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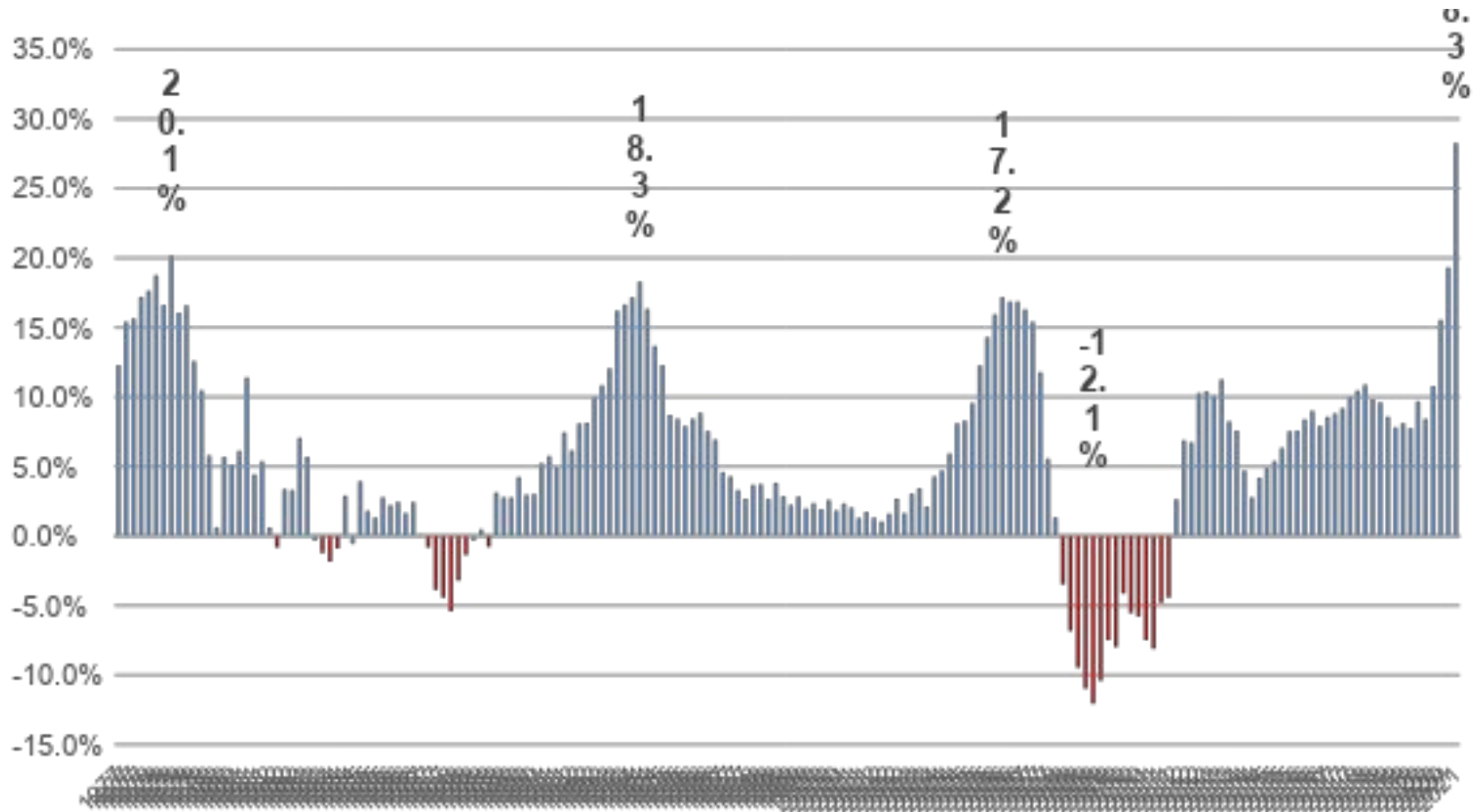
**Kem C. Gardner**

**POLICY INSTITUTE**

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# Utah Is Prone to Rapid Acceleration of Housing Prices, (quarterly year over percent change)



Source: Federal Housing Finance Agency, All Transaction Index.

# Housing Price Increases by Metropolitan Area

<b>Salt Lake Metropolitan Area</b>	<b>Percent Change</b>	<b>Rank 100 Metro Areas</b>	<b>US Change</b>
<b>1991 to 2021 3Q</b>	601.9%	2 <sup>nd</sup> to Austin	246.9%
<b>Last 5 years</b>	84.6%	2 <sup>nd</sup> to Boise	51.9%
<b>3Q 2020 to 3Q 2021</b>	28.1%	6th	18.5%

Source: Federal Housing Finance Agency.

# Price of Home in Salt Lake Metro Compared to US

<b>Salt Lake Metropolitan Area</b>	<b>Median Sales Price</b>	<b>Rank</b>	<b>US Median Price</b>	<b>Compared to US Median</b>
<b>First Quarter 2007</b>	\$206,900	53rd	\$212,300	97.5%
<b>Third Quarter 2021</b>	\$500,000	24th	\$363,700	137.5%

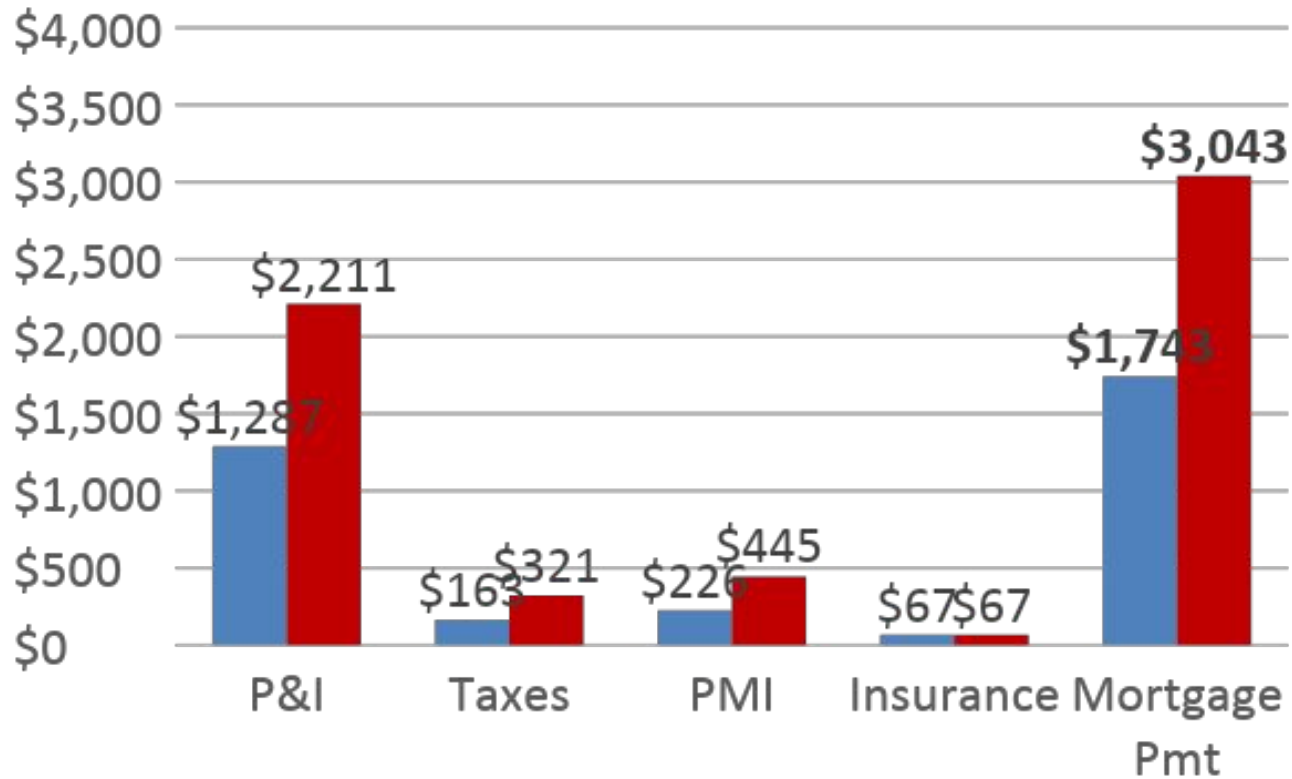
# Impact for Existing Homeowners (the winners): Windfall of Wealth

<b>Year</b>	<b>Average Price</b>	<b>Total Value of Owner-Occupied Units (billion)</b>
<b>2020</b>	\$438,792	\$307.2
<b>2021</b>	\$556,146	\$389.3
<b>Windfall</b>	26.90%	\$82.1

Source: Derived from UtahRealEstate.com

# Impact for Potential Homebuyers

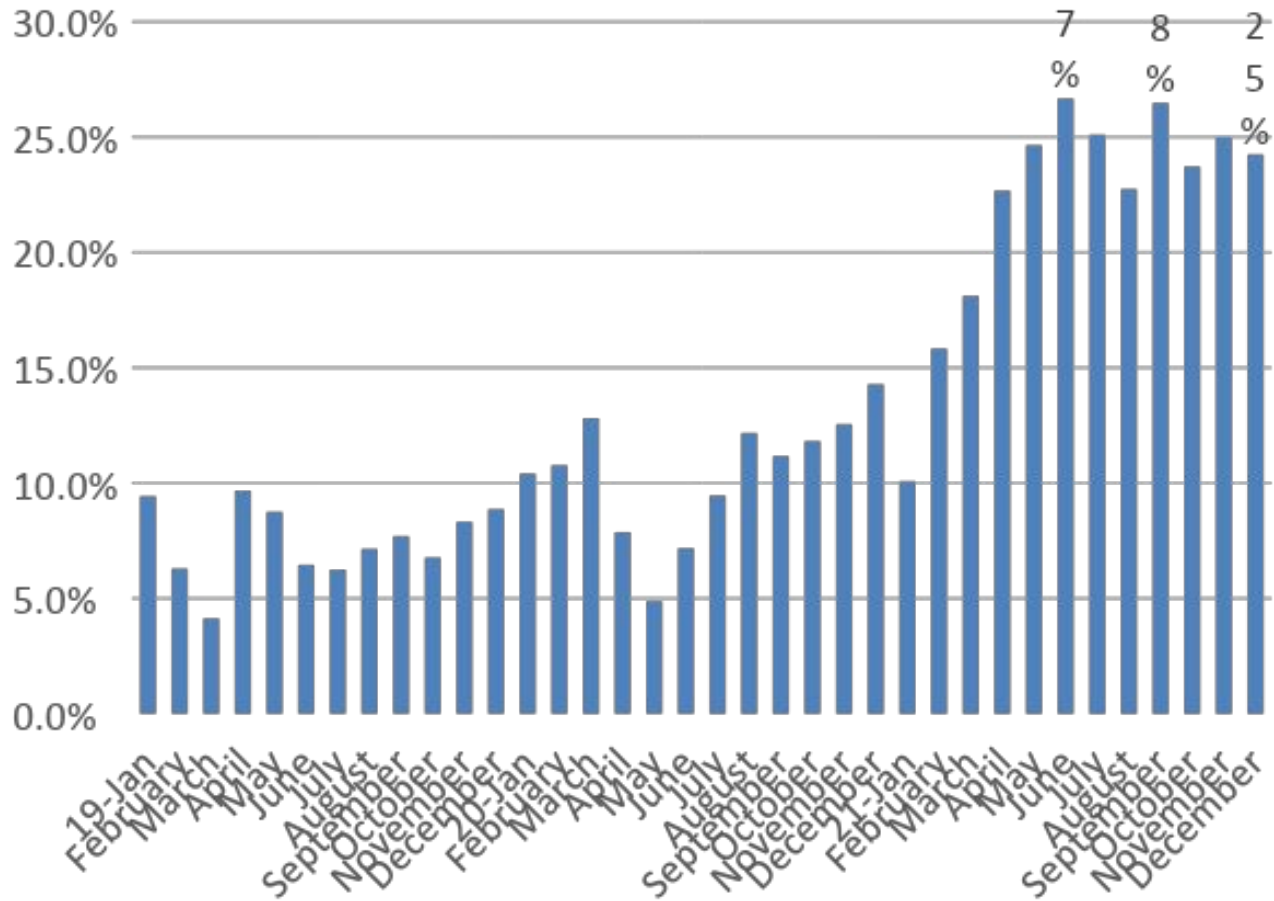
## Mortgage Payment for Median Priced Home in Salt Lake County, 2015 (\$280,000) and 2021 (\$550,000)



Income required (DTI = 36%)  
 2015 = \$58,100  
 2021 = \$101,400

■ 2015 ■ 2021

# Price Increase Haven't Slowed Down, Salt Lake County



Source: UtahRealEstate.com

# Winners: Real Estate Agents and Brokers

Year	Sales	Commissions (Millions)
2015	17,268	\$246.6
2016	18,013	\$274.4
2017	17,944	\$302.2
2018	18,077	\$329.8
2019	18,010	\$352.8
2020	19,039	\$416.2
2021	17,653	\$480.8
Average/Increase	18,001	\$234.2



# Forecast 2022 for Salt Lake Real Estate Industry

- Housing shortage will continue pushing prices.
- Housing bubble very unlikely.
- Mortgage rates increase slightly to 3.55%.
- Sales repeat 17,000-18,000 transactions.
- Housing prices to increase by 10-12%, hopefully final year of double-digit increase.
- Commissions up another \$50 million.
- Another boom year for the Utah's real estate industry – platinum age of real estate.