



THE UNIVERSITY OF UTAH

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POLICY INSTITUTE

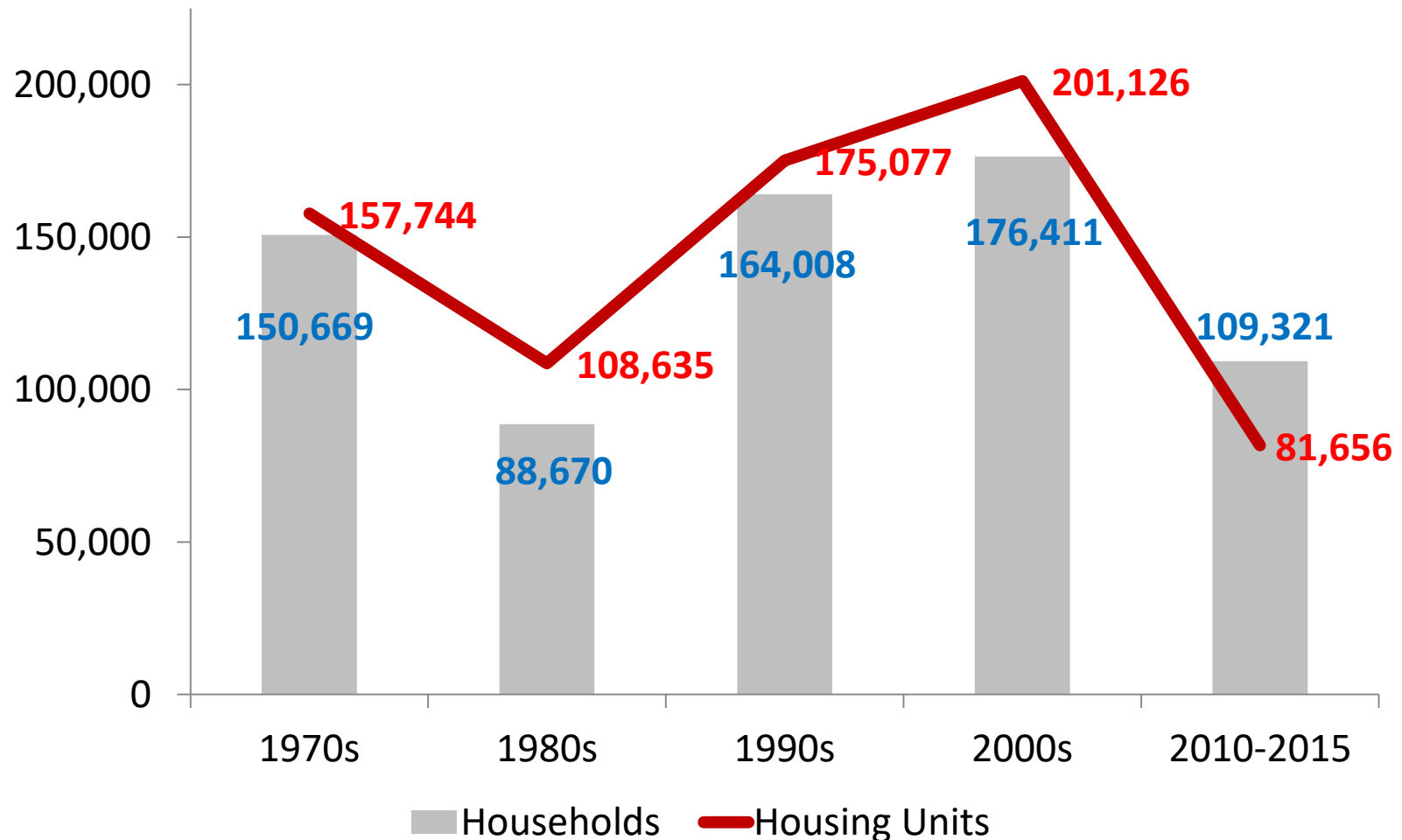
INFORMED DECISIONS™

Topics of Discussion

1. Does Utah Have a Housing Shortage?
2. What to Expect for the Real Estate Market in 2017?

Does Utah have a housing shortage?

For the first time in forty years the increase in households exceeds the increase in housing units.



Supply Bottlenecks for New Residential Construction

1. Labor shortage.
2. Land cost and availability.
3. Local regulation.

These are symptoms of the rapid demographic growth of Utah.

Real Estate Market Forecast

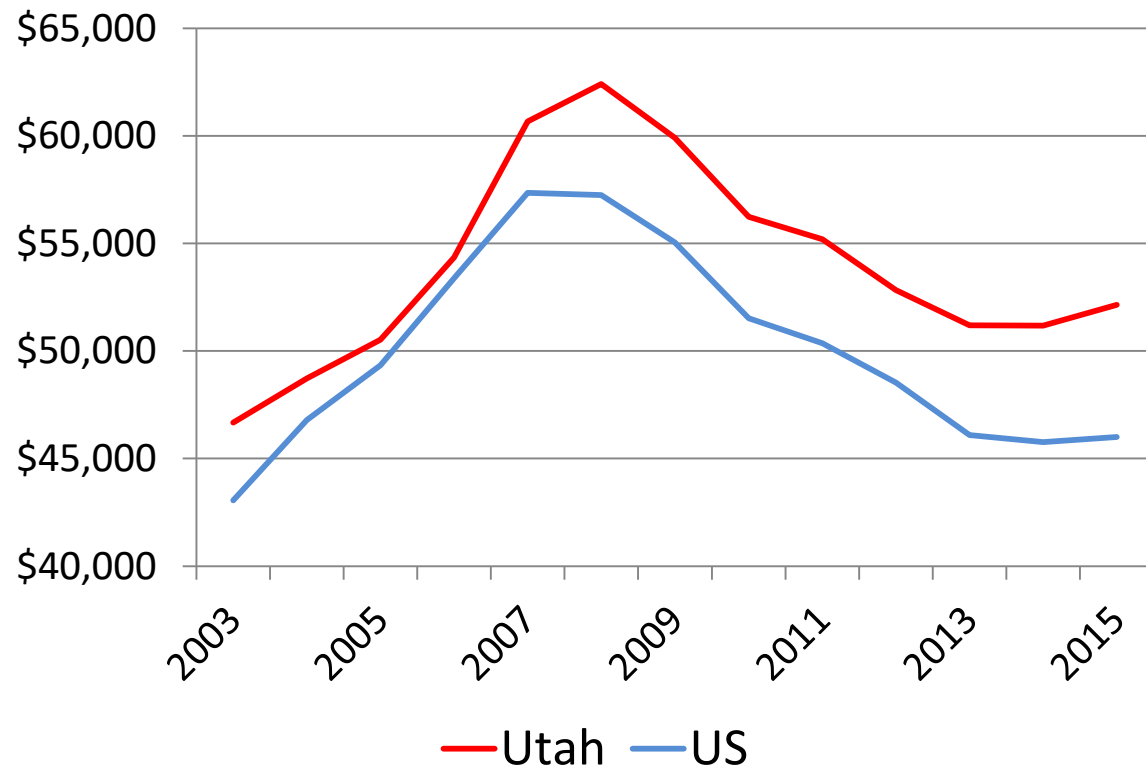
1. Will number of listing improve?
2. Are there signs of a housing bubble?
3. Will declining affordability hurt the market?
4. How will home sales compare to 2016?
5. How will home prices compare to 2016?

Six Ways to Explain Low Inventory

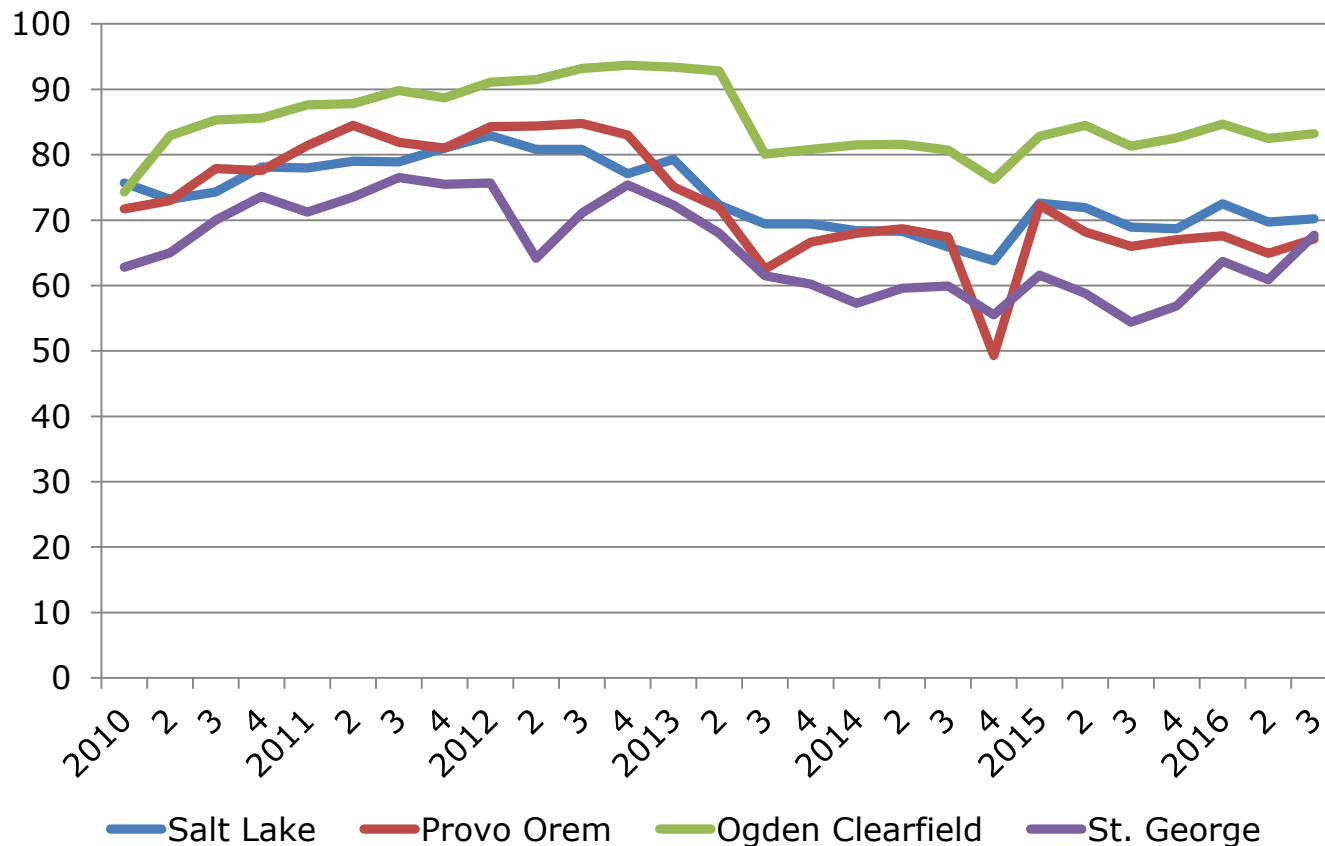
1. Many home owners still underwater.
2. Boom buyers are holding out.
3. Listing shortage is squeezing inventory.
4. New home construction very low.
5. Baby boomers are running behind.
6. Investors aren't selling homes they're renting.

Any Sign of a Housing Bubble?

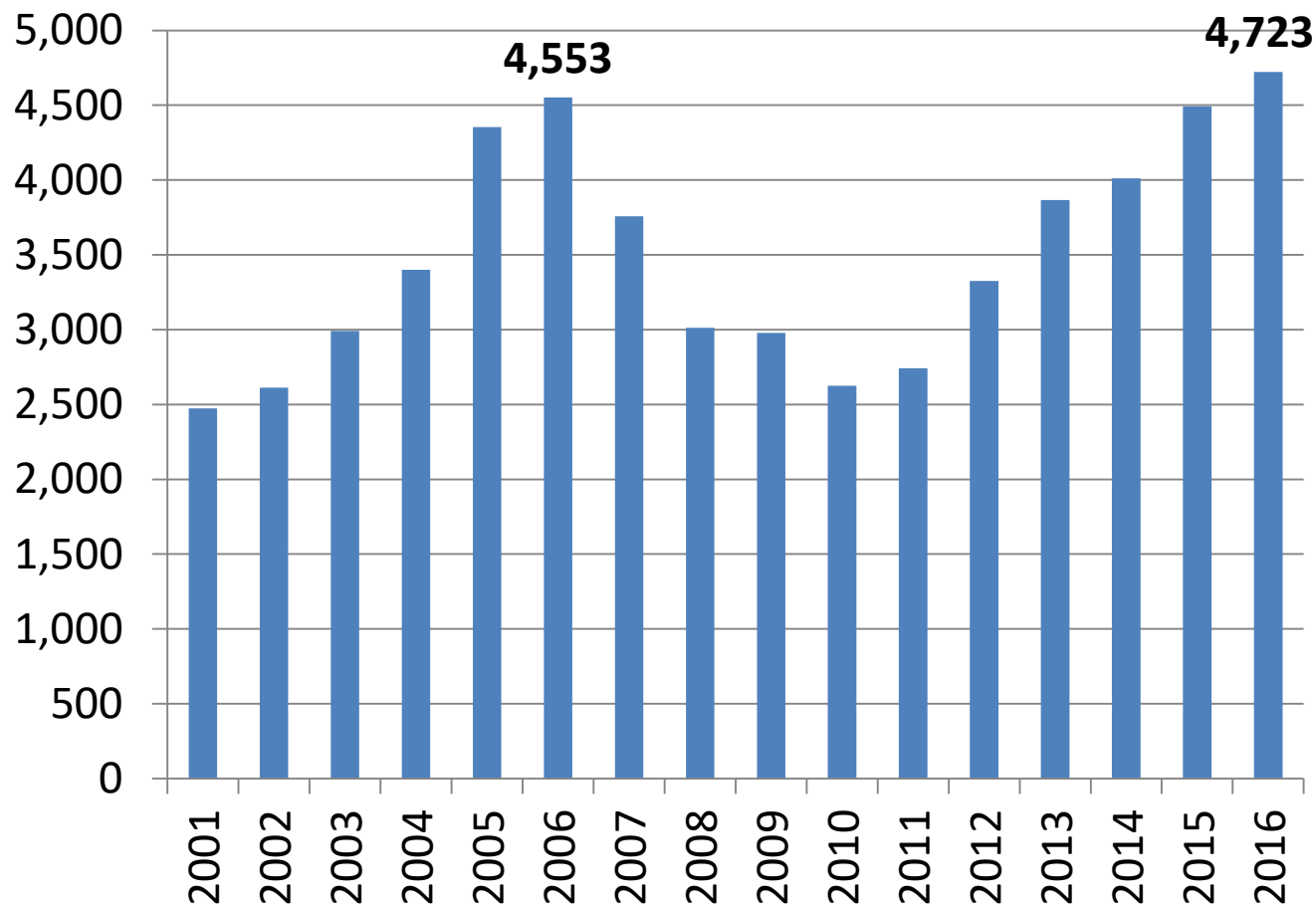
Per Capita Debt in Utah & US (2015 dollars)



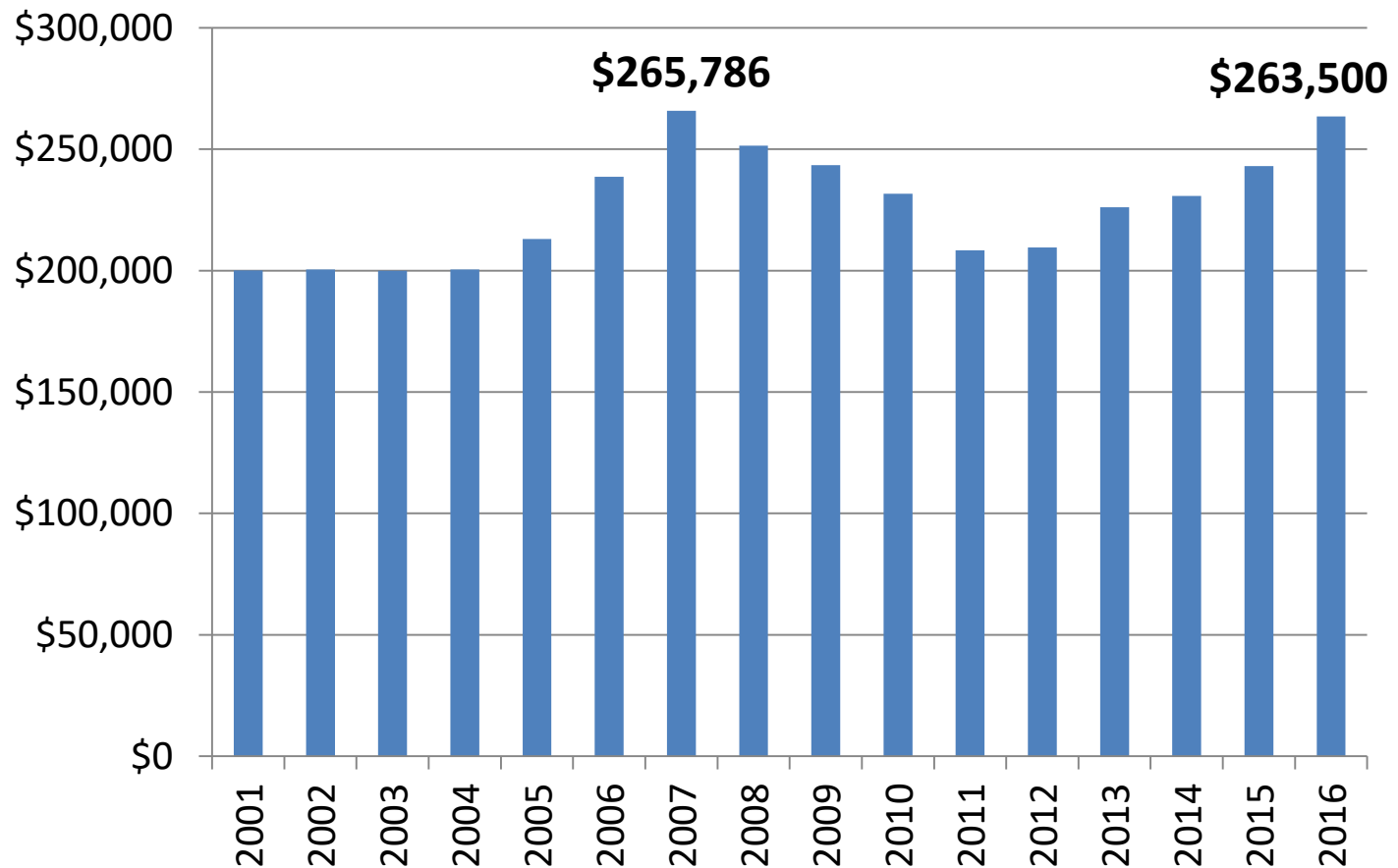
Affordability Index for Metro Areas



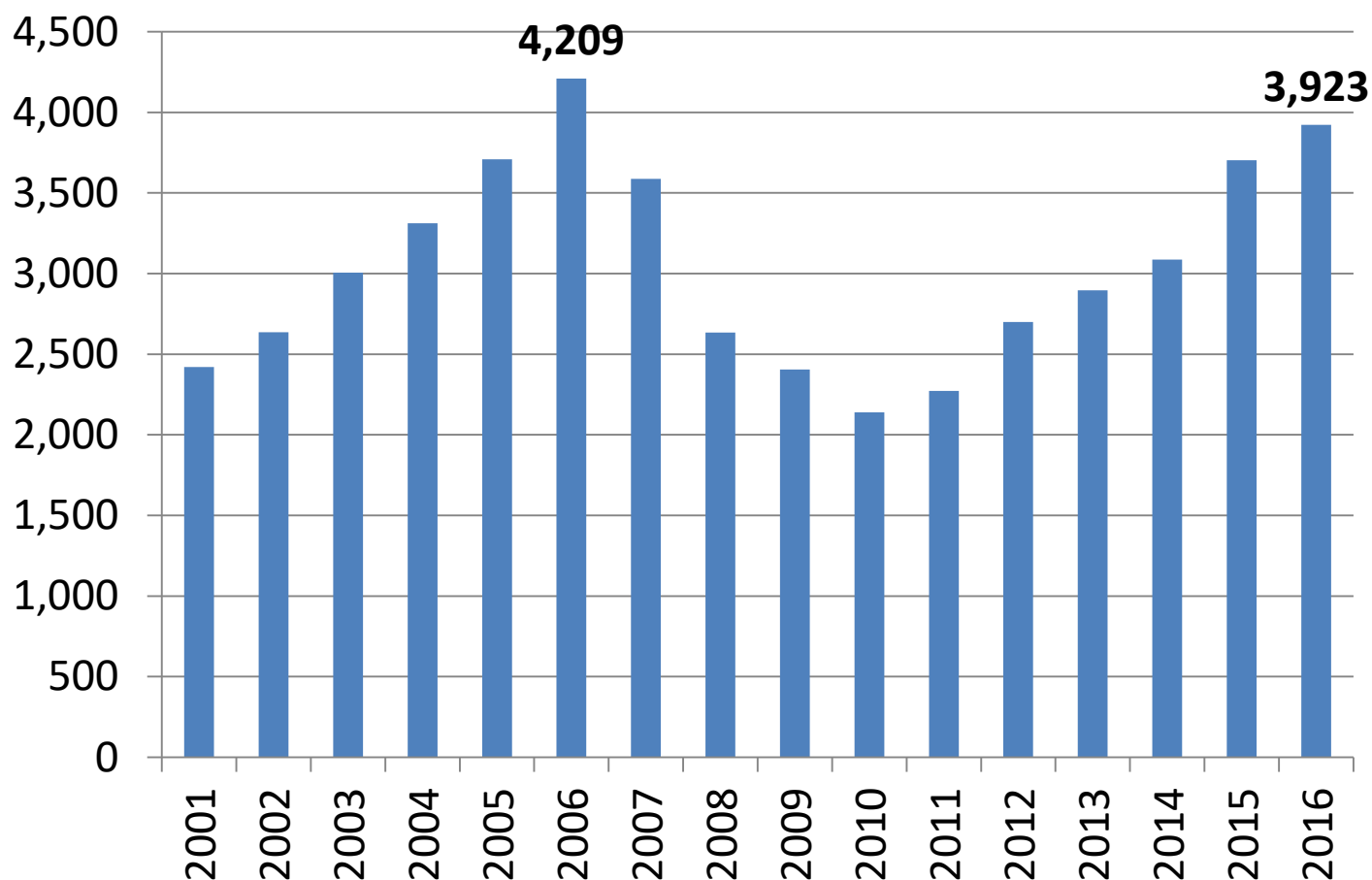
Home Sales in Davis County



Median Sales Price of Home in Davis County (2016 dollars)

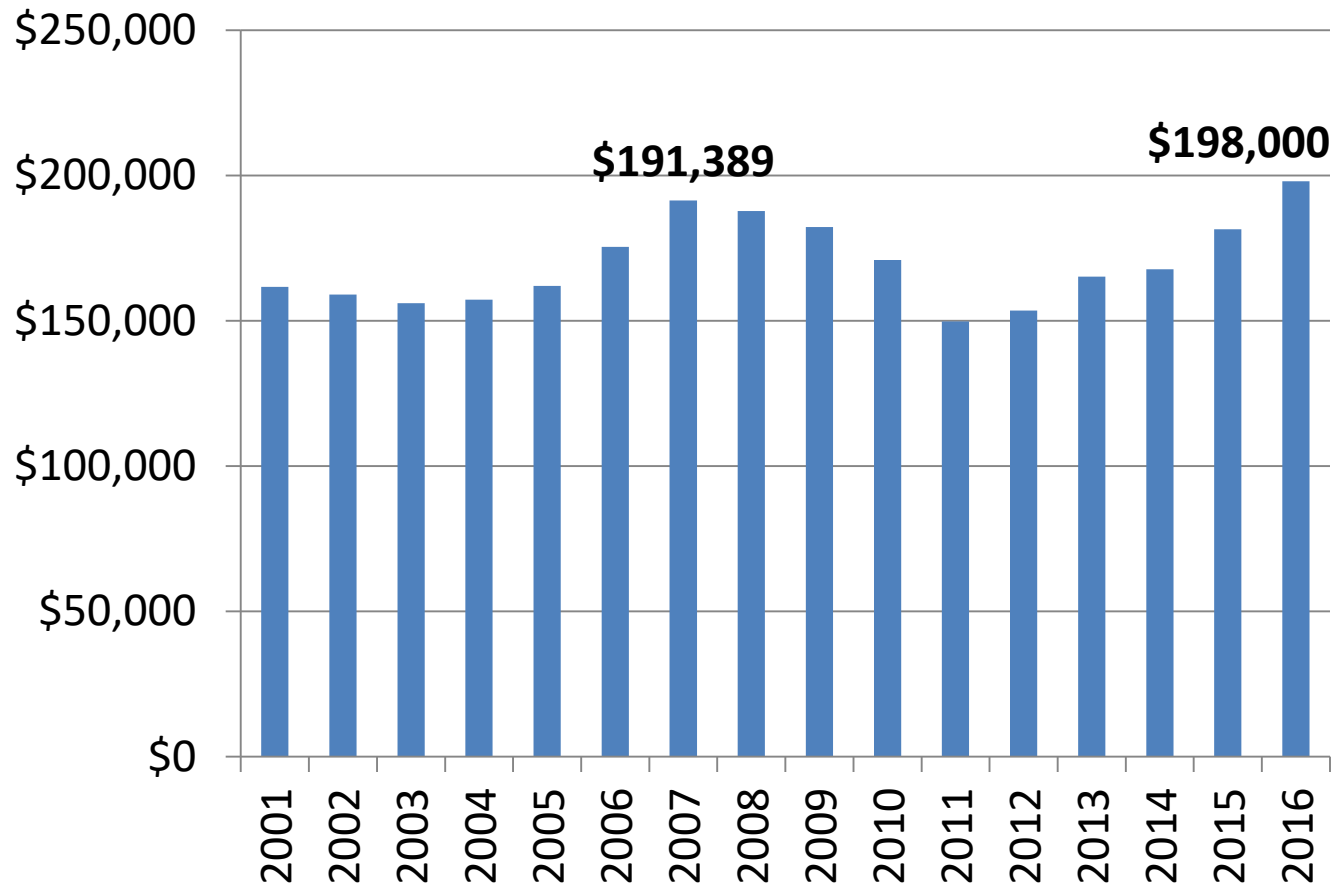


Home Sales in Weber County



Source: Wasatch Front Regional MLS.

Median Sales Price of Home in Weber County (2016 dollars)



Real Estate Forecast

Davis County – prices up 8 percent to median value of \$285,000.

Davis County - sales up 6 percent to 5,000 homes.

Weber County – prices up 10 percent to median value of \$220,000.

Weber County – sales up 6 percent to 4,150 homes.