JUMP INTO THE RING!

2019 Wichita Housing Forecast

Dr. Stanley D. Longhofer
WSU Center for Real Estate
October 23, 2018
2019 Forecast Sponsors

Security 1st Title

Meritrust CREDIT UNION
Thanks also to:

and participating REALTOR® MLS systems across Kansas
Wichita Unemployment Rate

Source: U.S. Bureau of Labor Statistics
Data are seasonally adjusted
Total Employment across Kansas

Index: 2008m1 = 100

- Kansas City
- Lawrence
- Manhattan
- Topeka
- Wichita

Source: U.S. Bureau of Labor Statistics
Indexes created from seasonally adjusted data
Mortgage Rates Forecast

Sources: Freddie Mac; Mortgage Bankers Association
Inventory of Homes for Sale

Months' Supply

Sources: NAR, KAR and South Central Kansas MLS
Home Inventories by Price Range

Months' Supply

- List Price < 150,000
- 150,000 ≤ List Price < 250,000
- 250,000 ≤ List Price < 400,000
- List Price ≥ 400,000

Source: South Central Kansas MLS
Wichita Home Sales Forecast

Sales

<table>
<thead>
<tr>
<th>Year</th>
<th>Actual</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>8,636</td>
<td>14.1%</td>
</tr>
<tr>
<td>2010</td>
<td>7,830</td>
<td>9.3%</td>
</tr>
<tr>
<td>2011</td>
<td>7,507</td>
<td>-4.1%</td>
</tr>
<tr>
<td>2012</td>
<td>8,237</td>
<td>9.7%</td>
</tr>
<tr>
<td>2013</td>
<td>9,137</td>
<td>10.9%</td>
</tr>
<tr>
<td>2014</td>
<td>9,342</td>
<td>2.2%</td>
</tr>
<tr>
<td>2015</td>
<td>9,719</td>
<td>4.0%</td>
</tr>
<tr>
<td>2016</td>
<td>10,368</td>
<td>6.7%</td>
</tr>
<tr>
<td>2017</td>
<td>10,475</td>
<td>1.0%</td>
</tr>
<tr>
<td>2018</td>
<td>10,490</td>
<td>0.1%</td>
</tr>
<tr>
<td>2019</td>
<td>10,640</td>
<td>1.4%</td>
</tr>
</tbody>
</table>

Sources: WSU Center for Real Estate and South Central Kansas MLS
Home Price Appreciation since 2007

Index: 2007q1 = 100

Source: Federal Housing Finance Agency (FHFA)
Home Price Appreciation Forecast

Sources: WSU Center for Real Estate and Federal Housing Finance Agency
Wichita Home Construction Forecast

Sources: WSU Center for Real Estate and Wichita Area Builders Association
## 2019 Wichita Forecast

<table>
<thead>
<tr>
<th></th>
<th>2016 Actual</th>
<th>2017 Actual</th>
<th>2018 Forecast</th>
<th>2019 Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Home Sales</td>
<td>1,444 units</td>
<td>1,490 units</td>
<td>1,520 units</td>
<td>1,550</td>
</tr>
<tr>
<td></td>
<td>+4.4%</td>
<td>+3.2%</td>
<td>+2.0%</td>
<td>+2.0%</td>
</tr>
<tr>
<td>SF Building Permits</td>
<td>264 units</td>
<td>206 units</td>
<td>180 units</td>
<td>190 units</td>
</tr>
<tr>
<td></td>
<td>+19.5%</td>
<td>-22.0%</td>
<td>-12.6%</td>
<td>+5.6%</td>
</tr>
<tr>
<td>Home Price Appreciation</td>
<td>+7.2%</td>
<td>+4.2%</td>
<td>+4.8</td>
<td>+3.9</td>
</tr>
</tbody>
</table>

Sources: Federal Housing Finance Agency; South Central Kansas MLS; Wichita Area Builders Association; WSU Center for Real Estate
## 2019 Major Market Forecasts

<table>
<thead>
<tr>
<th>Market</th>
<th>KC</th>
<th>Lawrence</th>
<th>Manhattan</th>
<th>Topeka</th>
<th>Wichita</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Home Sales</td>
<td>38,630 units</td>
<td>1,550 units</td>
<td>1,380 units</td>
<td>3,150 units</td>
<td>10,640 units</td>
</tr>
<tr>
<td>SF Building Permits</td>
<td>5,535 units</td>
<td>190 units</td>
<td>250 units</td>
<td>290 units</td>
<td>1,040 units</td>
</tr>
<tr>
<td>Home Price Appreciation</td>
<td>+8.0%</td>
<td>+3.9%</td>
<td>+3.1%</td>
<td>+3.5%</td>
<td>+4.6%</td>
</tr>
</tbody>
</table>

**Percentage Changes:**
- Total Home Sales: -0.4%
- SF Building Permits: -4.0%
- Home Price Appreciation: +8.0%

**Forecasted Changes:**
- Lawrence: +2.0%
- Manhattan: +3.0%
- Topeka: -1.6%
- Wichita: +1.4%

**Sources:** Heartland MLS; Lawrence Board of REALTORS®; Flint Hills Association of REALTORS®; Sunflower Association of REALTORS®; South Central Kansas MLS; U.S. Bureau of the Census; Federal Housing Finance Agency; WSU Center for Real Estate
2019 Forecast Sponsors

Security 1st Title

Meritrust
CREDIT UNION℠
WSU Center for Real Estate

Laying a Foundation for Real Estate in Kansas

www.wichita.edu/realestate