

2023 KANSAS HOUSING FORECAST

Dr. Stanley D. Longhofer

October 6, 2022



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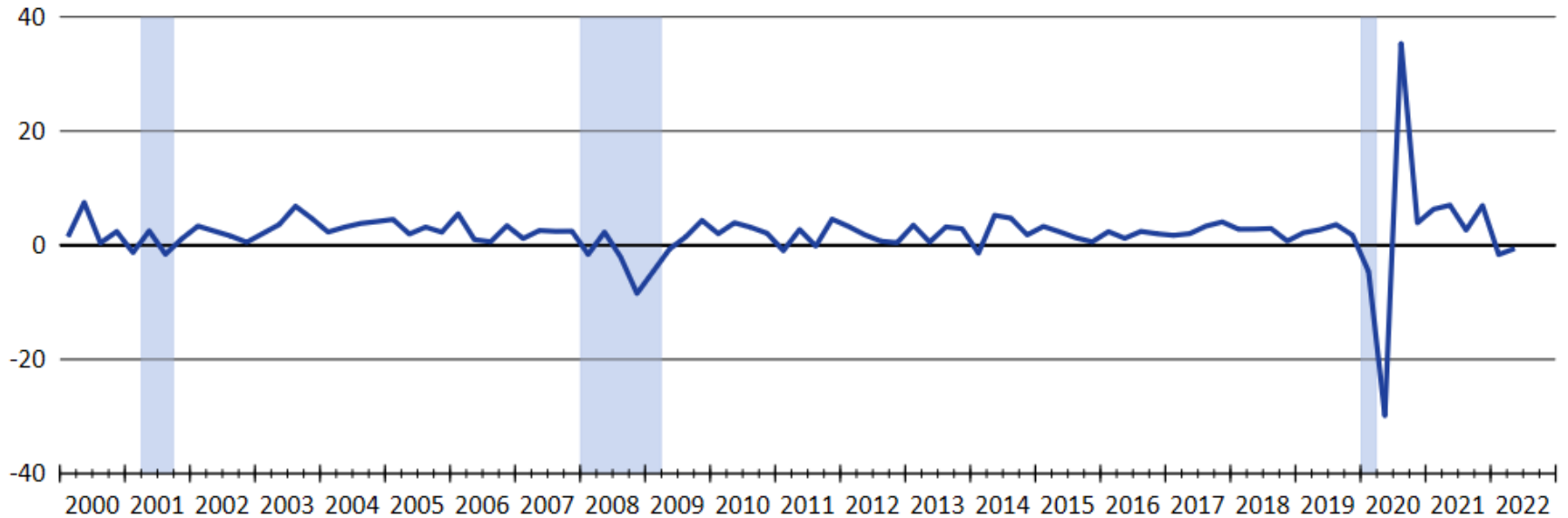
Thanks also to



and participating REALTOR® MLS
systems across Kansas

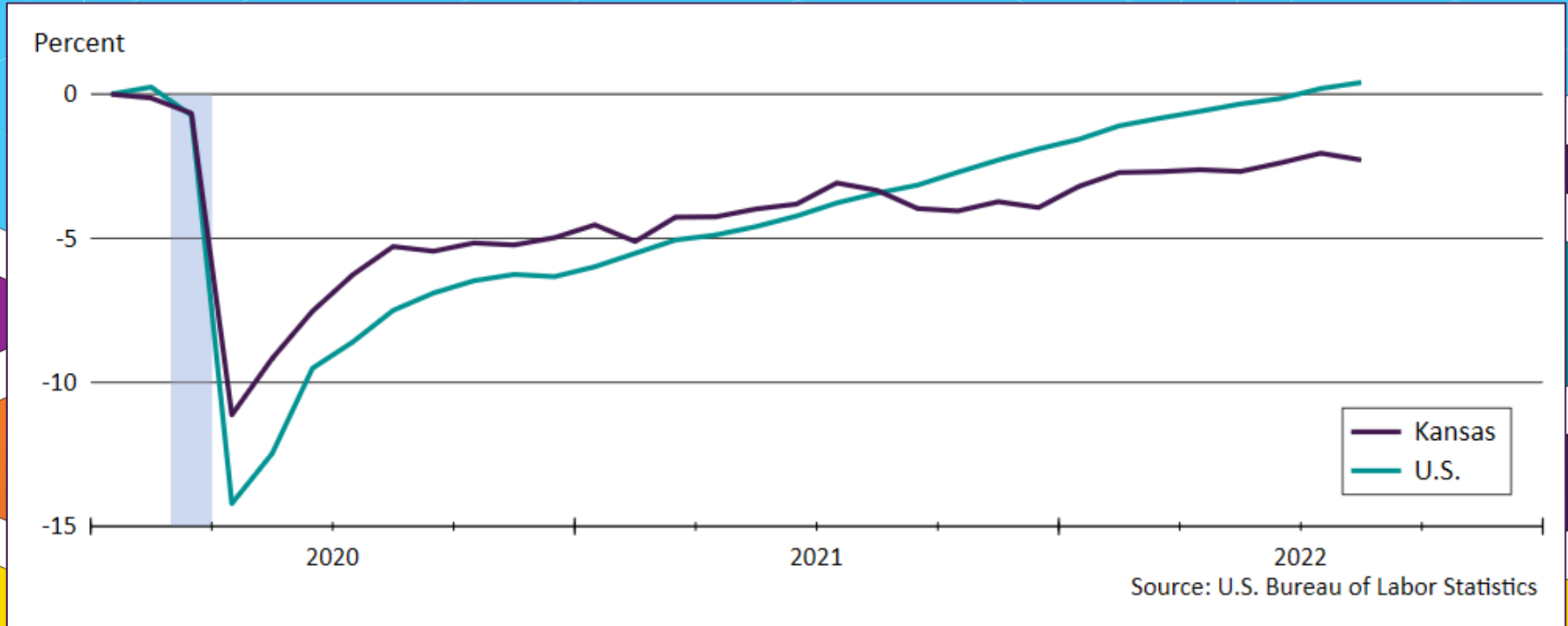
Are We in A Recession?

Annualized Quarterly GDP Growth

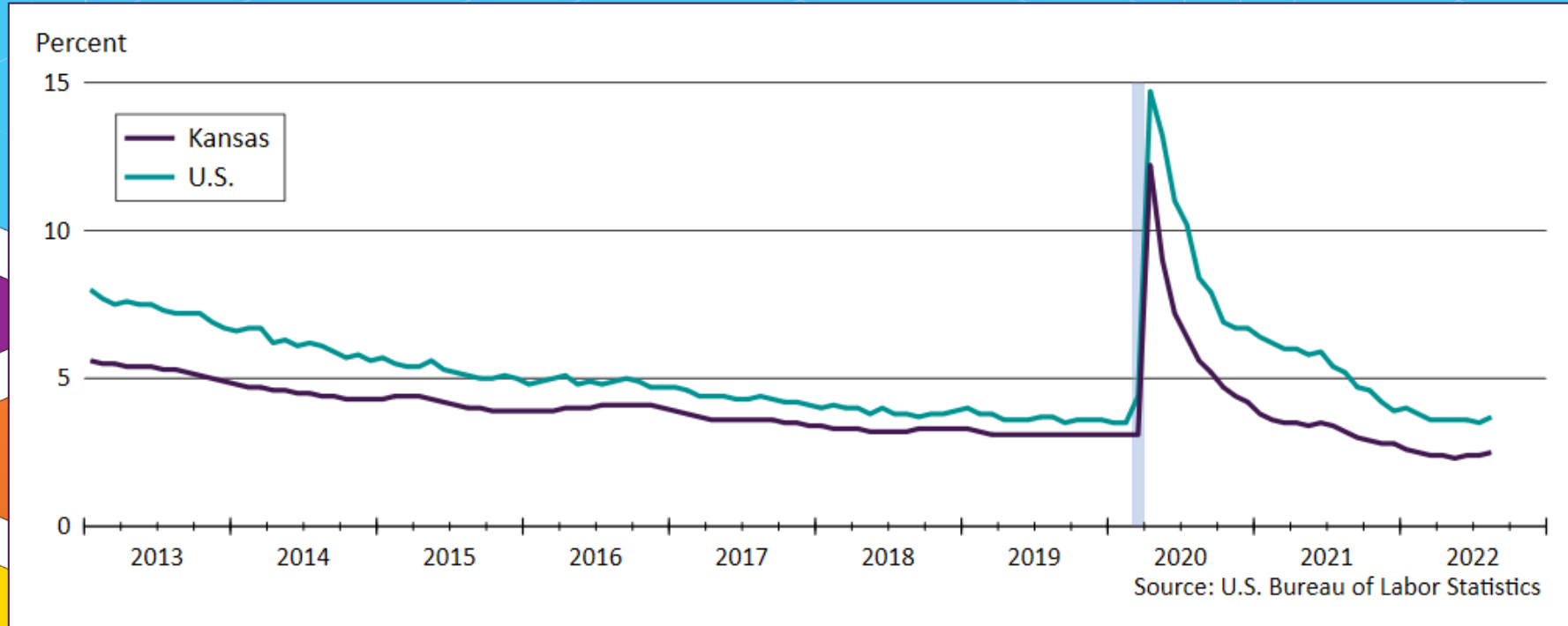


Source: Bureau of Economic Analysis

U.S. Non-farm Employment has Recovered from the Pandemic Recession

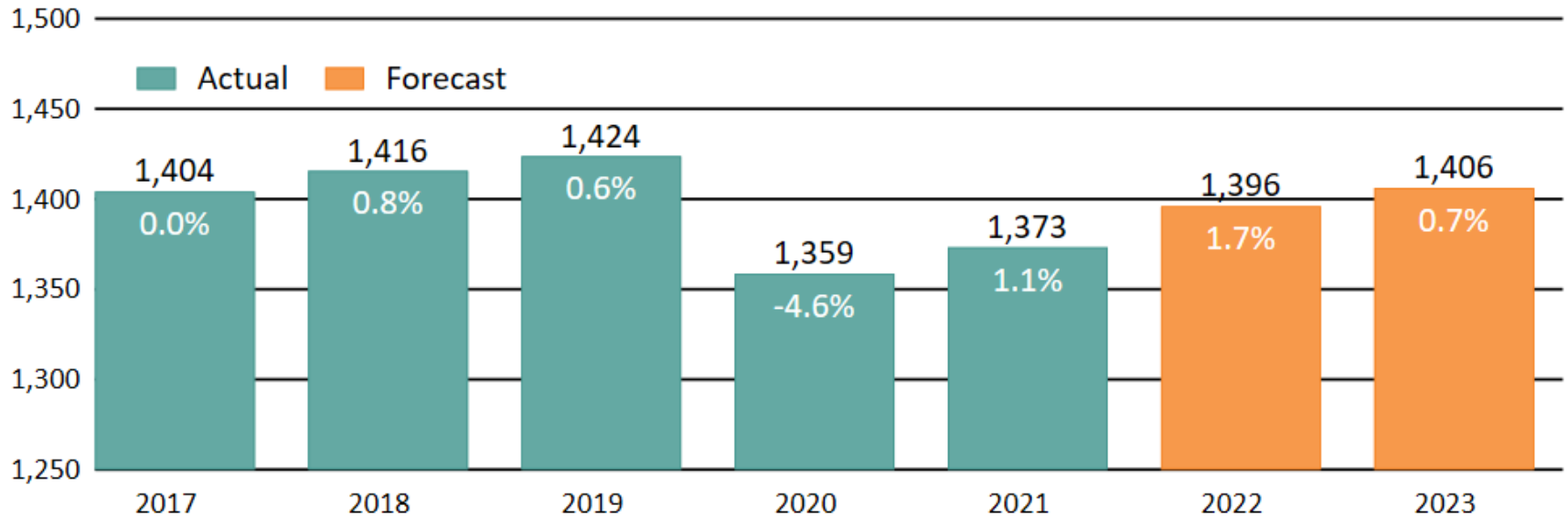


Unemployment Rates Are Near Historic Lows



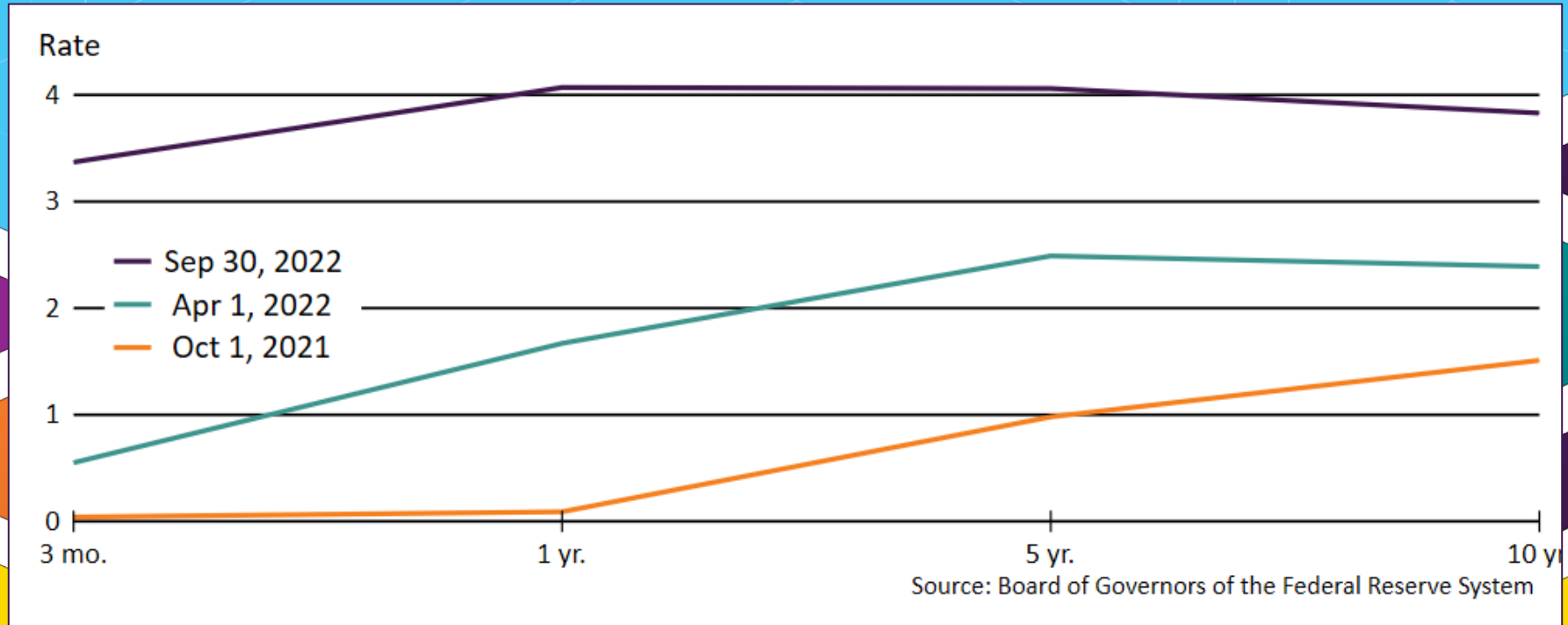
Kansas Employment Forecast

Employment in 1,000s

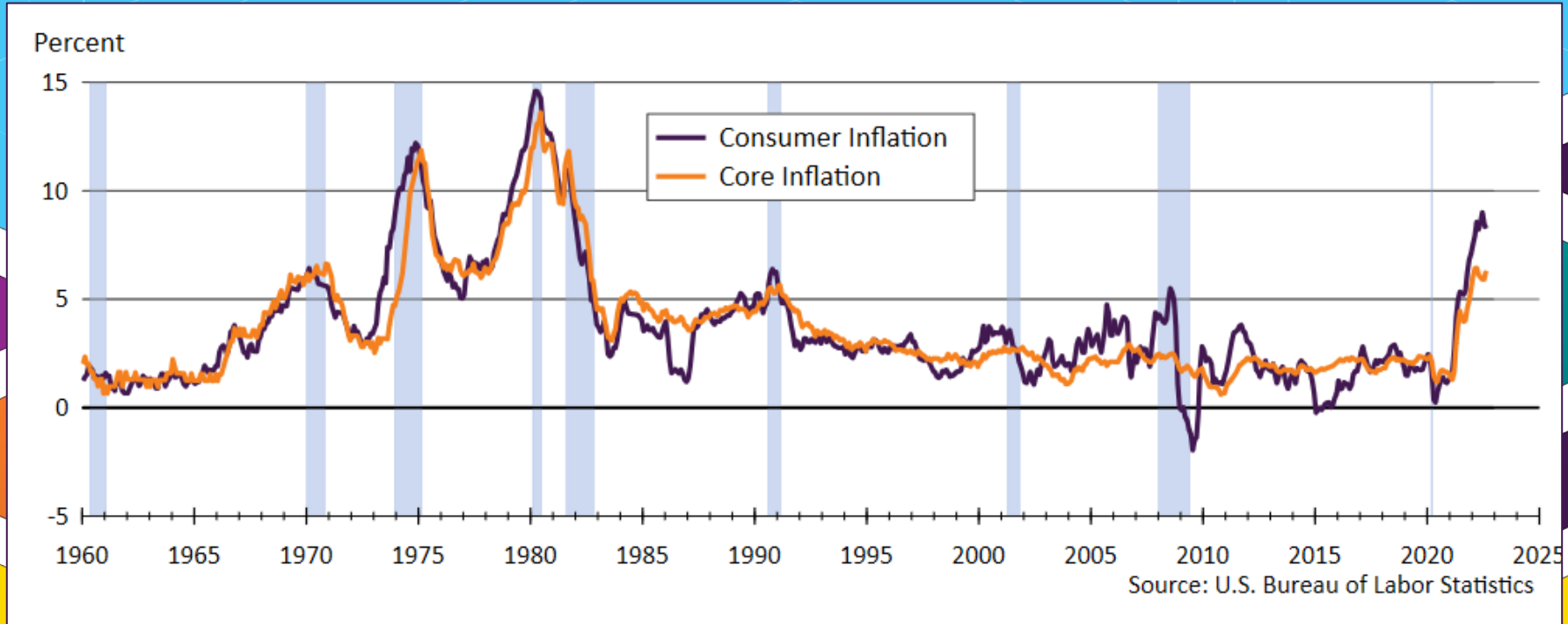


Sources: Kansas Department of Labor and WSU CEDBR

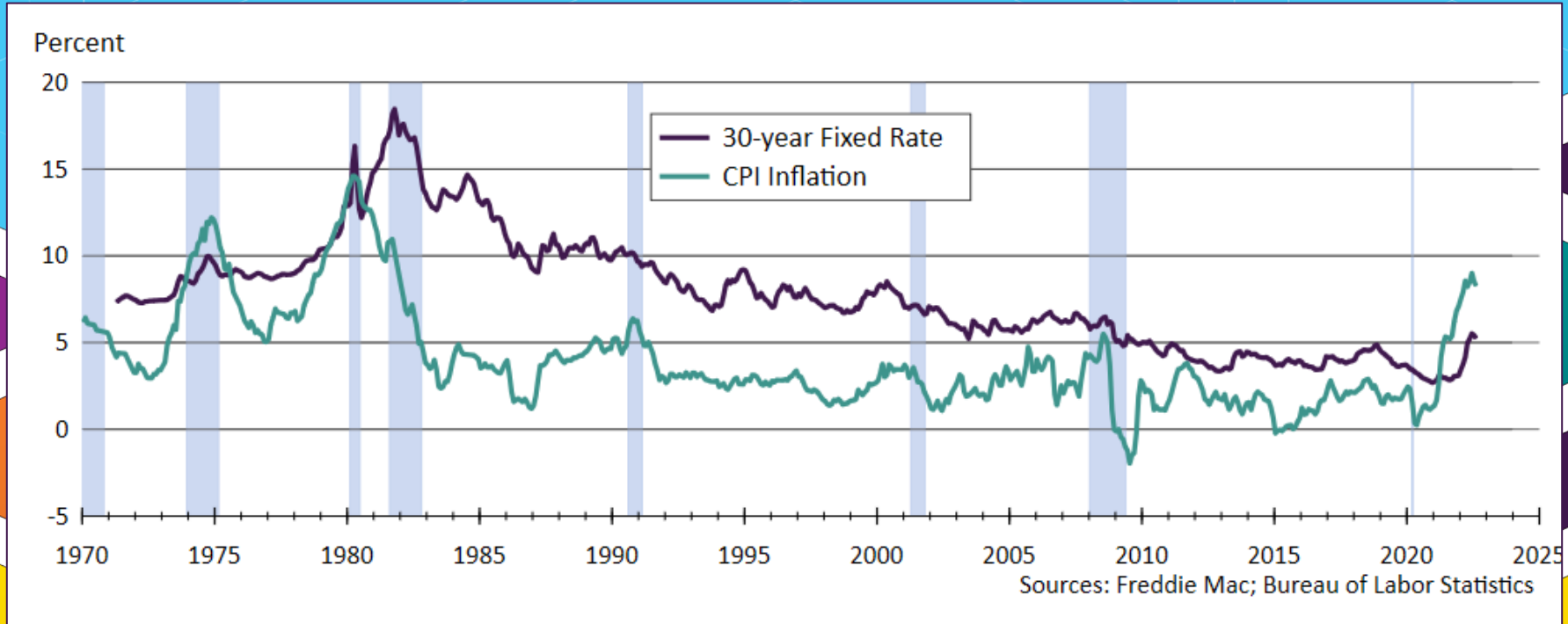
The Yield Curve has Inverted



CPI Inflation since 1960

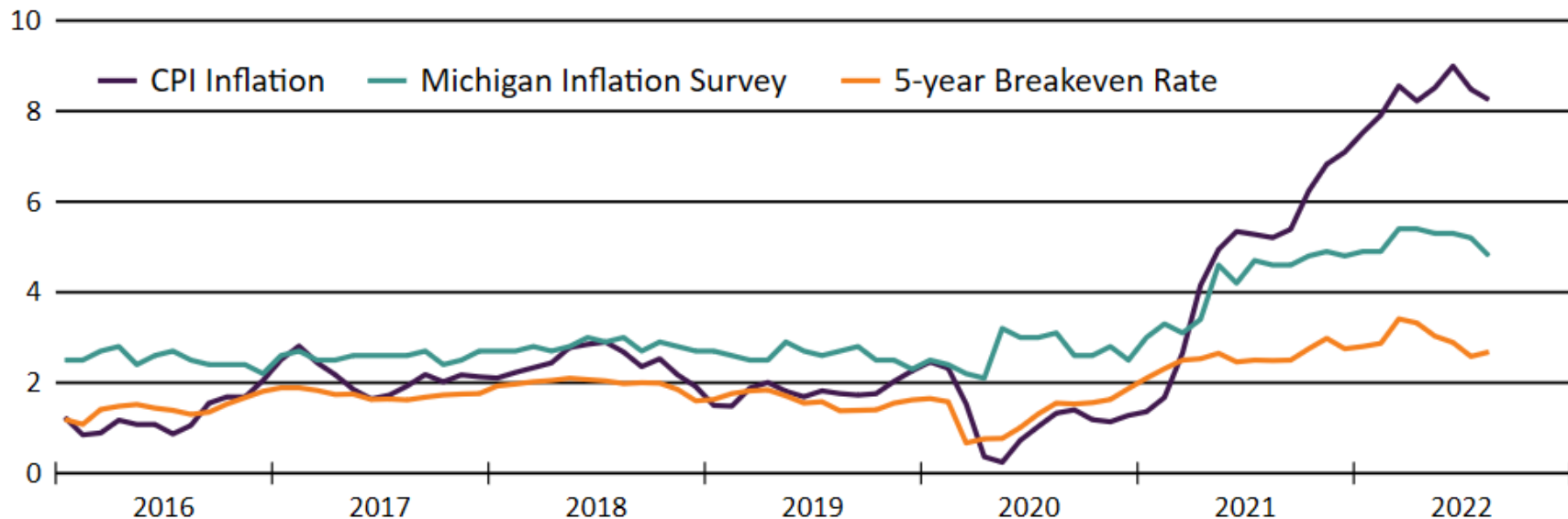


Mortgage Rates and Inflation



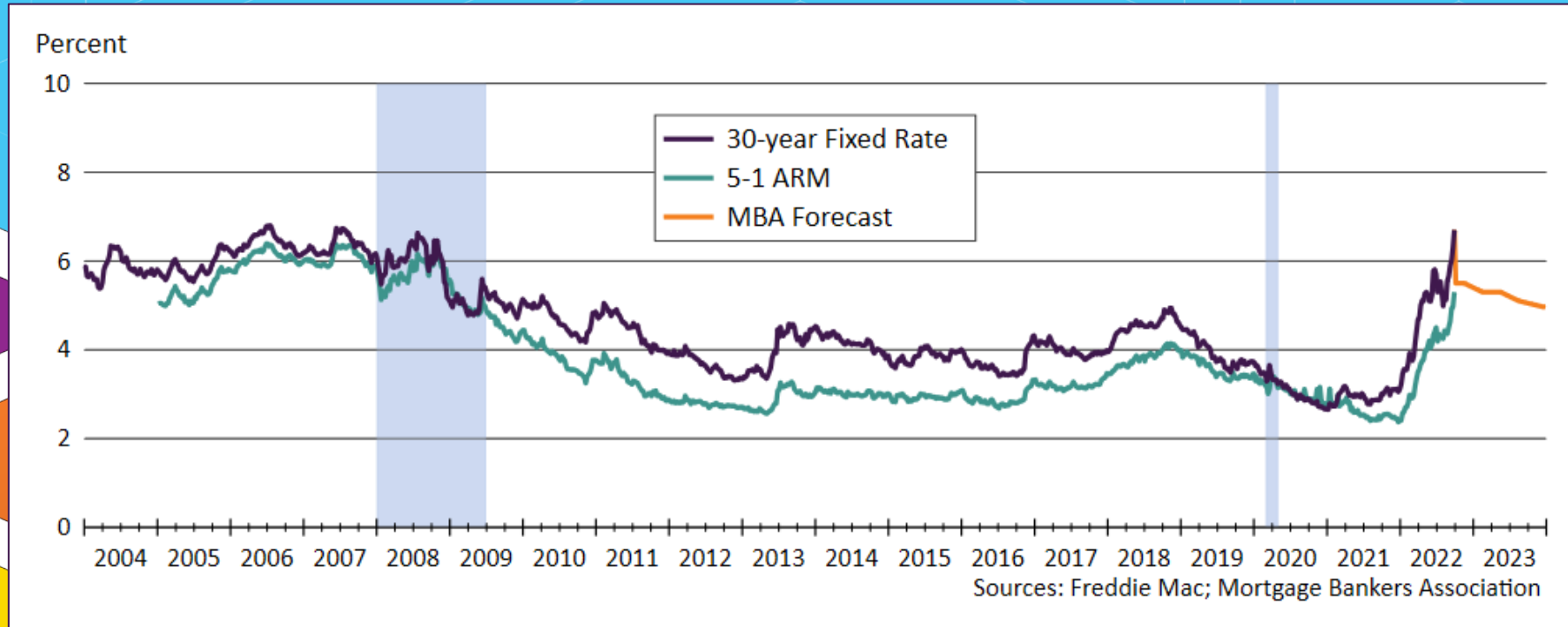
Inflation Expectations

Percent

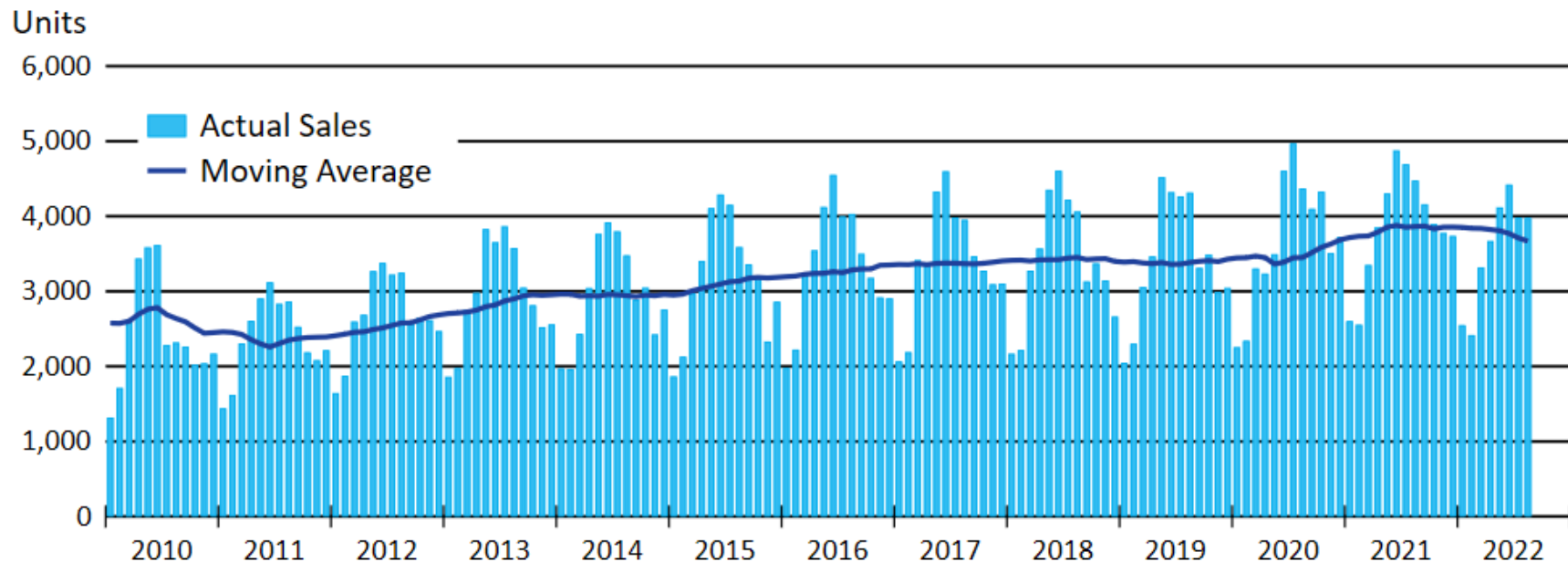


Sources: BLS; Federal Reserve Bank of St. Louis; University of Michigan

MBA Mortgage Rates Forecast

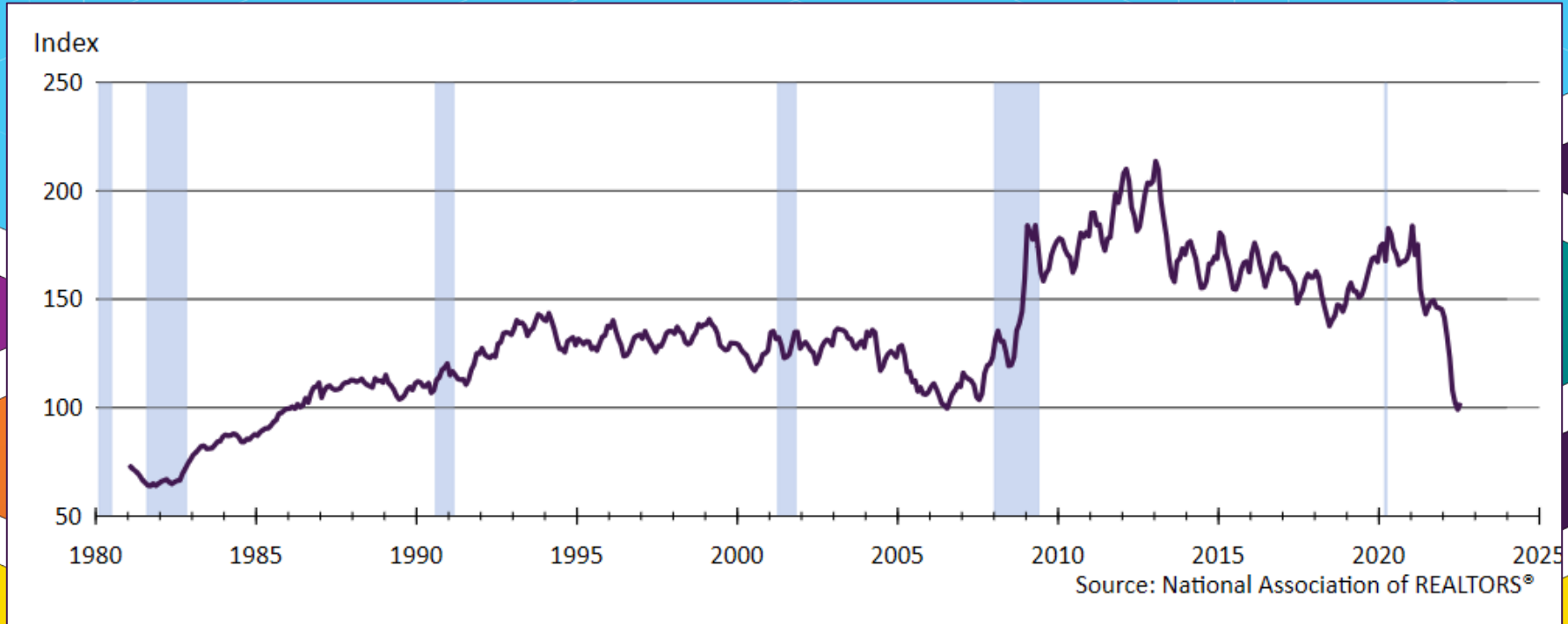


Kansas Home Sales Activity



Source: Participating Kansas REALTOR® MLS Systems

NAR Housing Affordability Index



Kansas Home Sales Forecast

Sales

70,000

60,000

50,000

40,000

30,000

20,000

10,000

0

2017

2018

2019

2020

2021

2022

2023

Actual Forecast

40,854

1.6%

40,786

-0.2%

41,135

0.9%

44,239

7.5%

46,277

4.6%

43,100

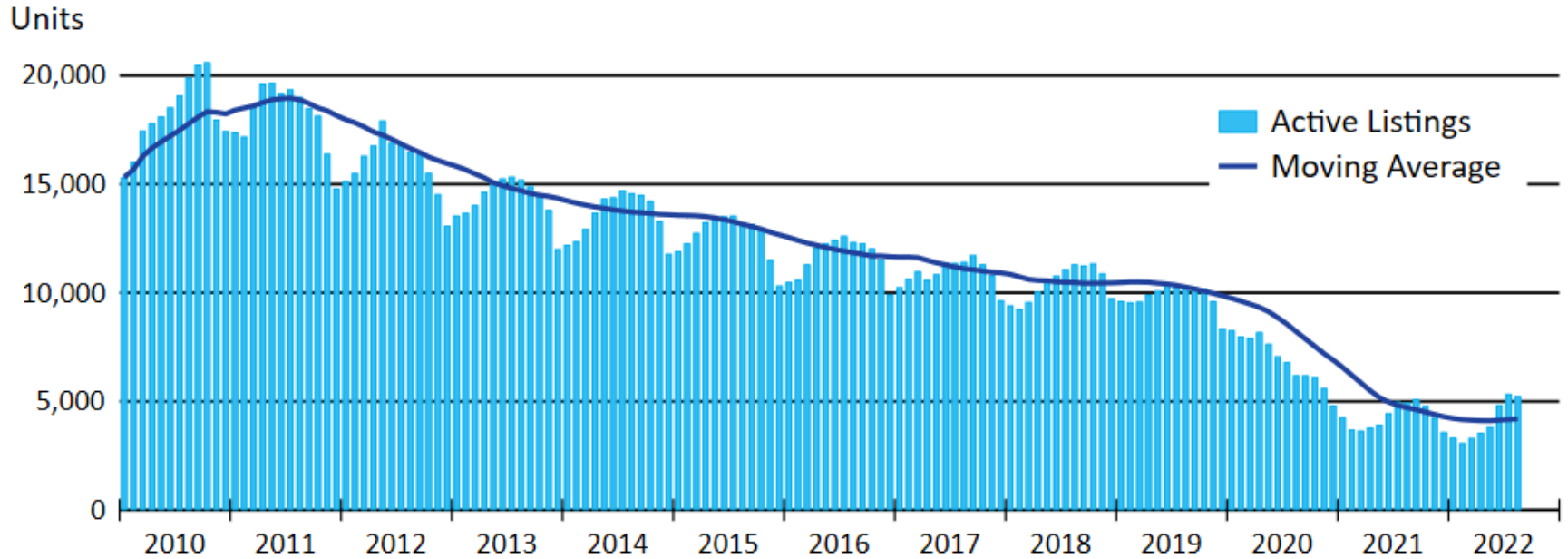
-6.9%

44,930

4.2%

Sources: WSU Center for Real Estate and Participating Kansas REALTOR® MLS Systems

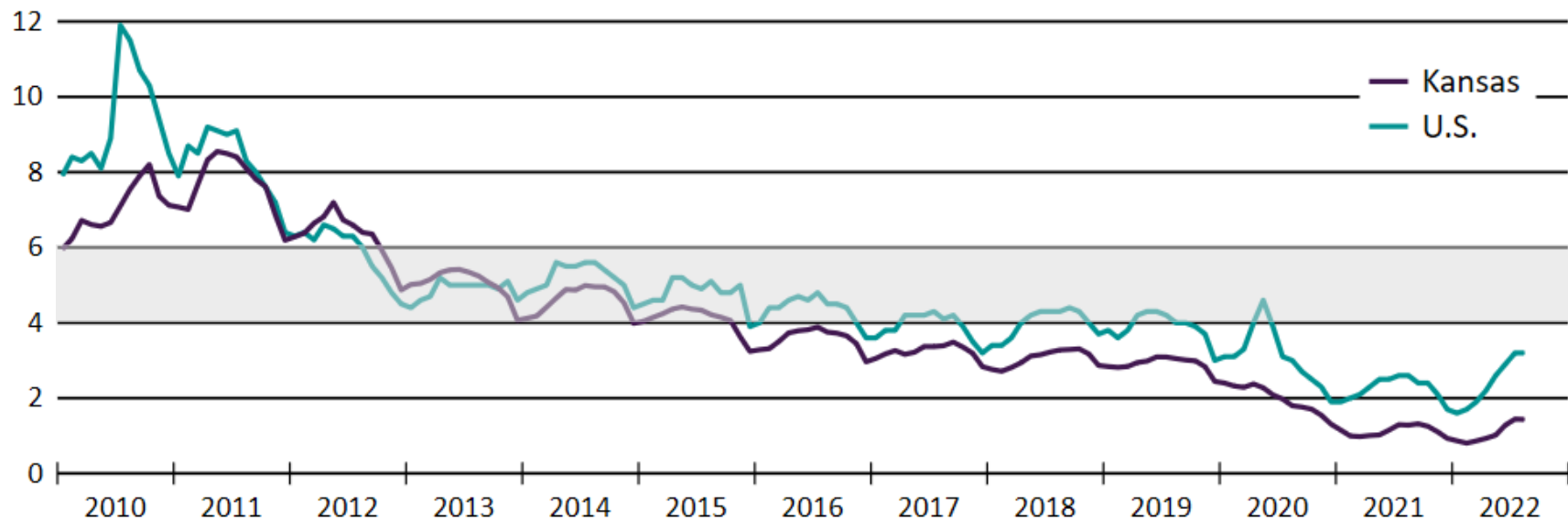
Demand is down, but the Real Problem is a Lack of Supply



Source: Participating Kansas REALTOR® MLS Systems

Even as Demand Softens, It Will Remain a Sellers' Market

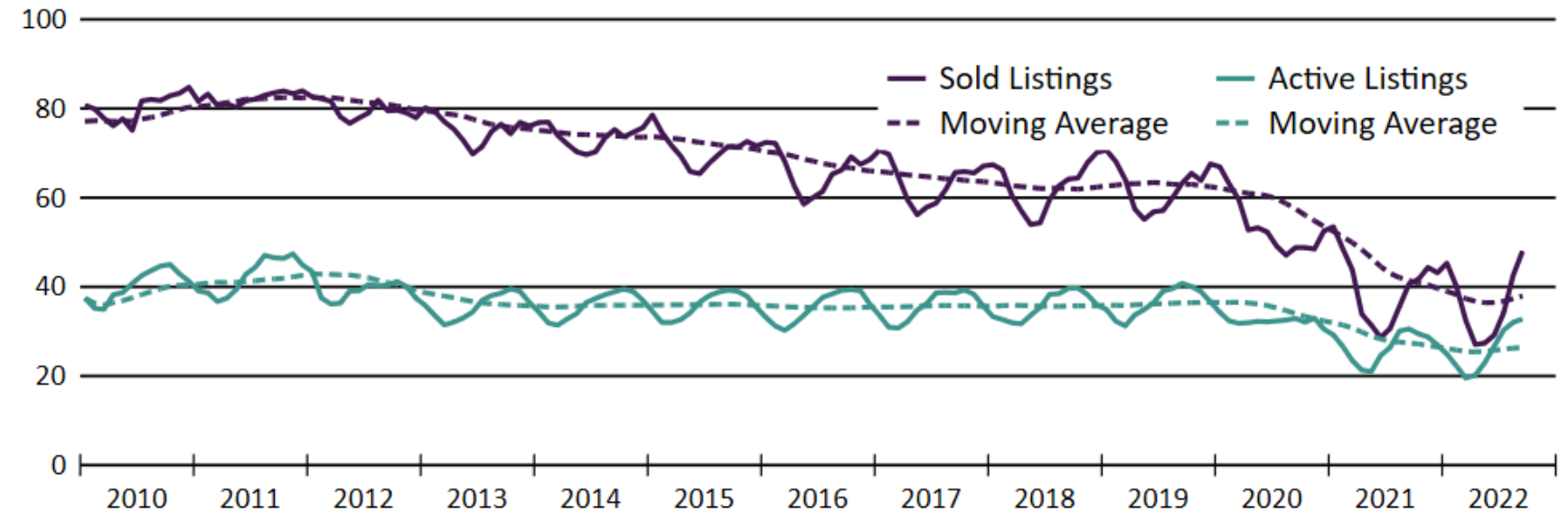
Months' Supply



Sources: NAR and Participating Kansas REALTOR® MLS Systems

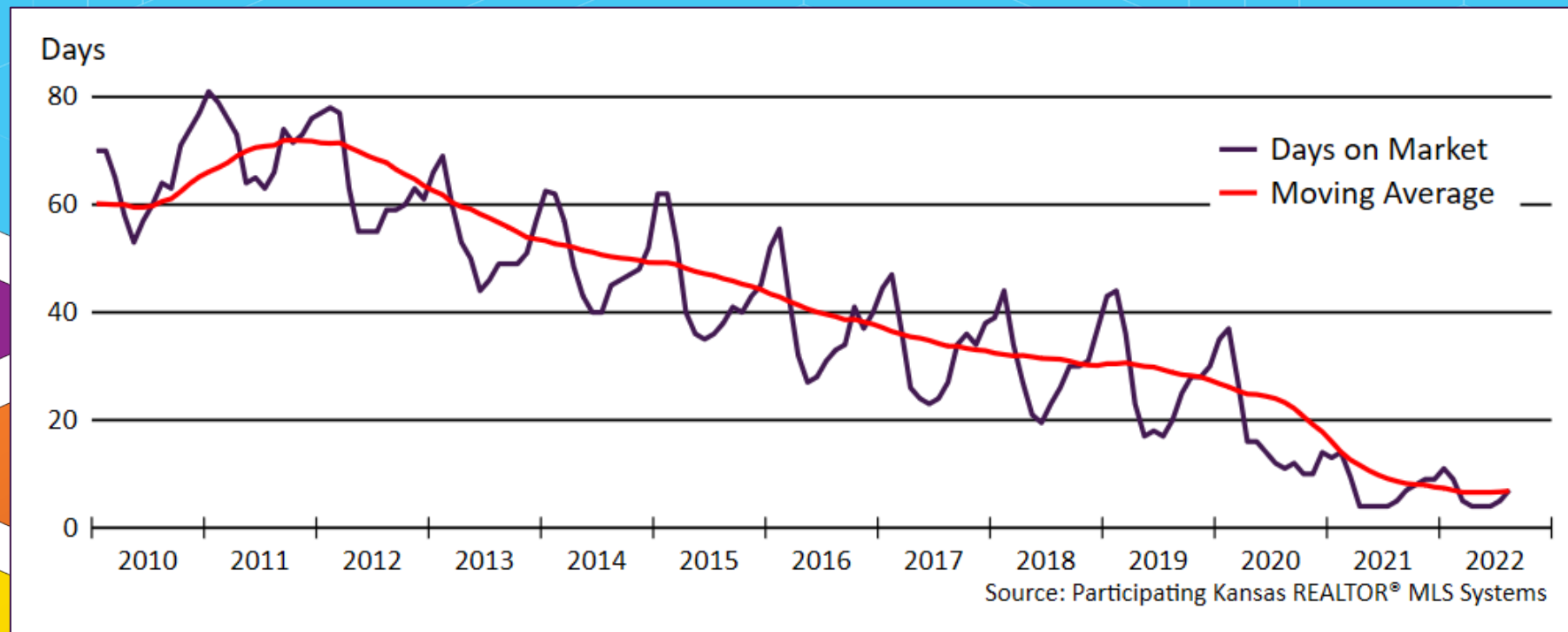
Fraction of Listings Discounted from Original Asking Price

Units

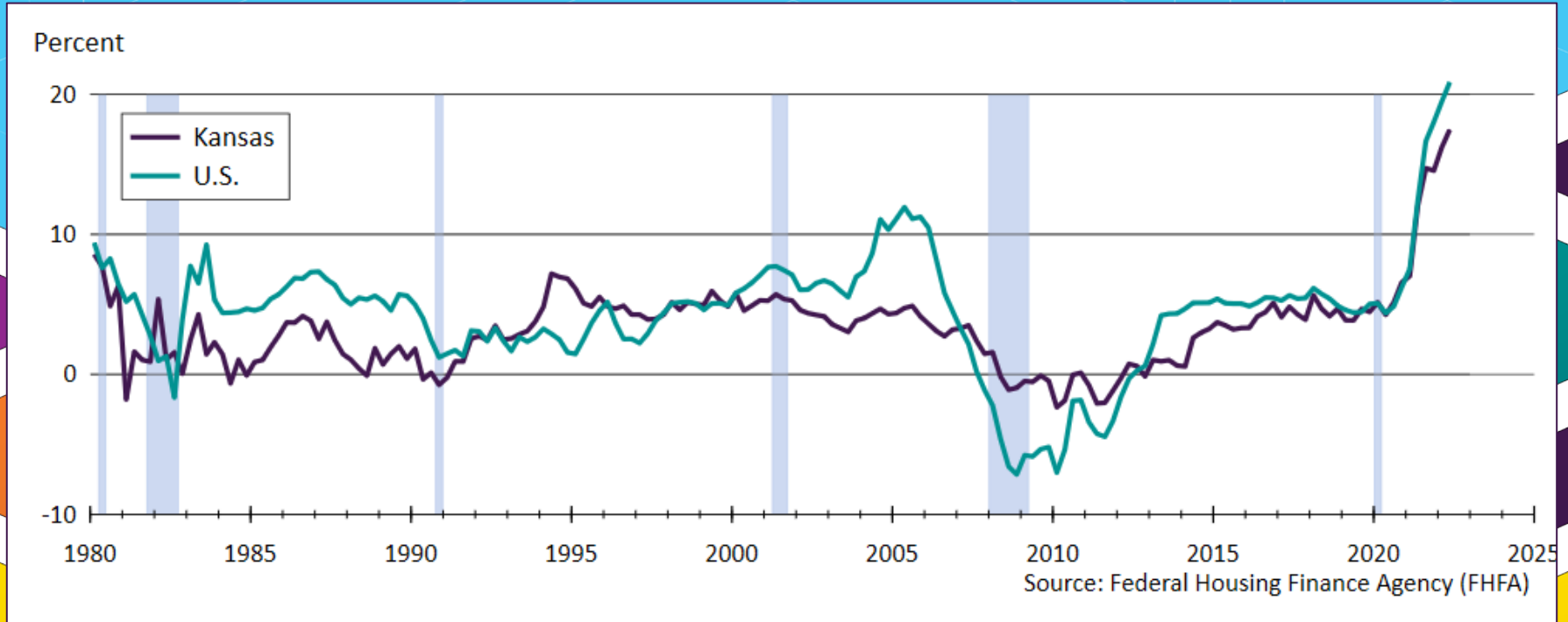


Source: Participating Kansas REALTOR® MLS Systems

Median Days on Market in Kansas

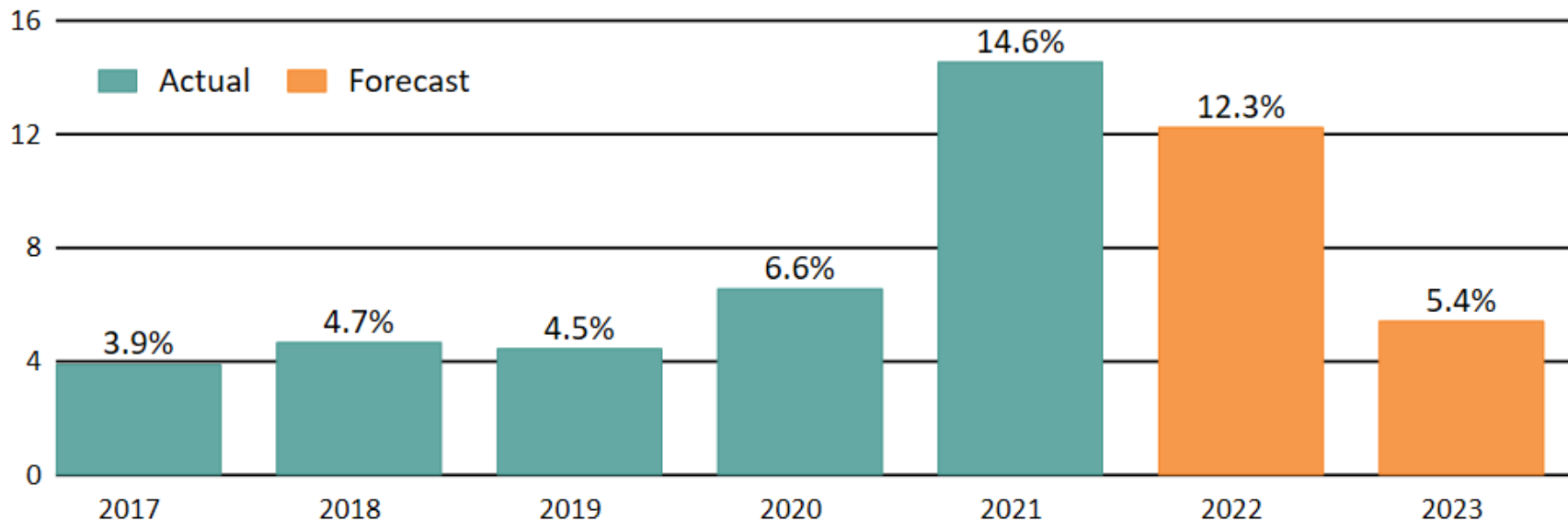


Annual Home Price Appreciation



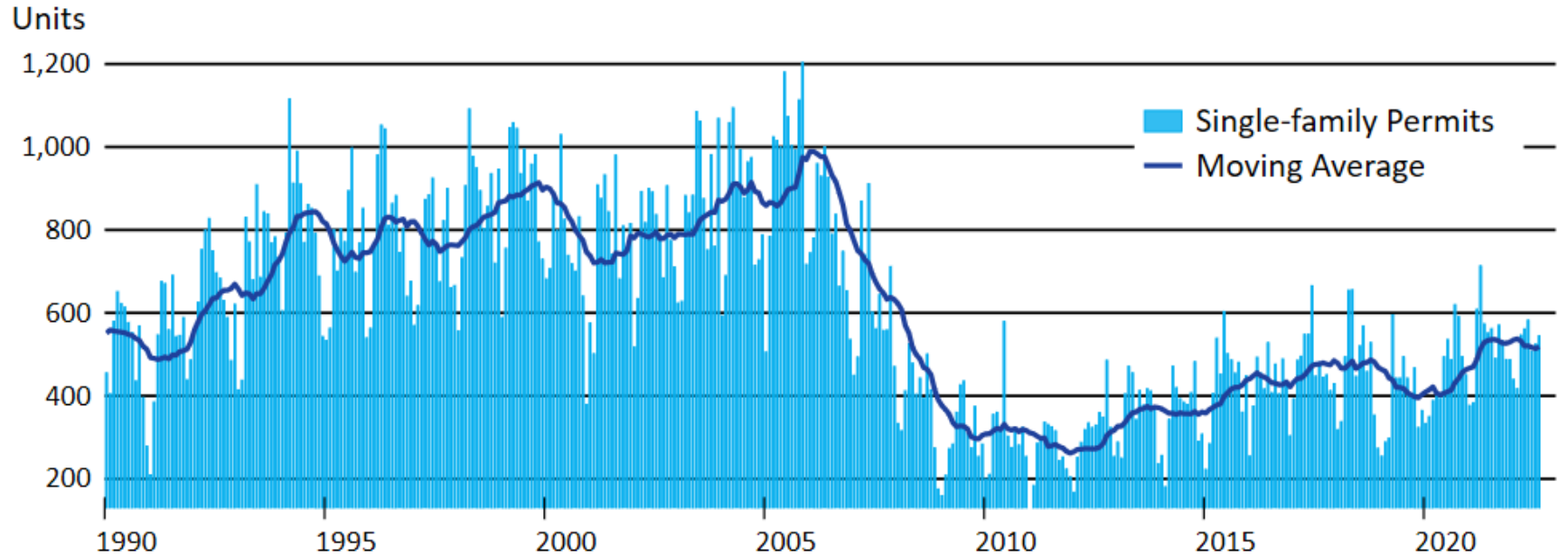
Home Price Appreciation Forecast

Percent



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

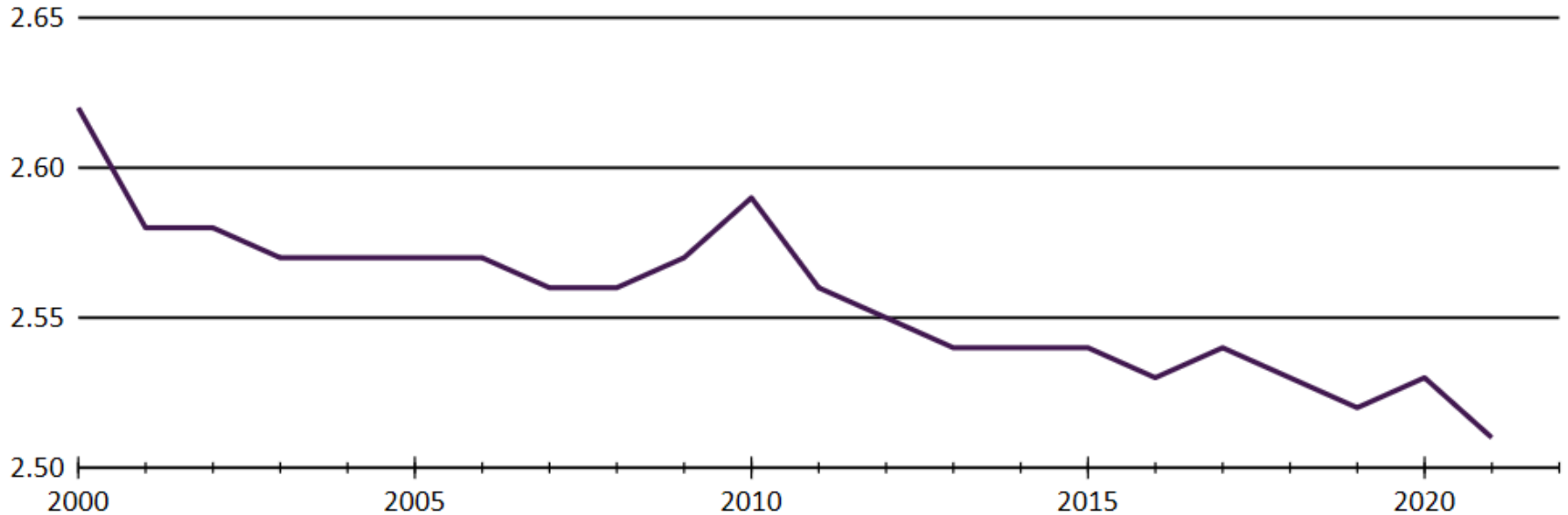
Kansas New Home Construction



Source: U.S. Bureau of the Census

Households Continue to Get Smaller

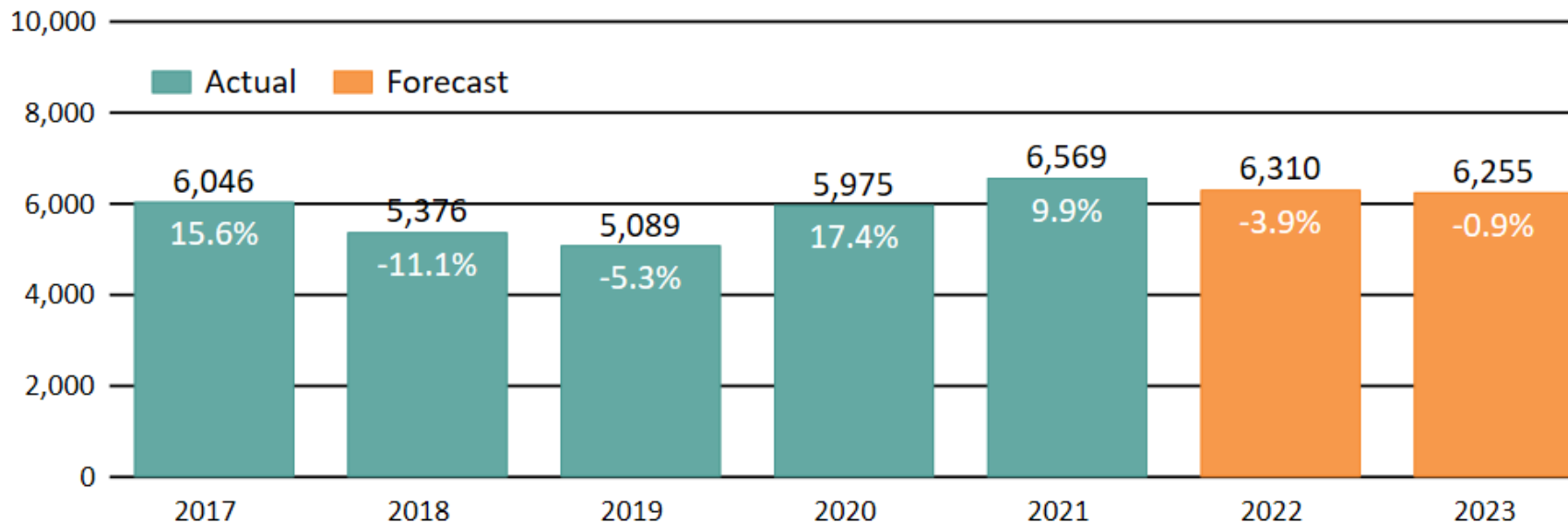
People per Household



Source: U.S. Census Bureau

Kansas New Home Construction Forecast

Single-family Permits



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

2023 Kansas Housing Forecast

	2020 <u>Actual</u>	2021 <u>Actual</u>	2022 <u>Forecast</u>	2023 <u>Forecast</u>
Total Home Sales	44,239 units +7.5%	46,272 units +4.6%	43,100 units -6.9%	44,930 units +4.2%
SF Building Permits	5,975 units +17.4%	6,569 units +9.9%	6,310 units -3.9%	6,255 units -0.9%
Home Price Appreciation	+6.6%	+14.6%	+12.3%	+5.4%

2023 Major Markets Forecast

	<u>KC</u>	<u>Lawrence</u>	<u>Manhattan</u>	<u>Topeka</u>	<u>Wichita</u>
Total Home Sales	44,290 units +5.6%	1,480 units +0.7%	1,980 units -2.5%	3,390 units -0.6%	11,640 units +0.7%
SF Building Permits	6,185 units -1.7%	265 units -3.6%	285 units +3.6%	425 units -2.3%	1,570 units +2.6%
Home Price Appreciation	+6.5%	+4.8%	+4.2%	+3.3%	+4.7%

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