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## Building a Custom Home in Today's Market: What to Know About Mortgage Interest Rates

If you're thinking about building a custom home, you've probably noticed that interest rates aren't quite what they were a few years ago—and you're not alone. Many people are wondering if now is the right time to build, or if it's better to wait. The truth? While rates have risen from historic lows, building your dream home is still a smart, long-term investment—and here's why.

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### A Quick Look Back: Interest Rates Over Time

Mortgage interest rates hit historic lows in 2020 and 2021, dipping below 3% for a 30-year fixed mortgage. Those rates were record-breaking, but also the result of an unusual global event (the pandemic).

Over the past few decades, rates have fluctuated quite a bit. Here's some perspective:

- **1980s:** Mortgage rates were sky-high, often above 12%, even hitting over 18% in 1981.
- **1990s:** Rates averaged around 7–9%.
- **2000s:** Generally between 5–7%, with a sharp drop during the 2008 recession.
- **2010s:** Rates steadily declined, ranging from 3.5–5%.
- **2020–2021:** Rates hit record lows, briefly below 3%.
- **2022–2024:** Rates began rising again, averaging between 6–8% depending on the loan type and market conditions.

So while today's rates might feel high compared to 2020, they're still relatively moderate when you look at the big picture.

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## Why It Still Makes Sense to Build Now

### 1. You're Building Equity, Not Paying Rent

Rent prices continue to climb—especially in desirable areas like Southern Utah. When you build, you're investing in something that's truly yours.





## **2. You Control the Design and Materials**

A custom home means you choose what matters most—layout, finishes, energy efficiency. No settling for someone else's vision or outdated systems.

## **3. Rates Change, Homes Last**

Your mortgage rate is just one part of the financial equation. A thoughtfully built, energy-efficient custom home will save you money year after year on utilities and maintenance. Plus, you can always refinance later if rates drop.

## **4. Value in Southern Utah Is Strong**

The demand for homes in Southern Utah remains steady thanks to its beauty, climate, and lifestyle. A well-built custom home in the right location is a smart long-term asset.

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### **Tips for Financing Your Custom Home**

- **Work with a lender experienced in construction loans**  
These work differently than traditional mortgages and require expert guidance.
  - **Plan for current rates—but keep flexibility in mind**  
Build a budget based on today's numbers, but stay in touch with your lender in case rates shift during construction.
  - **Partner with a builder who values transparency**  
At Platinum Construction & Development, we keep you in the loop on costs, timelines, and every detail in between.
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## **Ready to Talk About Your Dream Home?**

Interest rates may rise and fall—but a home that's built just for you, in a place you love, is always a good decision. We'd love to walk you through the process and show you how custom building can work for your budget and your future.

Let's make it happen.

