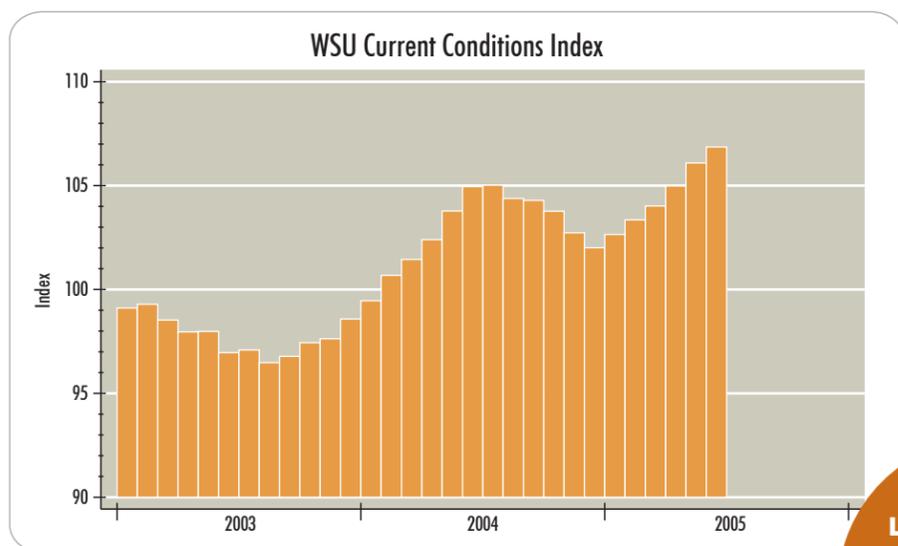




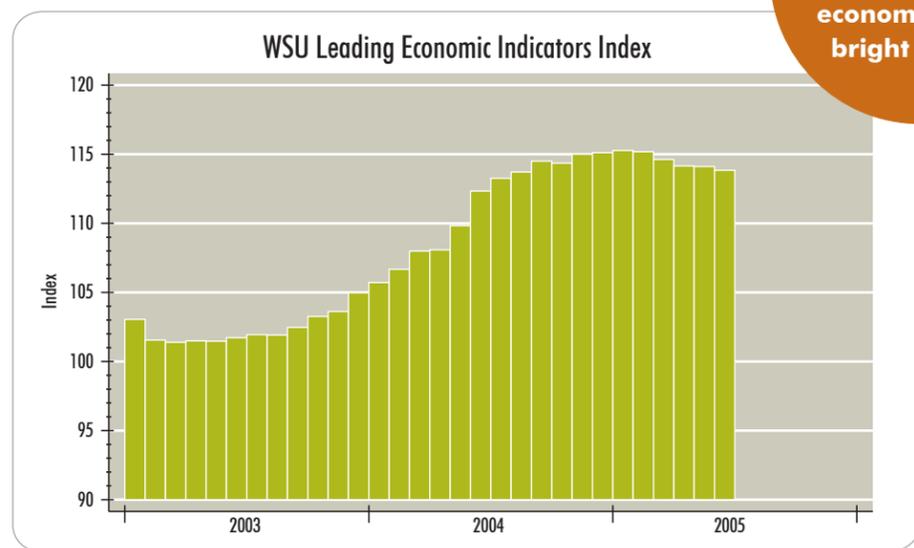
A Market Perspective

The Wichita economy is the soil in which the housing market grows, and current economic indicators suggest it is a fertile soil indeed. After bottoming out in the summer of 2003, the WSU

Current Conditions Index has risen appreciably over the past two years. The index did fall somewhat at the end of 2004, but since then growth has resumed, indicating a significant strengthening of the local economy.

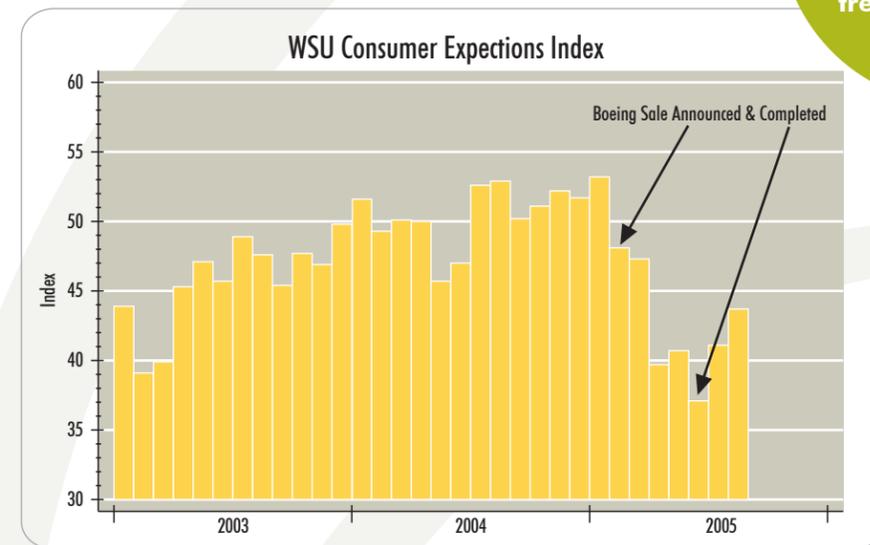


Local economic indicators suggest a growing economy with a bright future.



Future economic growth looks promising as well. The WSU Leading Economic Indicators Index has been on a significant upswing over the past two years, increasing by 12.3 percent between the second quarters of 2003 and 2005.

On the whole, area consumers appear to be less optimistic than current and leading economic trends would seem to warrant.



Despite the strong outlook, consumer confidence dropped precipitously during the first half of 2005. Much of this may have been due to uncertainty surrounding the sale of Boeing Commercial Airplanes, which was first announced in February; since the sale was finalized in early June, however, consumer expectations have increased each month. Nevertheless, rising gas prices and the potential for higher inflation are still concerns for area consumers.



Janet Harrah, Director, Center for Economic Development and Business Research

"I saw one year...some trees fuller of fruit than I remember to have ever seen before."

