



Homes line a street in Riverton's Mountain Ridge neighborhood, shown earlier this month.

TRENT NELSON The Salt Lake Tribune

prices and wonders, 'Why do I live here?'

Housing

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about \$39,000.

UTAH NEEDS THOUSANDS MORE UNITS, BUT BUILDING HAS SLOWED

Utah likely faces a shortage of at least 37,000 housing units, after the pandemic "produced the shortest and steepest homebuilding expansion and contraction on record," two experts from the Kem C. Gardner Policy Institute wrote when examining the state's housing market and outlook last year.

One legislator recently told The Tribune that the main solution to Utah's affordability crisis is to build more homes.

Yet building, which spiked during the pandemic, is slowing.

Building permits for residential units jumped in 2021 then decreased in both 2022 and 2023, according to a database that Gardner uses to track trends in homebuilding.

Experts expected building to pick back

up this year, but there's still a "massive" shortage, said Jessica Bryce, vice president of marketing for EDGEhomes.

The Utah-based homebuilder can stand up its Nora model — a three-bedroom home with about 2,400 finished square feet — in four to six months, Bryce said.

EDGEhomes hears three major concerns from potential buyers, she said: Interest rates, affordability and making sure they buy at the right time.

Bryce encouraged people looking to buy to get pre-qualified so they can set their budget, and to buy what they can afford instead of holding out for a dream home.

"We see a lot of people who want to buy what their parents bought 40 years ago," she said.

Town homes are trending and can "live like a single-family home," Bryce said, and they're a more affordable option, as are condos.

New construction in general also can

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JESSICA BRYCE
Vice president of marketing at EDGEhomes

help people make their budget pencil out, because of concessions and other incentives, Bryce said.

For example, builders can use profit from home sales to "buy down" interest rates either for a few years or permanently — and many are doing so. Builders want to work with people to get them into a home, Bryce said.

"Our goal is to not turn any buyer away," she said, by offering multiple options. She encouraged people to buy as soon as they can instead of trying to game the

market.

Kirkham with the Utah Association of Realtors said that could be a good idea. Once interest rates drop, he said, competition for homes will increase again.

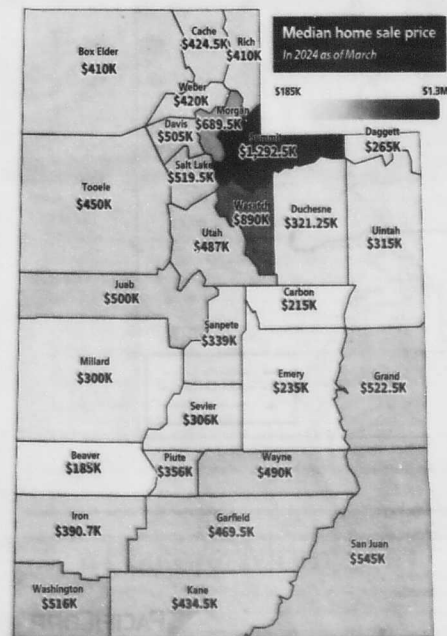
Buying now could mean getting concessions and a chance to refinance in the future, he said.

Kirkham and Bryce both recommended working with a lender to go over options and find what works best with their budget.

Megan Banta is The Salt Lake Tribune's data enterprise reporter, a philanthropically supported position. The Tribune retains control over all editorial decisions.

Median home sales prices by county

The median home sales price statewide this year is \$490,000, but the median varies widely by county, topped by nearly \$1.3 million in Summit County.



Note: Home payment assumes 30-year fixed at 6.49%, 10% down, private mortgage insurance of 2% of the loan amount. Values not include home insurance or property taxes. Median income is based on spending 28% or less of income on monthly mortgage payments.

Source: Utah Association of Realtors

GRAPHIC BY CHRISTOPHER CHERRINGTON The Salt Lake Tribune

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