

The 2012 Economic Outlook for Real Estate Markets

South Central Kansas Chapter
International Association of Assessing Officers
January 26, 2012

Dr. Stanley D. Longhofer
WSU Center for Real Estate

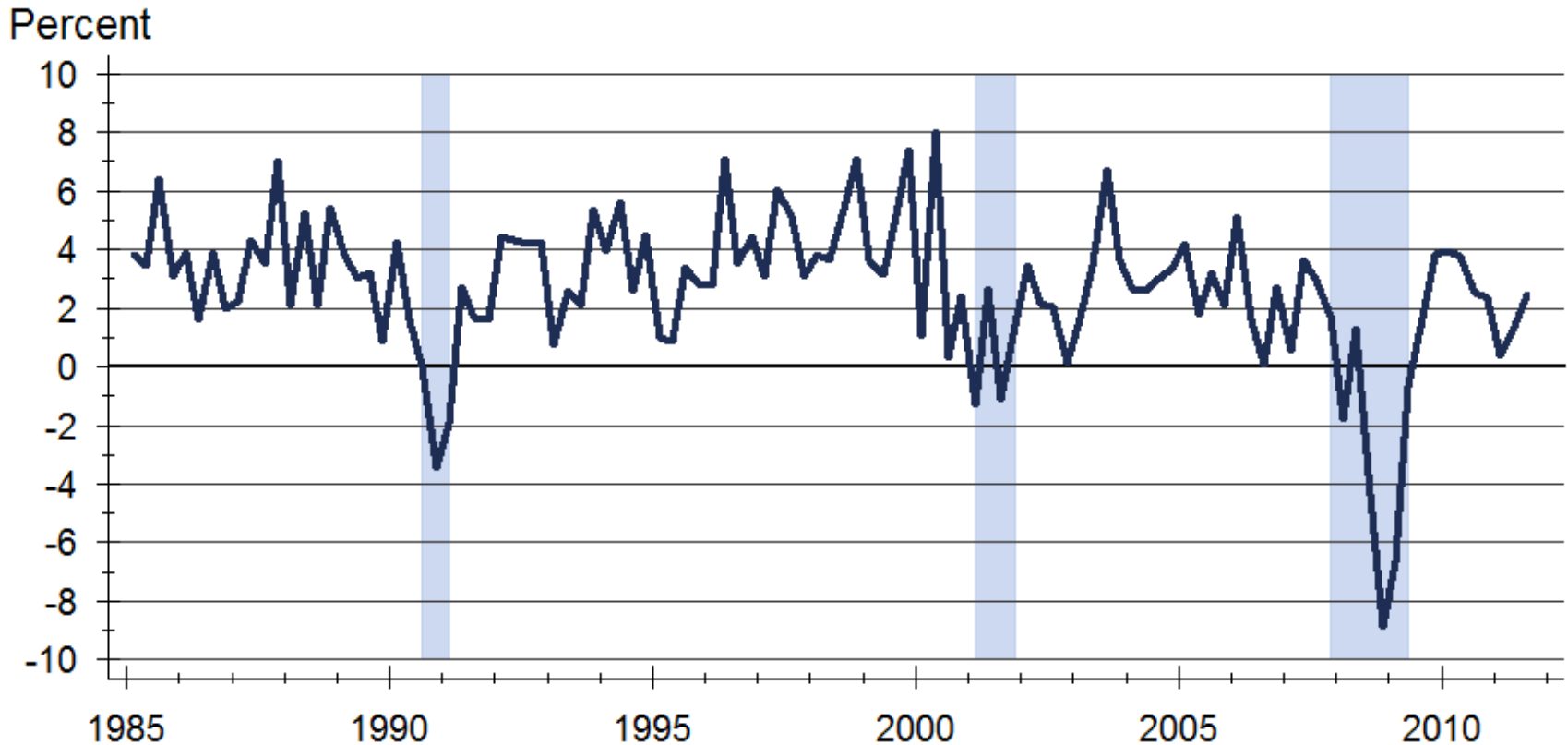


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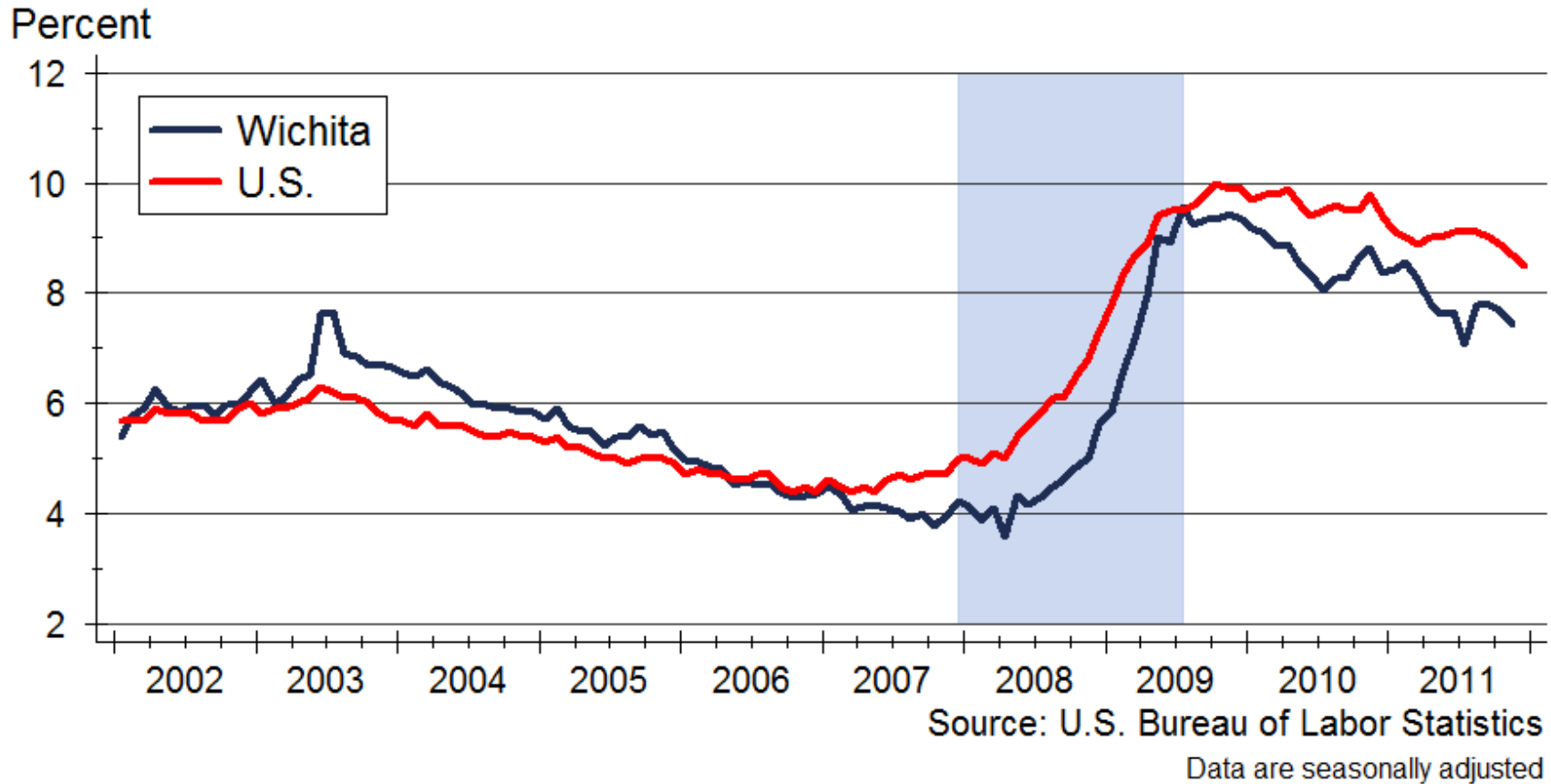


Real GDP Growth since 1985



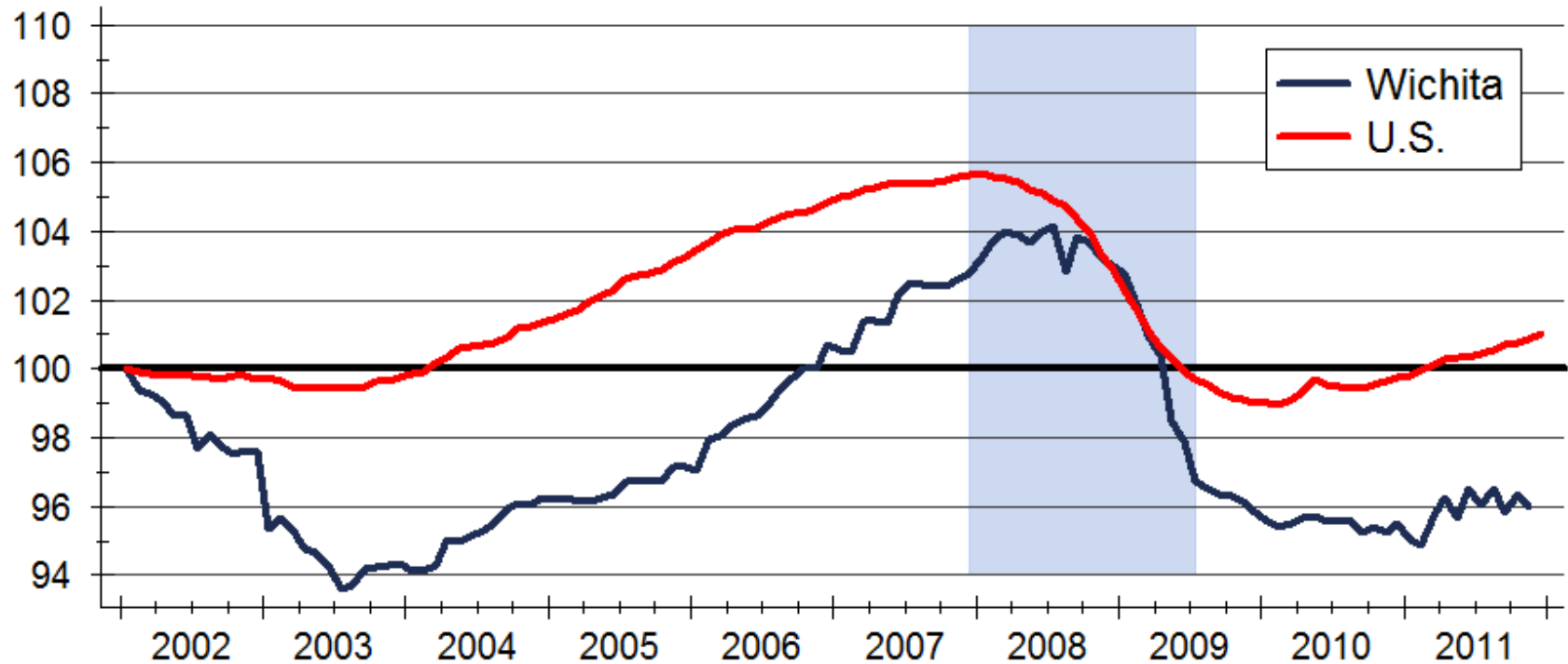
Source: Bureau of Economic Analysis

Unemployment Rate



Total Non-Farm Employment

Index: 2002m1 = 100

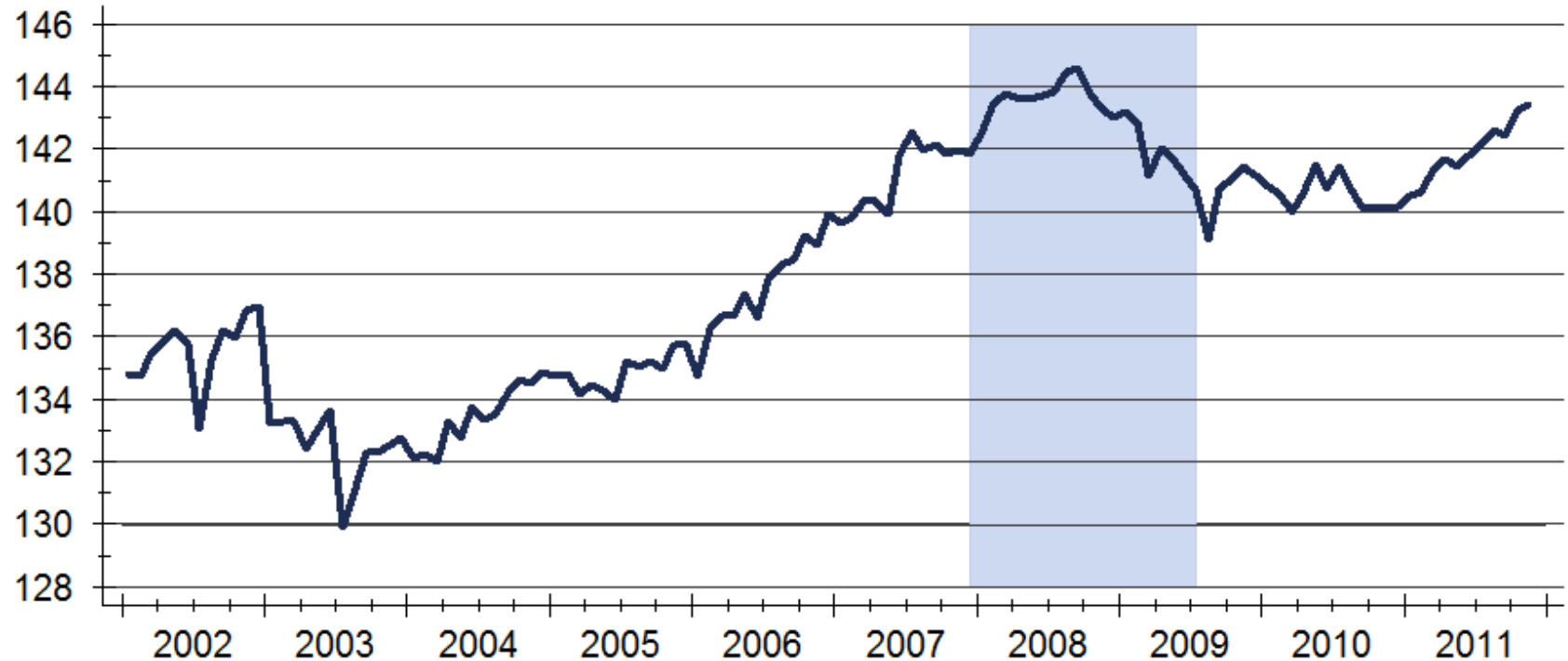


Source: U.S. Bureau of Labor Statistics

Index created from seasonally adjusted data

Wichita Office Employment

Employment in 1,000s

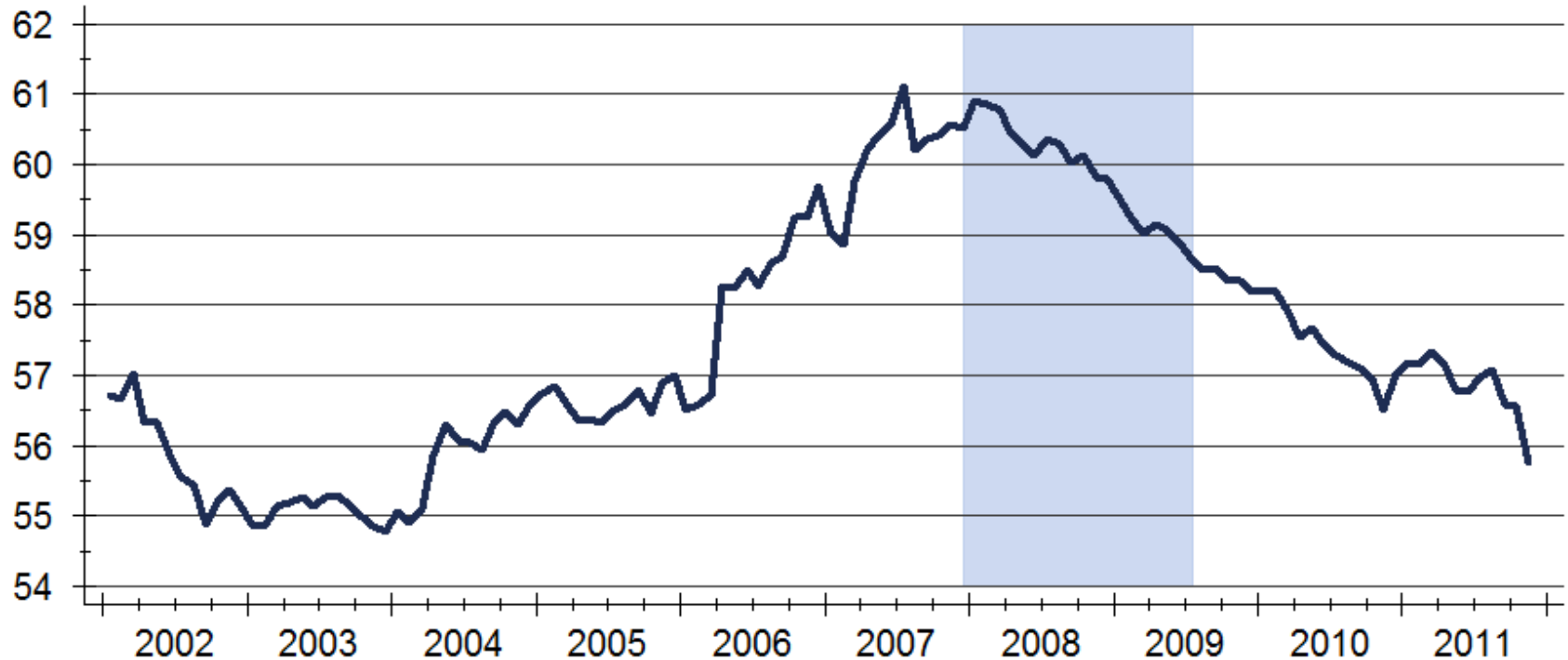


Source: WSU Center for Real Estate using data from the U.S. Bureau of Labor Statistics

Data are seasonally adjusted

Wichita Retail Employment

Employment in 1,000s

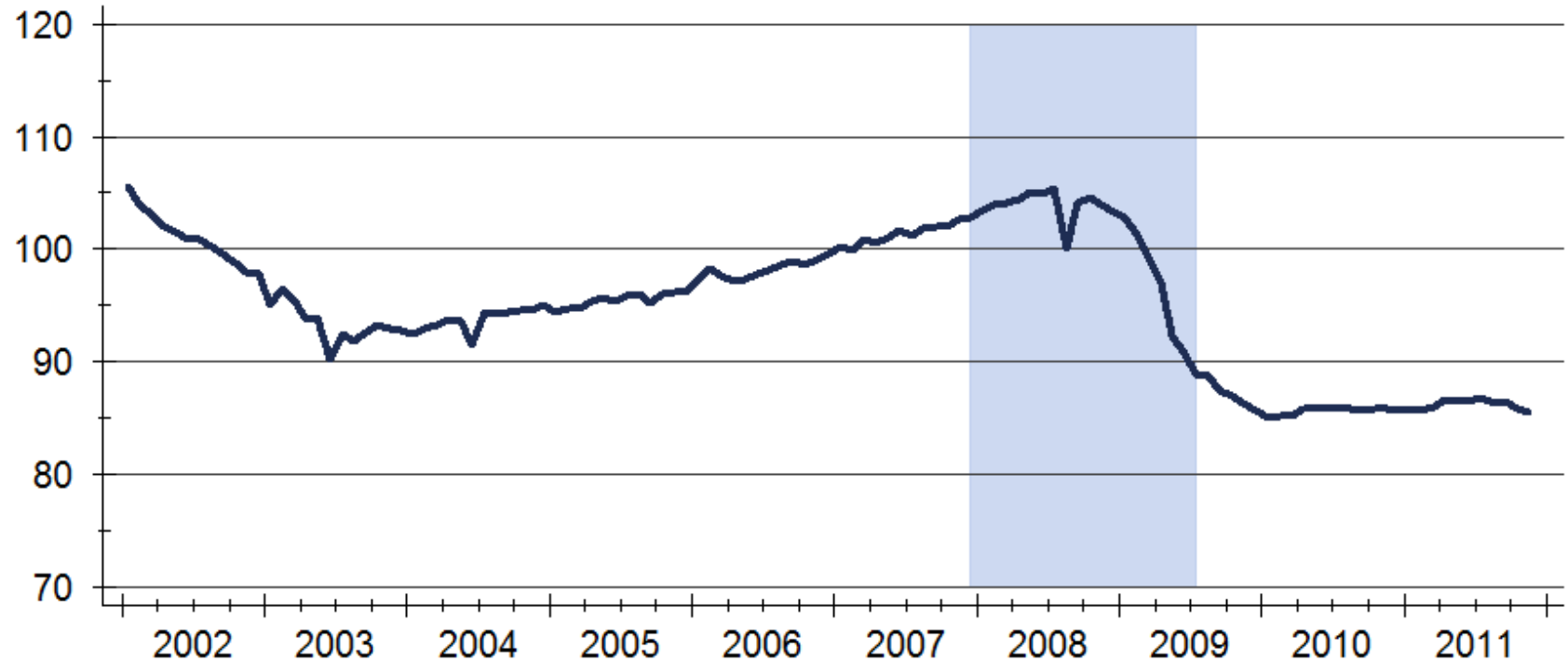


Source: WSU Center for Real Estate using data from the U.S. Bureau of Labor Statistics

Data are seasonally adjusted

Wichita Industrial Employment

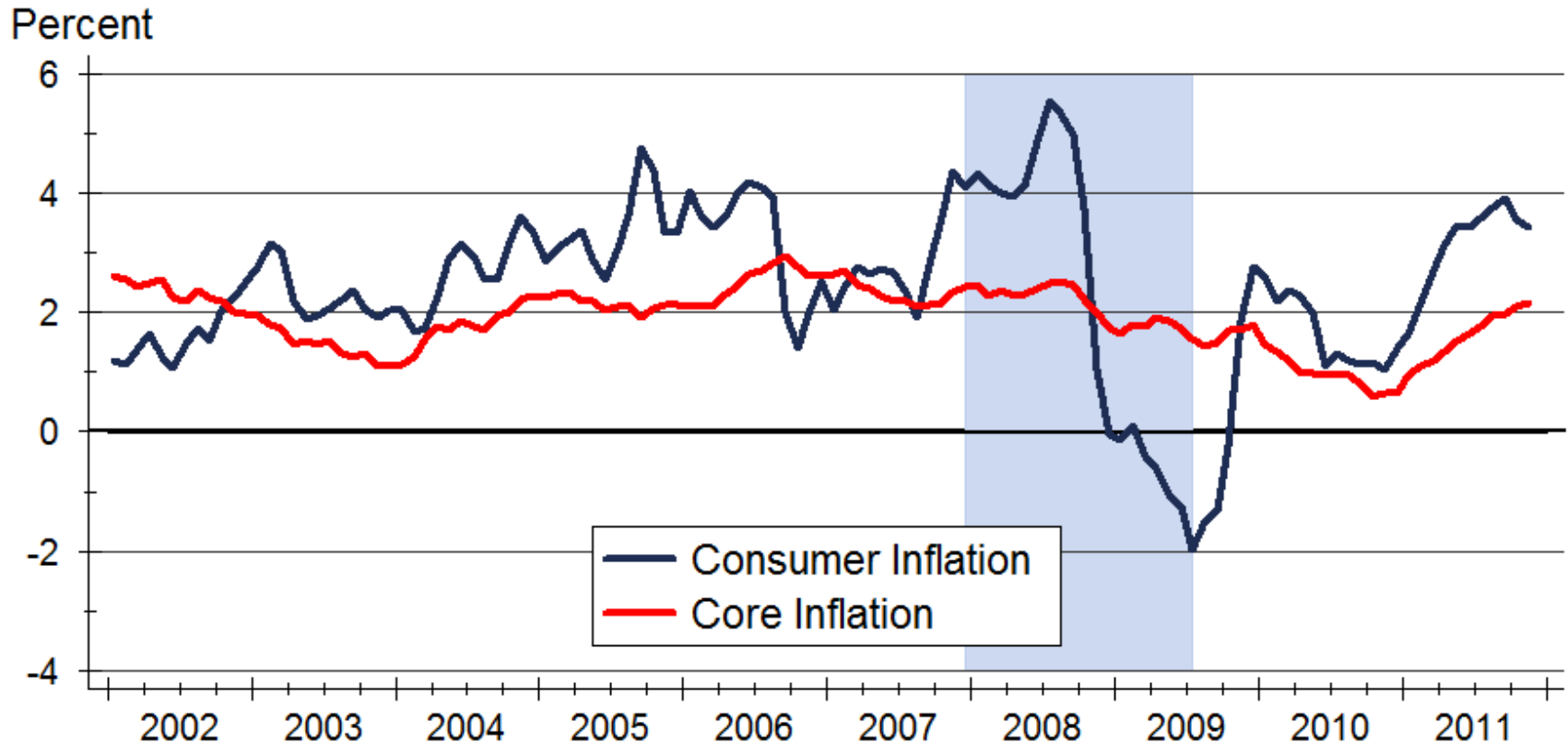
Employment in 1,000s



Source: WSU Center for Real Estate using data from the U.S. Bureau of Labor Statistics

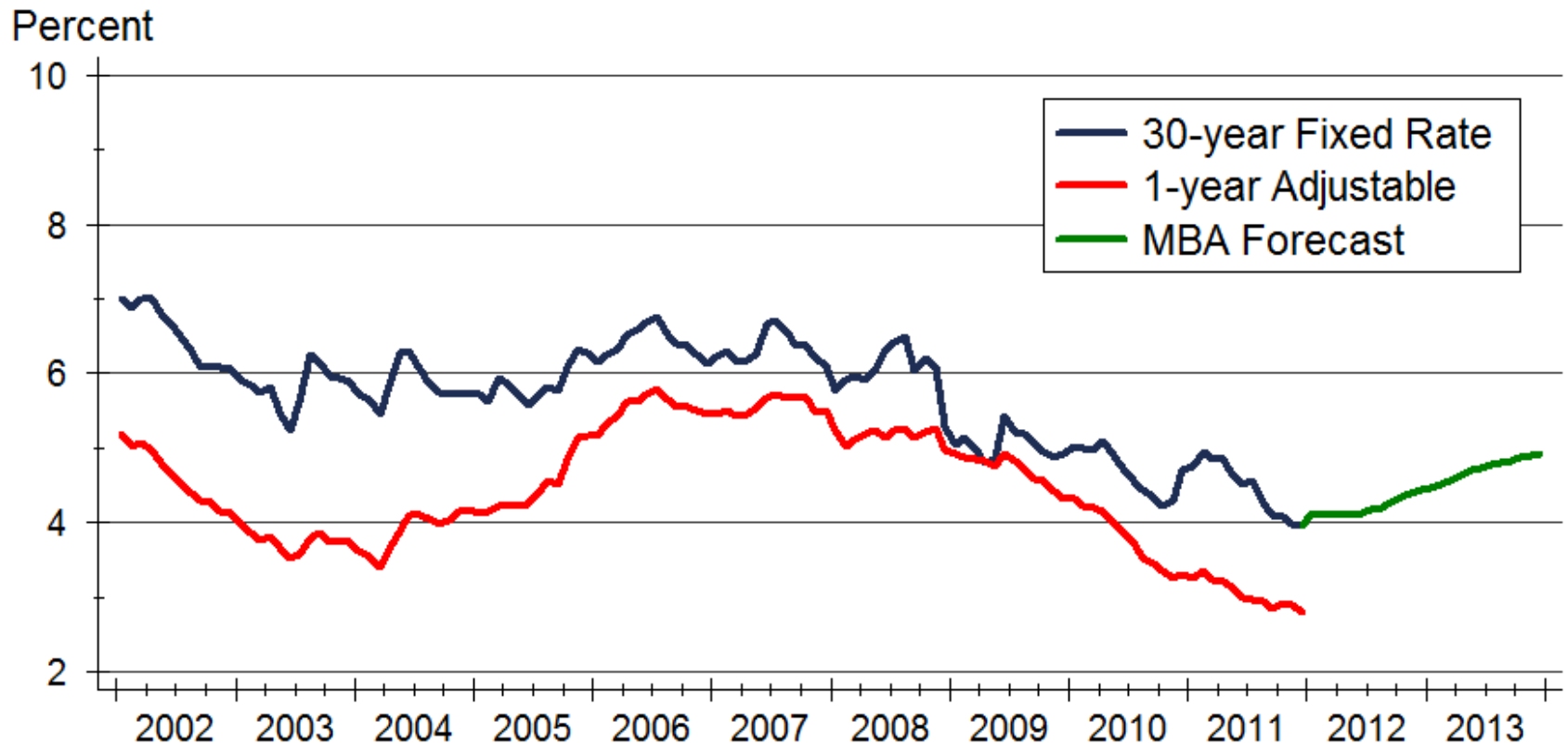
Data are seasonally adjusted

Consumer Inflation



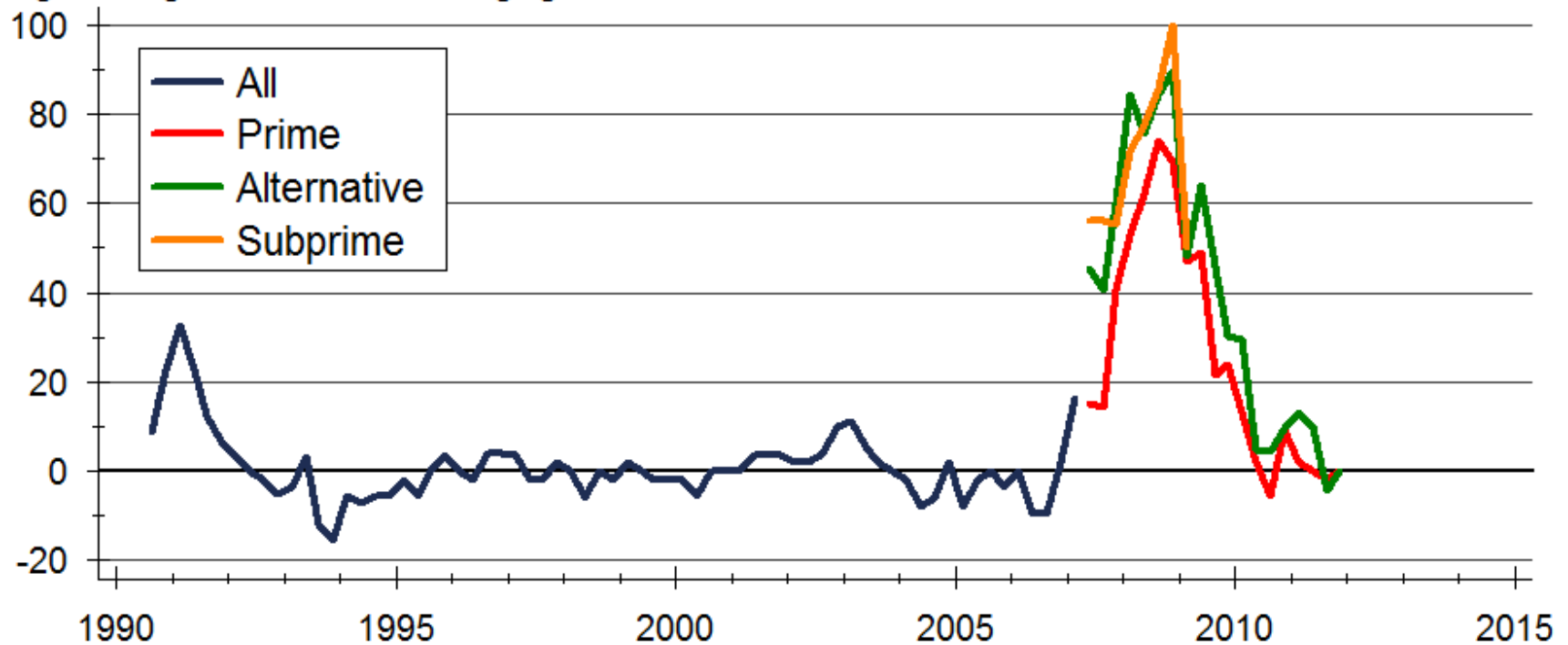
Source: U.S. Bureau of Labor Statistics

Mortgage Rates



Mortgage Underwriting Standards

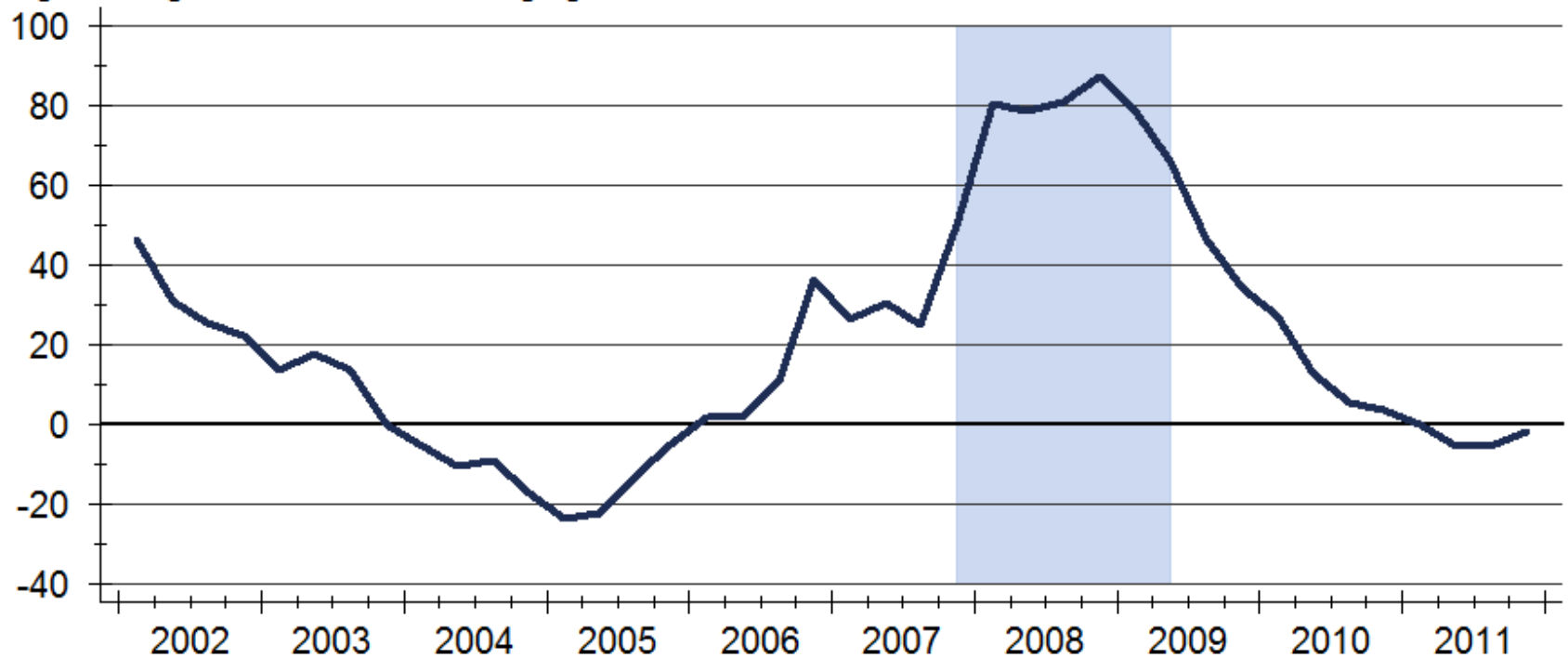
Net Percentage of Banks Reporting Tightening Standard of Mortgages



Source: Board of Governors of the Federal Reserve System

Commercial Mortgage Standards

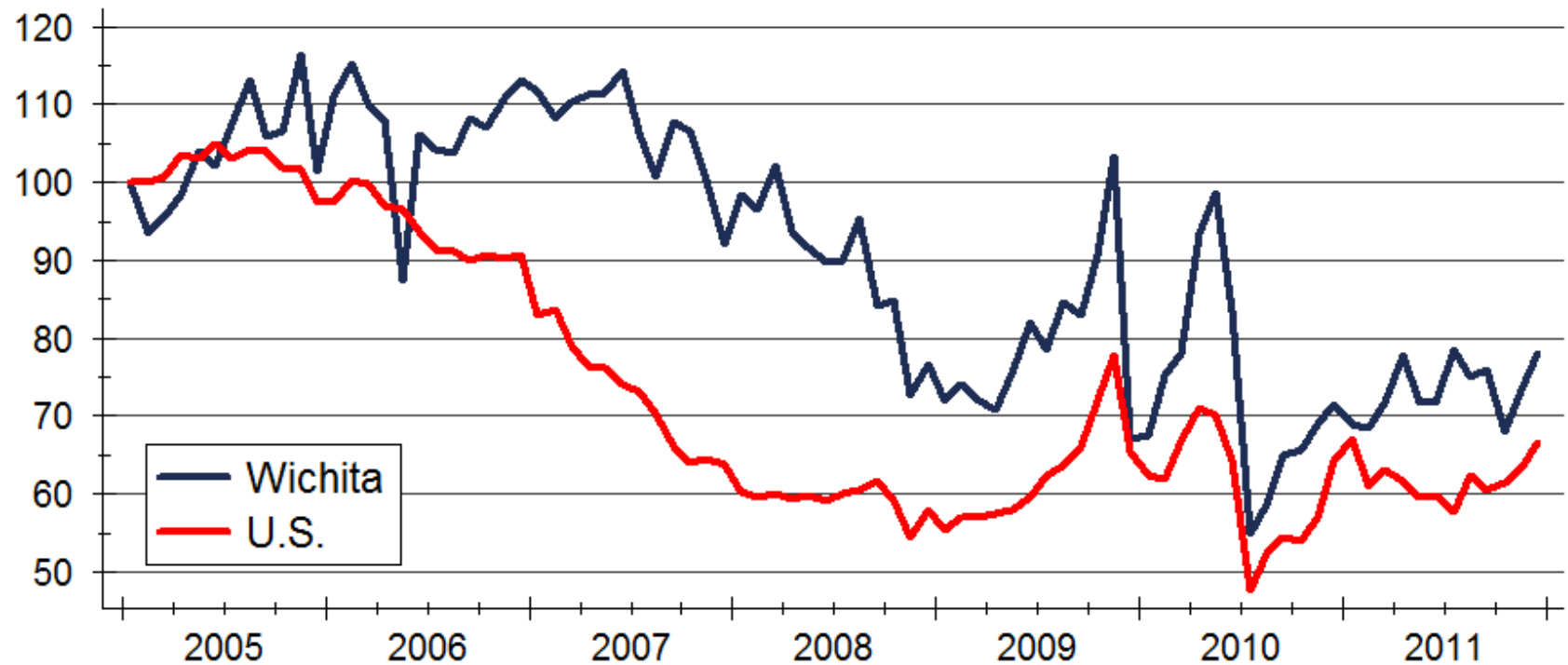
Net Percentage of Banks Reporting Tightening Standard for Mortgages



Source: Board of Governors of the Federal Reserve System

Existing Home Sales Activity

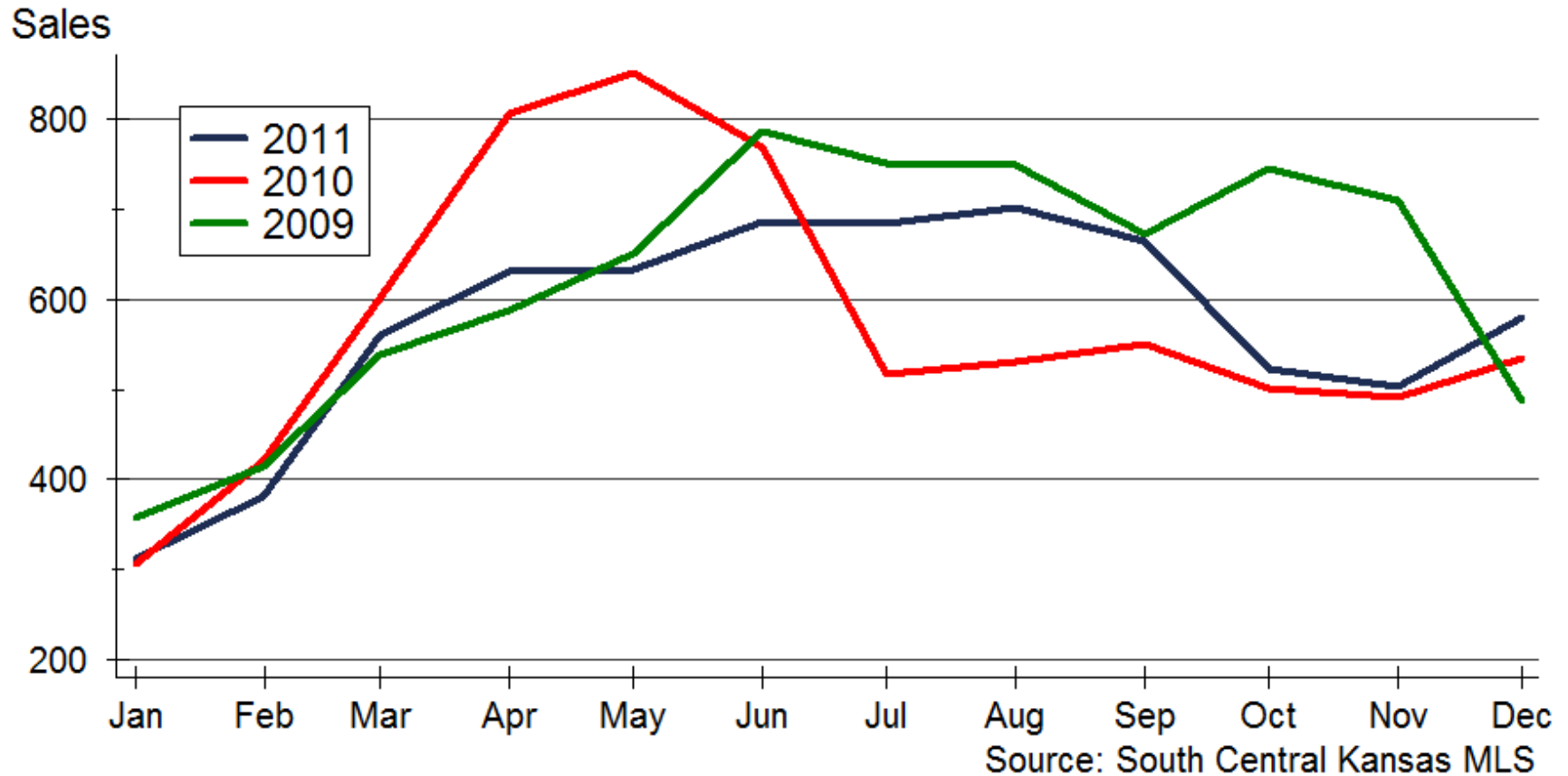
Index: 2005m1 = 100



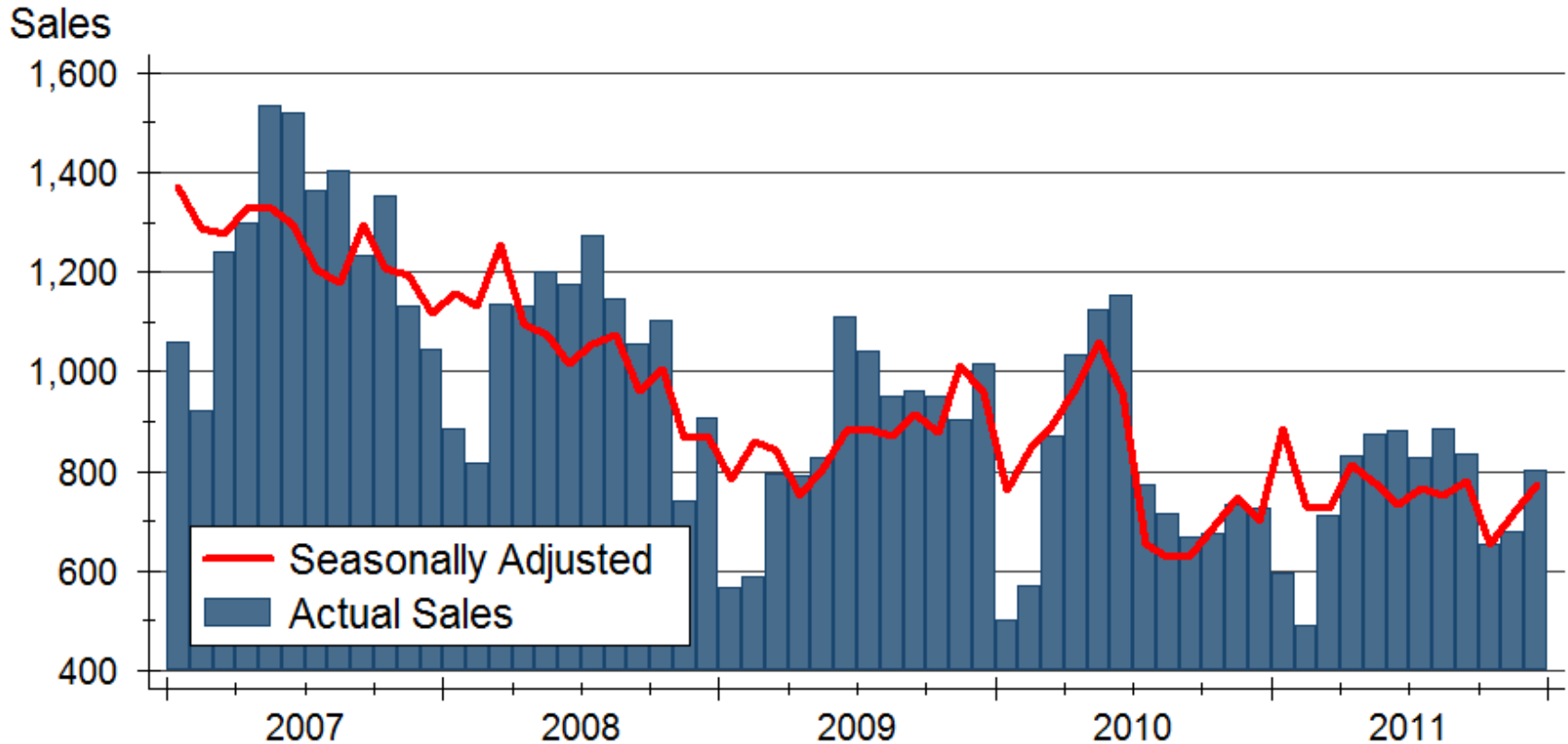
Sources: NAR and South Central Kansas MLS

Note: Data are seasonally-adjusted annual rates

Existing Home Sales by Month



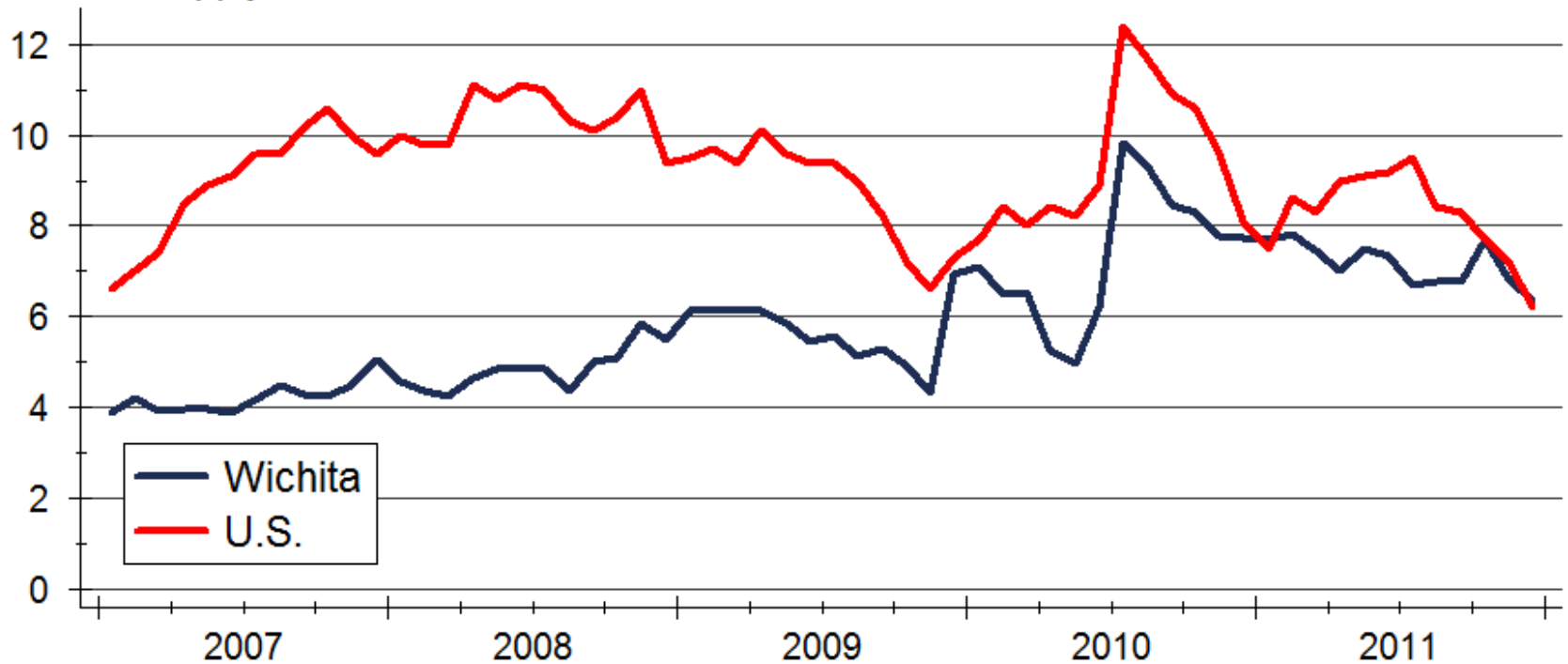
Sedgwick County COVs Filed



Source: Sedgwick County Register of Deeds

Existing Home Inventories

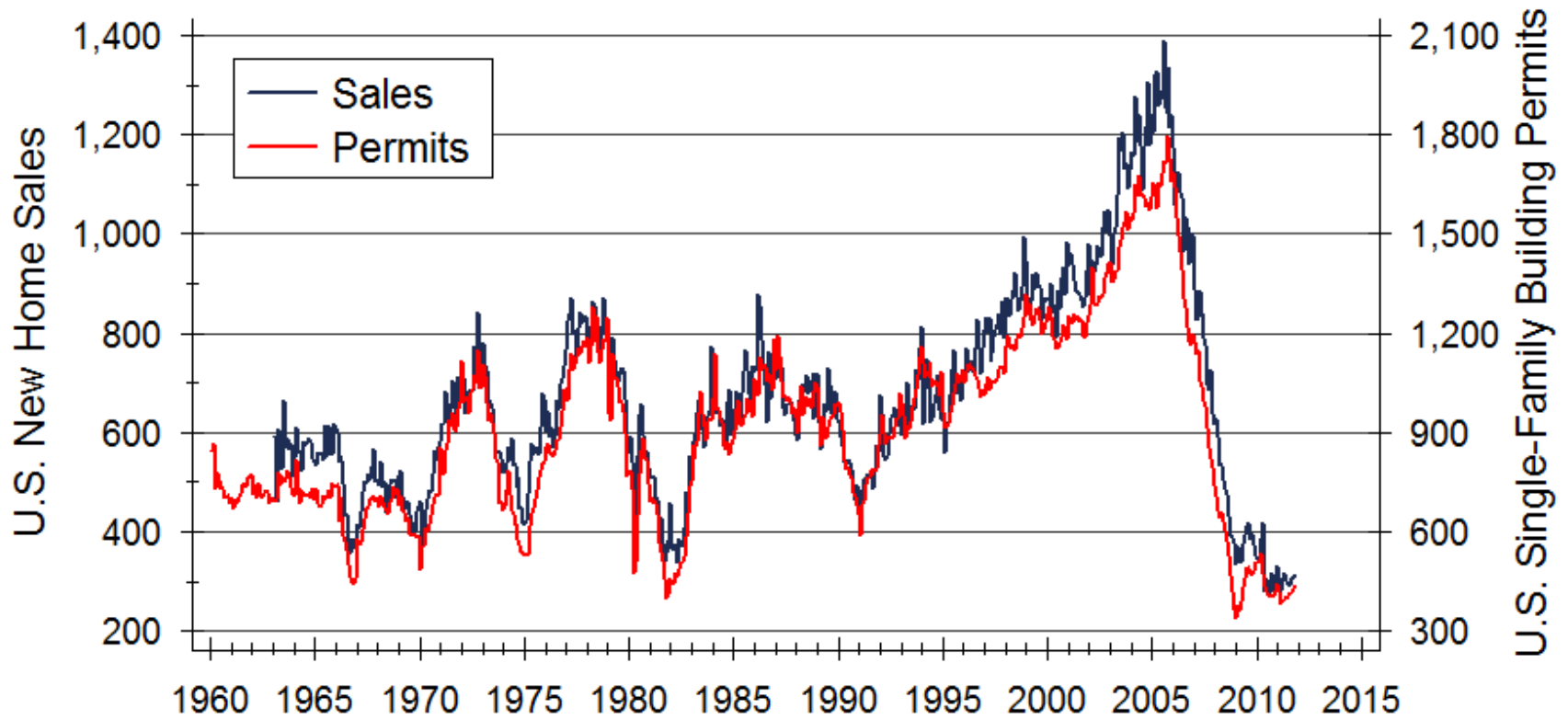
Months' Supply



Sources: NAR and South Central Kansas MLS

Data are seasonally adjusted

U.S. New Home Activity

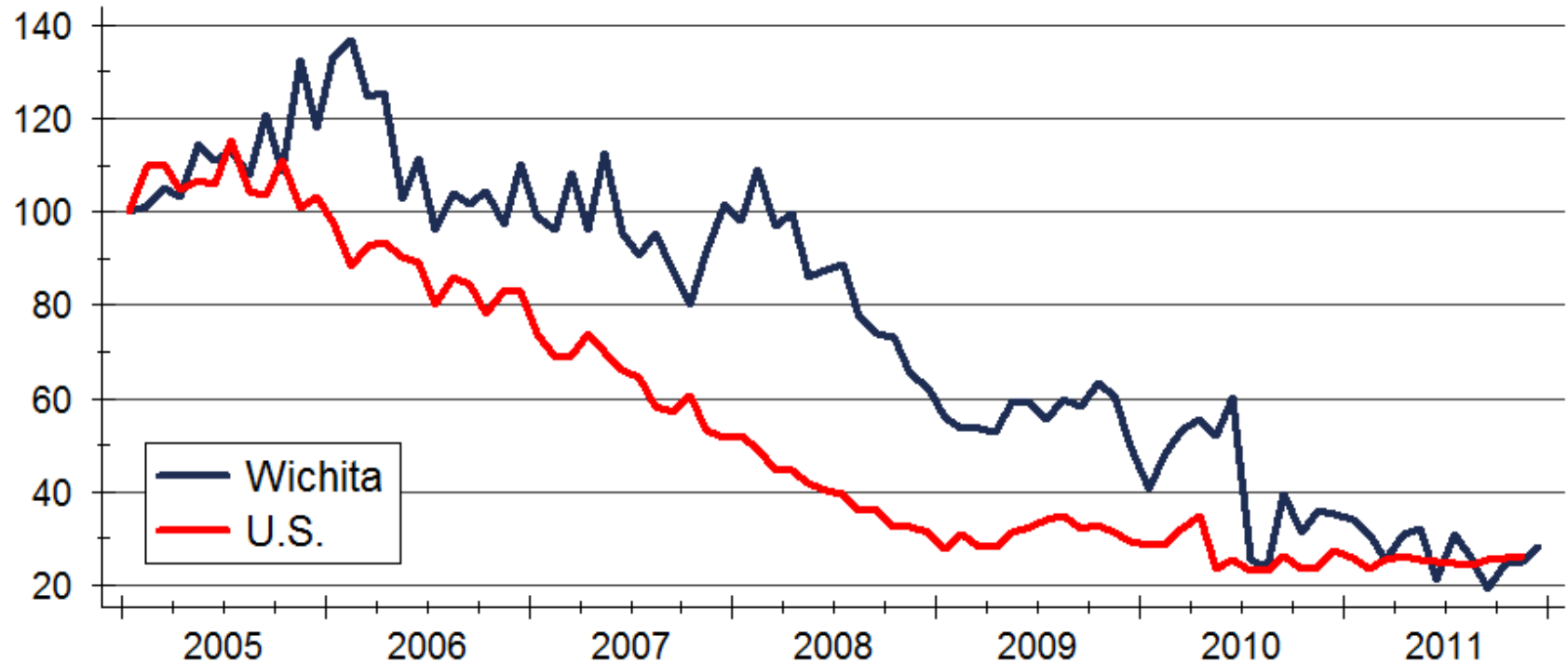


Source: U.S. Bureau of the Census

Data are seasonally-adjusted annual rates

New Home Sales Activity

Index: 2005m1 = 100

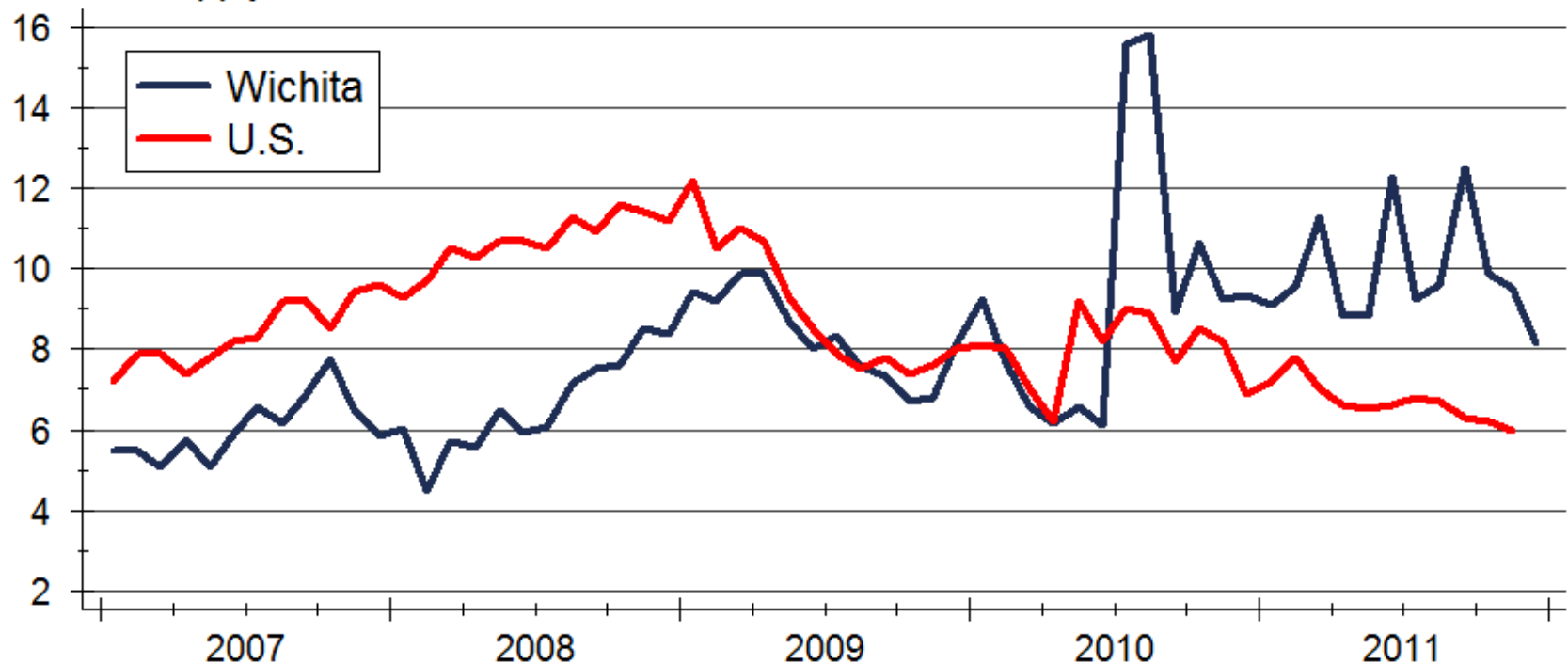


Sources: U.S. Bureau of the Census and South Central Kansas MLS

Note: Data are seasonally-adjusted annual rates

New Home Inventories

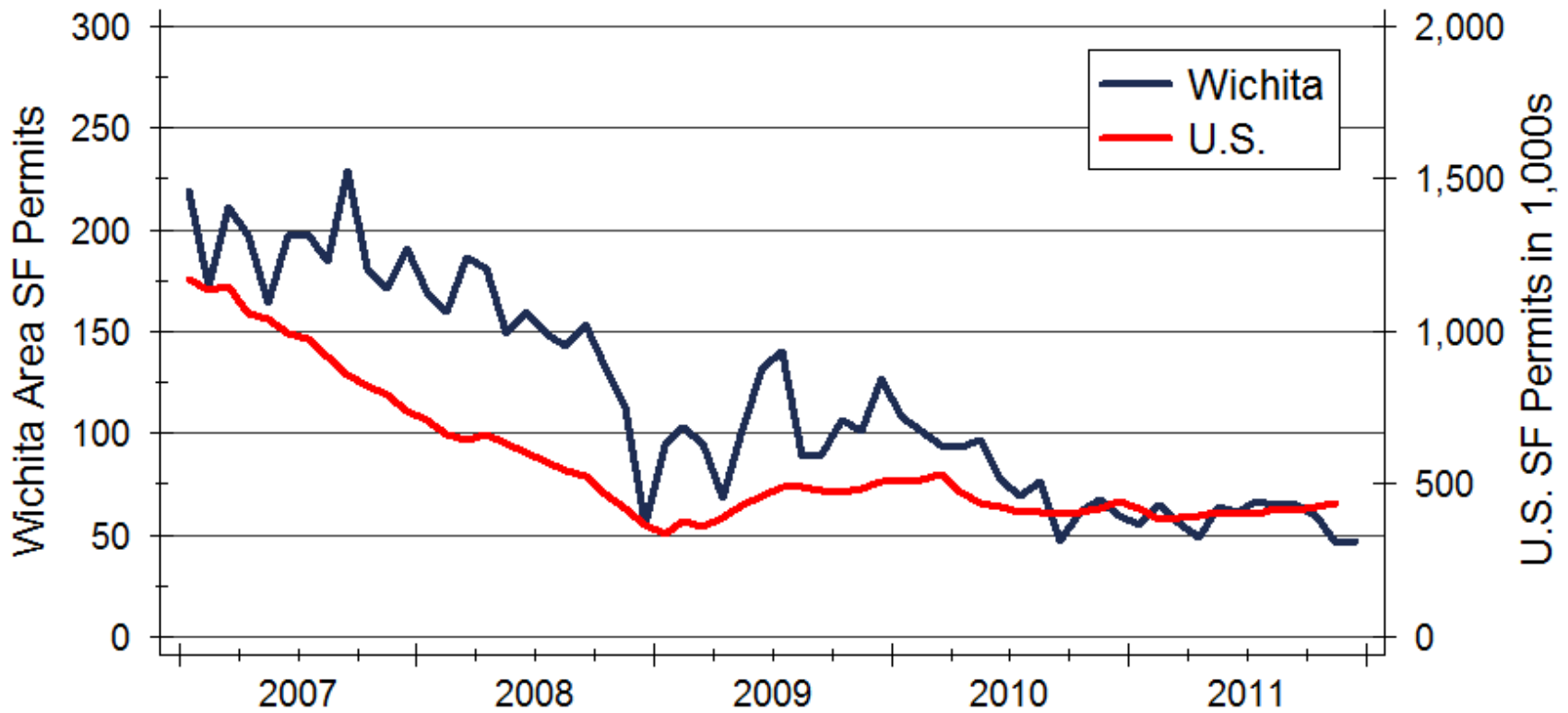
Months' Supply



Sources: U.S. Bureau of the Census and South Central Kansas MLS

Note: Data are seasonally adjusted

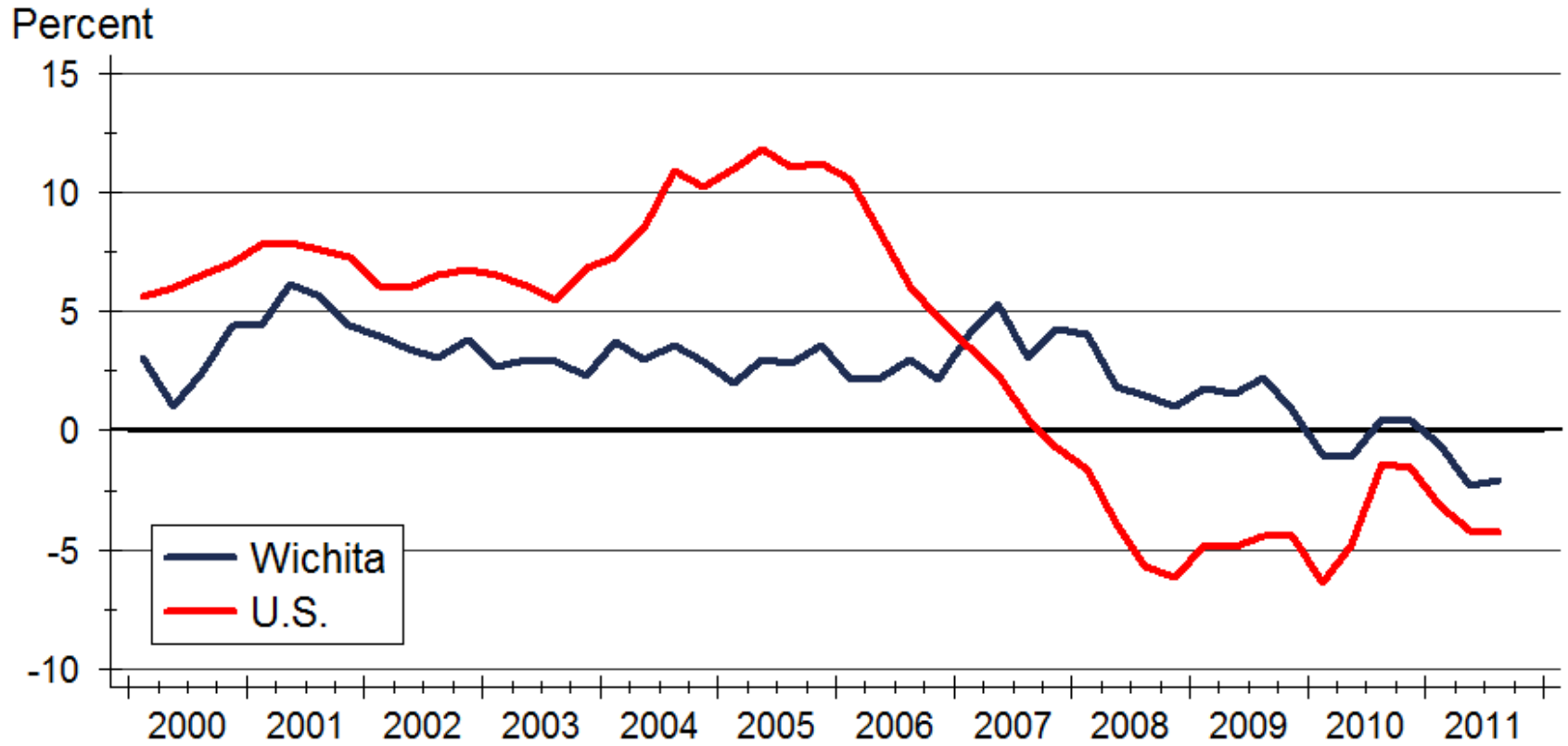
New Single-Family Building Permits



Sources: Wichita Area Builders Association and U.S. Bureau of the Census

Data are seasonally adjusted annual rates

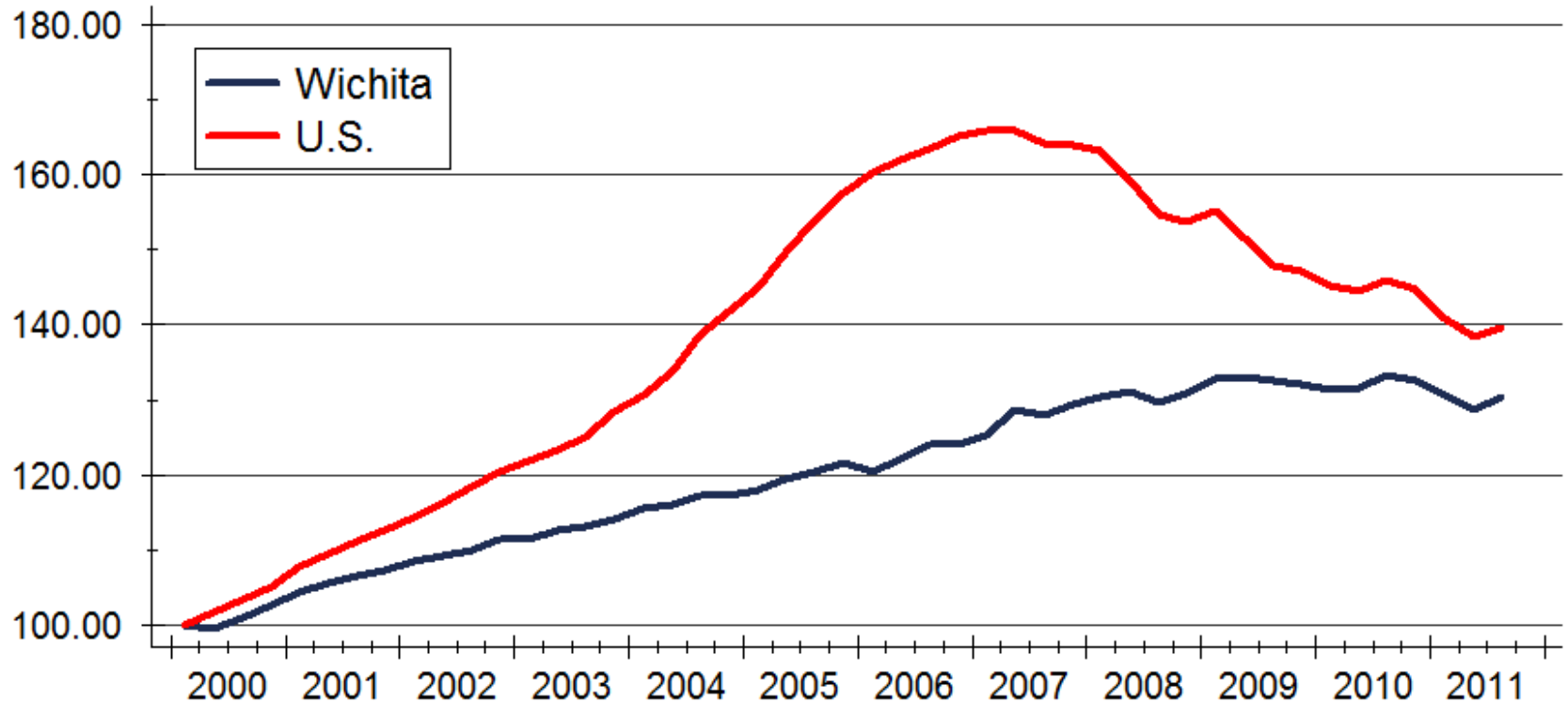
Home Price Appreciation



Source: Federal Housing Finance Agency (FHFA)

Home Price Appreciation

Index: 2000q1 = 100



Source: Federal Housing Finance Agency (FHFA)

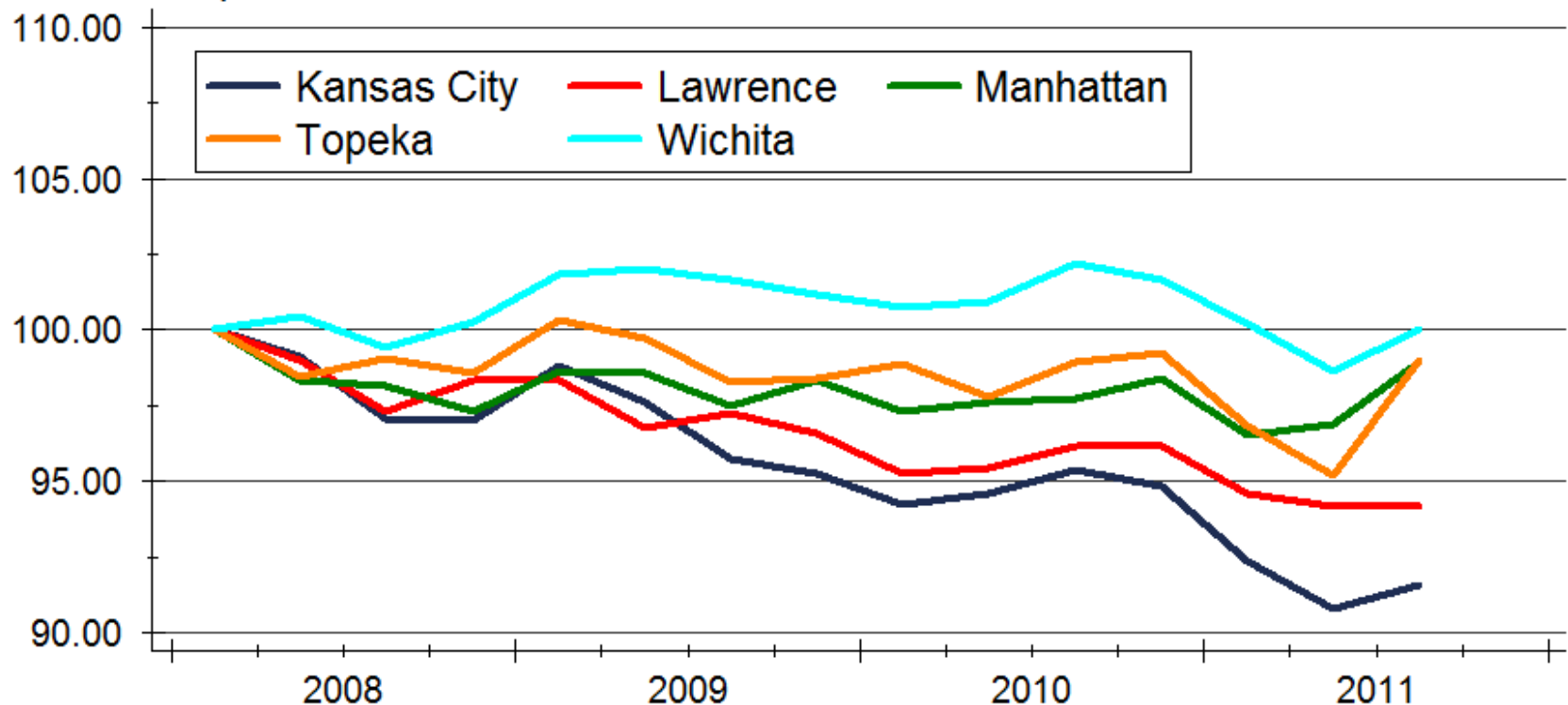


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Kansas Home Price Appreciation

Index: 2008q1 = 100



Source: Federal Housing Finance Agency (FHFA)

Wichita Forecast

	2009 Actual	2010 Forecast	2011 Forecast
Total Home Sales	8,617 units -14.2%	8,140 units -5.5%	8,680 units +6.6%
Building Permits	1,256 units -29.2%	1,070 units -14.8%	1,080 units +0.9%
Home Price Appreciation	+0.4%	-0.1%	+1.4%

Sources: South Central Kansas MLS; U.S. Bureau of the Census; Federal Housing Finance Agency; WSU Center for Real Estate

2012 Housing Markets Forecast

	Kansas City	Lawrence	Manhattan	Topeka	Wichita
Sales	24,610 units +6.7%	1,150 units +8.5%	580 units +1.8%	1,760 units +5.8%	8,130 units +10.0%
Permits	2,800 units +13.6%	180 units +20.0%	170 units -3.0%	265 units +8.2%	710 units -0.7%
Home Prices	-1.6%	+0.7%	+0.1%	-2.6%	-0.2%

Sources: Heartland MLS; Lawrence Board of REALTORS®; Manhattan Association of REALTORS®; Topeka Area Association of REALTORS®; South Central Kansas MLS; U.S. Bureau of the Census; City of Manhattan; Federal Housing Finance Agency; WSU Center for Real Estate

WSU Center for Real Estate

Laying a Foundation for Real Estate in Kansas



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