



**KANSAS CITY REGIONAL
ASSOCIATION OF REALTORS®
January 15, 2021**

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



**WICHITA STATE
UNIVERSITY**
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2021 KANSAS CITY FORECAST SPONSORS



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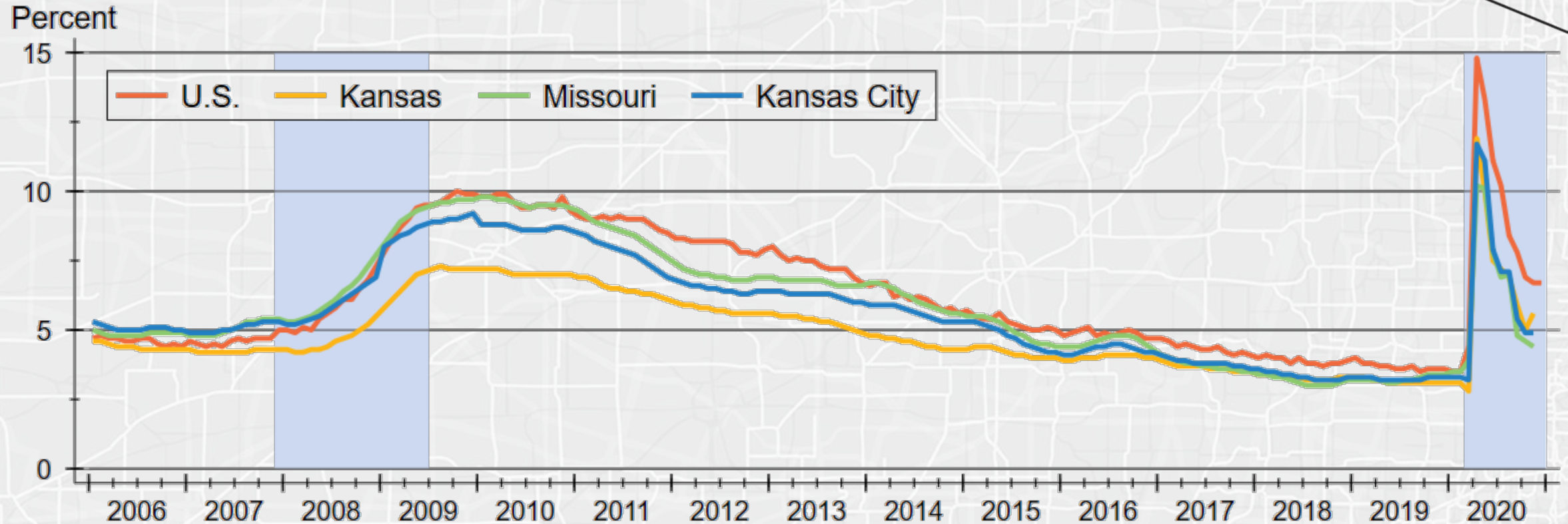


2020 Forecast - Labor and Mortgage Market Summary

- **Current fundamentals are solid**
 - **Mortgage financing is widely available...and *cheap!***
 - **Labor markets are fairly healthy**
- ***All of this could change quickly***

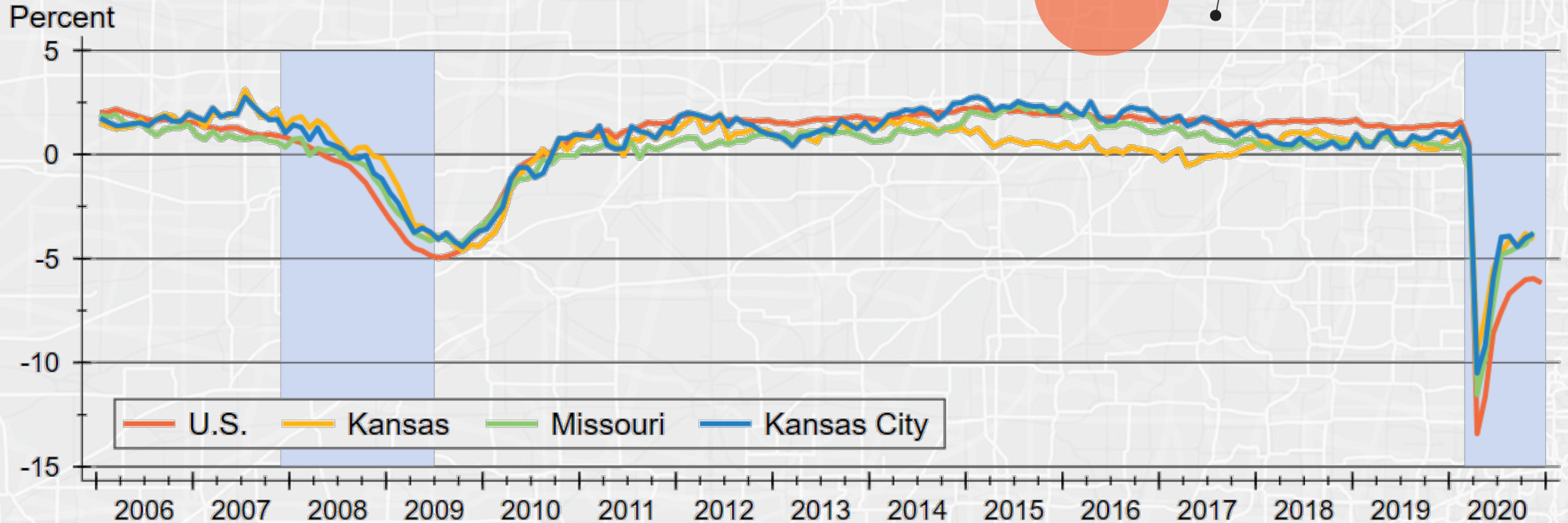


UNEMPLOYMENT RATES



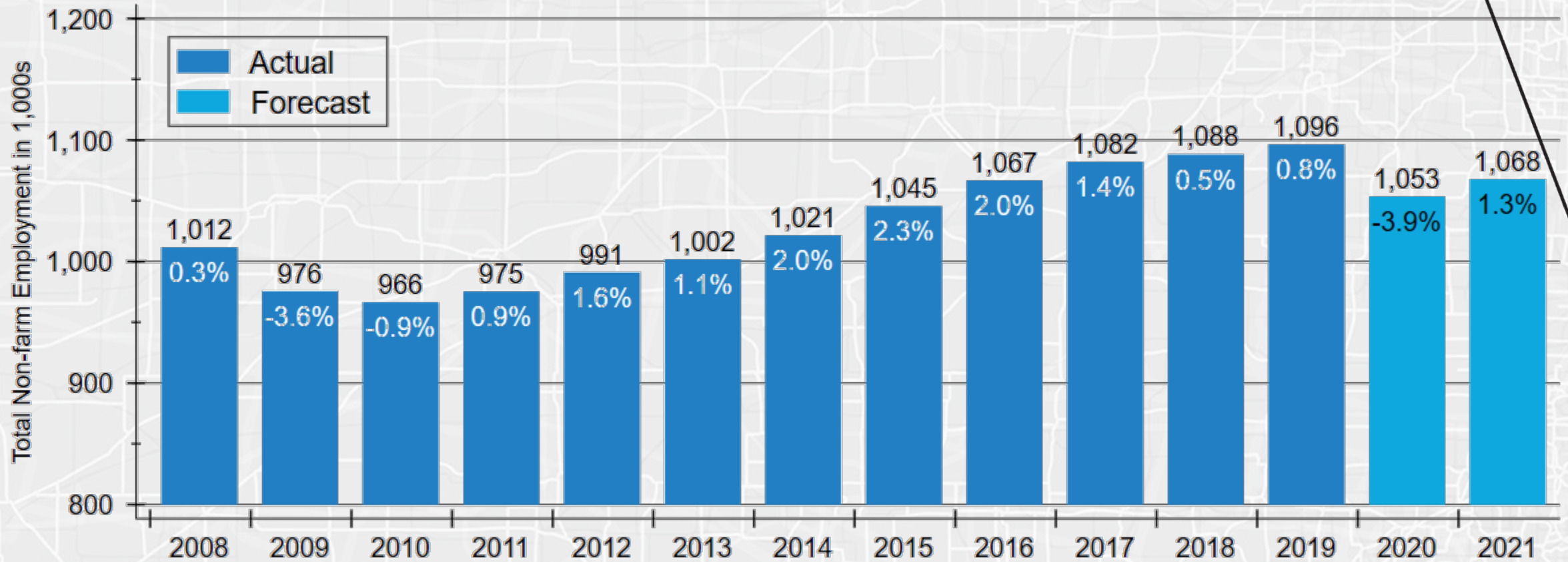
Source: U.S. Bureau of Labor Statistics
Data are seasonally adjusted

EMPLOYMENT GROWTH



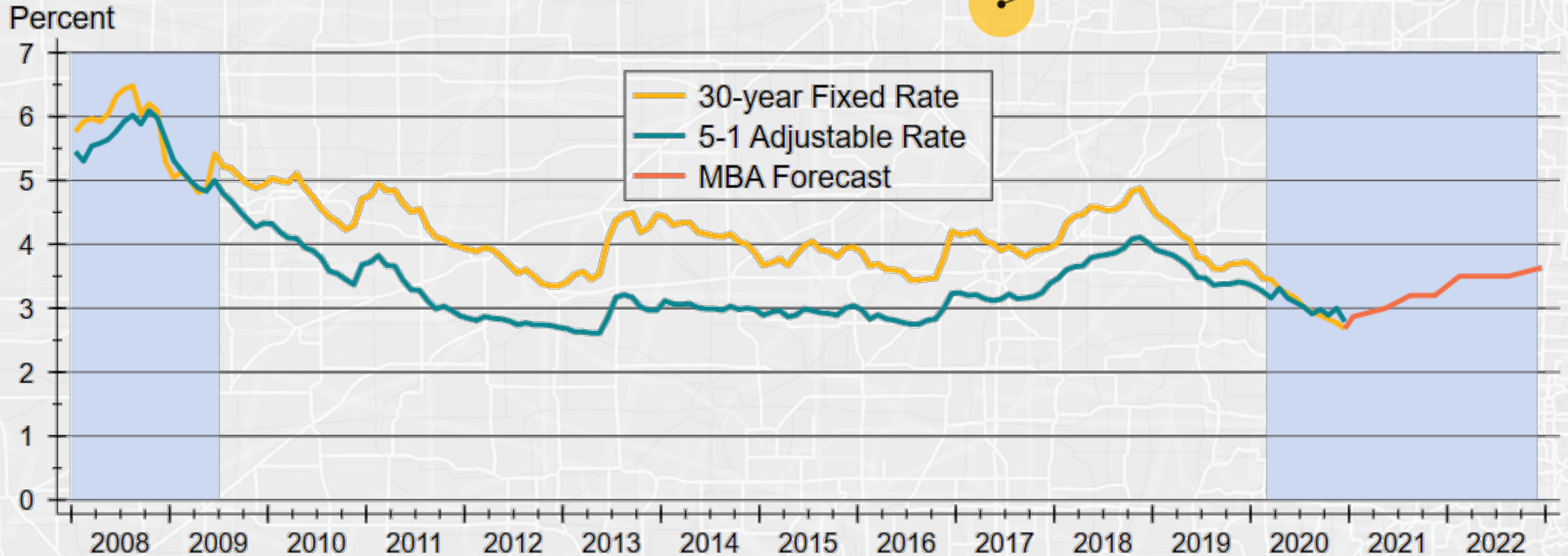
Source: U.S. Bureau of Labor Statistics
Data are seasonally adjusted

KANSAS CITY EMPLOYMENT FORECAST



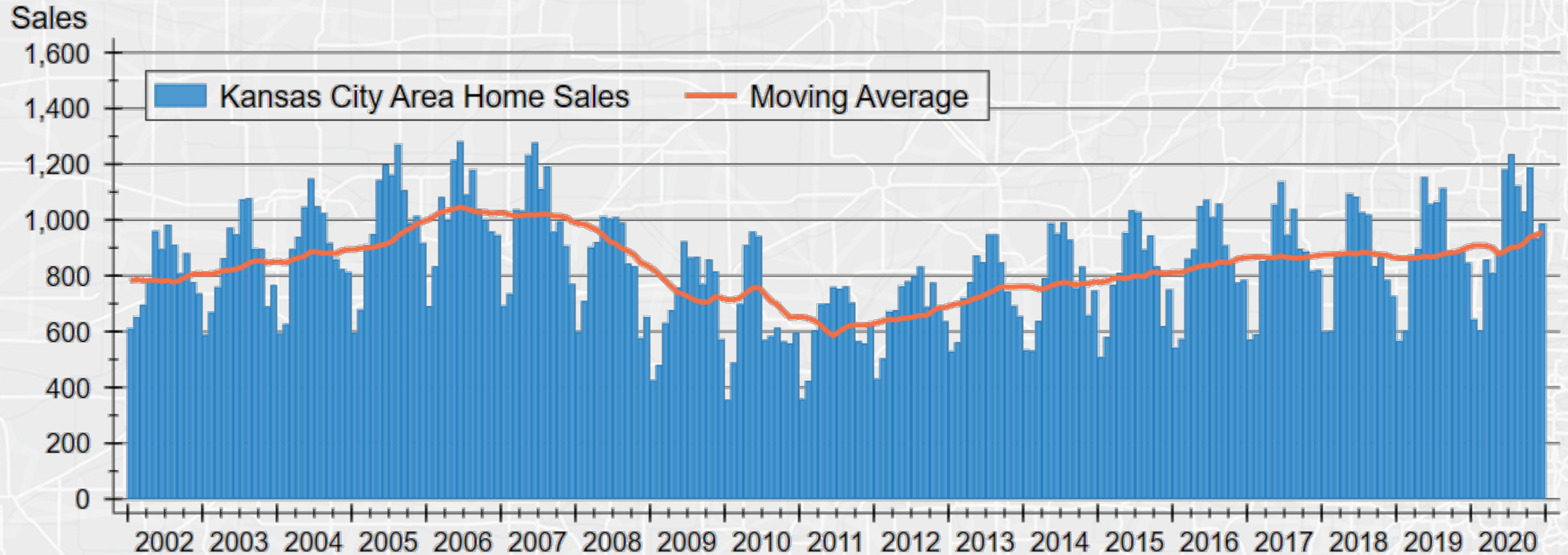
Sources: Kansas Department of Labor and WSU CEDBR

MORTGAGE RATES FORECAST



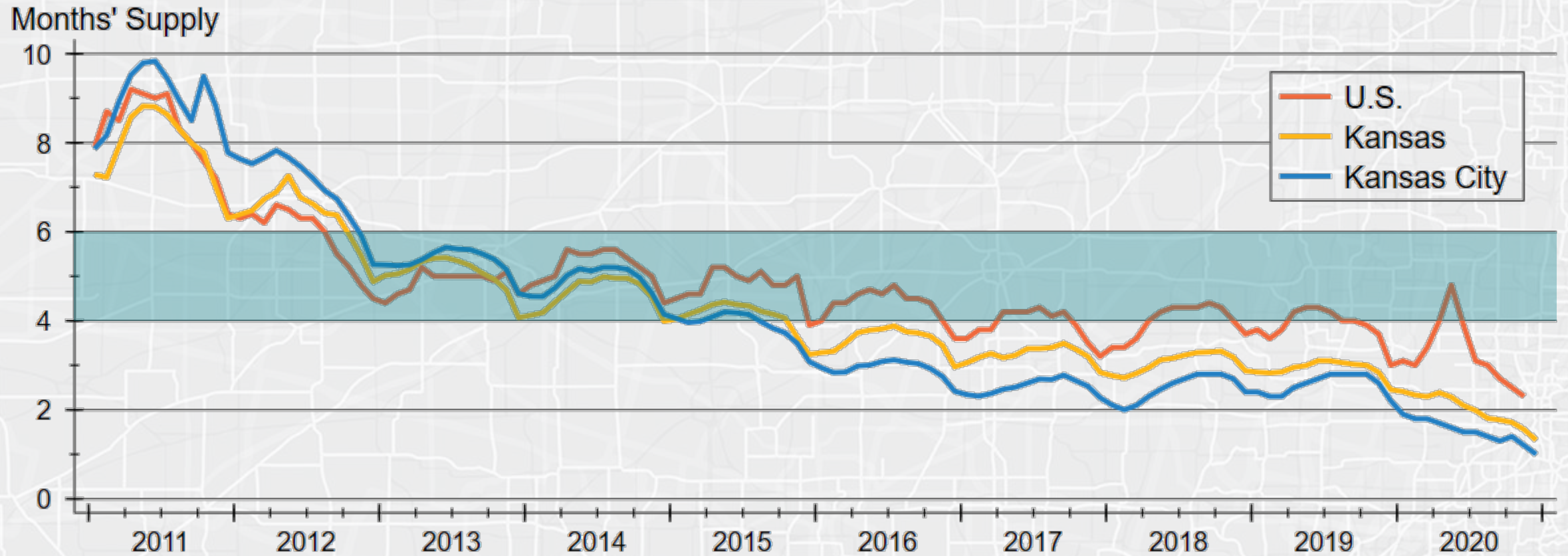
Sources: Freddie Mac; Mortgage Bankers Association

KANSAS CITY AREA TOTAL HOME SALES



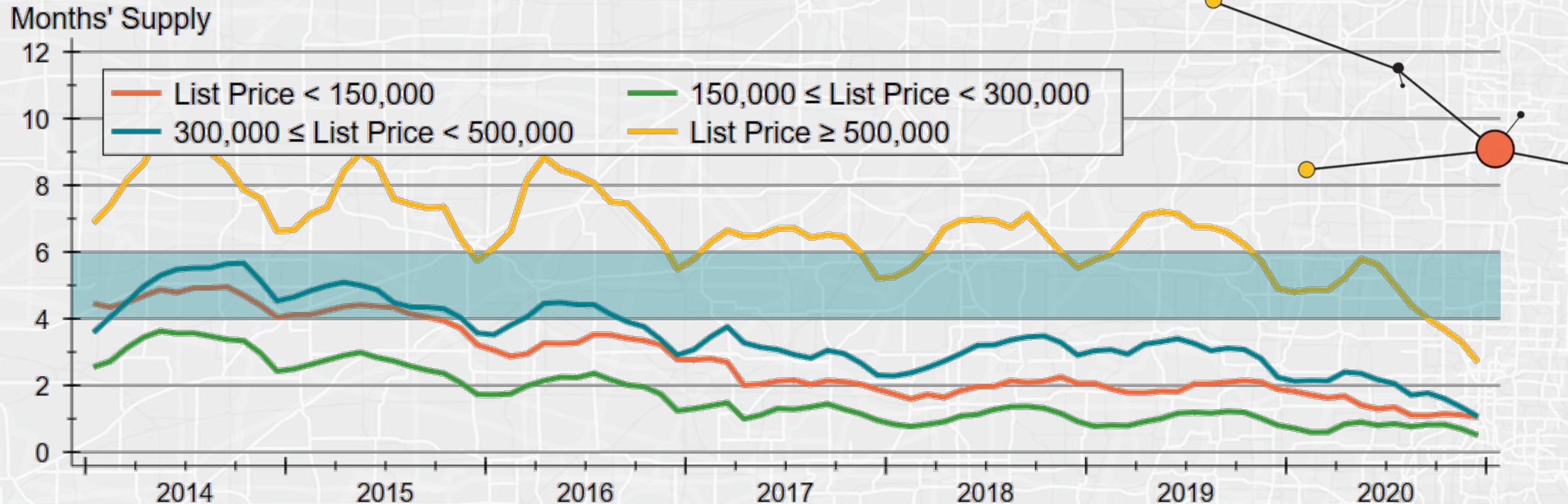
Source: Heartland MLS

INVENTORY OF HOMES FOR SALE



Sources: NAR, KAR and Heartland MLS

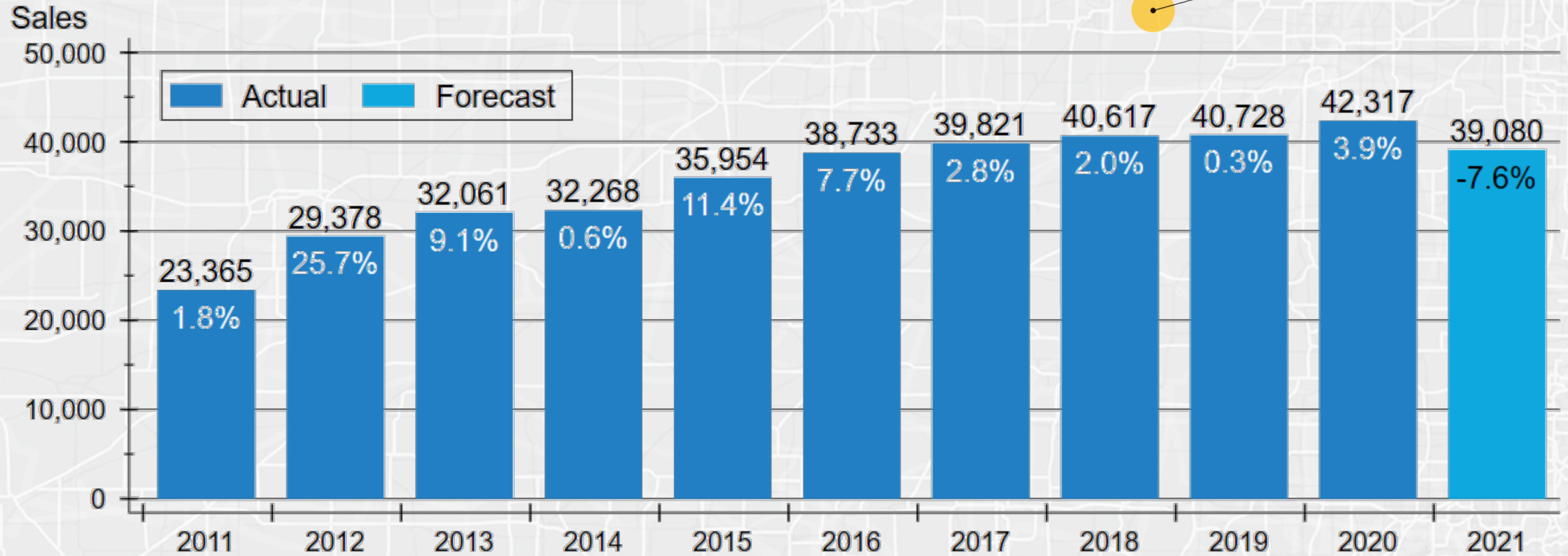
KANSAS CITY INVENTORIES BY LIST PRICE



Source: Heartland MLS

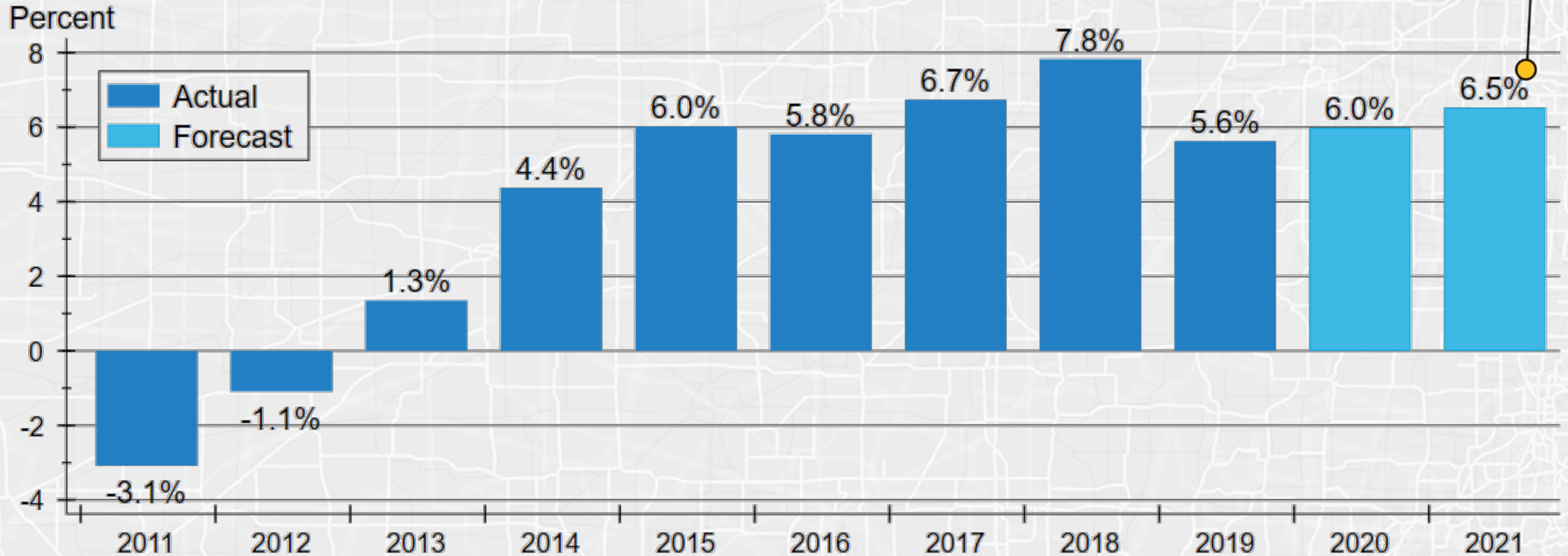
Note: Calculated using only Kansas-side data

KANSAS CITY HOME SALES FORECAST



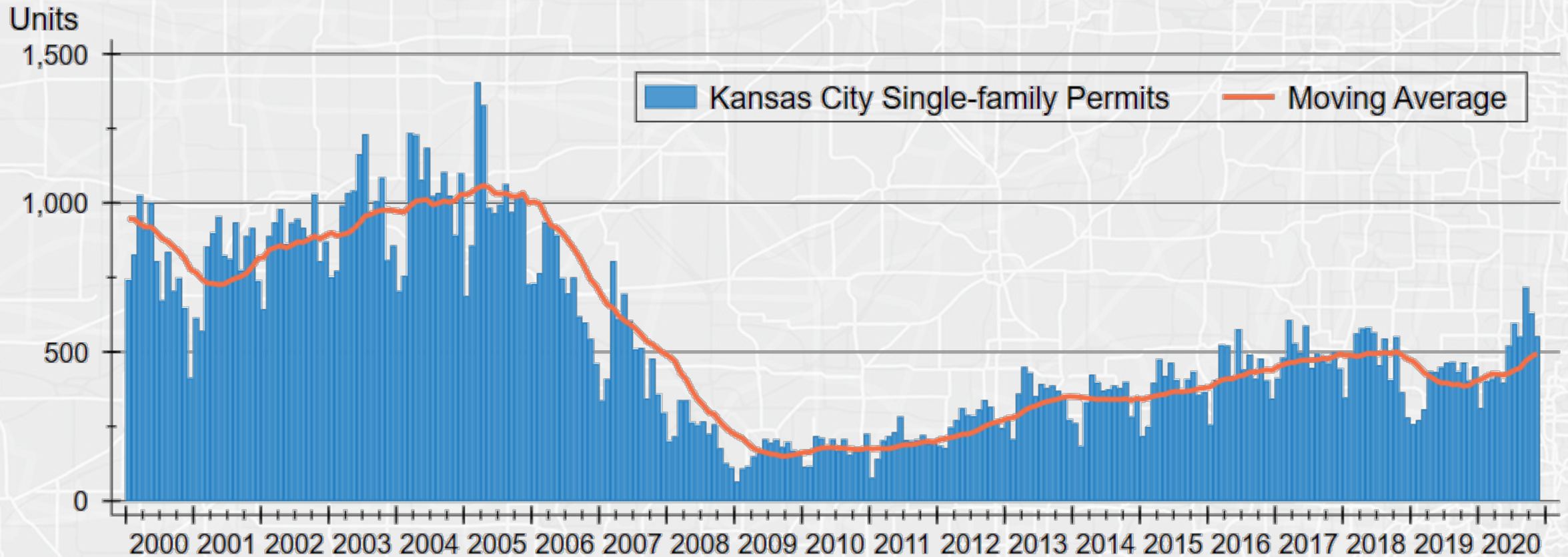
Sources: WSU Center for Real Estate and Heartland MLS

KANSAS CITY HOME PRICES FORECAST



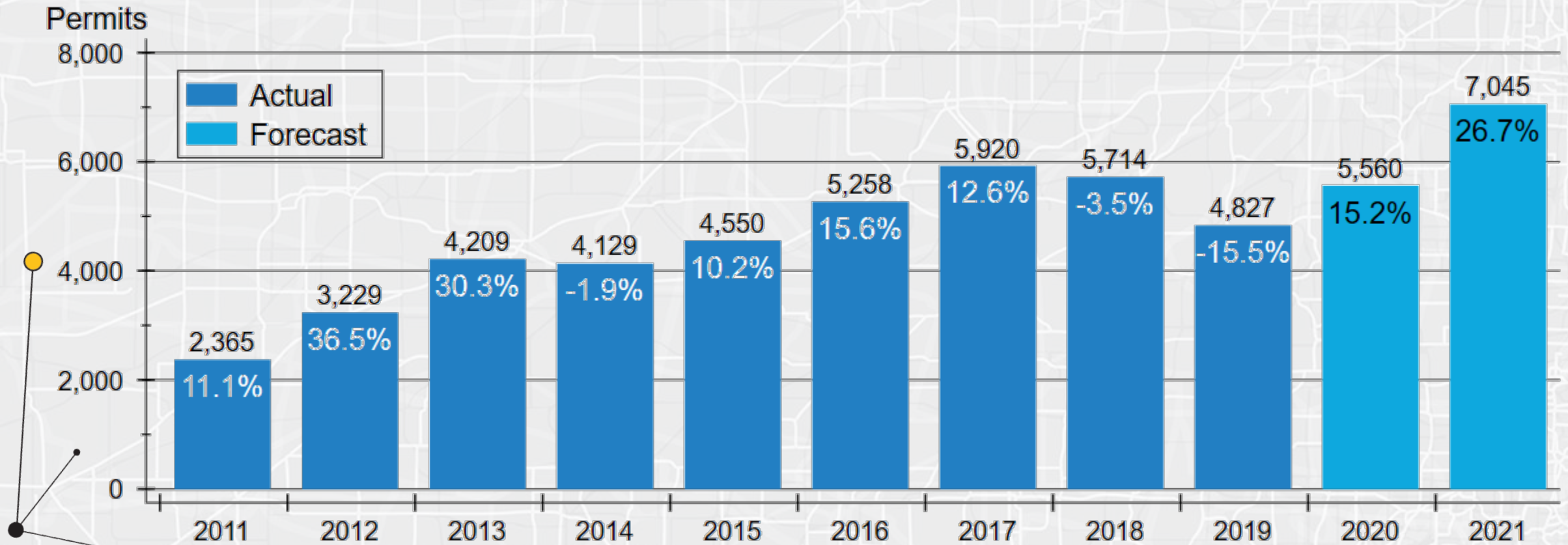
Sources: WSU Center for Real Estate and Federal Housing Finance Agency

KANSAS CITY SINGLE-FAMILY BUILDING PERMITS



Source: U.S. Bureau of the Census

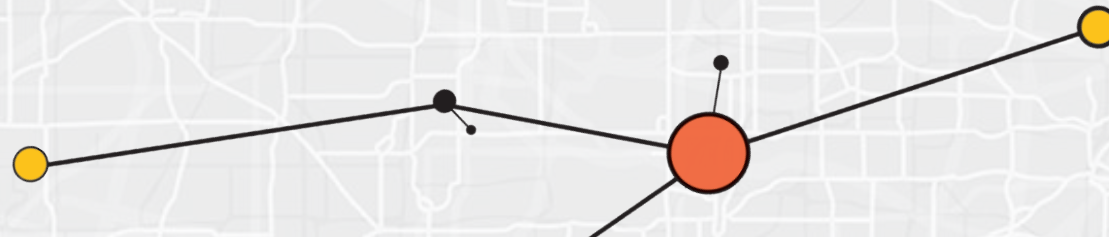
KANSAS CITY NEW HOME CONSTRUCTION



Sources: WSU Center for Real Estate and U.S. Bureau of the Census

KANSAS CITY HOUSING FORECAST

| | 2018 Actual | 2019 Actual | 2020 Forecast | 2021 Forecast |
|-------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Total Home Sales | 40,617 units +2.0% | 39,896 units -1.8% | 39,500 units -1.0% | 39,080 units -1.1% |
| SF Building Permits | 5,714 units -3.5% | 4,827 units -15.5% | 5,560 units +15.2% | 7,045 units +26.7% |
| Home Price Appreciation | +8.2% | +5.4% | +6.0% | +6.5% |



2021 KANSAS HOUSING FORECAST

| | 2018 Actual | 2019 Actual | 2020 Forecast | 2021 Forecast |
|-------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Total Home Sales | 40,763 units -0.2% | 41,076 units +0.8% | 41,470 units +1.0% | 40,940 units -1.3% |
| SF Building Permits | 5,628 units -3.3% | 4,834 units -14.1% | 5,420 units +12.1% | 6,590 units +21.6% |
| Home Price Appreciation | +5.5% | +4.9% | +4.8% | +5.7% |

2021 MAJOR MARKETS FORECAST

| | KC | Lawrence | Manhattan | Topeka | Wichita |
|-------------------------|-----------------------|----------------------|-----------------------|----------------------|-----------------------|
| Total Home Sales | 39,500 units -1.0% | 1,500 units +1.1% | 1,790 units +16.6% | 3,250 units +3.9% | 10,790 units -0.2% |
| SF Building Permits | 5,560 units +15.2% | 265 units +41.0% | 210 units -14.3% | 305 units +22.5% | 1,205 units +12.5% |
| Home Price Appreciation | +6.0% | +4.1% | +3.5% | +4.0% | +6.6% |

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