

Housing Attainability & Affordability

Utah Housing Data

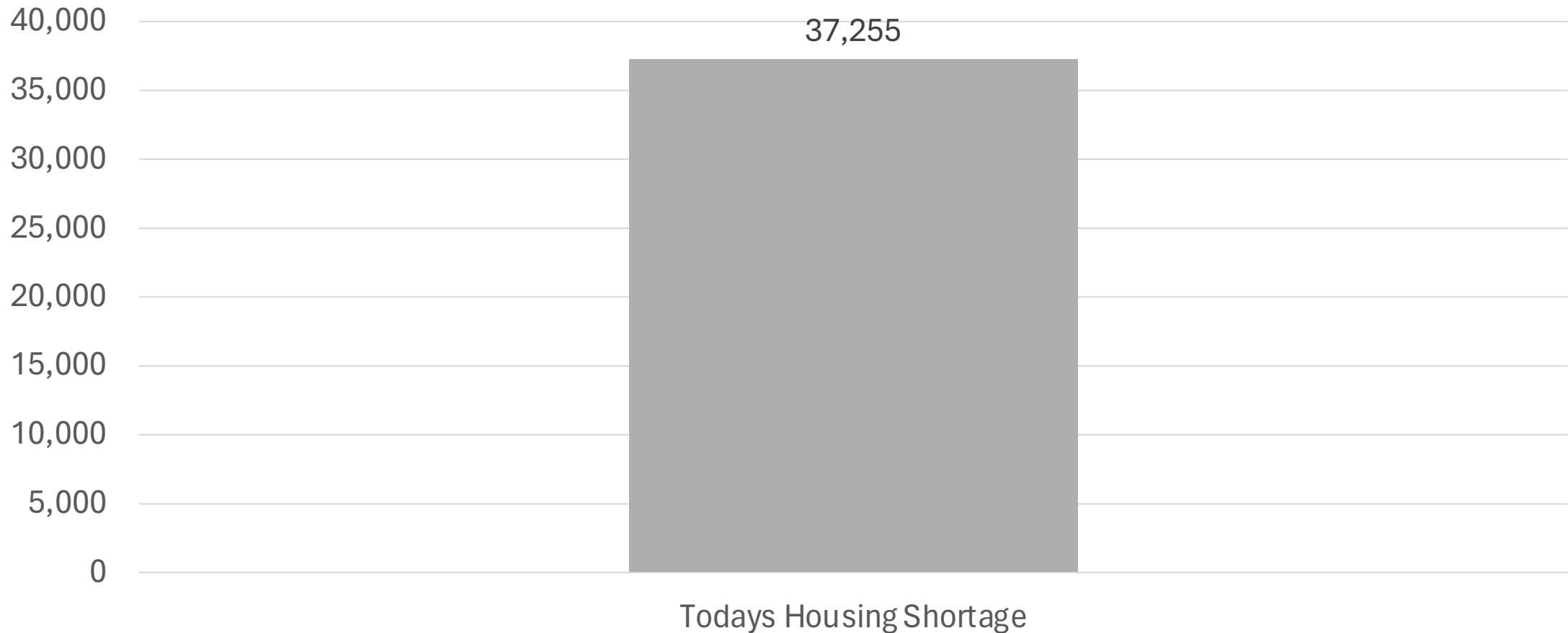
Prepared for Political Subdivisions
Interim Committee

August 21, 2024

Representative Stephen Whyte
Senator Lincoln Fillmore



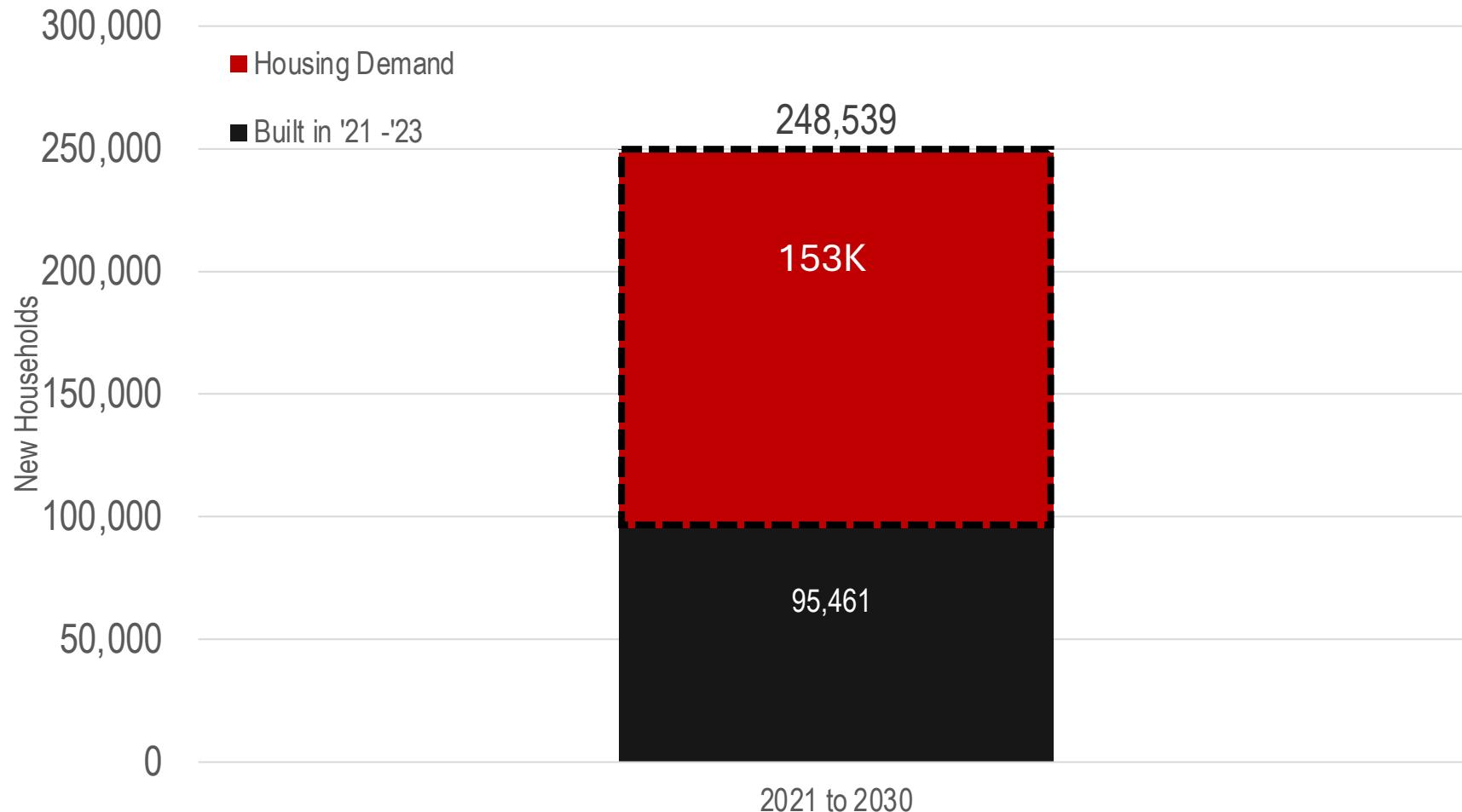
Utah's Housing Shortage: 2024



Source: Source: Kem C. Gardner Policy Institute.

Past and Future Housing Demand

Between 2024 and 2030, Utah needs an additional 153K new homes to meet the projected demand of 248K new homes

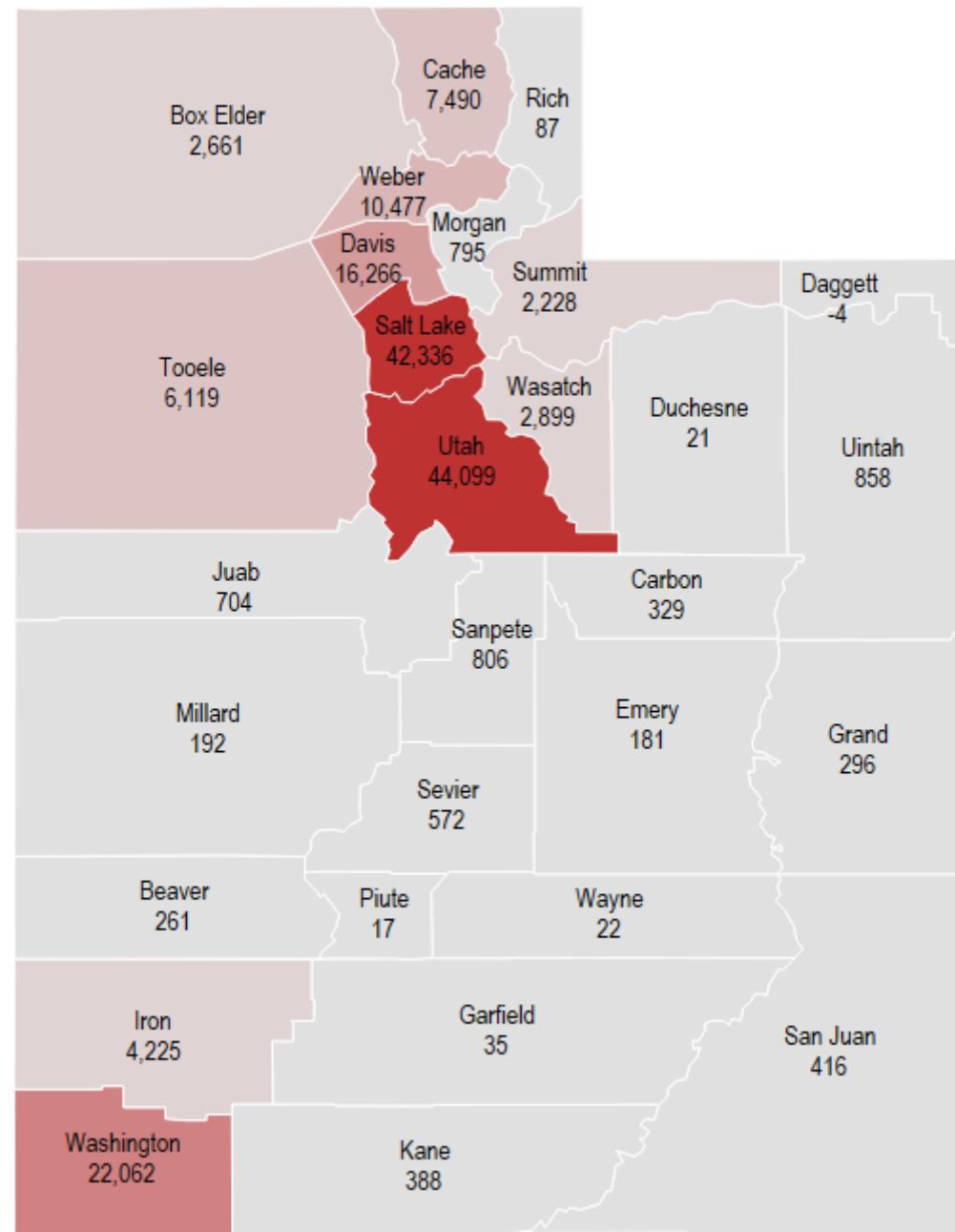


2024-2030 Projected Housing Demand

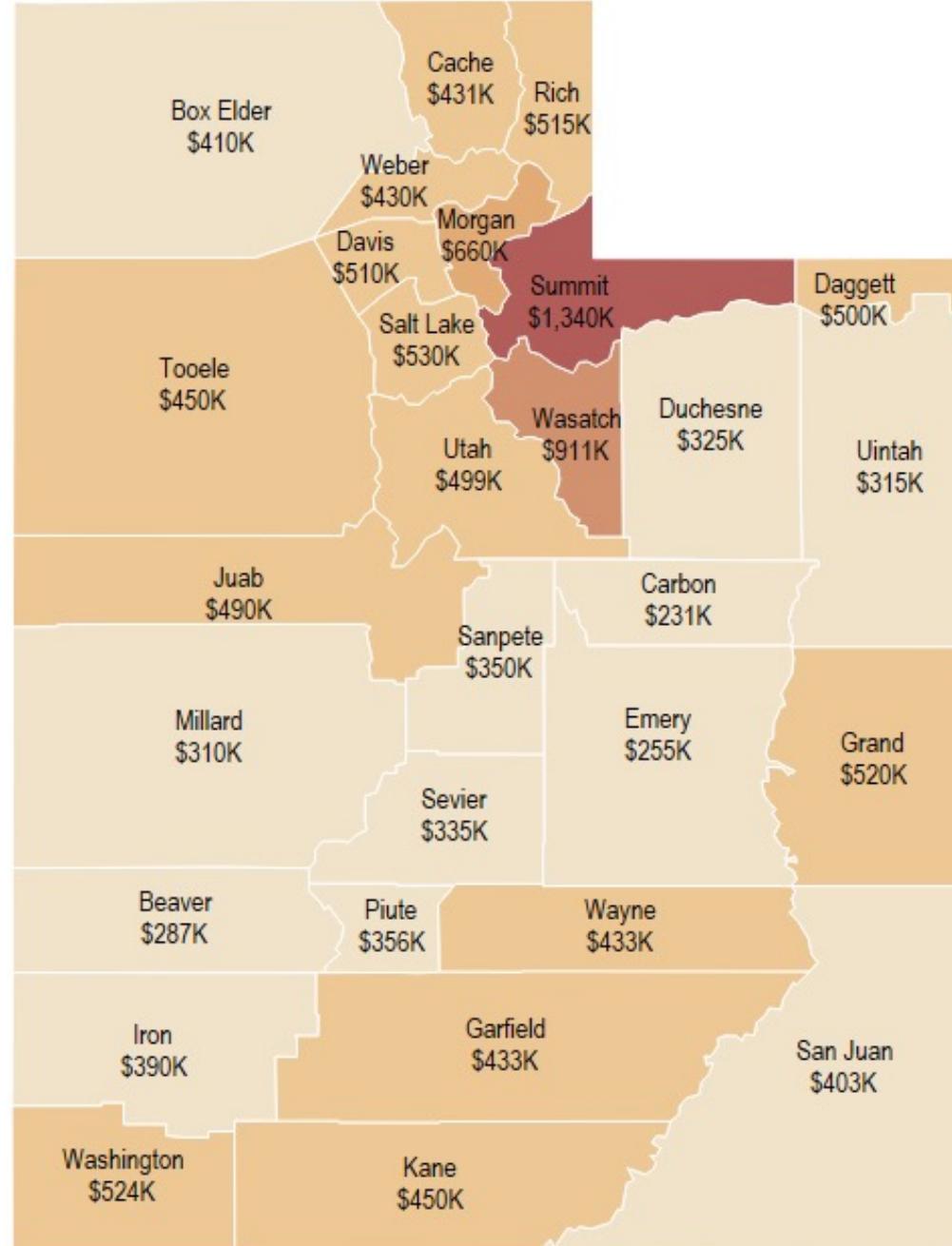
Household Growth and Projections to Meet Current and Future Demand:

Example: Utah County will need to build 44,099 new units by 2030

County	New Units Needed
Utah	44,099
Salt Lake	42,336
Washington	22,062
Davis	16,266
Weber	10,477
Cache	7,490
Tooele	6,119
Iron	4,225
Wasatch	2,899
Box Elder	2,661

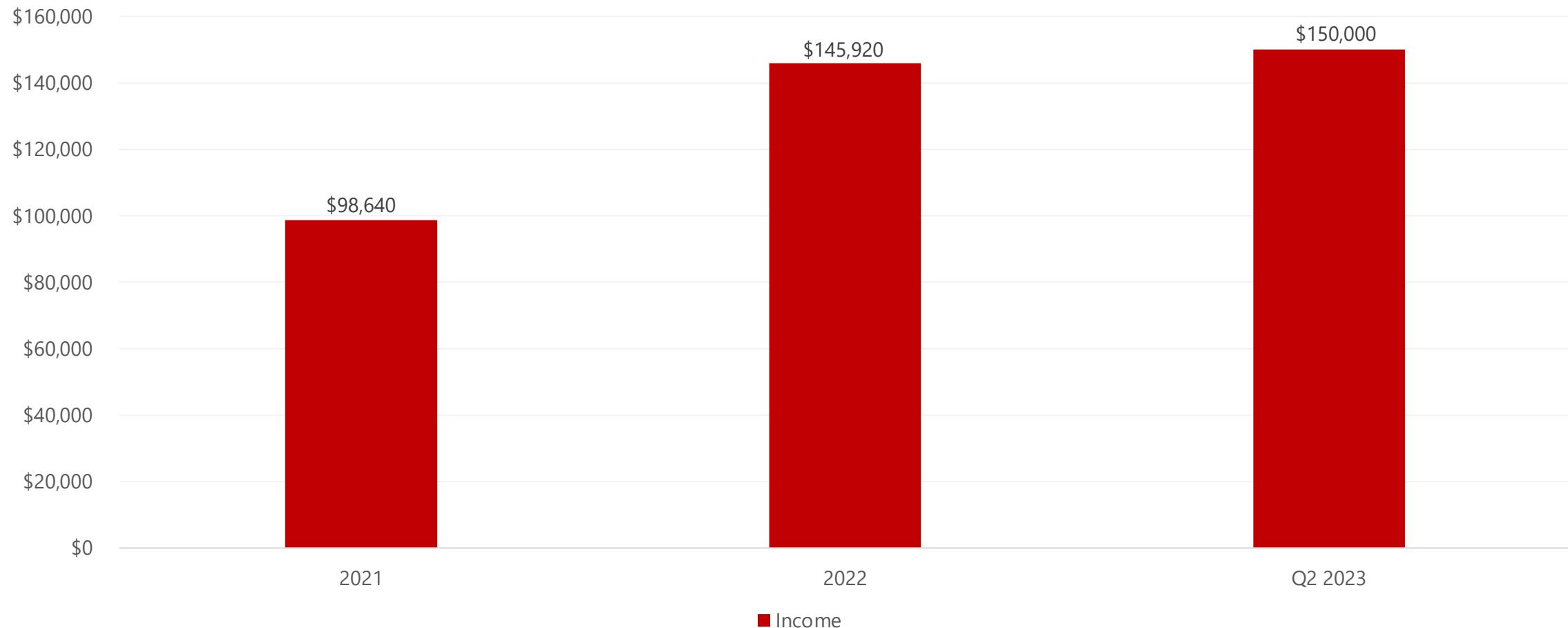


Median Home Price by County 2024 Jan-June



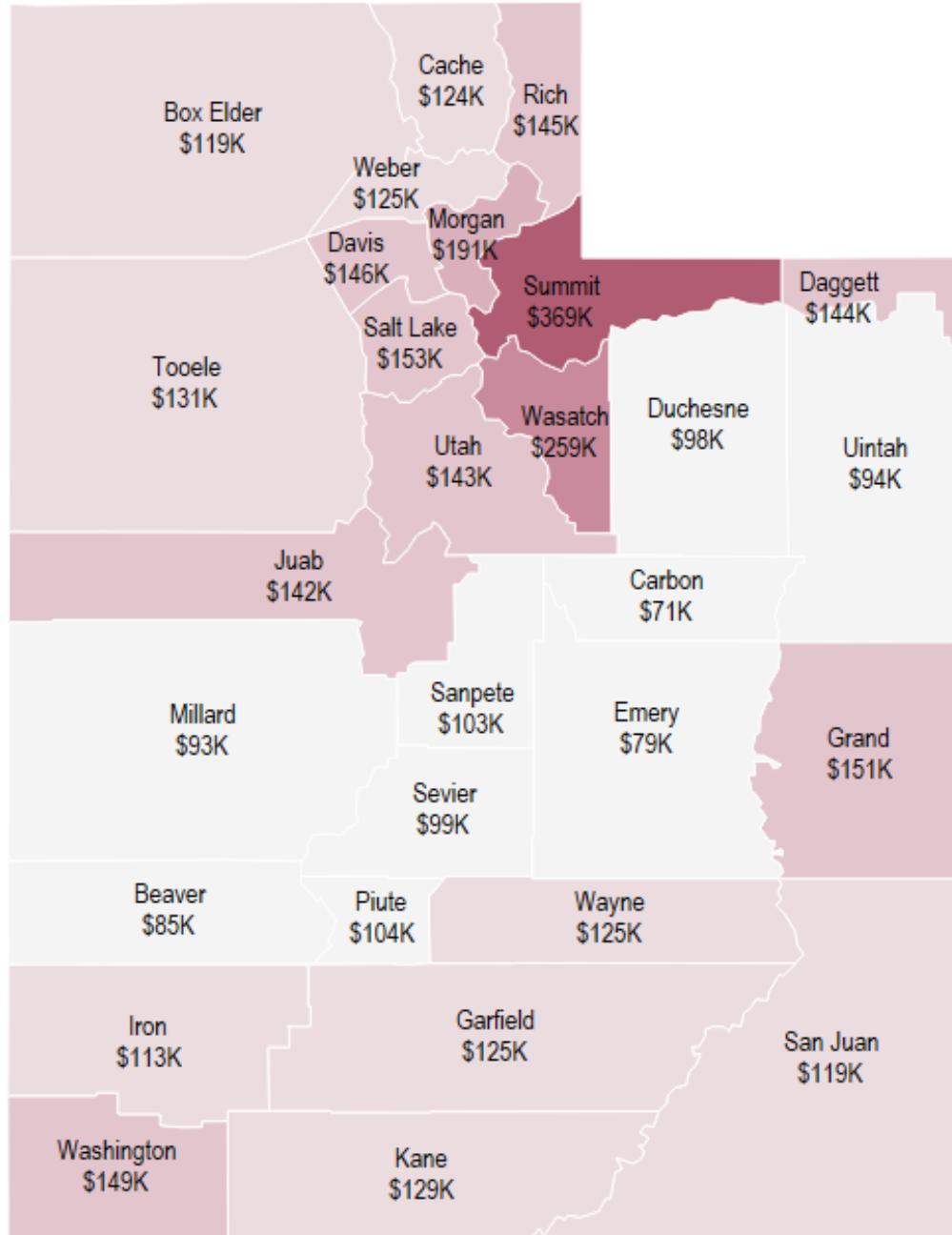
Income Requirements Keep Increasing – Utah is Priced Out

Income Required to Finance Median Priced Home in Utah



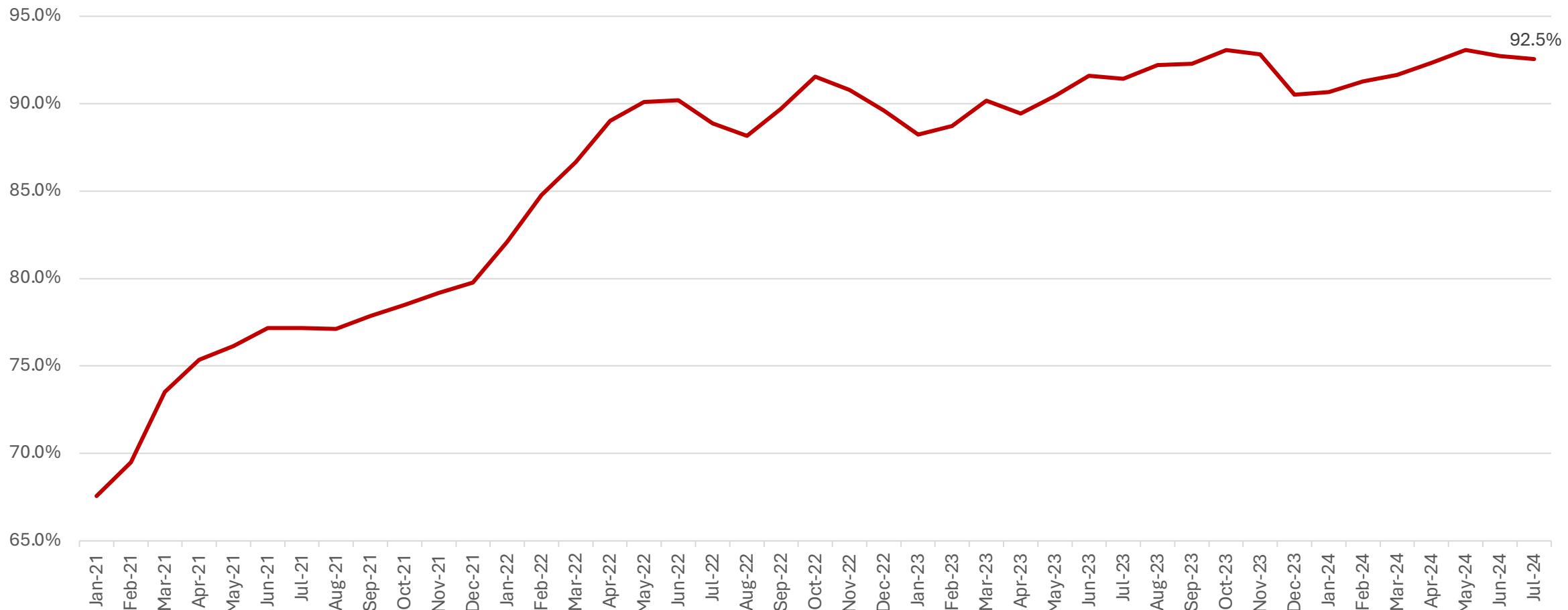
Source: Source: Kem C. Gardner Policy Institute, Freddie Mac, UtahRealEstate.com

Income Needed to Afford the Median Priced Home by County, 2024 Jan-June



Eroding Affordability - Renters are Stuck Renting

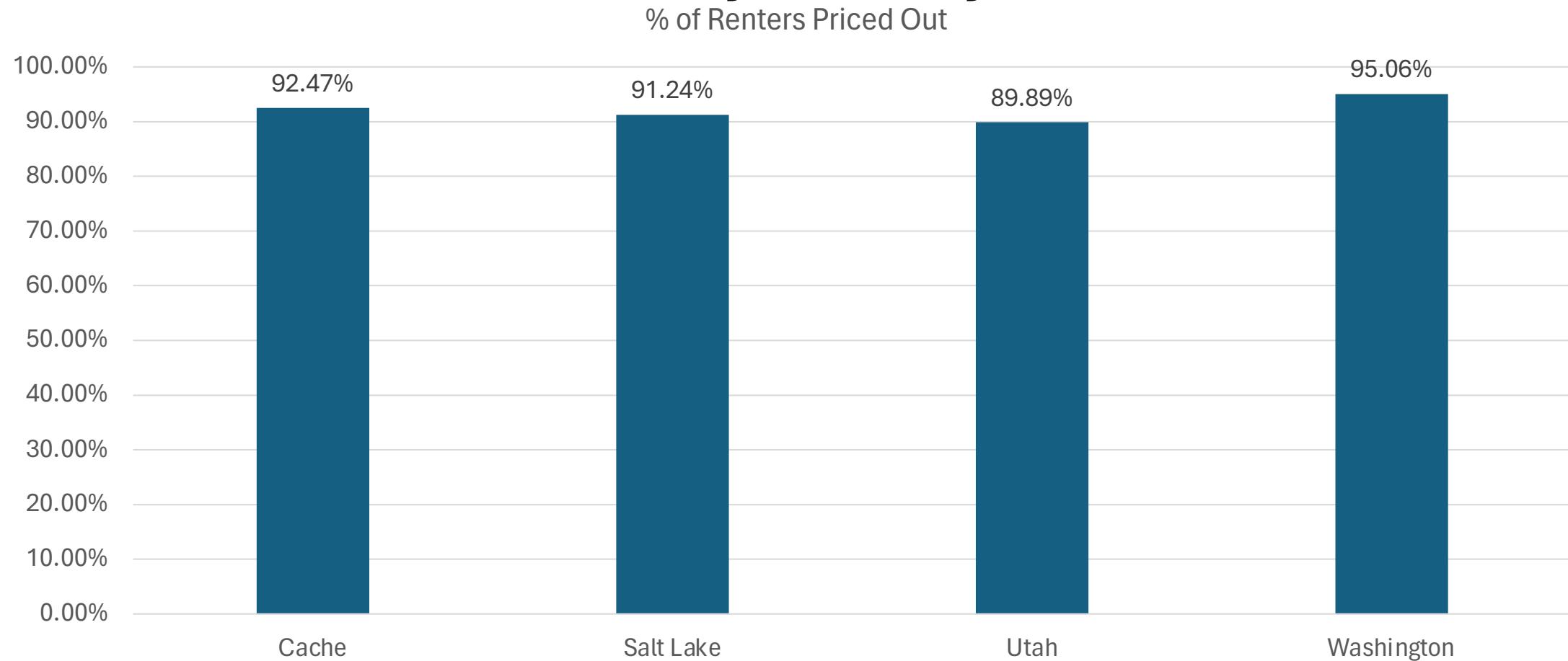
*Share of **Renter** Households that **Can't Afford** a Median Priced Home in Utah*



Note: Assumes 30% debt-to-income, PMI, annual property tax, and 30-yr rate.

Source: Calculations based on U.S. Census Bureau 2021 1-year ACS Survey Income Data (adjusted to 2022), UtahRealEstate.com Median Sales Price data.

Renters priced out of housing: *Share of **Renter** Households that **Can't Afford** a Median Priced Home, by County, 2024 Jan-June*



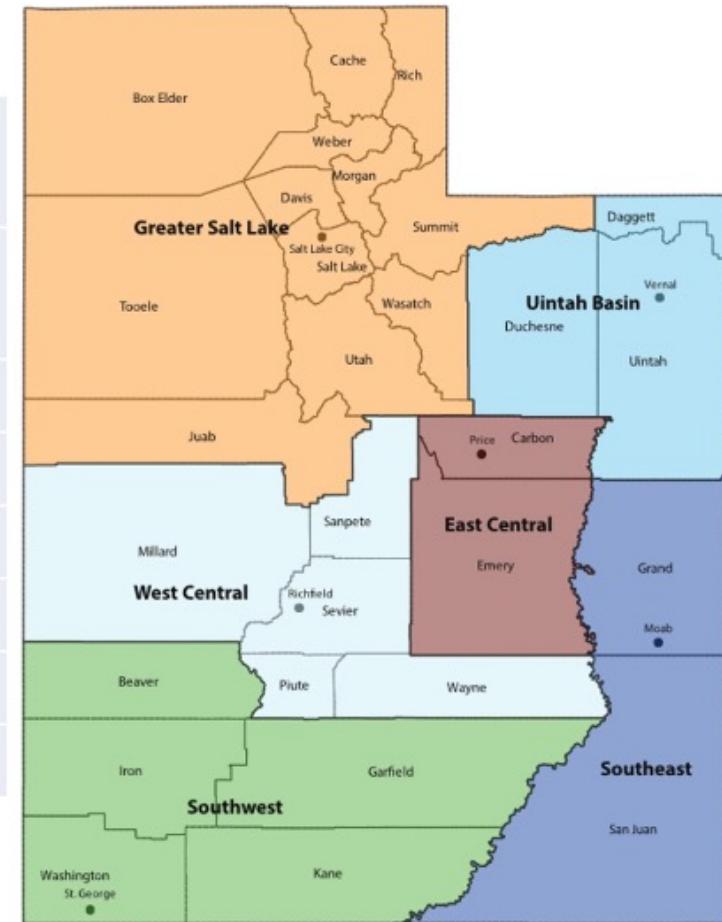
Note: Assumes 30% debt-to-income, PMI, annual property tax, and 30-yr rate.

Source: Calculations based on U.S. Census Bureau 2021 1-year ACS Survey Income Data (adjusted to 2022), UtahRealEstate.com Median Sales Price data.

Starter Homes Needed

Area	First Time Homebuyer Demand
Greater Salt Lake	28,000
Southwest	6,500
West Central	450
Uintah Basin	200
East Central	150
Southeast	150
TOTAL	35,450

Figure 1: Utah Economic Regions



Housing Attainability & Affordability

Factors Impacting Price of Utah Homes:

- Interest rates
- Increasing material costs to build a home
- Infrastructure costs
- Financing for builders
- Limited supply of homes
- And, many more reasons



Housing Attainability & Affordability

Recognizing these factors:

What makes home affordable?

Size of lot and size of home

How are lot sizes and sizes of homes determined?

Zoning and land use

What types of homes are needed to meet market demand?

Homeowner occupied starter homes and “missing middle” homes

