The Hunt is On!

2018 Kansas Housing Markets Forecast

Dr. Stanley D. Longhofer – WSU Center for Real Estate

2017 KAR Annual Conference and Education Expo

October 12, 2017
Thanks to:

- Kansas Association of REALTORS®
- Kansas City Regional Association of REALTORS®
- Heartland MLS
- Lawrence Board of REALTORS®
- RSCK / REALTORS® of South Central Kansas
- Manhattan Association of REALTORS®, Inc.

and participating REALTOR® MLS systems across Kansas
Kansas Unemployment Rate

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

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

Index: 2008m1 = 100

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

![chart showing employment forecast from 2009 to 2018]

Sources: Kansas Department of Labor and WSU CEDBR
U.S. Treasury Rates
Real Short Term Interest Rates

Sources: Board of Governors of the Federal Reserve System and University of Michigan
Inventory of Homes for Sale

Months' Supply

Sources: NAR and Participating Kansas REALTOR® MLS systems
Note: Data are seasonally adjusted
Home Inventories by Price Range

Source: Participating Kansas REALTOR® MLS Systems
Data are seasonally adjusted
Kansas Home Sales Forecast

Sources: WSU Center for Real Estate and Participating Kansas REALTOR® MLS systems
Buyers are snatching up available homes incredibly fast...
Kansas Home Price Appreciation

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

Sources: WSU Center for Real Estate and Federal Housing Finance Agency
Appreciation calculated using 4th quarter values of the FHFA all-transactions house price index
Kansas Home Construction Forecast

Sources: WSU Center for Real Estate and U.S. Bureau of the Census
<table>
<thead>
<tr>
<th></th>
<th>2015 Actual</th>
<th>2016 Actual</th>
<th>2017 Forecast</th>
<th>2018 Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Home Sales</strong></td>
<td>38,213 units</td>
<td>40,181 units</td>
<td>40,040 units</td>
<td>41,380</td>
</tr>
<tr>
<td></td>
<td>+7.7%</td>
<td>+5.2%</td>
<td>-0.4%</td>
<td>+3.3%</td>
</tr>
<tr>
<td><strong>SF Building Permits</strong></td>
<td>5,257 units</td>
<td>5,058 units</td>
<td>5,930 units</td>
<td>5,850 units</td>
</tr>
<tr>
<td></td>
<td>21.3%</td>
<td>-3.8%</td>
<td>+17.2%</td>
<td>-1.3%</td>
</tr>
<tr>
<td><strong>Home Price Appreciation</strong></td>
<td>+4.0%</td>
<td>+5.3%</td>
<td>+5.1</td>
<td>+5.2</td>
</tr>
</tbody>
</table>

Sources: Participating Kansas REALTOR® MLS Systems; U.S. Bureau of the Census; Federal Housing Finance Agency; WSU Center for Real Estate
<table>
<thead>
<tr>
<th></th>
<th>KC</th>
<th>Lawrence</th>
<th>Manhattan</th>
<th>Topeka</th>
<th>Wichita</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Home Sales</strong></td>
<td>38,520 units</td>
<td>1,560</td>
<td>1,010</td>
<td>3,200</td>
<td>10,450</td>
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<tr>
<td></td>
<td>+3.6%</td>
<td>+4.0%</td>
<td>+9.8%</td>
<td>+0.6%</td>
<td>+1.5%</td>
</tr>
<tr>
<td><strong>SF Building Permits</strong></td>
<td>6,005 units</td>
<td>250</td>
<td>275</td>
<td>270</td>
<td>1,030</td>
</tr>
<tr>
<td></td>
<td>+2.0%</td>
<td>-5.7%</td>
<td>+5.8%</td>
<td>-5.3%</td>
<td>-1.0%</td>
</tr>
<tr>
<td><strong>Home Price Appreciation</strong></td>
<td>+6.6%</td>
<td>+4.4%</td>
<td>+3.2%</td>
<td>+2.7%</td>
<td>+3.7%</td>
</tr>
</tbody>
</table>

Sources: Heartland MLS; Lawrence Board of REALTORS®; Manhattan 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
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Security 1st Title

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