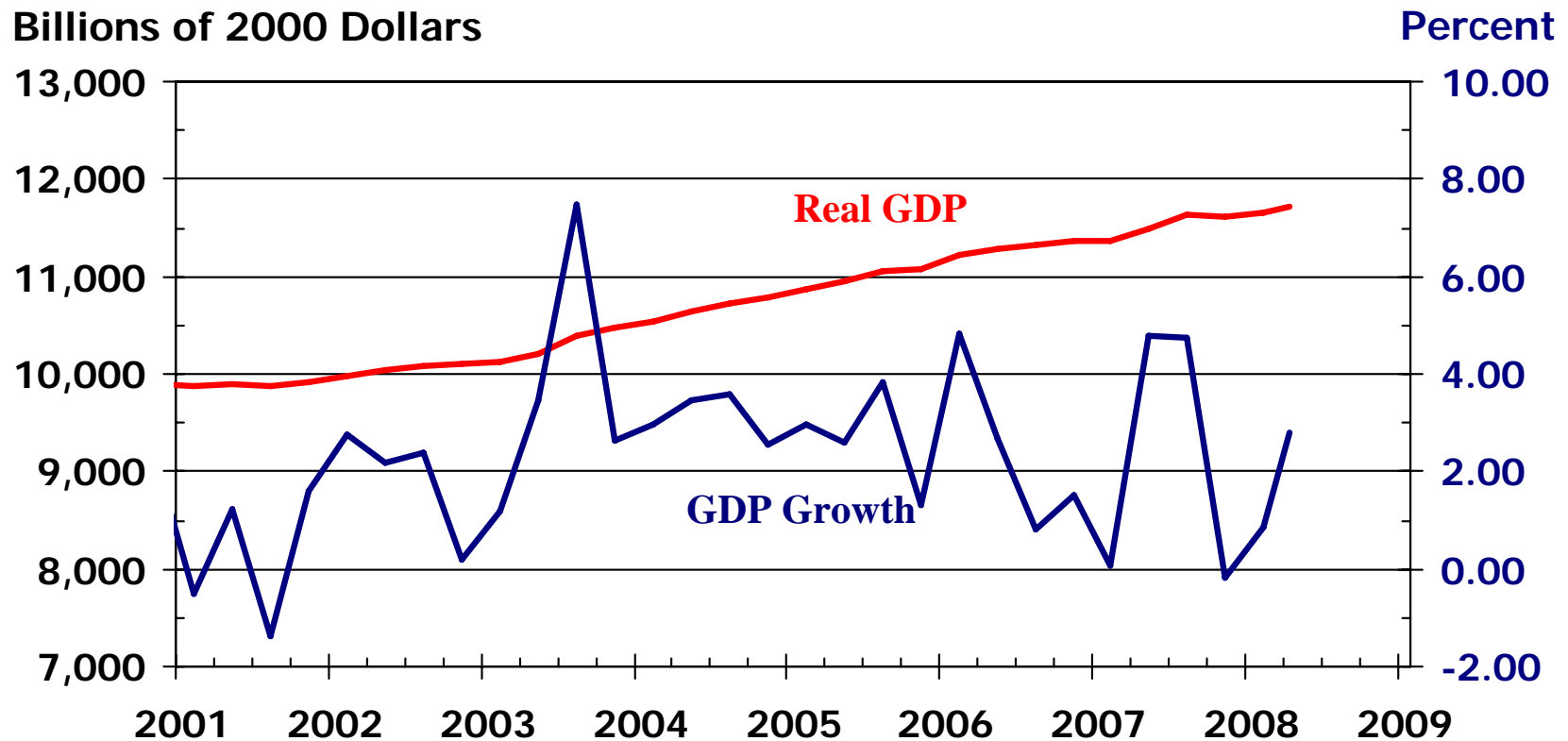


Wichita Area Housing Market Forecast

Star Lumber & Supply Company
October 1, 2008



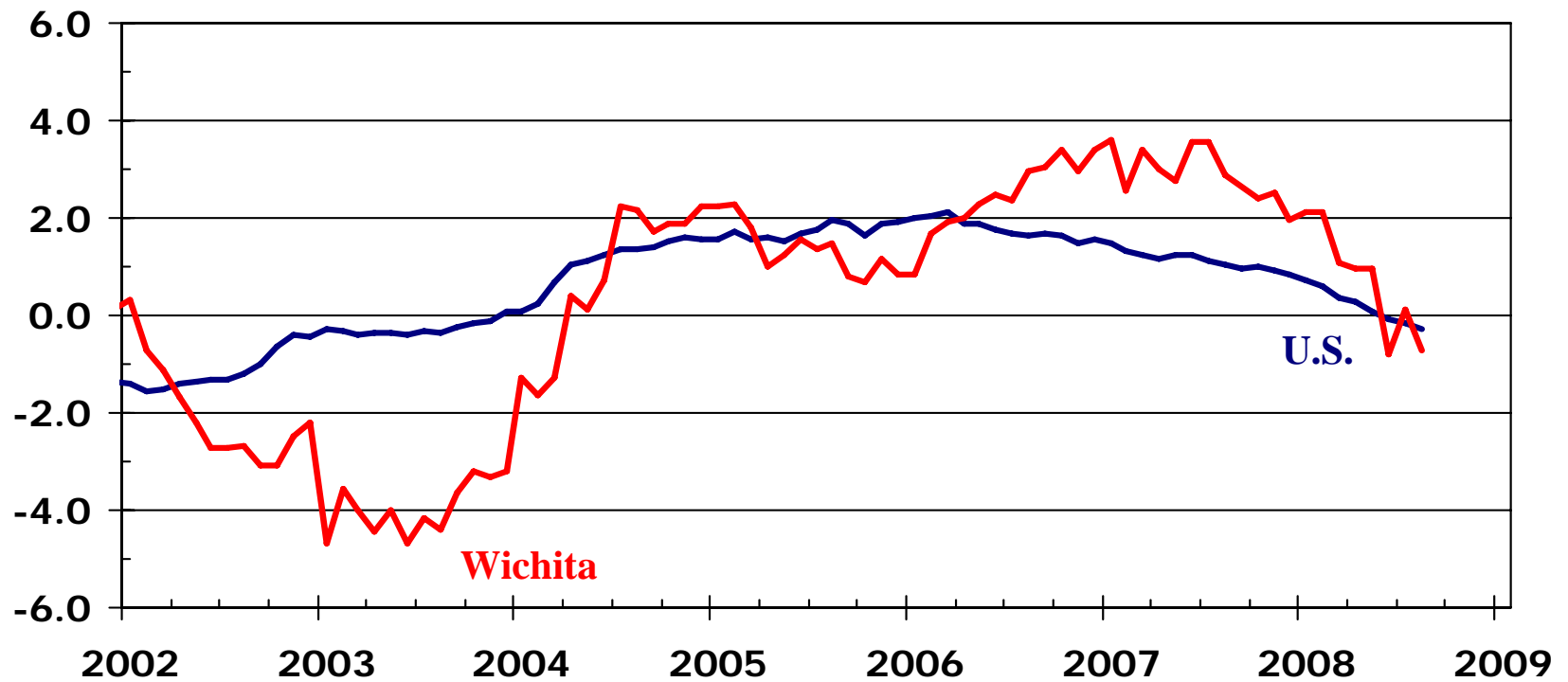
Real Gross Domestic Product



Source: Bureau of Economic Analysis

Employment Growth

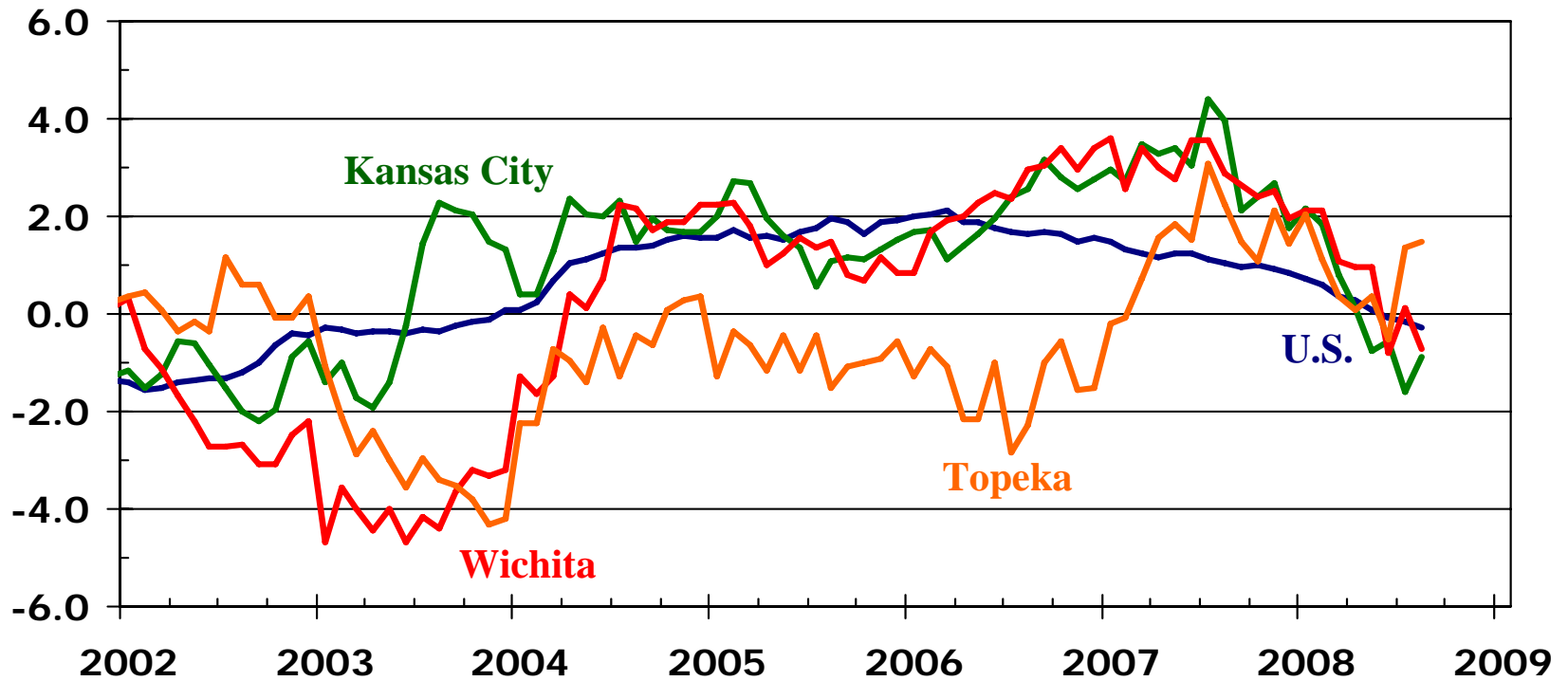
Year-over-Year Percentage Change



Sources: Kansas Department of Human Resources;
U.S. Bureau of Labor Statistics

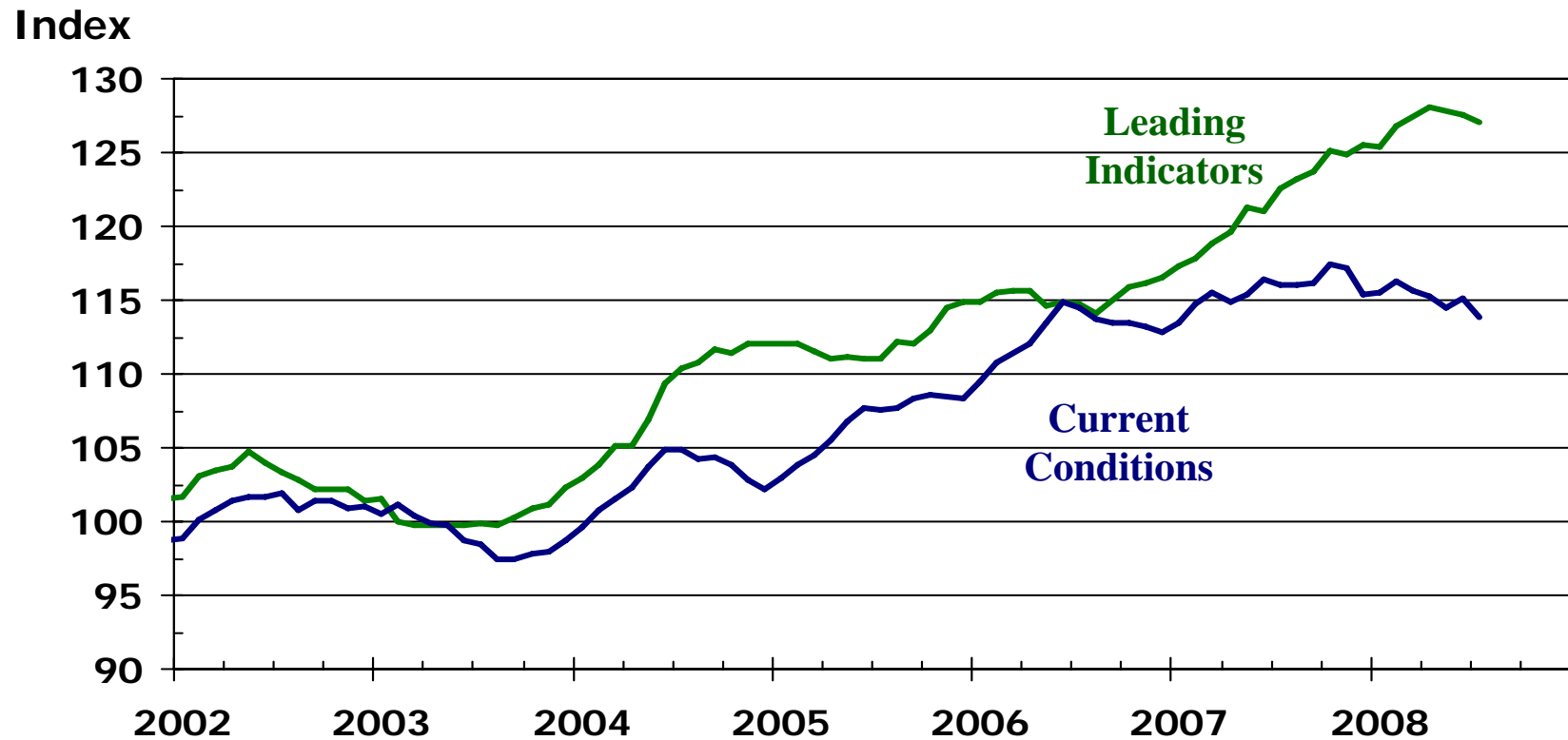
Employment Growth

Year-over-Year Percentage Change



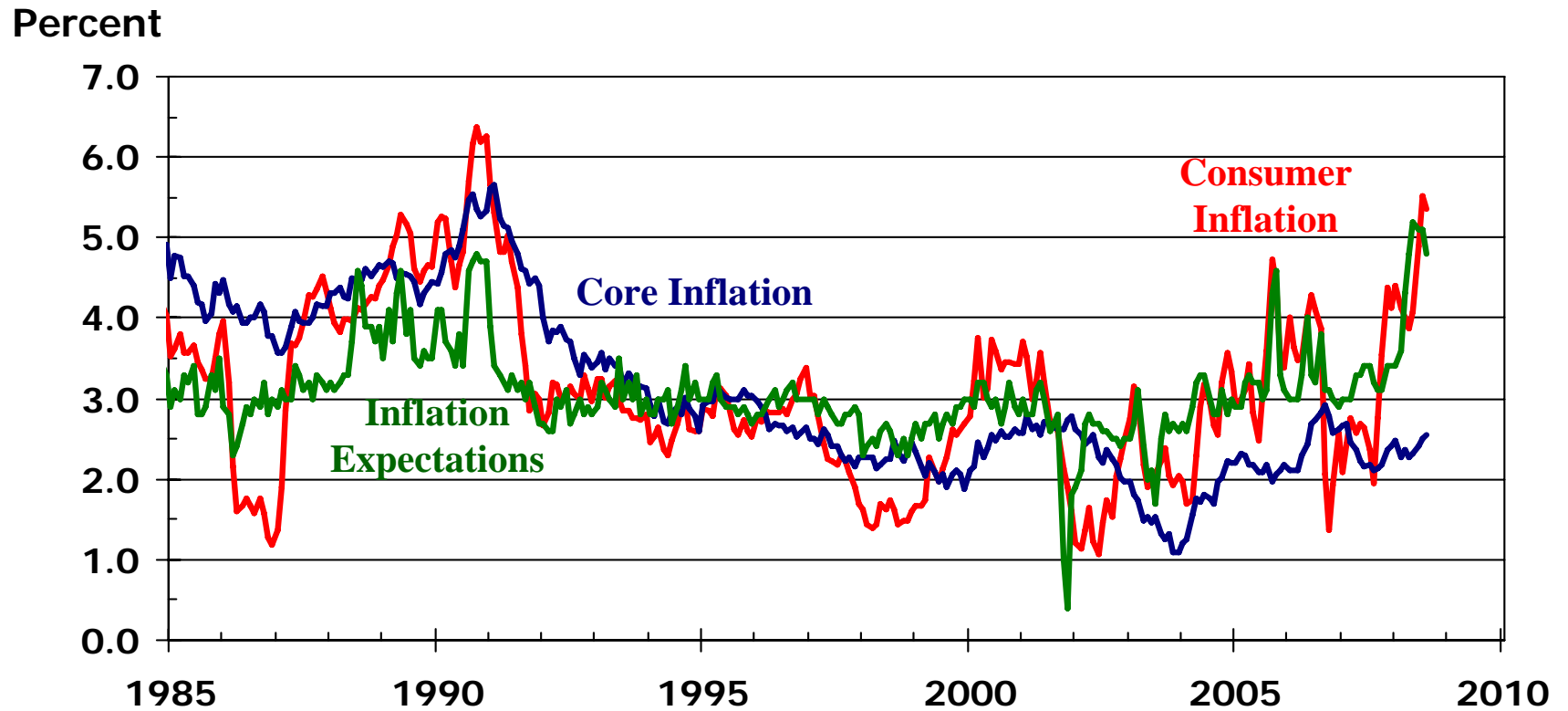
Sources: Kansas Department of Human Resources;
U.S. Bureau of Labor Statistics

WSU Economic Indices



Source: WSU Center for Economic Development
and Business Research

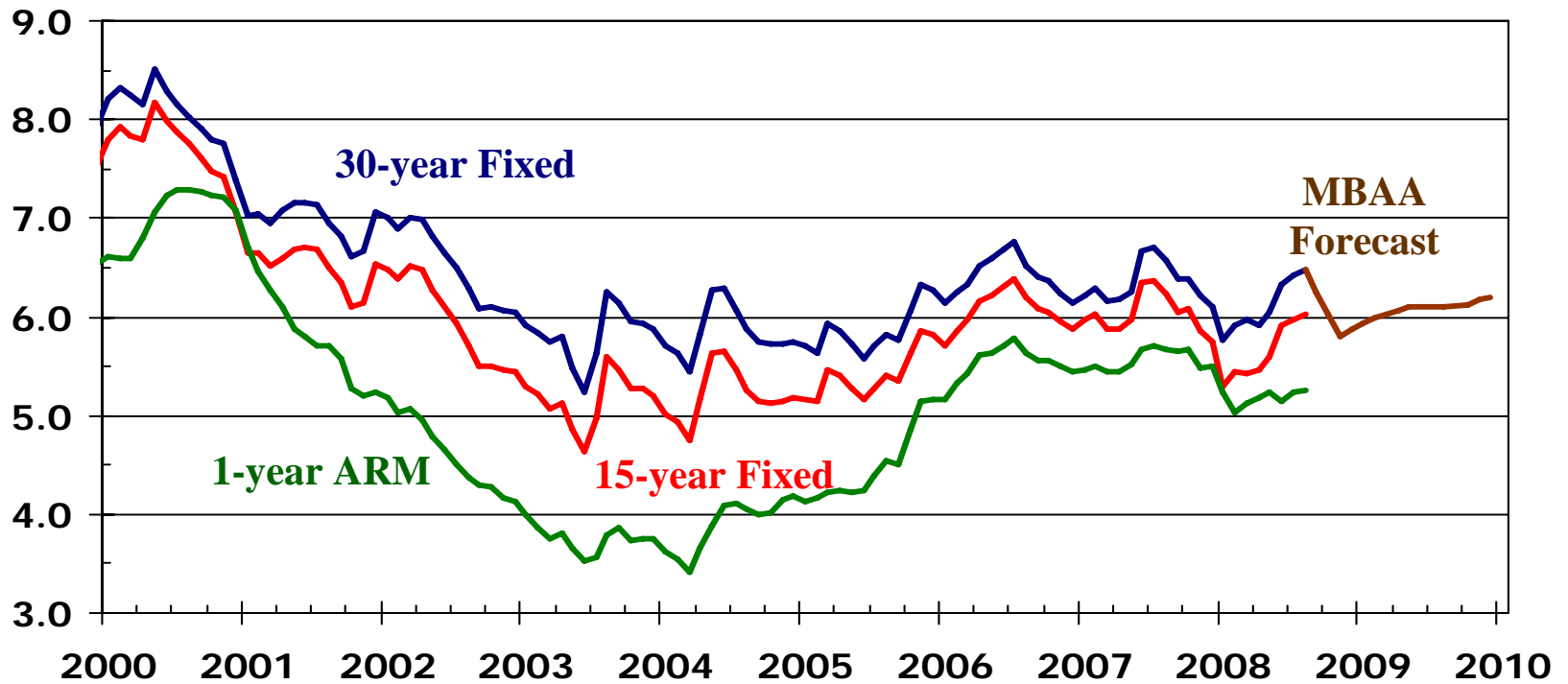
Consumer Inflation



Sources: U.S. Bureau of Labor Statistics;
University of Michigan

Mortgage Rates

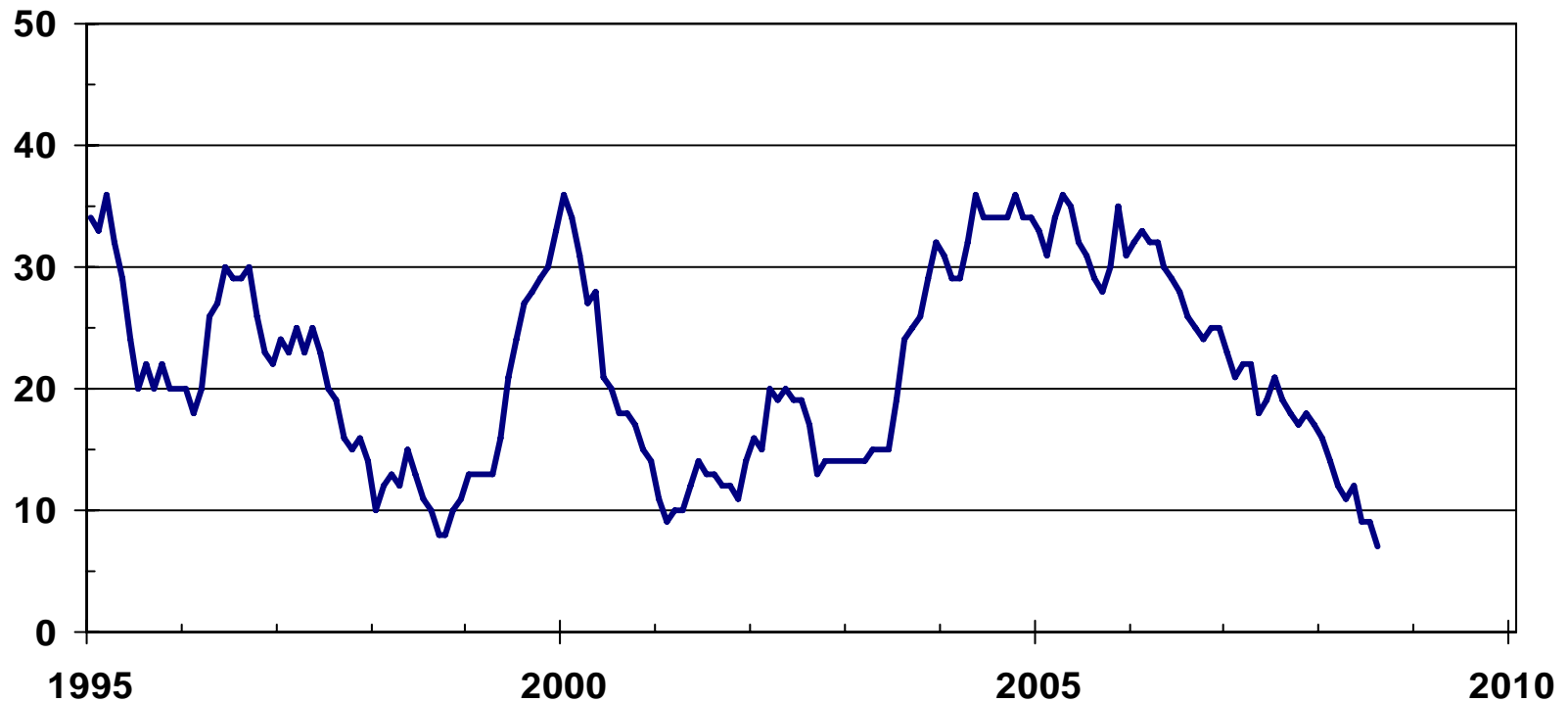
Percent



Sources: Freddie Mac; MBA

ARM Share of New Mortgage Originations

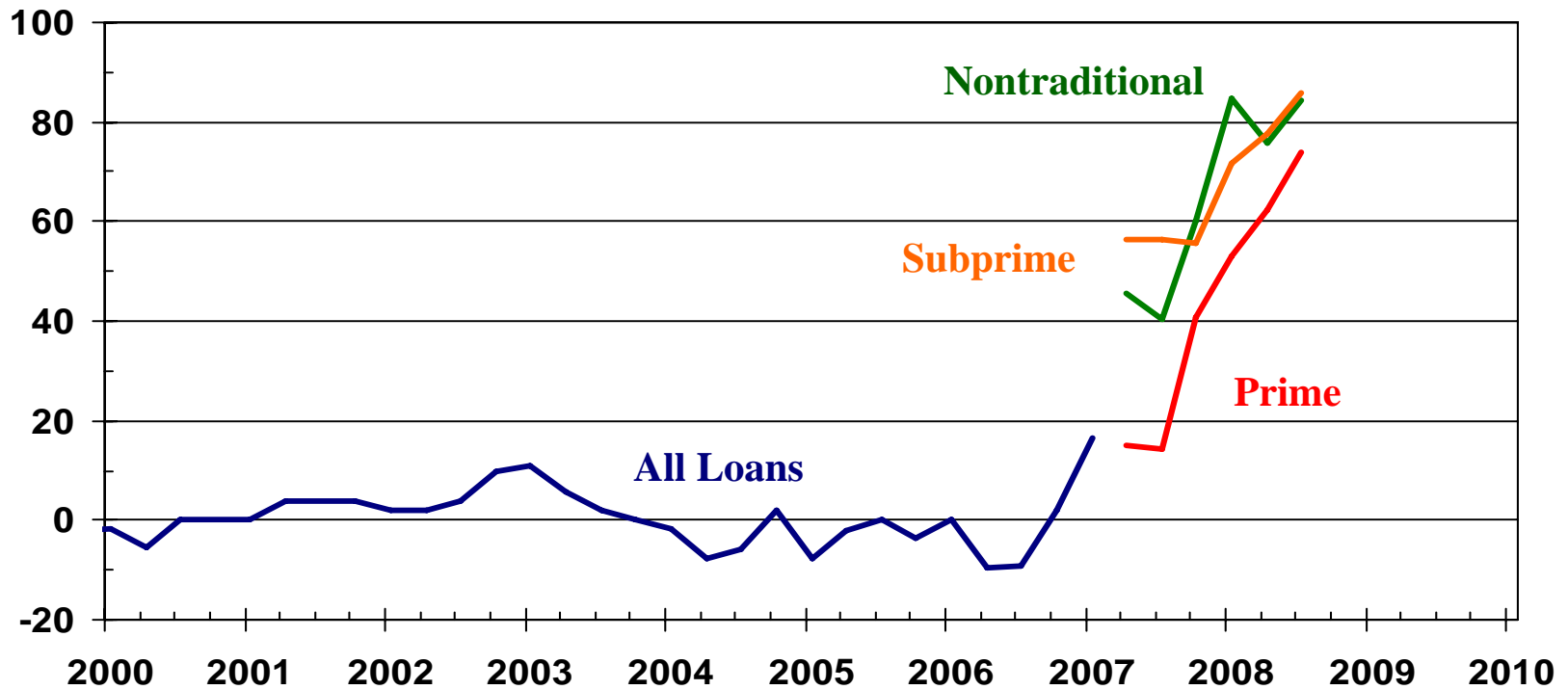
Percent



Source: Freddie Mac

Mortgage Credit Conditions

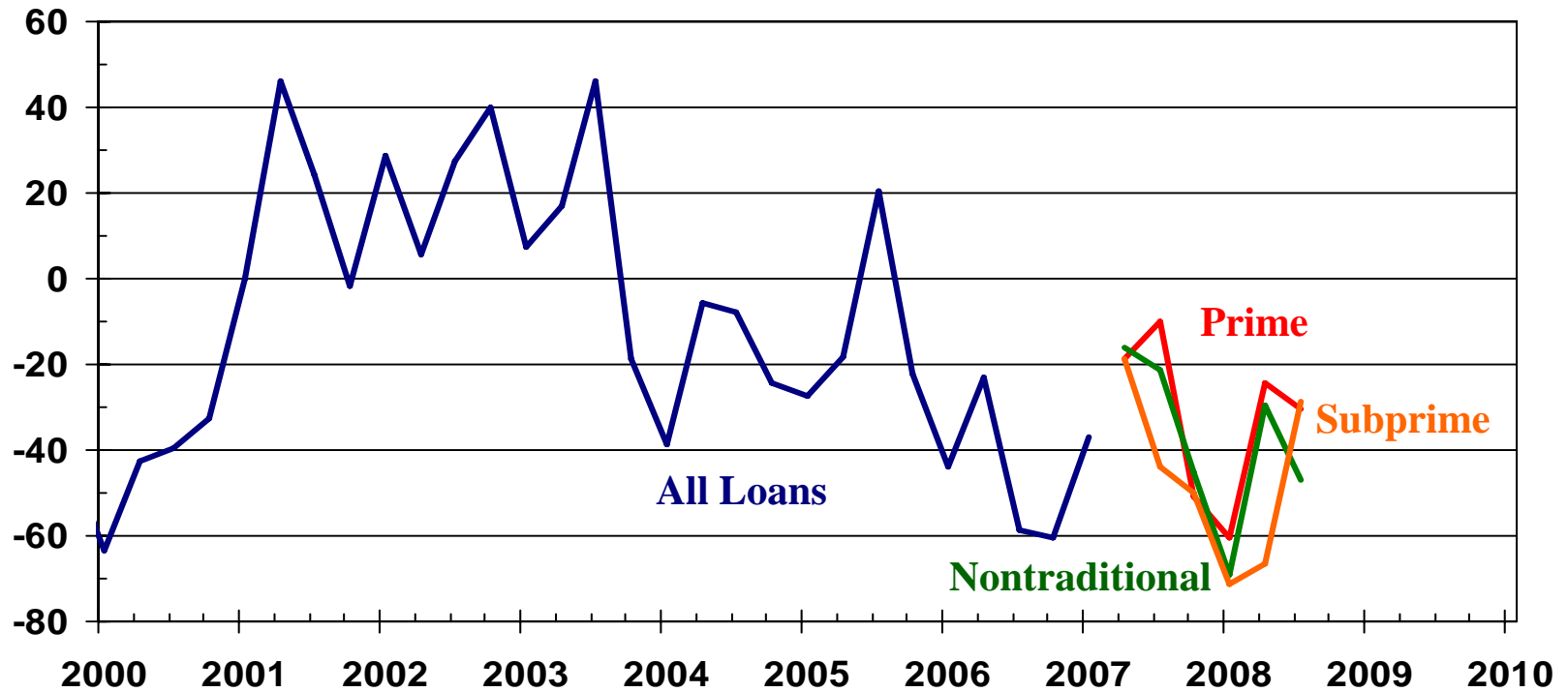
Net Percentage of Banks Reporting Tightening Standard for Mortgages



Source: Board of Governors of the Federal Reserve System

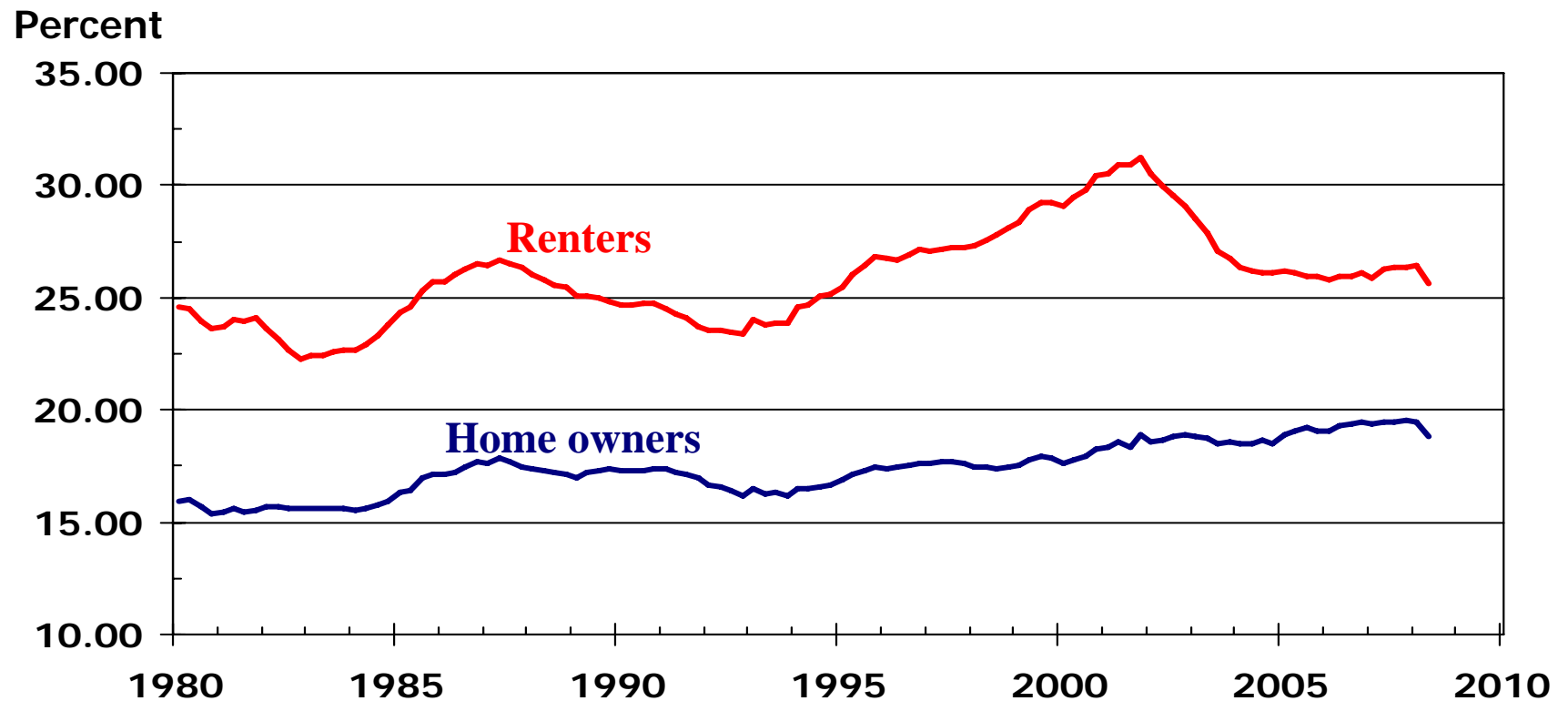
Mortgage Demand

Net Percentage of Banks Reporting Stronger Demand for Mortgages



Source: Board of Governors of the Federal Reserve System

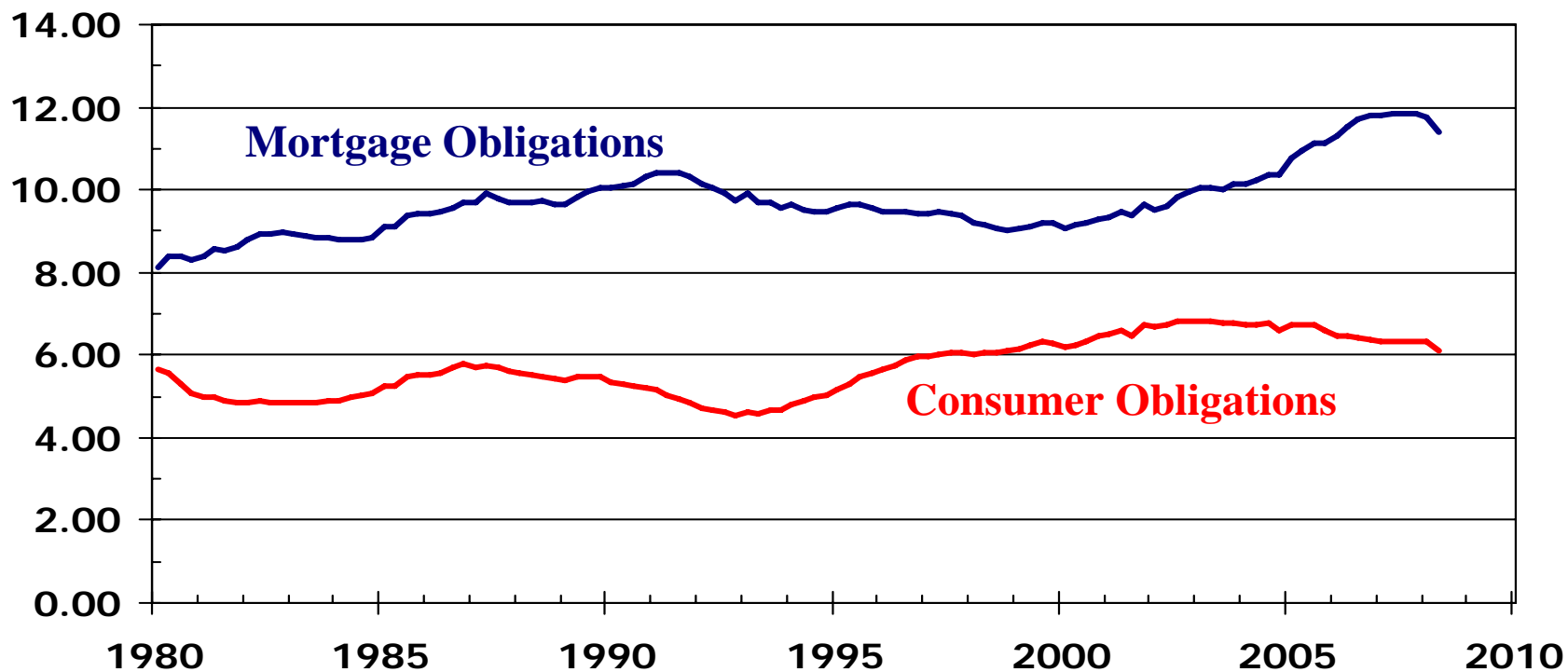
Household Financial Obligation Ratios



Sources: The Federal Reserve Board

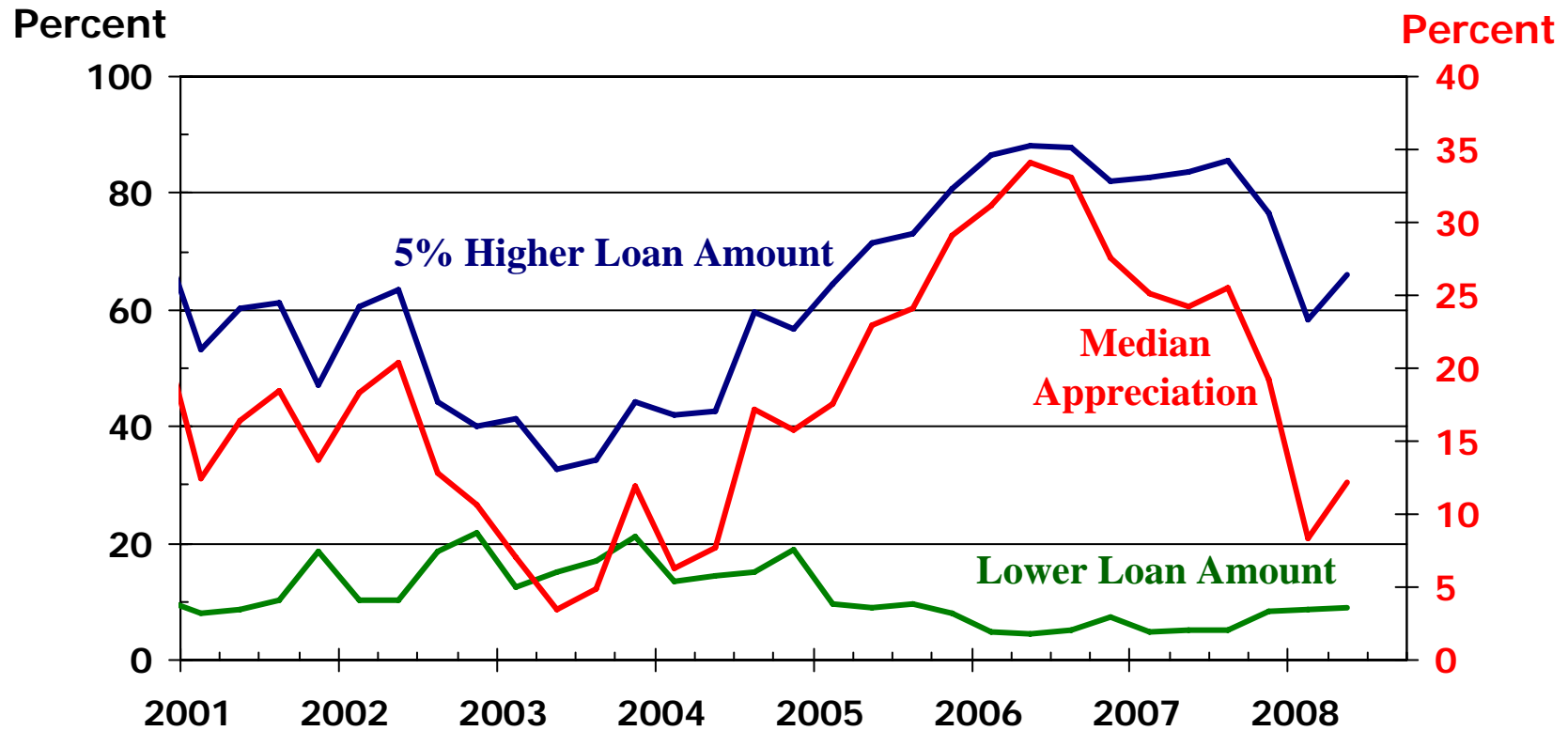
Homeowners' Financial Obligation Ratios

Percent



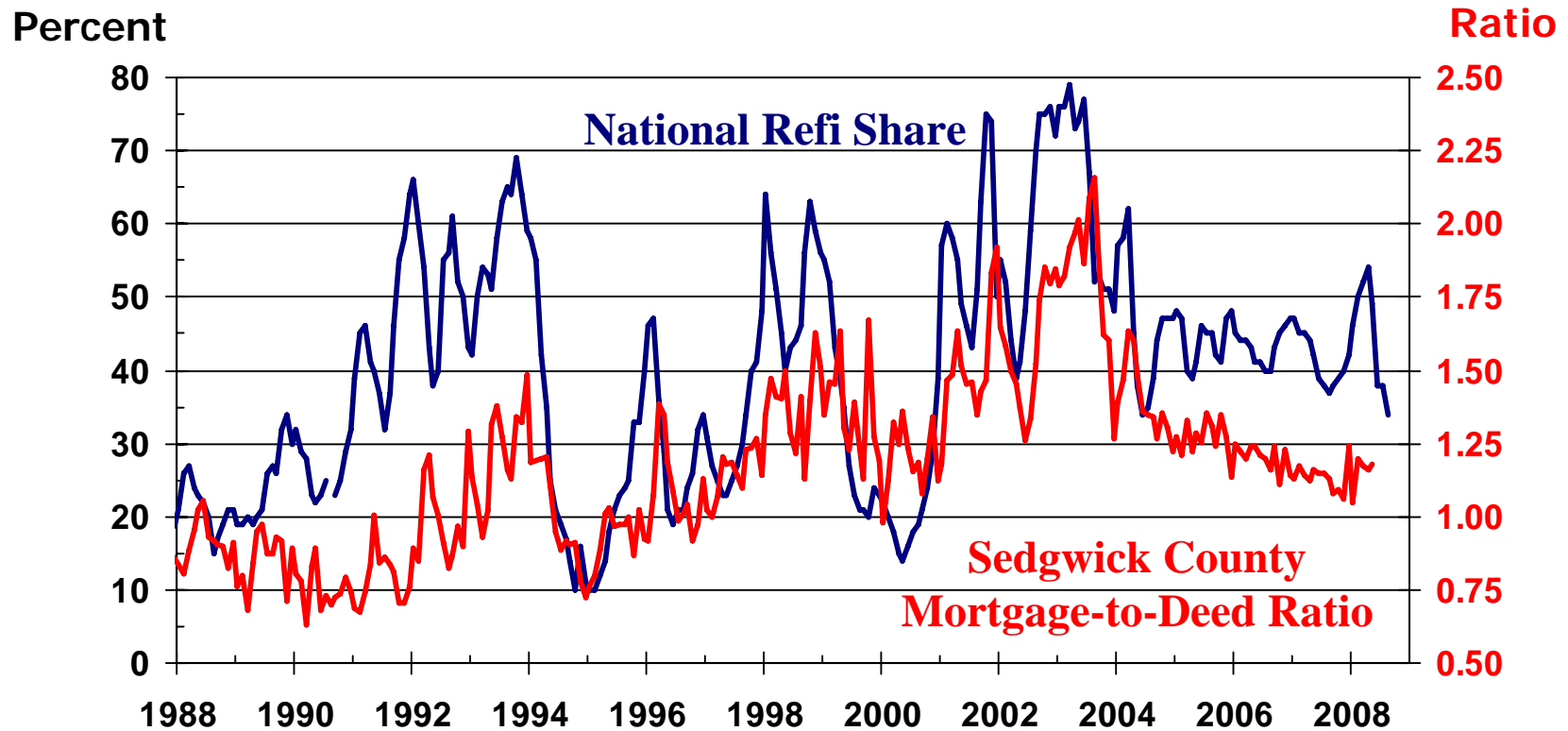
Source: Board of Governors of the Federal Reserve System

Cash Out Refis



Source: Freddie Mac

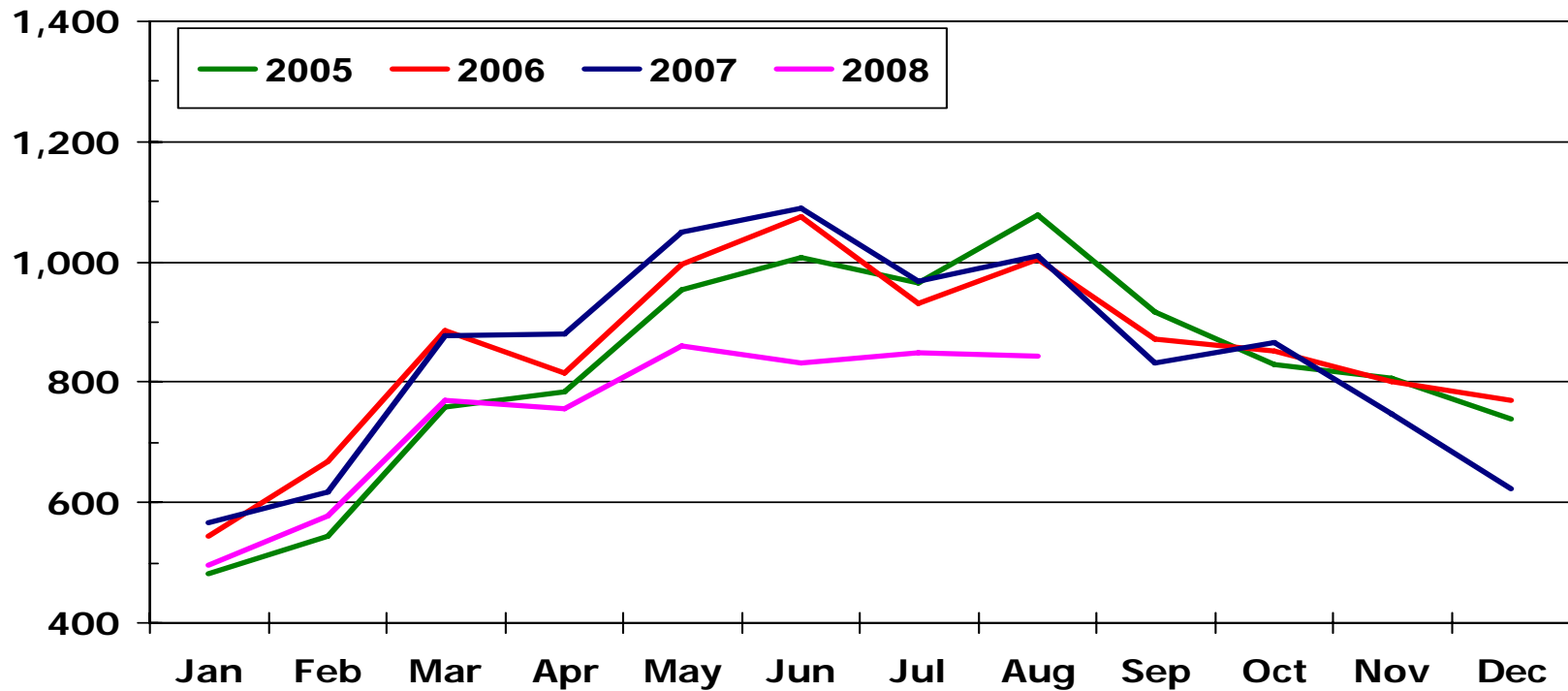
Mortgage Refinancing Activity



Sources: Freddie Mac; Sedgwick County Register of Deeds

Wichita Area Existing Home Sales

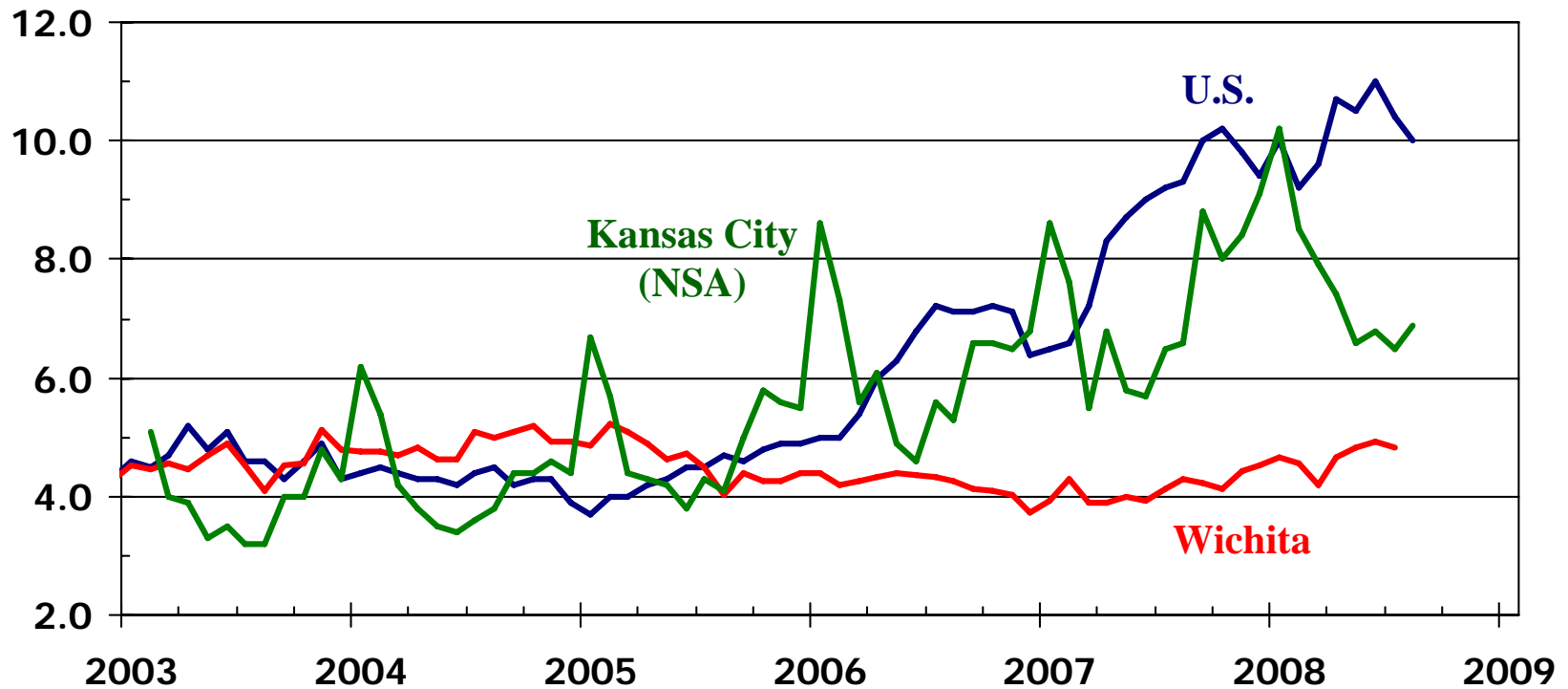
Number of Sales



Source: SCKMLS Statistics

Inventory of Existing Homes Available for Sale

Months Supply (SA)

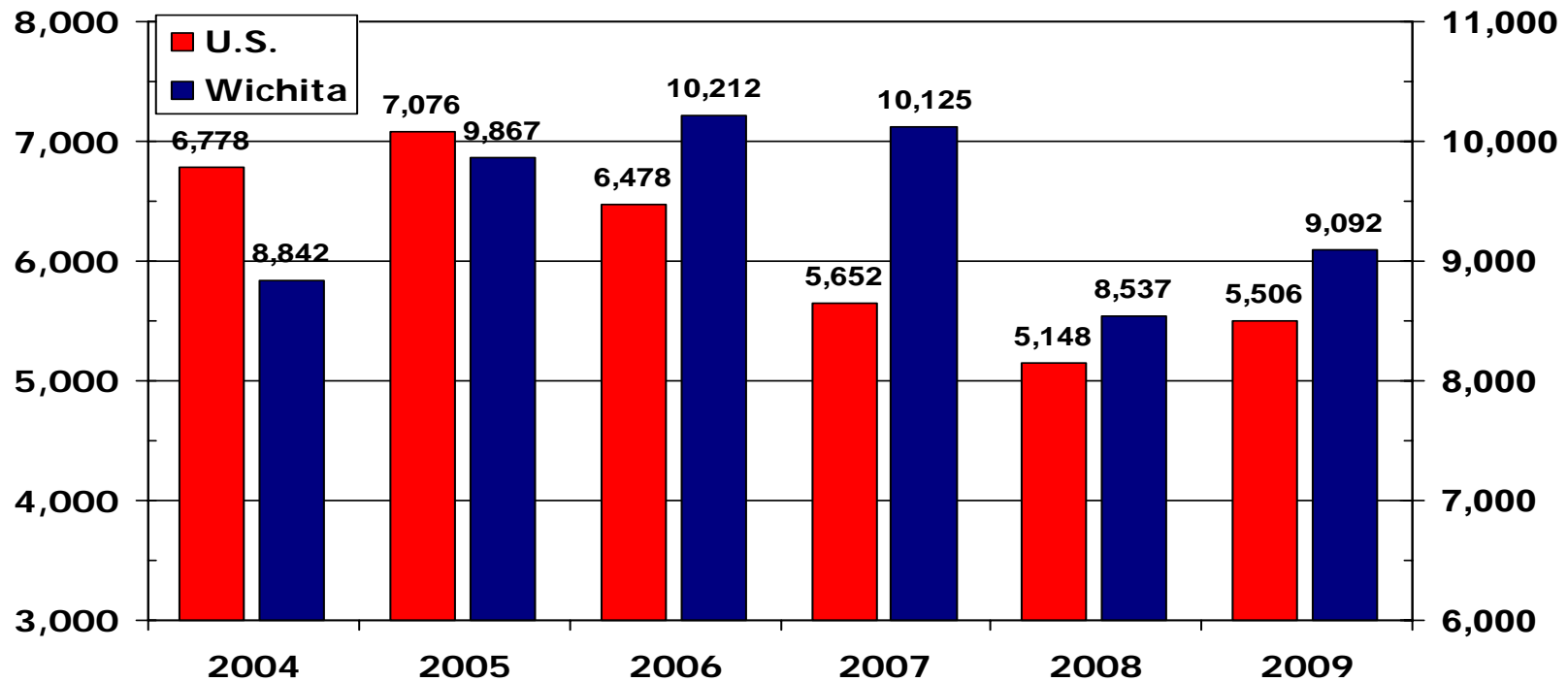


Sources: NAR; WSU Center for Real Estate
using data from KCRAR and SCK MLS

Existing Home Sales Forecast

U.S. Sales in 1,000s

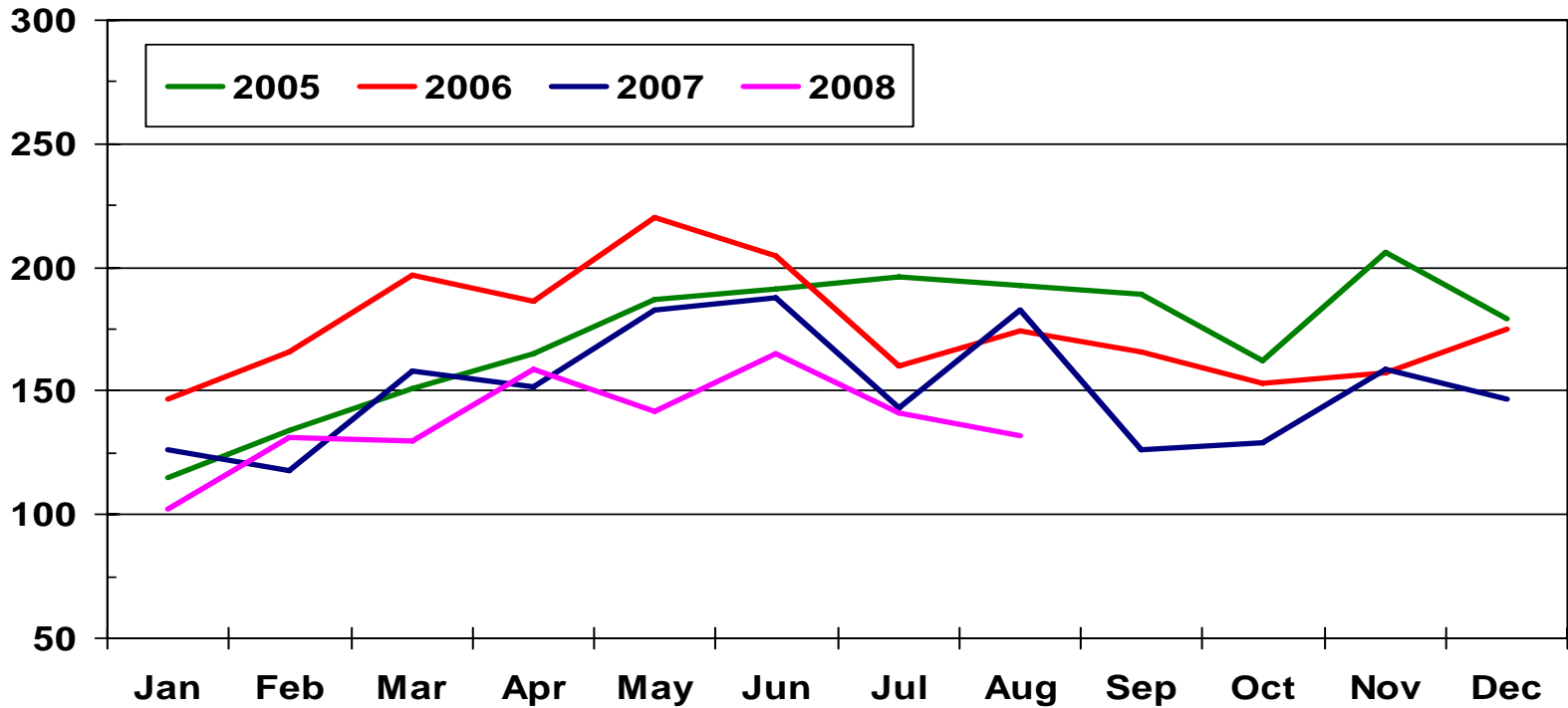
Wichita Area Sales



Sources: NAR; SCK MLS; WSU CRE

Wichita Area New Home Sales

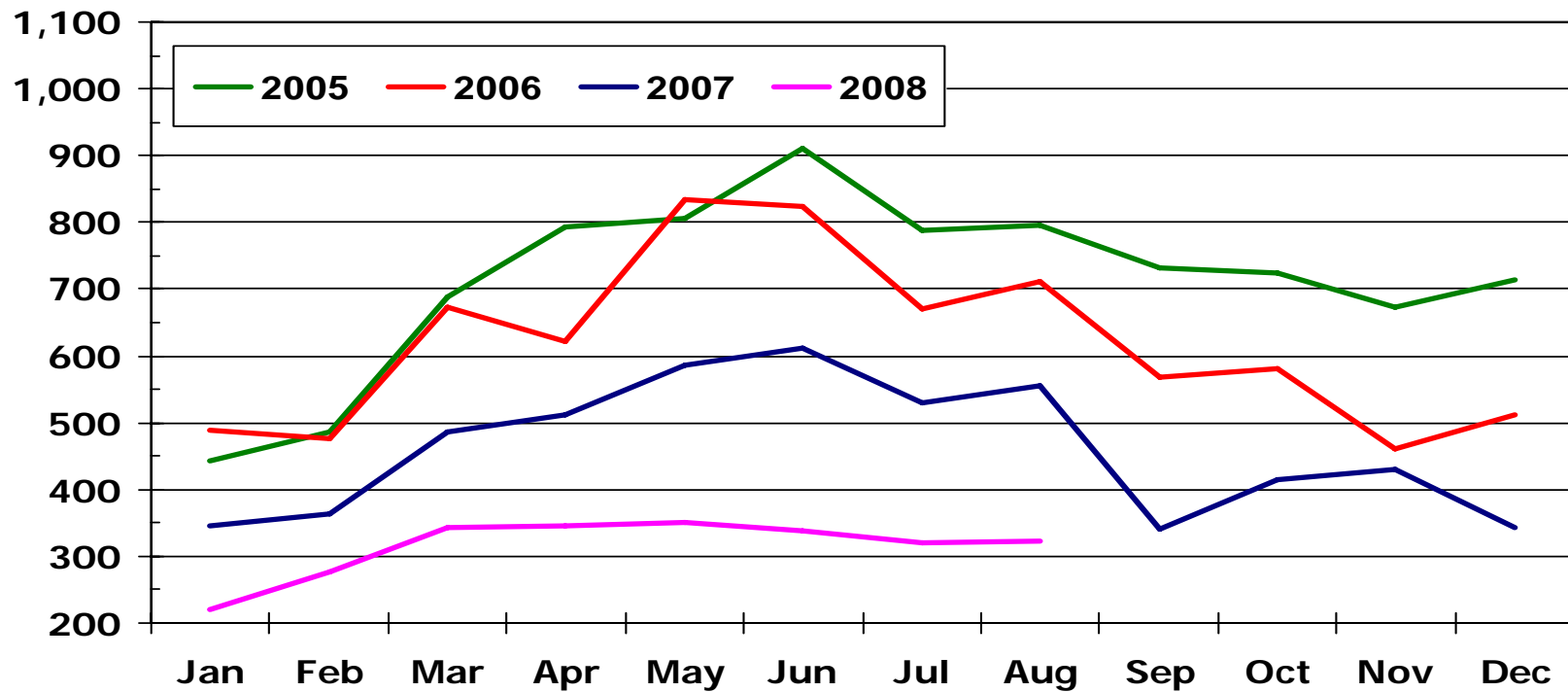
Number of Sales



Source: SCKMLS

Kansas City Area New Home Sales

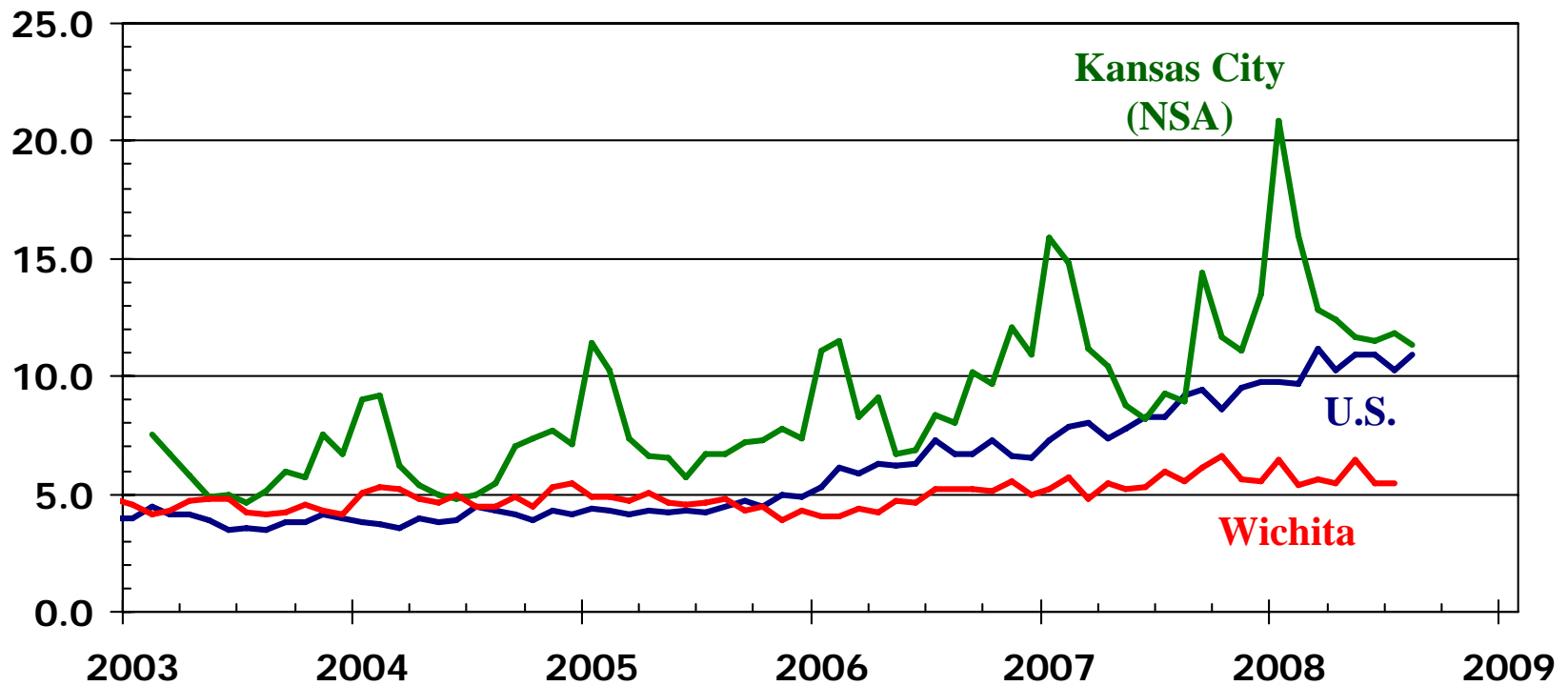
Number of Sales



Source: KCRAR

Inventory of New Homes Available for Sale

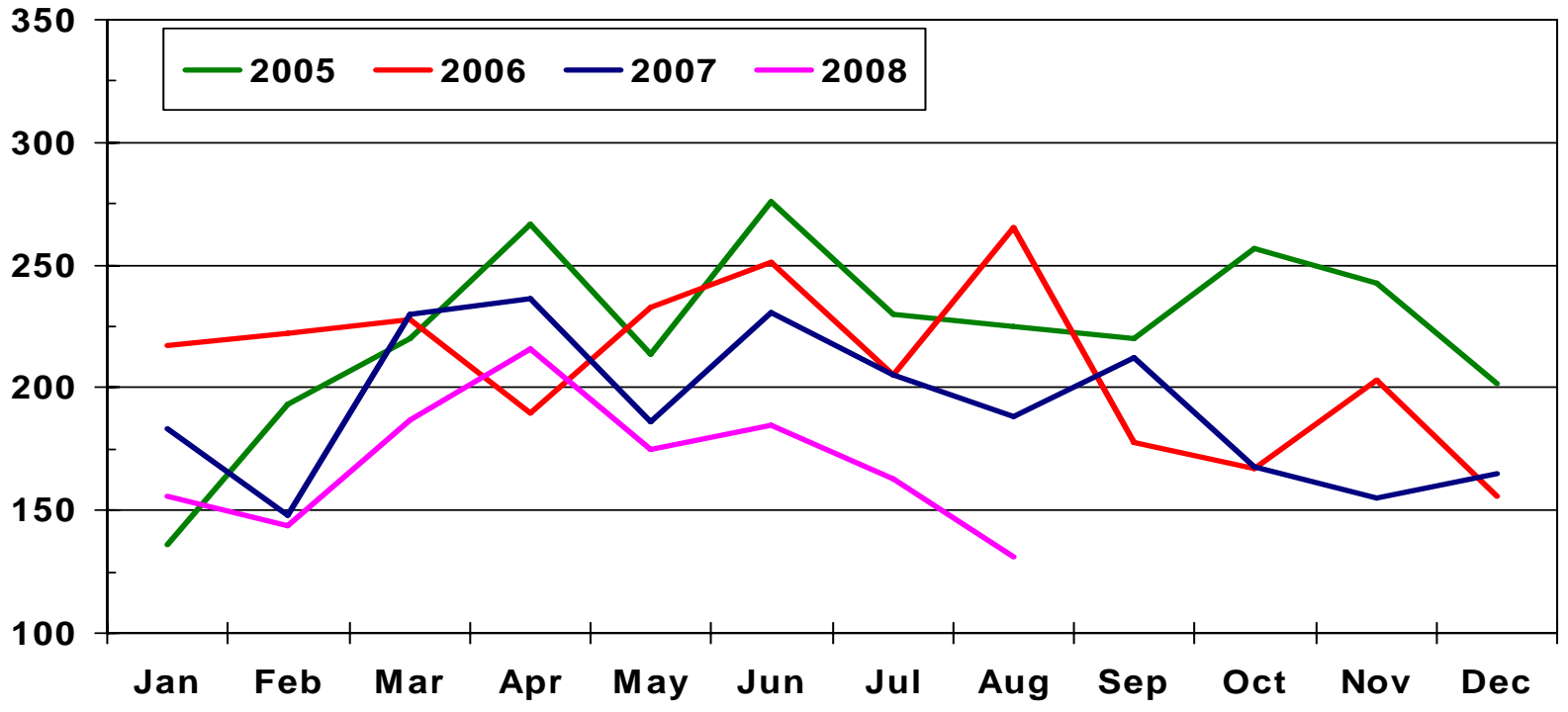
Months Supply (SA)



Sources: HUD; WSU Center for Real Estate
using data from KCRAR and SCK MLS

Wichita Area Building Permits

Number of Permits

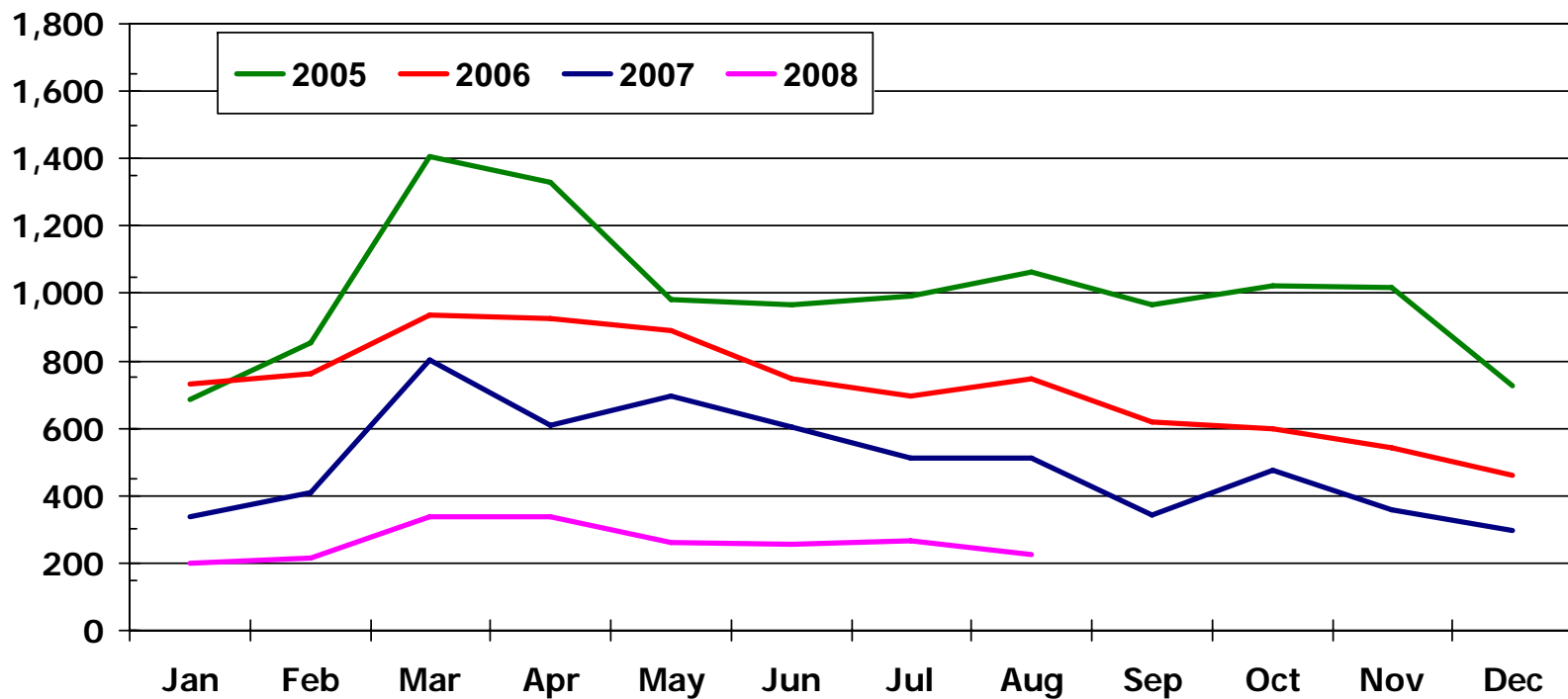


Source: WABA



Kansas City Area Building Permits

Number of Permits

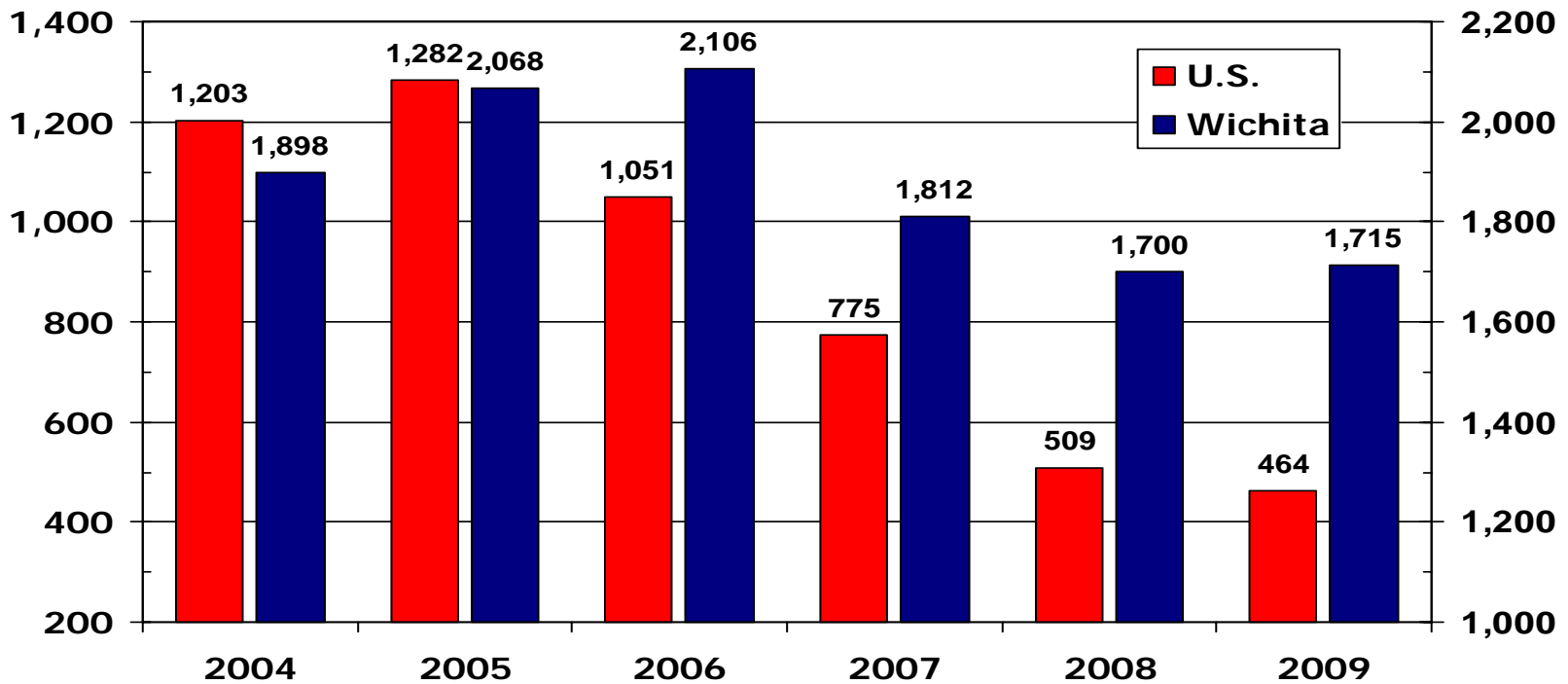


Source: US Census Bureau

New Home Sales Forecast

U.S. SF Home Sales in 1000's

Wichita Area SF Home Sales

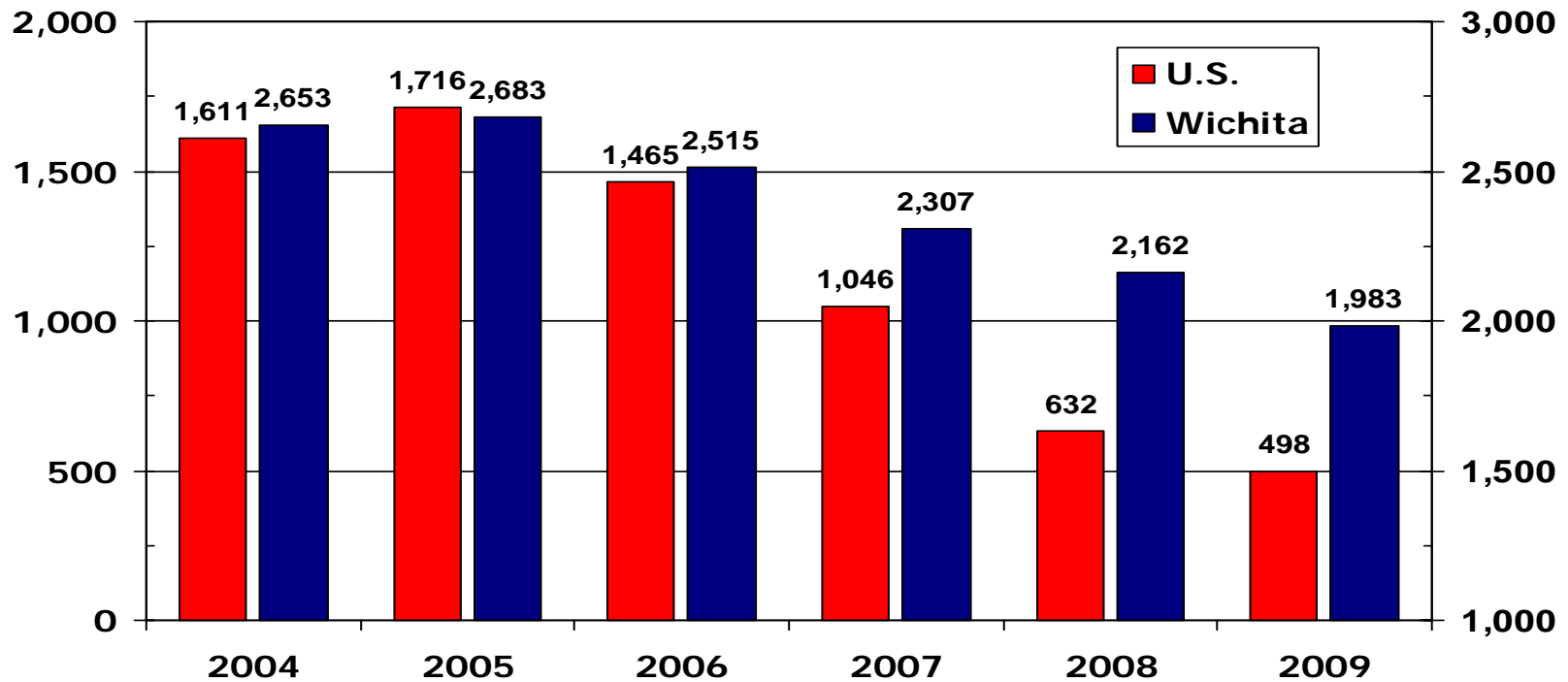


Sources: HUD/Census; SCK MLS;
NAR; WSU CRE

New Construction Forecast

U.S. SF Housing Starts in 1000's

Wichita Area SF Building Permits

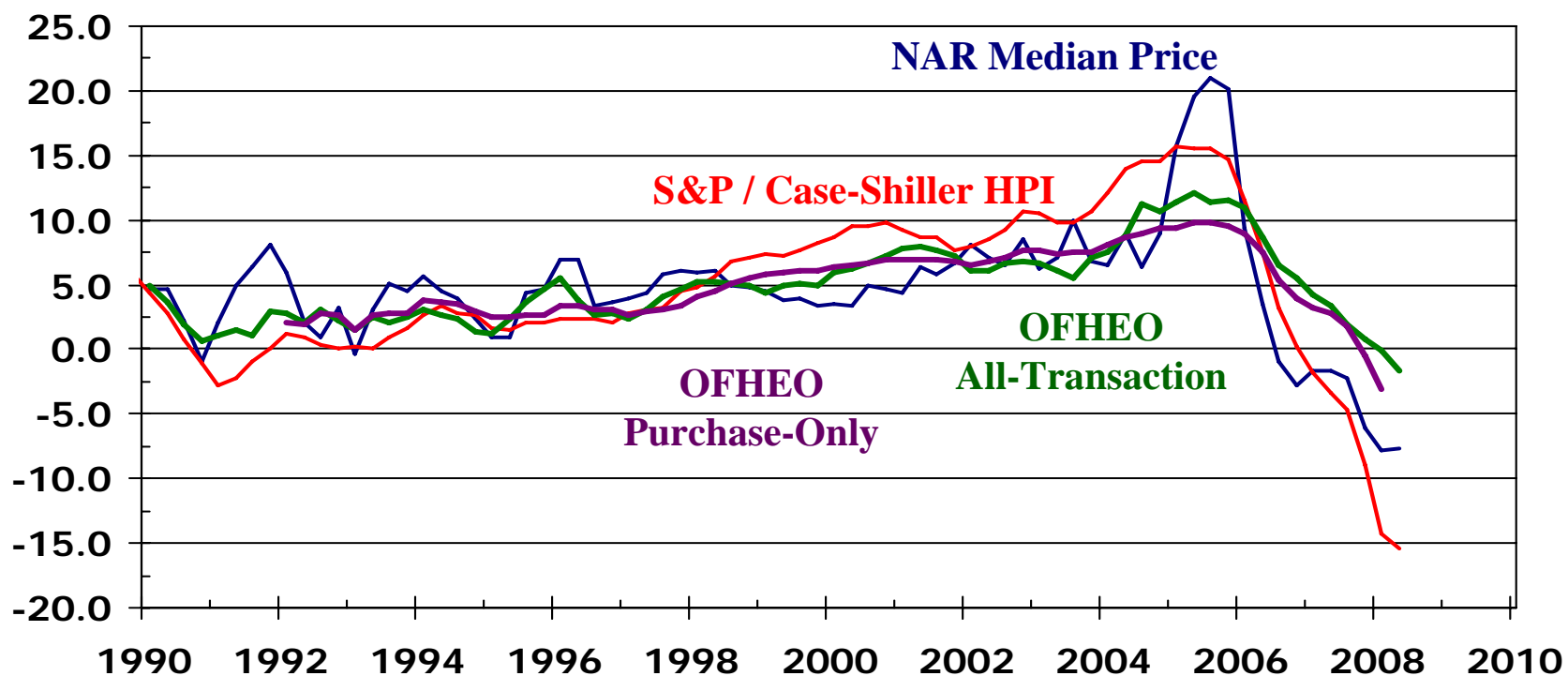


Sources: HUD/Census; WABA;
NAR; WSU CRE



U.S. House Price Appreciation

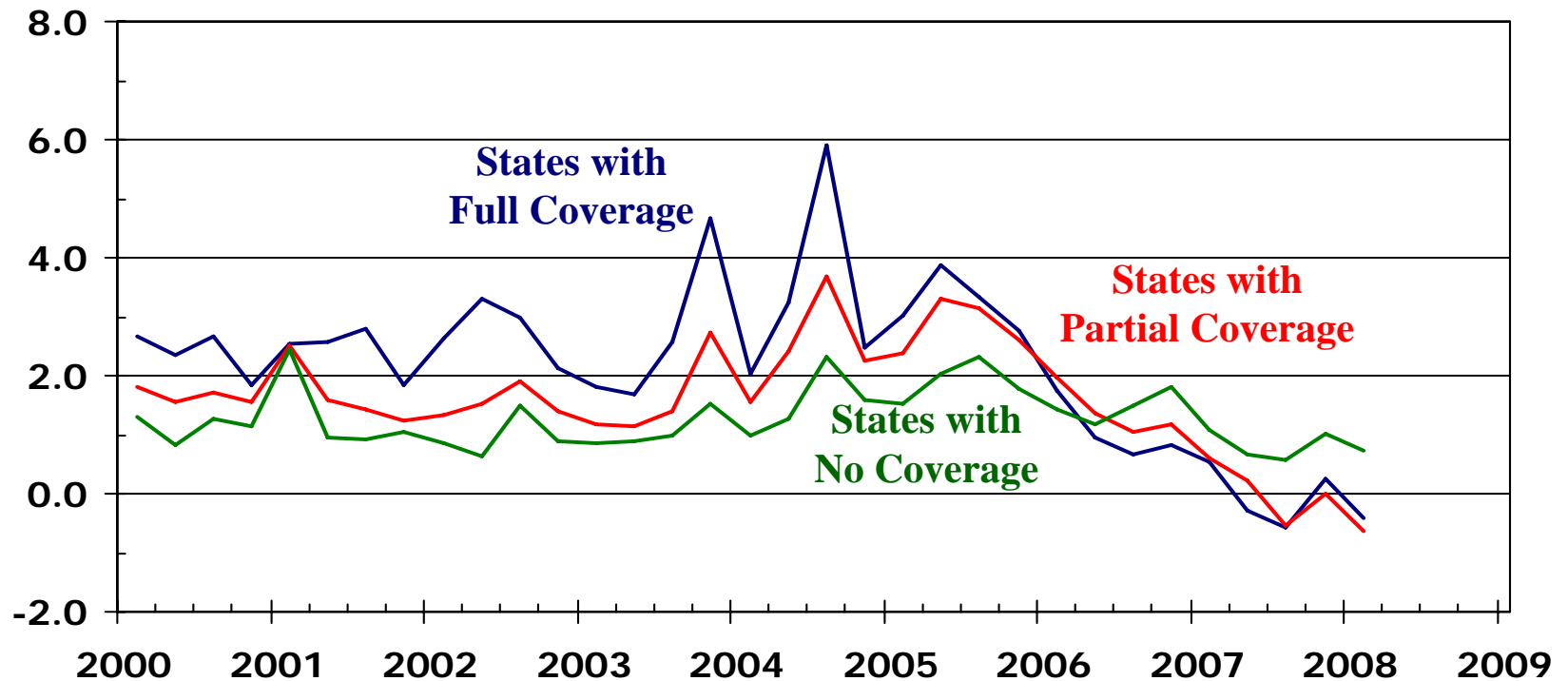
Year-over-year Percentage Change



Sources: NAR; S&P; OFHEO

OFHEO HPI by S&P Coverage

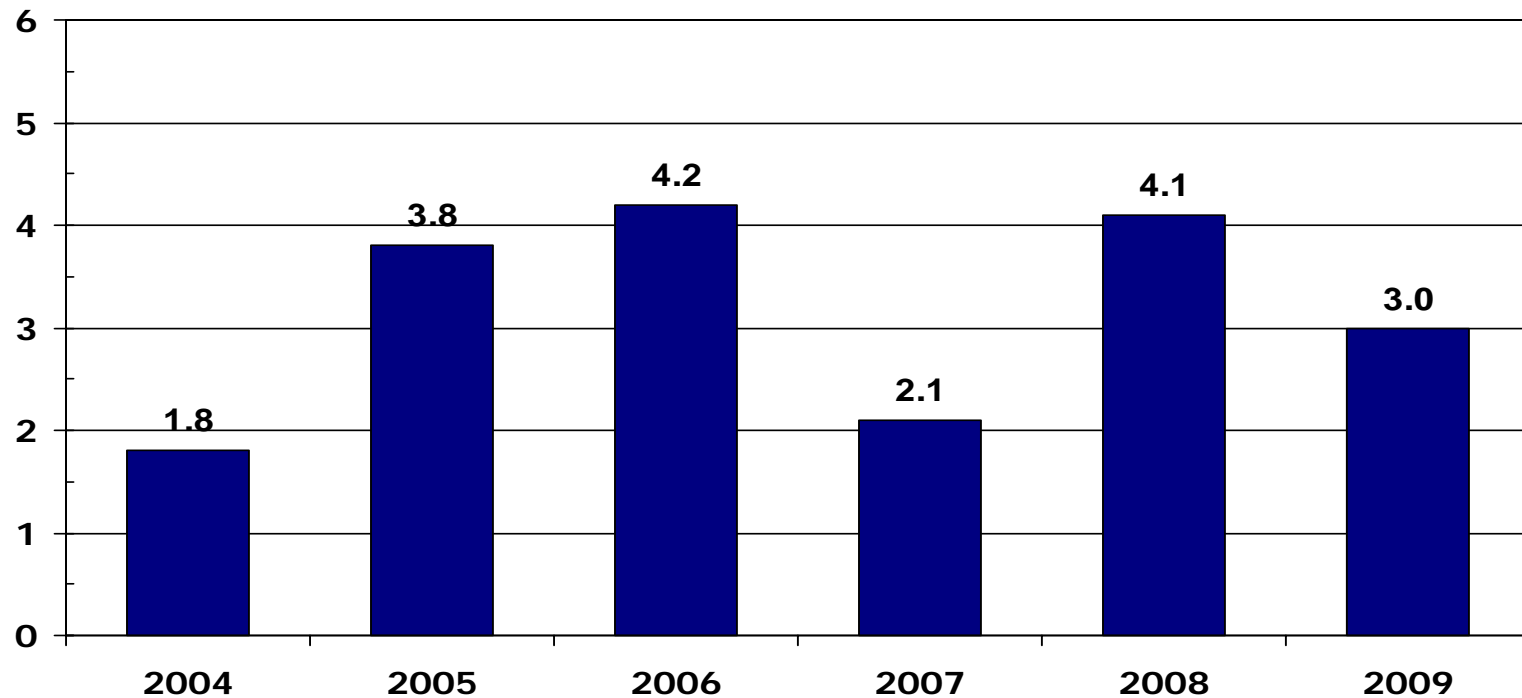
Quarter-over-Quarter Percentage Change



Source: WSU Center for Real Estate, using data from OFHEO and U.S. Census Bureau

Sedgwick County Home Price Appreciation Forecast

Year-over-year Percentage Change



Source: WSU CRE

Wichita State University Center for Real Estate

*Laying a Foundation for
Real Estate in Kansas*



WICHITA STATE UNIVERSITY

