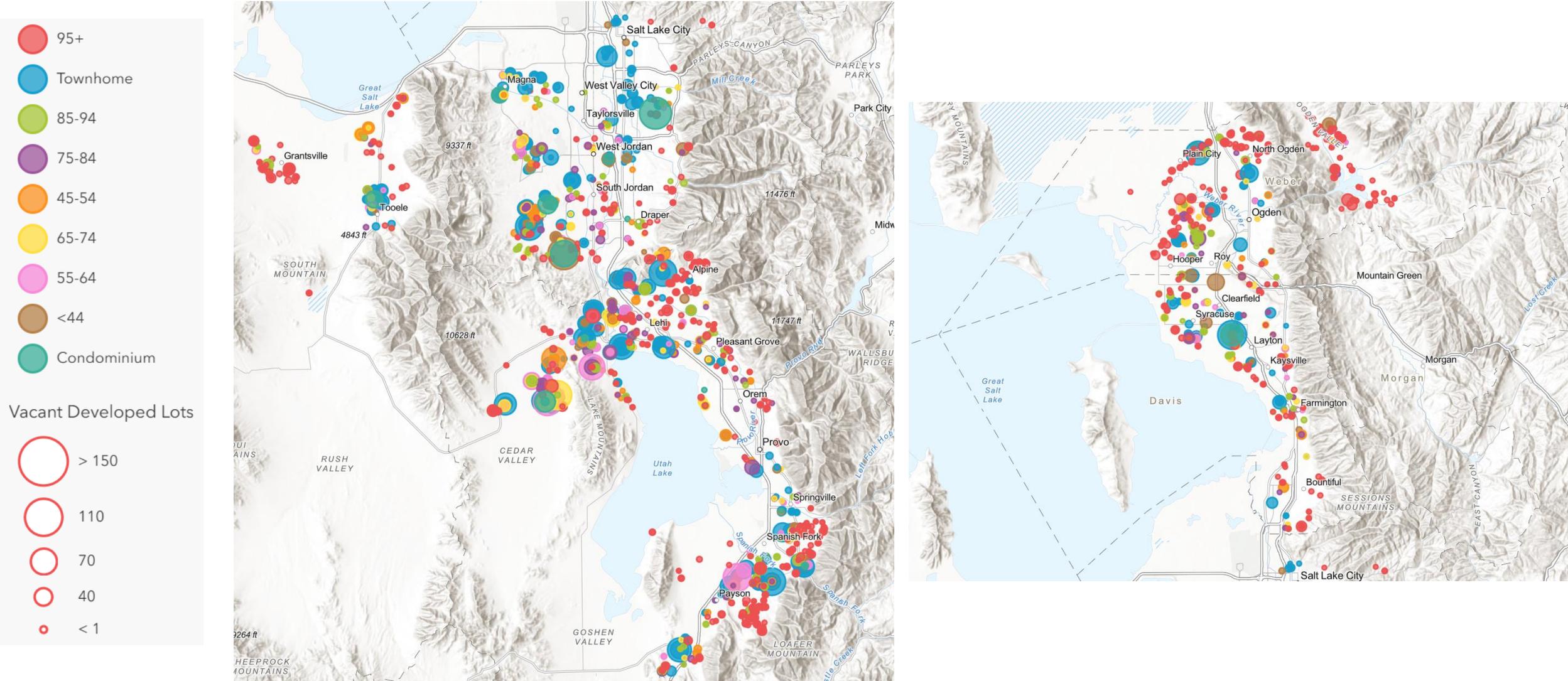
Annual Starts & Lot Deliveries



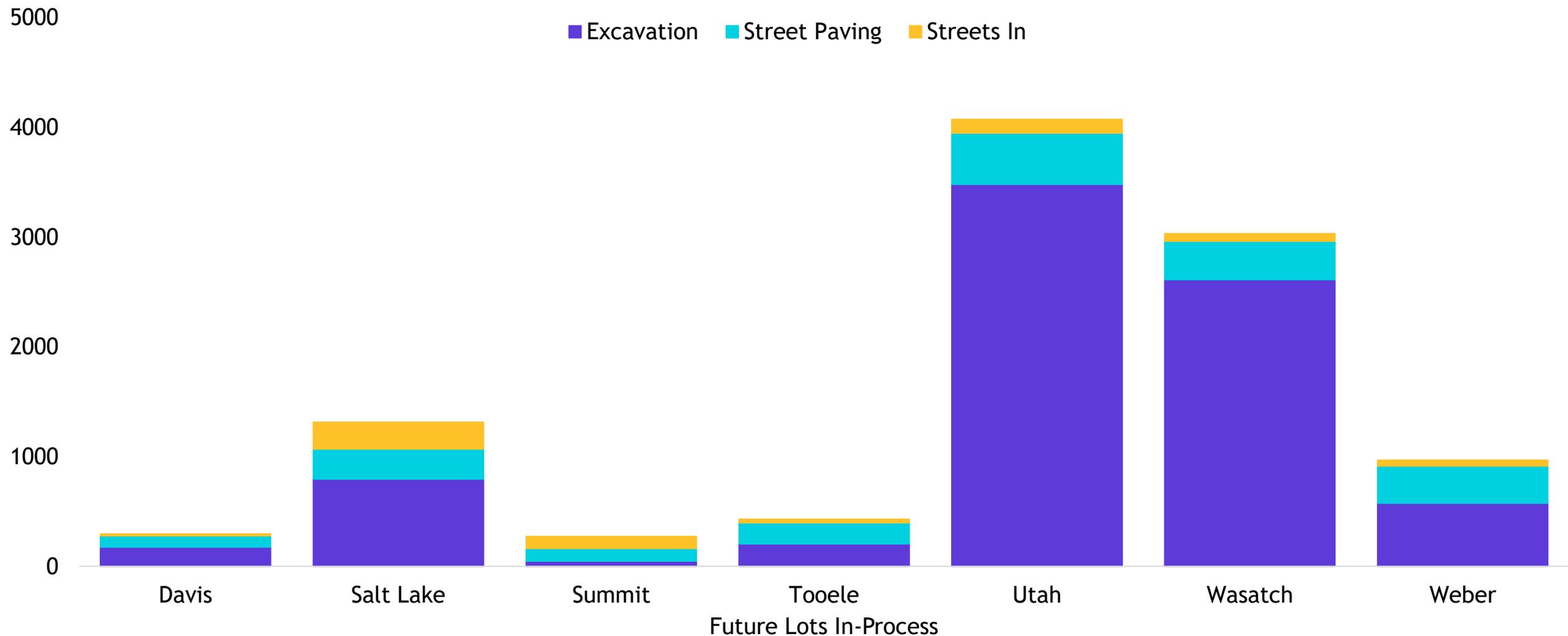
Vacant Developed Lots (VDL) is increasing...but still under-equilibrium



VDL exhibits large portions of potential Attached Projects



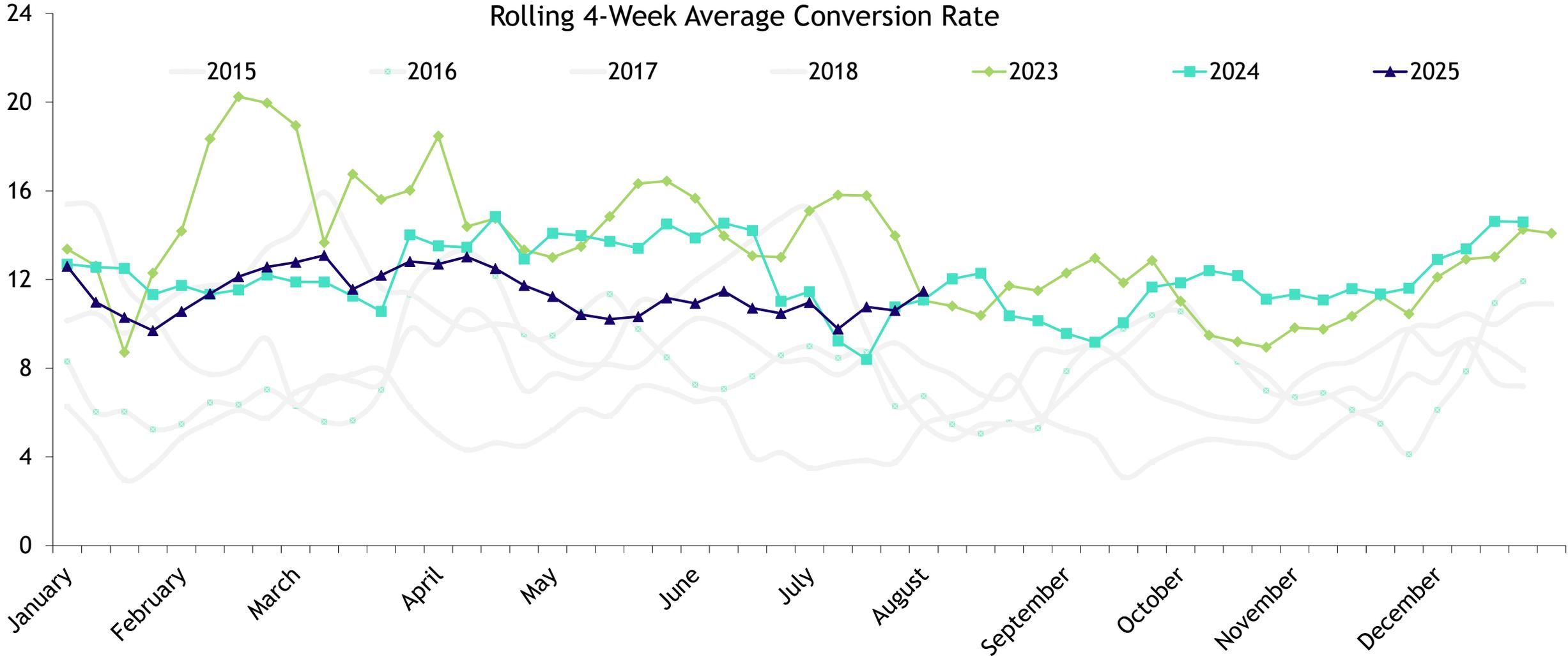
Most replacement lots are clustered in Utah County



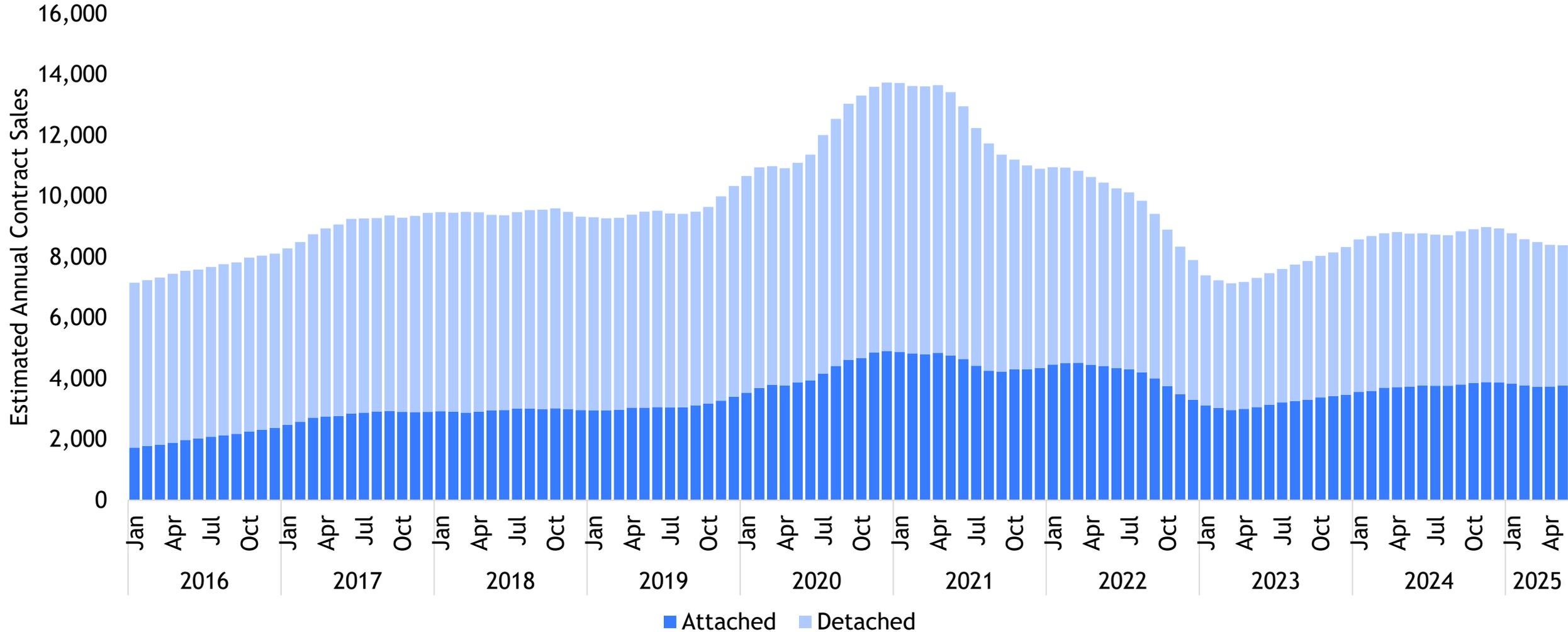
WASATCH FRONT New Home Sales

(Source: Zonda)

Conversion is well above pre-pandemic rates

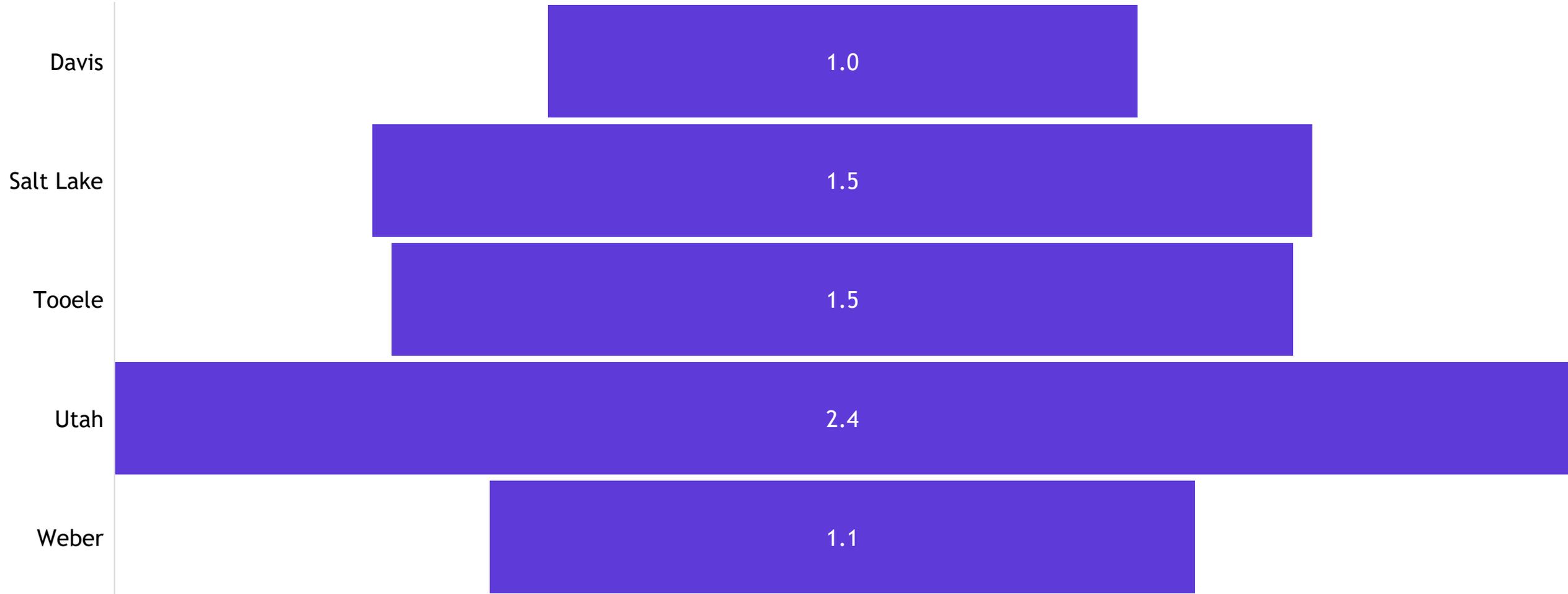


Annual Sales are down 6.2% since December 2024



May sales per neighborhood by County

2025 Monthly Sales Rate by County



Edge Homes is currently the top-selling homebuilder for contract sales in the Wasatch Front

2025 YTD Top Homebuilders	2020	2021	2022	2023	2024	2025 YTD	2020	2021	2022	2023	2024	2025 YTD
Edge Homes	1570	1785	864	1009	1208	798	11.4%	16.4%	10.9%	12.1%	13.5%	16.0%
D.R. Horton	754	852	1072	1393	1484	572	5.5%	7.8%	13.6%	16.7%	16.6%	11.5%
Lennar	443	541	428	432	518	354	3.2%	5.0%	5.4%	5.2%	5.8%	7.1%
Ivory Homes	1414	1287	715	607	637	332	10.3%	11.8%	9.1%	7.3%	7.1%	6.7%
Flagship Homes	212	26	221	259	434	250	1.5%	0.2%	2.8%	3.1%	4.9%	5.0%
Richmond American Homes	764	559	177	349	310	187	5.6%	5.1%	2.2%	4.2%	3.5%	3.8%
Woodside Homes	689	410	333	374	451	171	5.0%	3.8%	4.2%	4.5%	5.0%	3.4%
Nilson Homes	289	109	161	260	223	131	2.1%	1.0%	2.0%	3.1%	2.5%	2.6%
Holmes Homes	248	181	156	175	185	112	1.8%	1.7%	2.0%	2.1%	2.1%	2.2%
Oakwood Homes	414	294	117	187	177	112	3.0%	2.7%	1.5%	2.2%	2.0%	2.2%
Meritage Homes	0	0	0	0	98	105	0.0%	0.0%	0.0%	0.0%	1.1%	2.1%
Destination Homes	209	122	124	124	121	97	1.5%	1.1%	1.6%	1.5%	1.4%	1.9%
David Weekley Homes	294	266	104	93	150	96	2.1%	2.4%	1.3%	1.1%	1.7%	1.9%
Keystone Construction	168	219	112	127	187	85	1.2%	2.0%	1.4%	1.5%	2.1%	1.7%
Visionary Homes	204	287	237	165	200	84	1.5%	2.6%	3.0%	2.0%	2.2%	1.7%
Century Communities	280	237	209	168	91	81	2.0%	2.2%	2.6%	2.0%	1.0%	1.6%
Perry Homes Utah	146	122	139	123	113	74	1.1%	1.1%	1.8%	1.5%	1.3%	1.5%
Arive Homes	454	378	239	235	126	71	3.3%	3.5%	3.0%	2.8%	1.4%	1.4%
Alpine Homes	156	173	114	160	107	70	1.1%	1.6%	1.4%	1.9%	1.2%	1.4%
Candlelight Homes	0	0	0	0	29	64	0.0%	0.0%	0.0%	0.0%	0.3%	1.3%
Rest of CMA Homebuilders	5,025	3,050	2,377	2,084	2,084	1,134						
Top 20 Homebuilders Market Share	63.4%	72.0%	69.9%	75.0%	76.7%	77.2%						
Top 20 Homebuilders Closings	8,708	7,848	5,522	6,240	6,849	3,846						
Total Market Closings	13,733	10,898	7,899	8,324	8,933	4,980						
Top Five Homebuilders Share	32.0%	41.2%	41.8%	44.4%	47.9%	46.3%						

On the Horizon

(Source: Zonda)



Market Review

Wasatch Front Economics:

- Growth is expected to continue
- Wasatch Front, driven by Silicon Slopes & ancillary industries, has pushed income 25% over national averages
- 54 Straight months of employment growth...with growth flattening
- Inland Port partnership growth, impacts of the current national climate and tariffs
- Eroding consumer confidence

Rental:

- Apartment growth is slowing to previous norms
- Occupancy is rising with concessions high
- Rent growth has been negative
- Cap rates are returning to normal
- Build To Rent is increasing in the Market

Moving Forward

Resale/Existing:

- Limited growth
- Home sizes are shrinking 14% - 19% since 2017
- Listing price reduction trends are following seasonality but at greater numbers
- Median days on market are at highs with pending listings compressed, providing opportunity

New Homes:

- Annual starts and contract sales will likely decline through the end of 2025
- In-person traffic is down with conversion up....online is absolute
- Most activity is in:
 - Salt Lake County: Herriman and Jordan
 - Utah County: Eagle Mountain and Payson/Salem
- Attainability:
 - Attached has increased by 20% in ten years to 46.1% of annual starts
 - Cluster homes have not been utilized
- Land costs remain elevated, as do material and labor costs
- **Now is the time for replanning and targeting**

Scan to learn more about our
National Outlook Report



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