

# HOUSING FORECAST WICHITA 2023

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WICHITA STATE  
UNIVERSITY  
*W. FRANK BARTON  
SCHOOL OF BUSINESS*

# 2023 Forecast Sponsors



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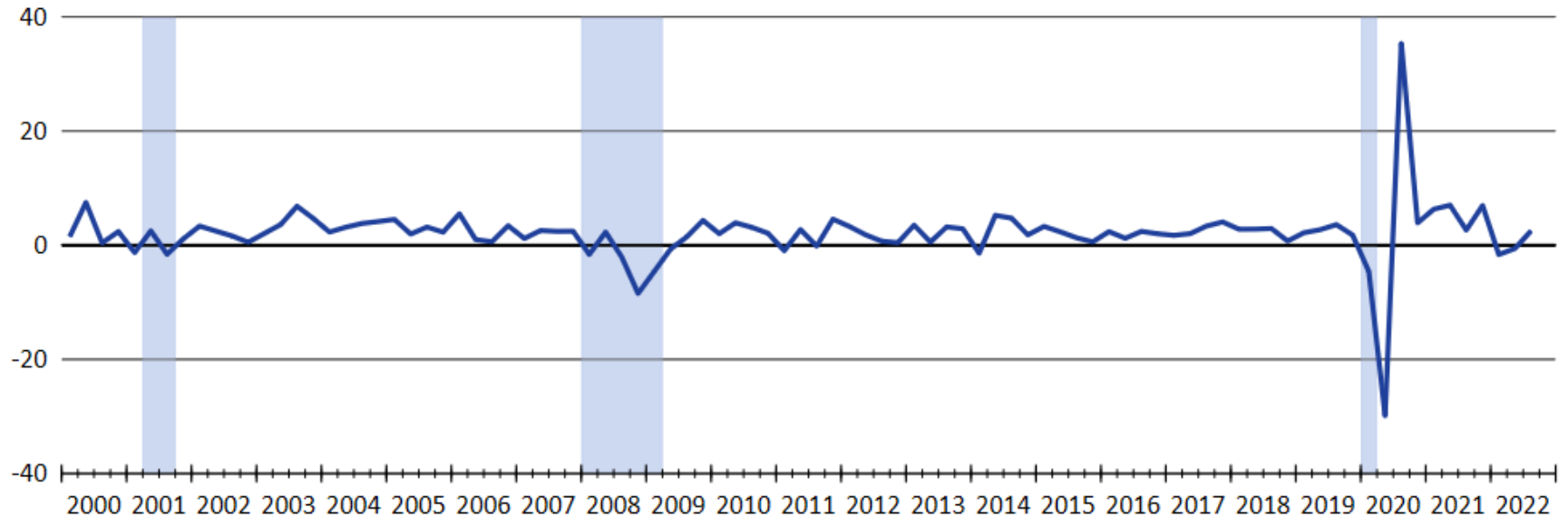
# Thanks also to



and participating REALTOR® MLS  
systems across Kansas

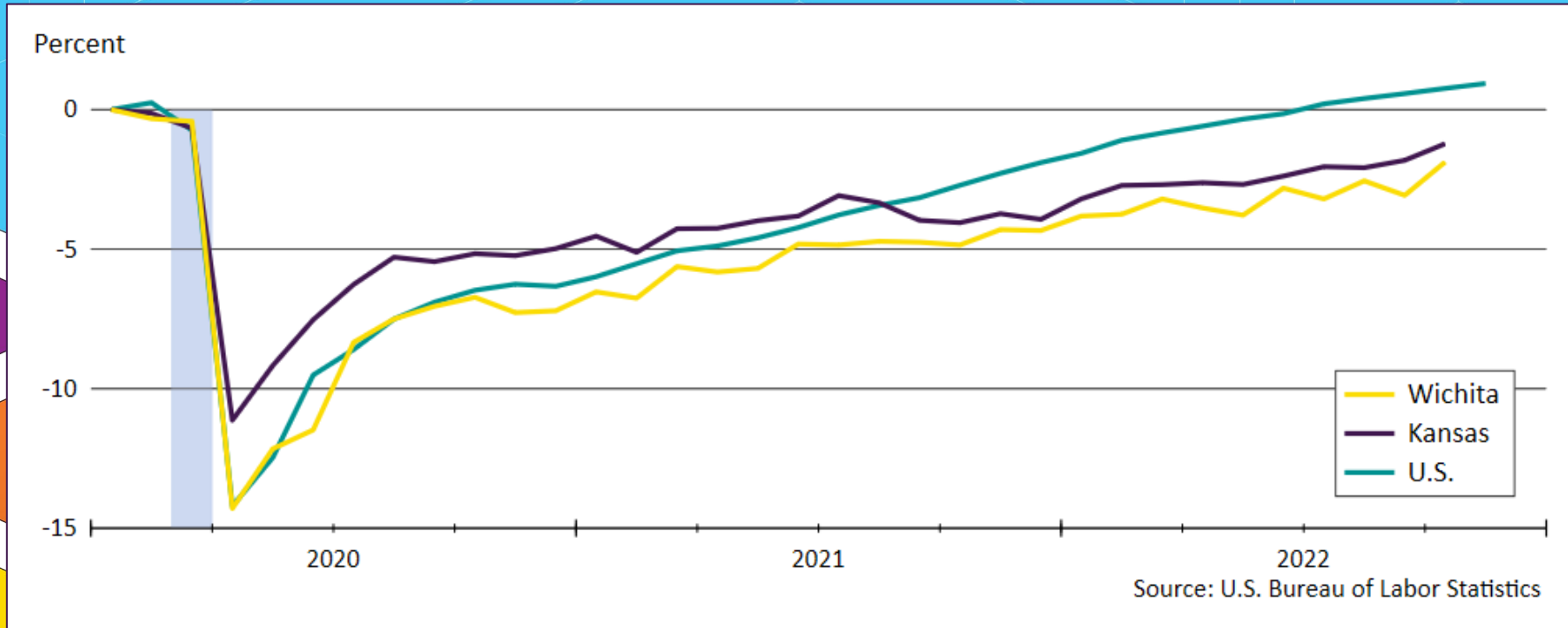
# Are We in a Recession?

Annualized Quarterly GDP Growth



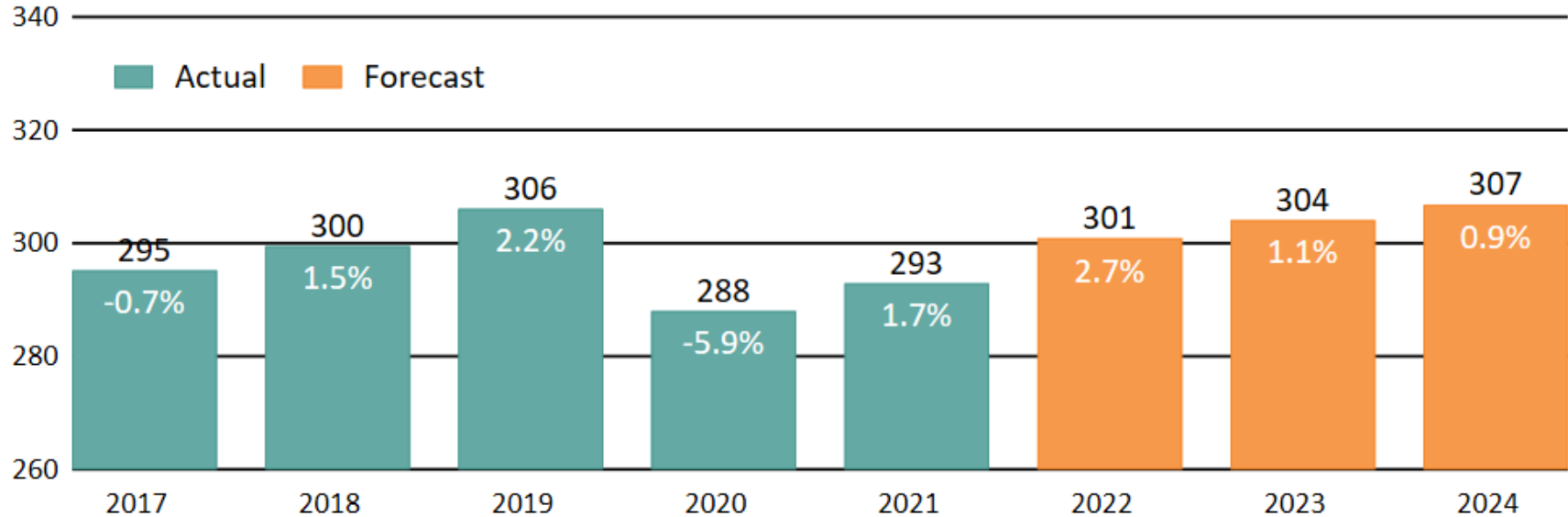
Source: Bureau of Economic Analysis

# Total Non-farm Employment in Kansas has Not Recovered from the Pandemic Losses



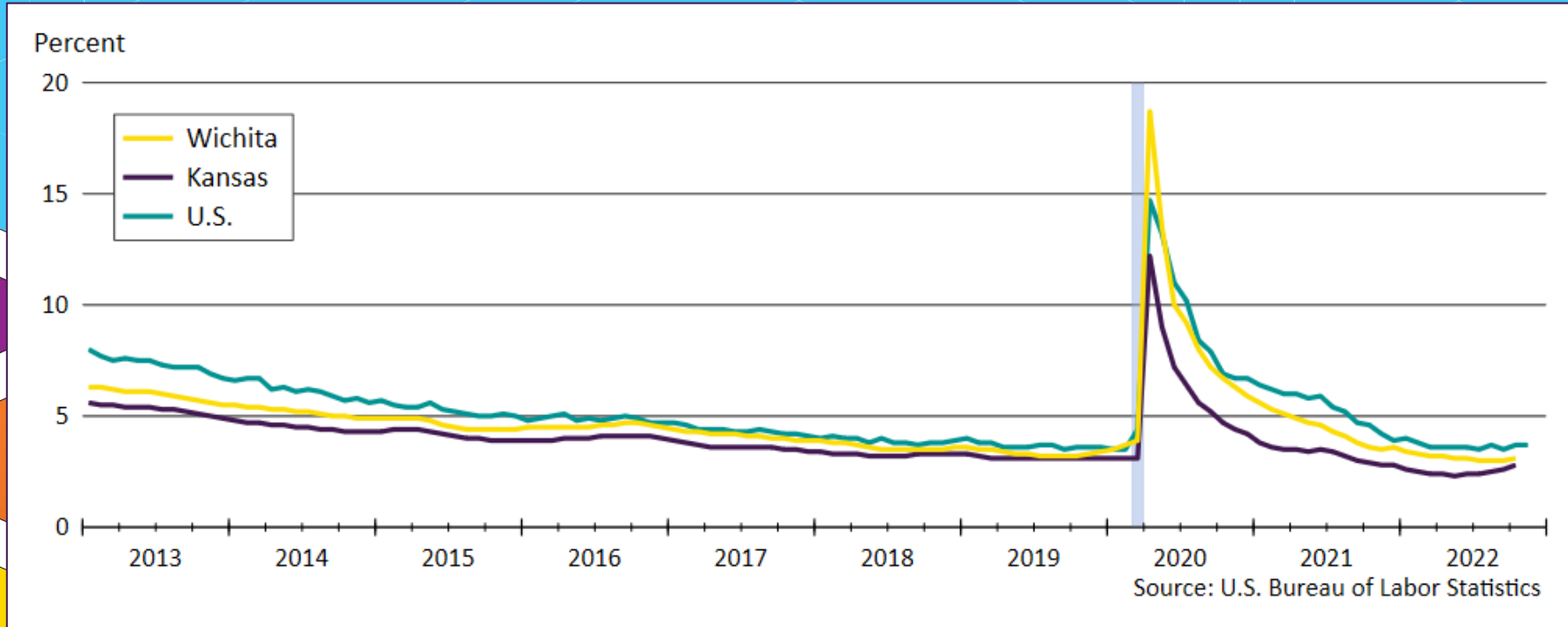
# Wichita Employment Forecast

Employment in 1,000s



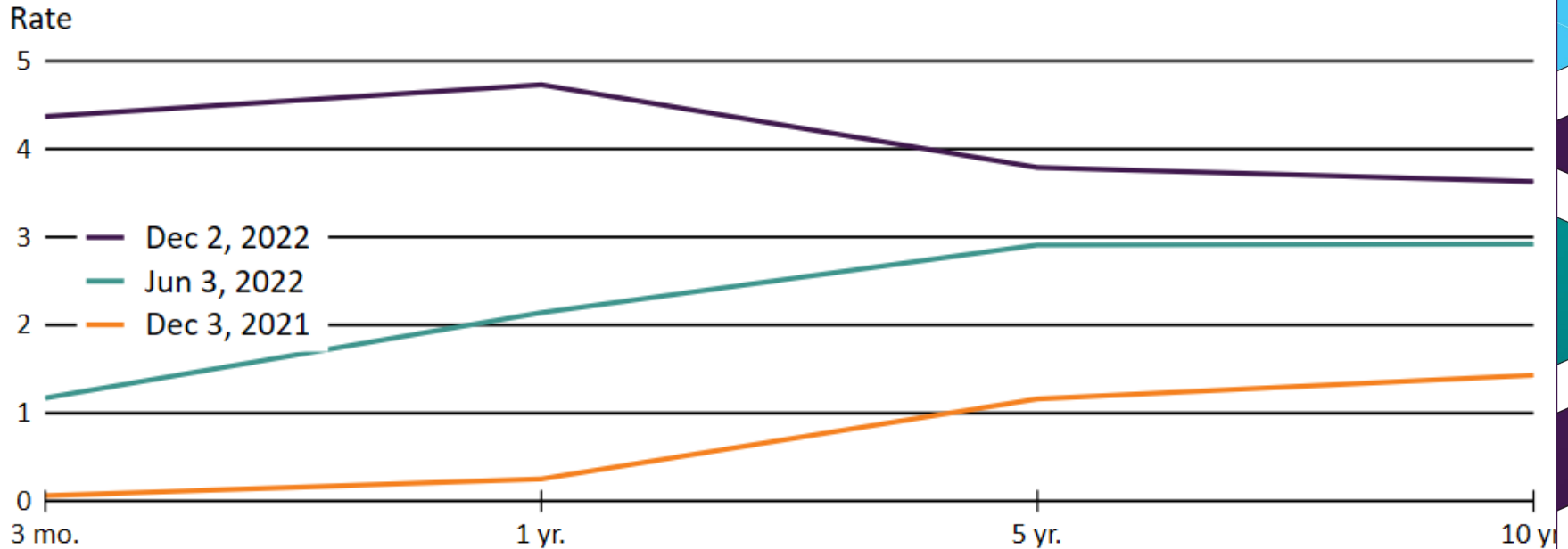
Sources: Kansas Department of Labor and WSU CEDBR

# Unemployment Rates Are Near Historic Lows





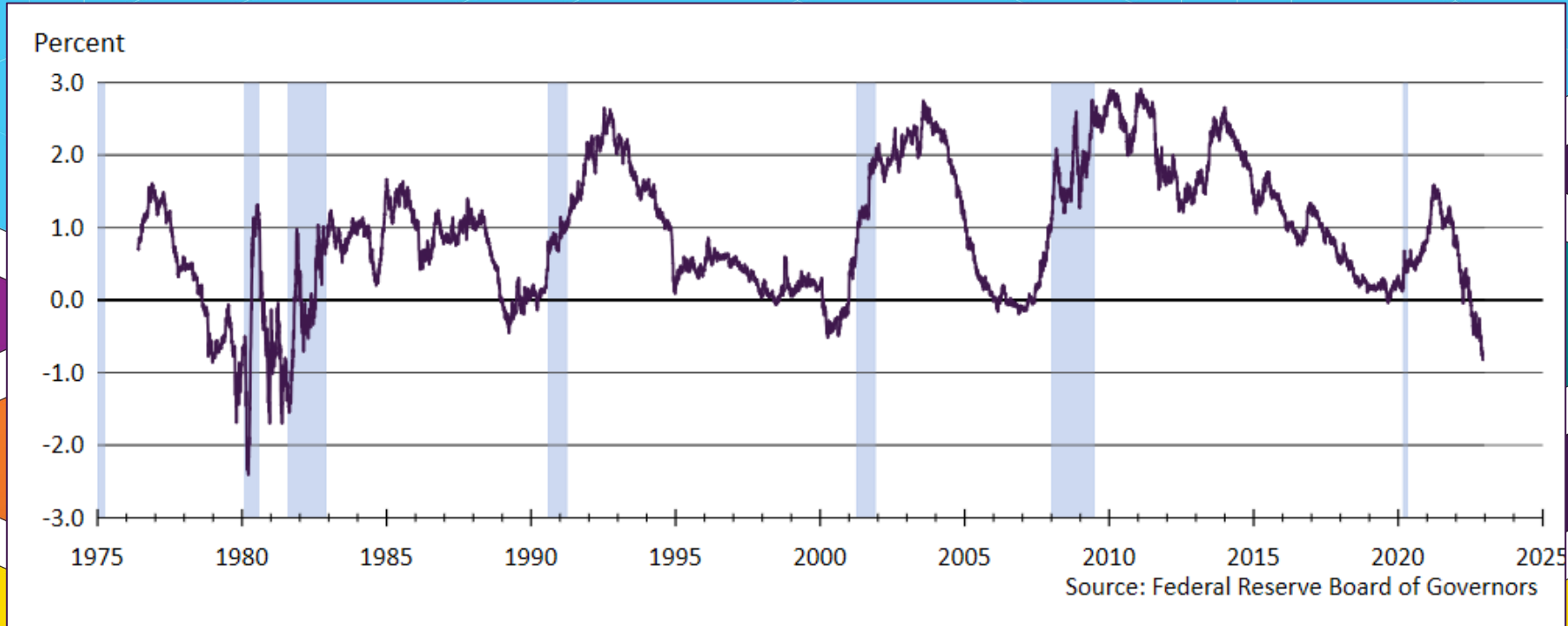
# The Yield Curve has Inverted



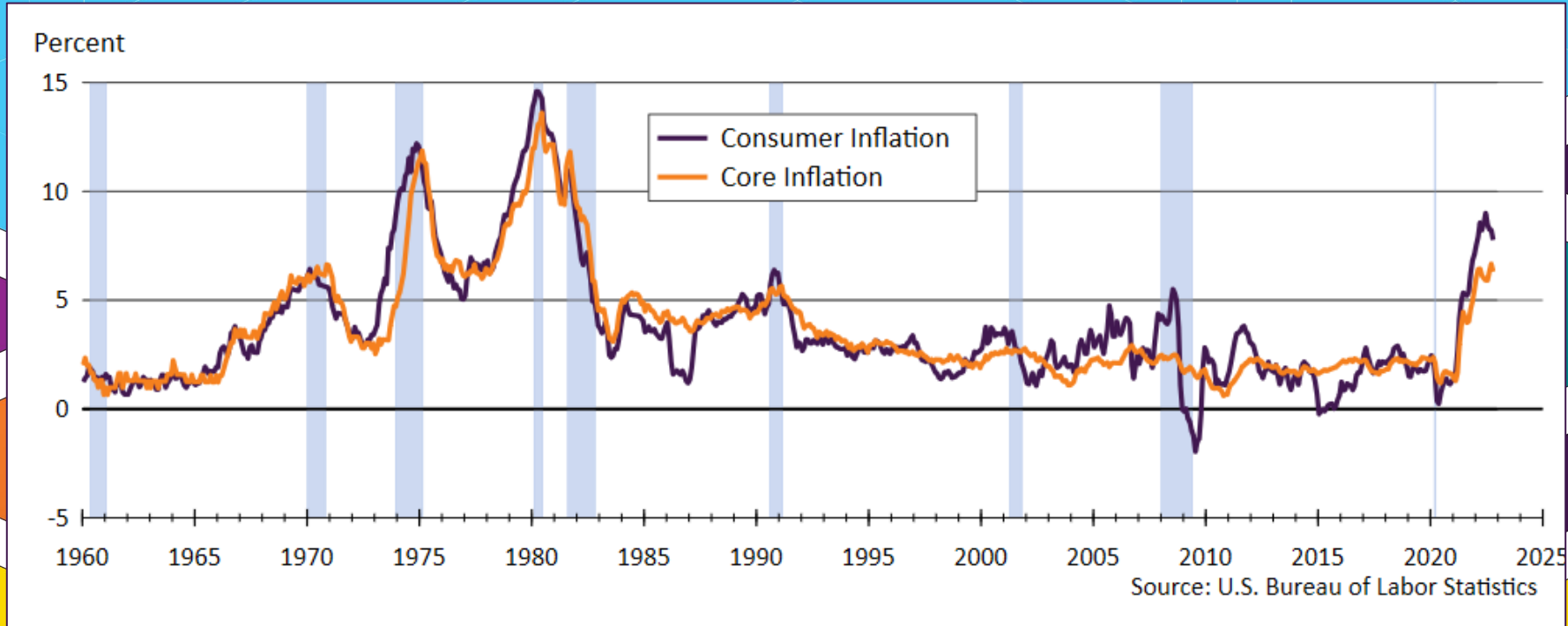
Source: Board of Governors of the Federal Reserve System



# 10-Year - 2-Year Treasury Spread

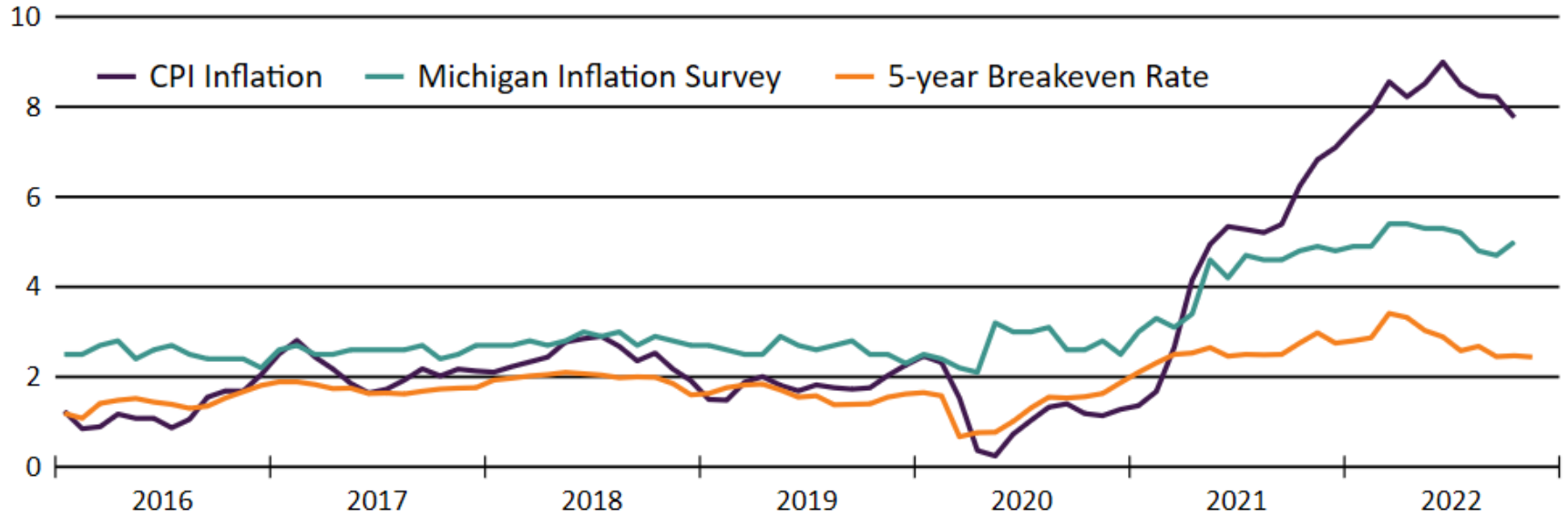


# CPI Inflation since 1960



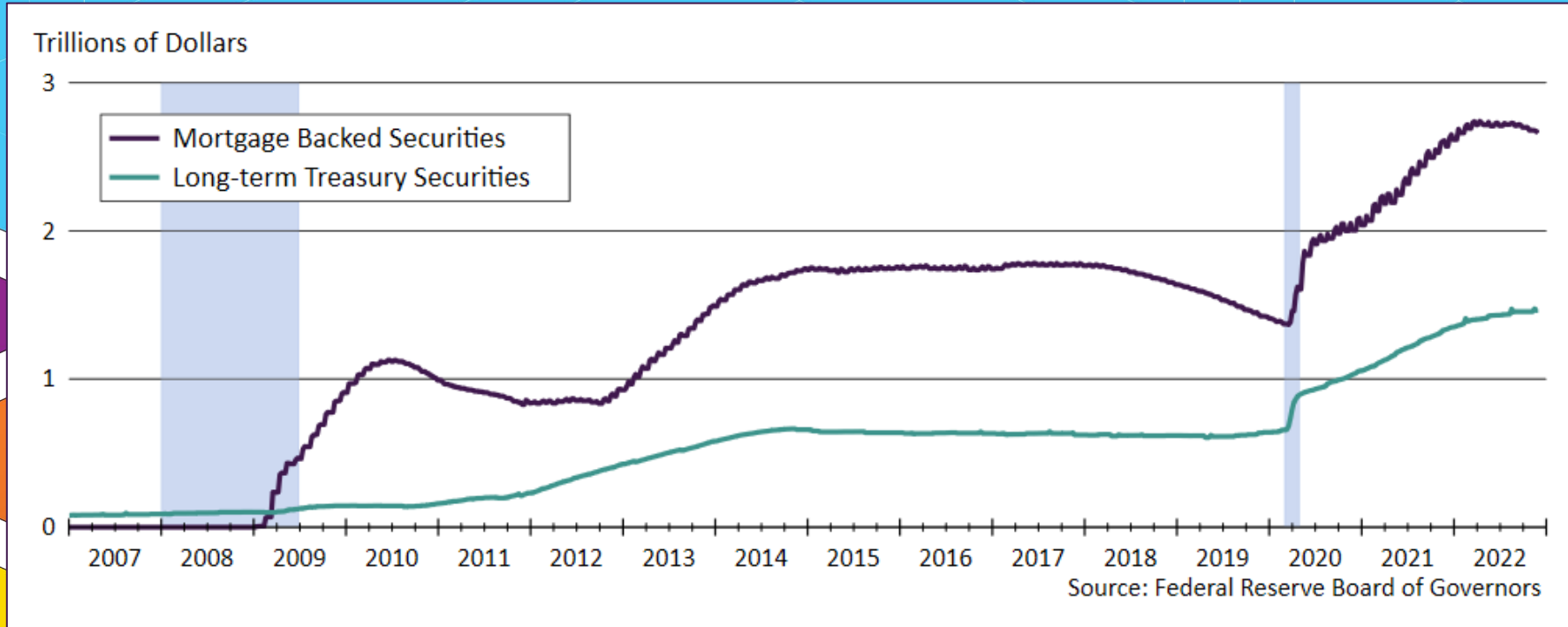
# Inflation Expectations

Percent

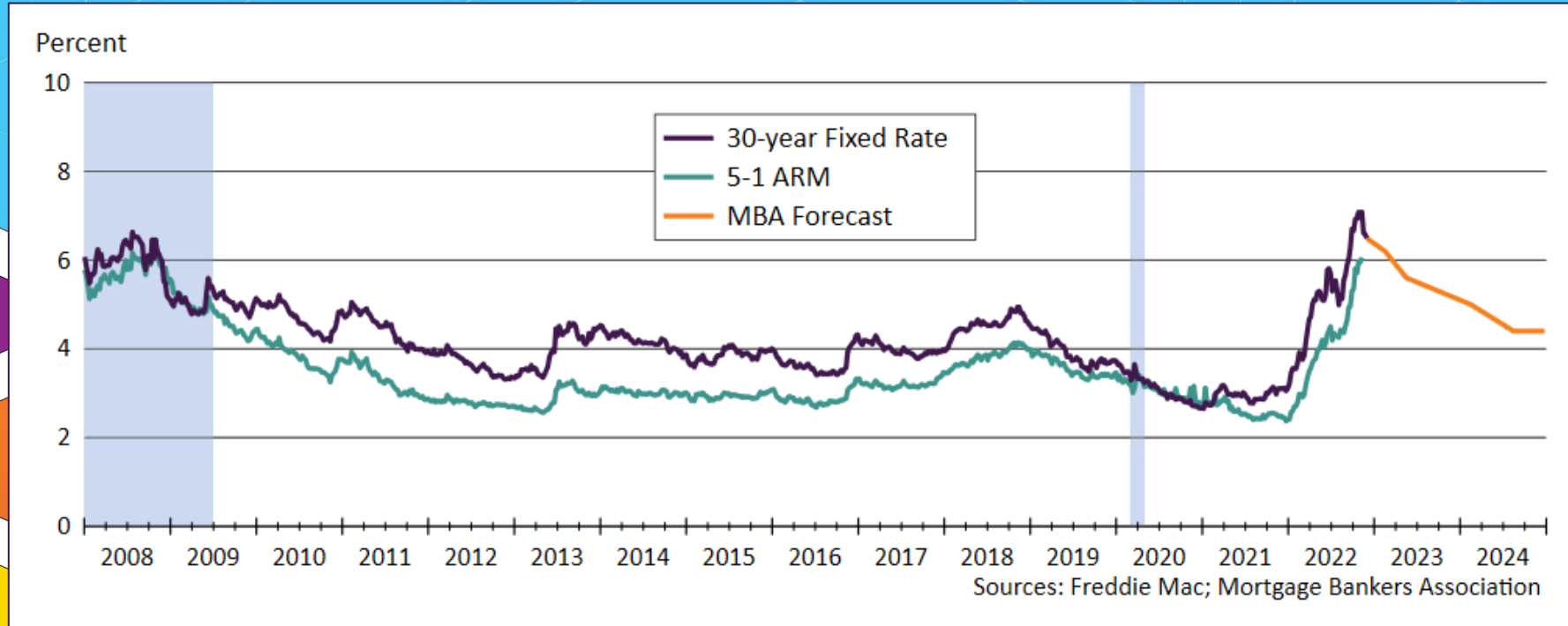


Sources: BLS; Federal Reserve Bank of St. Louis; University of Michigan

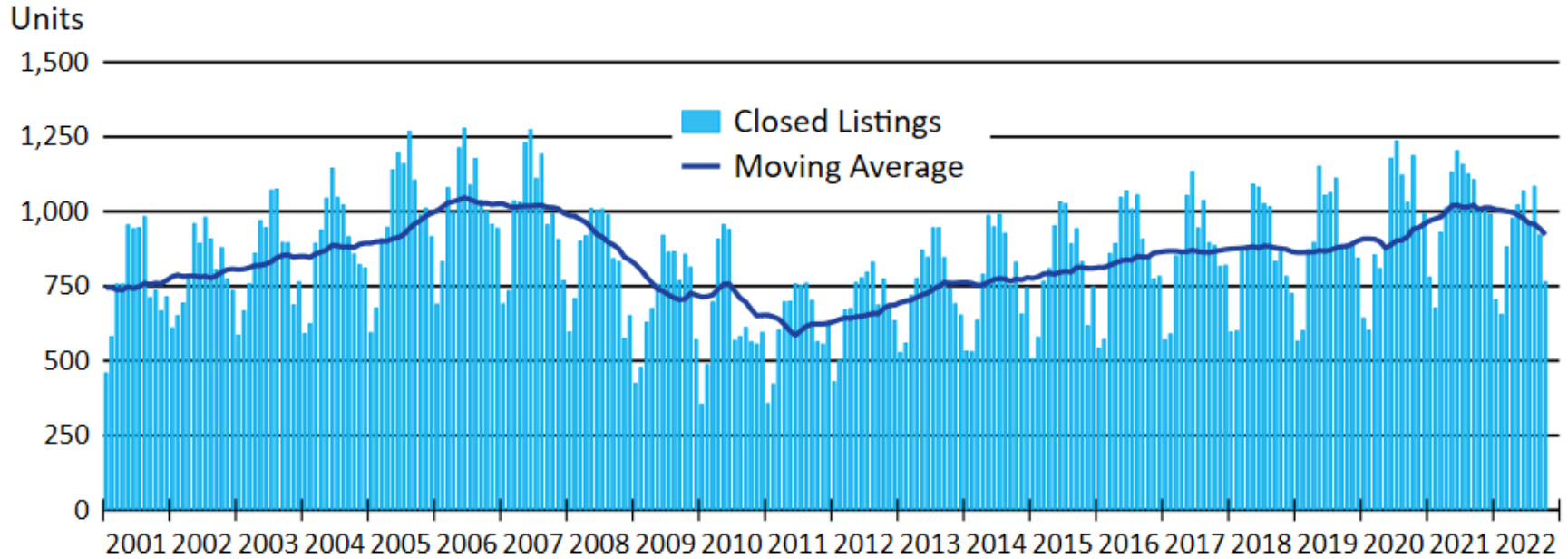
# Fed Long-term Security Holdings



# MBA Mortgage Rates Forecast



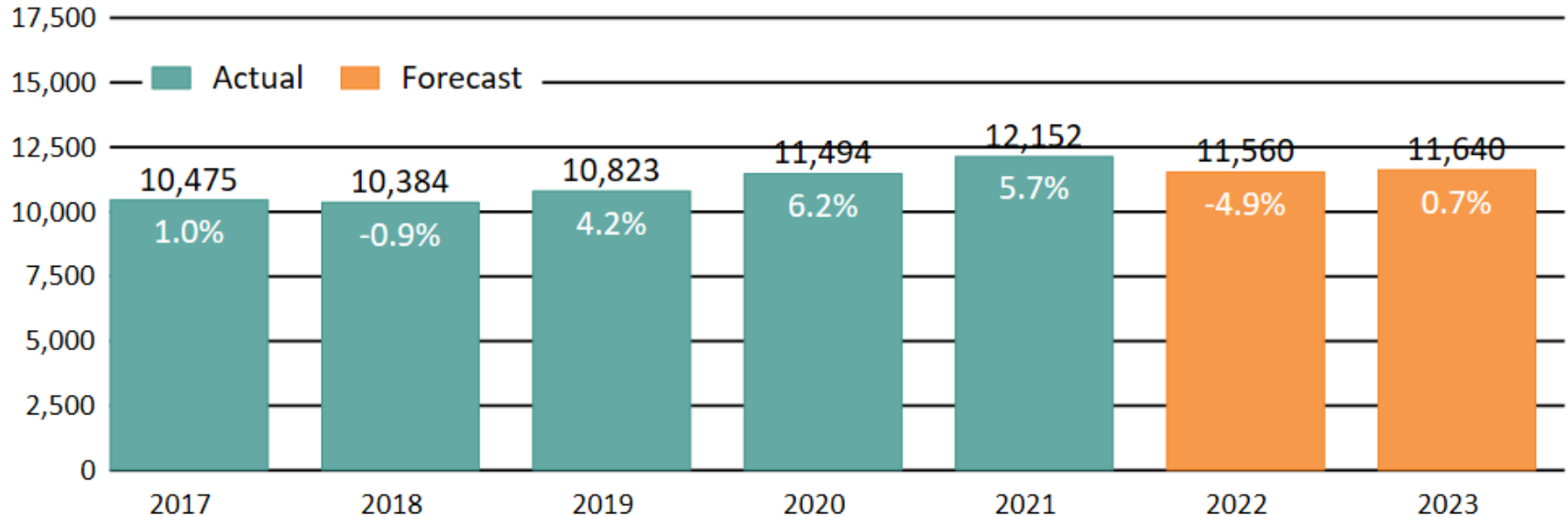
# Wichita Home Sales Activity



Source: South Central Kansas Multiple Listing Service

# Wichita Home Sales Forecast

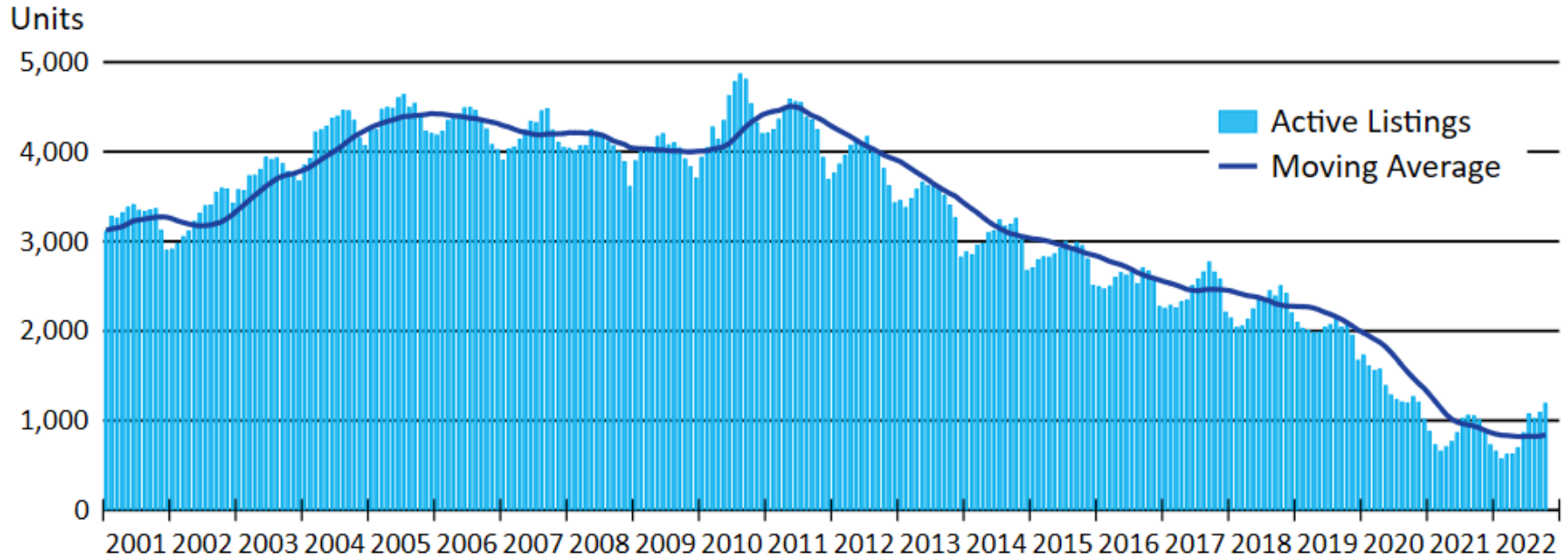
## Sales



Sources: WSU Center for Real Estate and South Central Kansas MLS

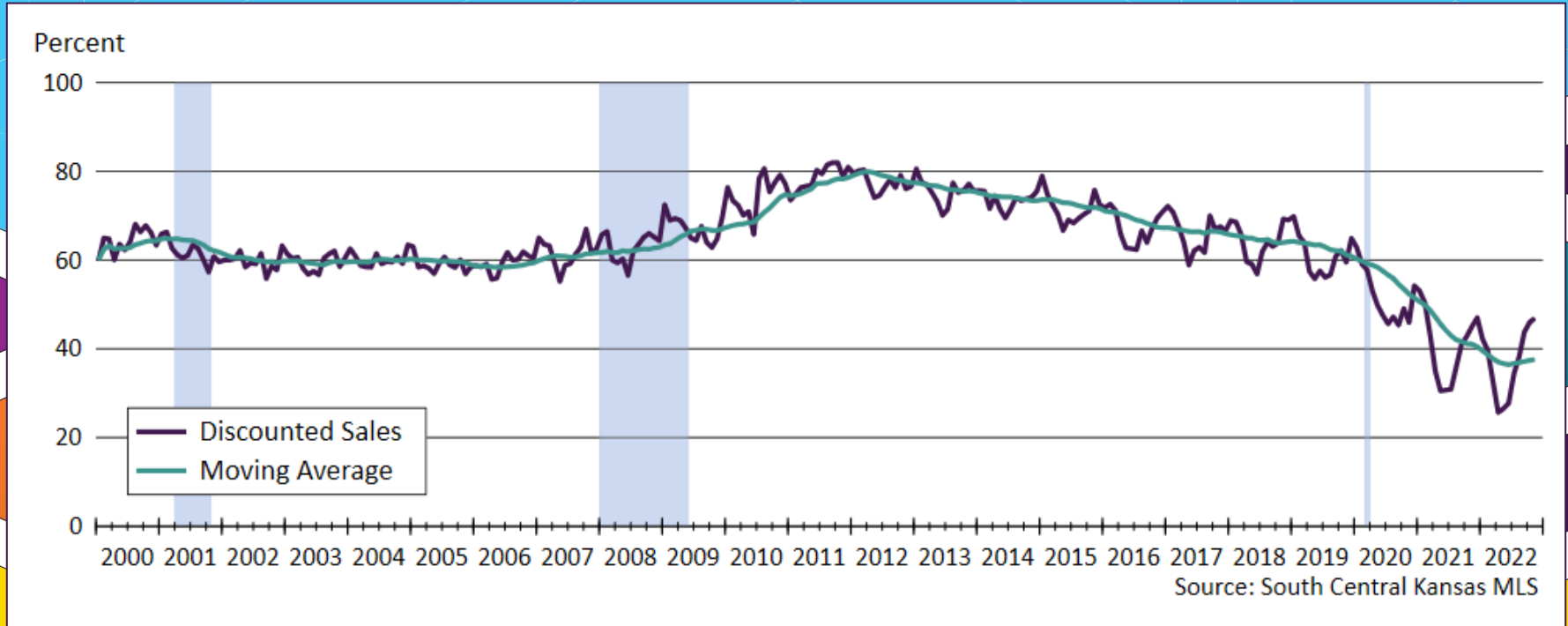


# Active Listings Were Too Low Even Prior to the Pandemic

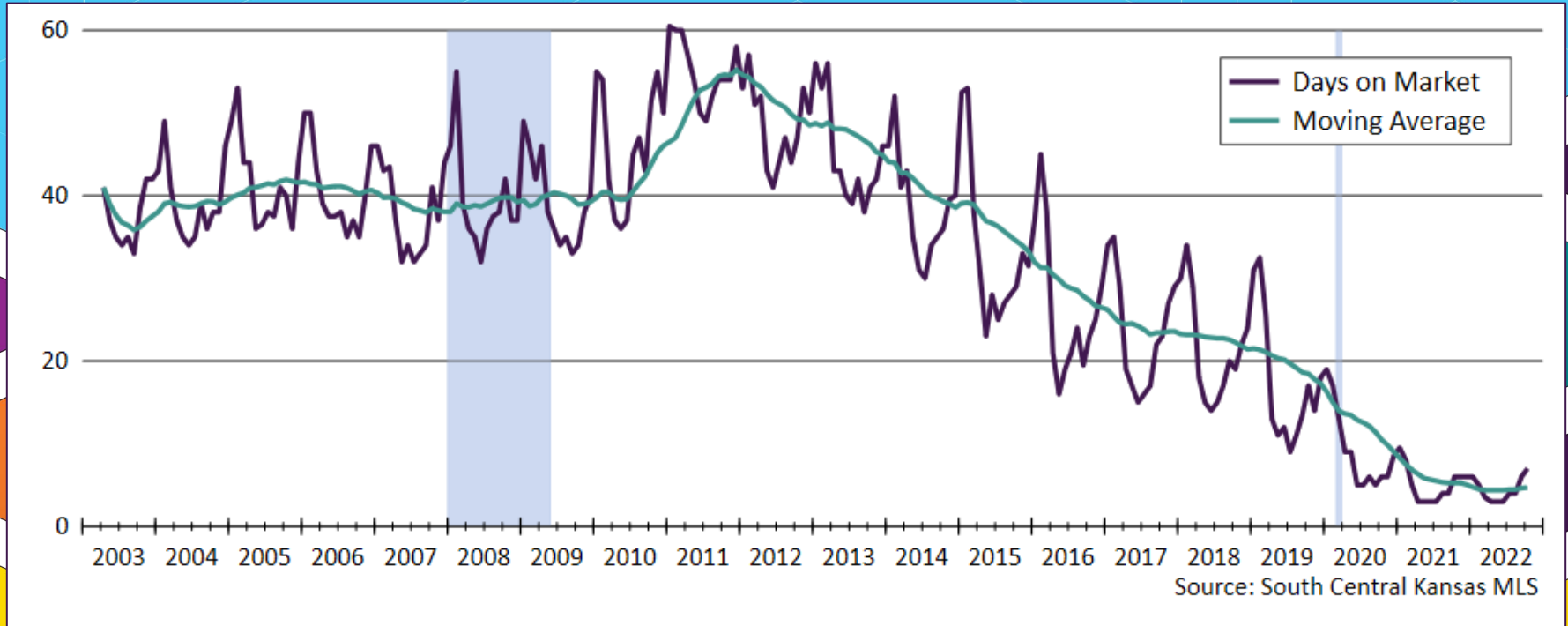


Source: South Central Kansas Multiple Listing Service

# Fraction of Sales Discounted from Original Asking Price

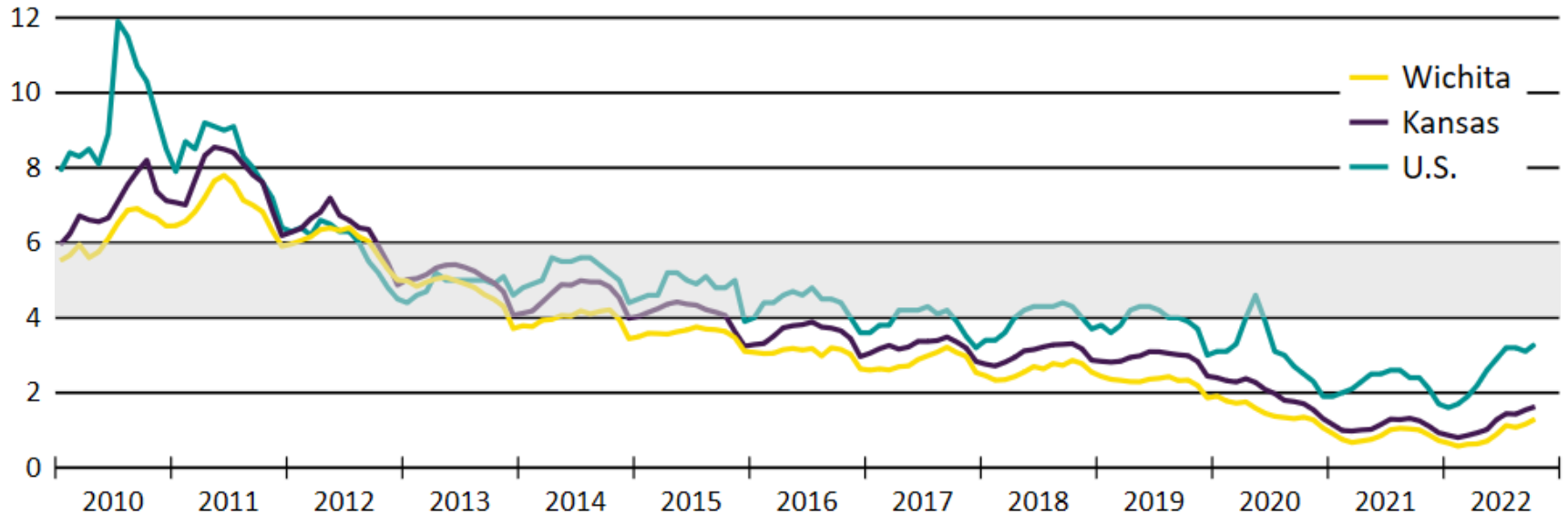


# Median Days on Market in Wichita



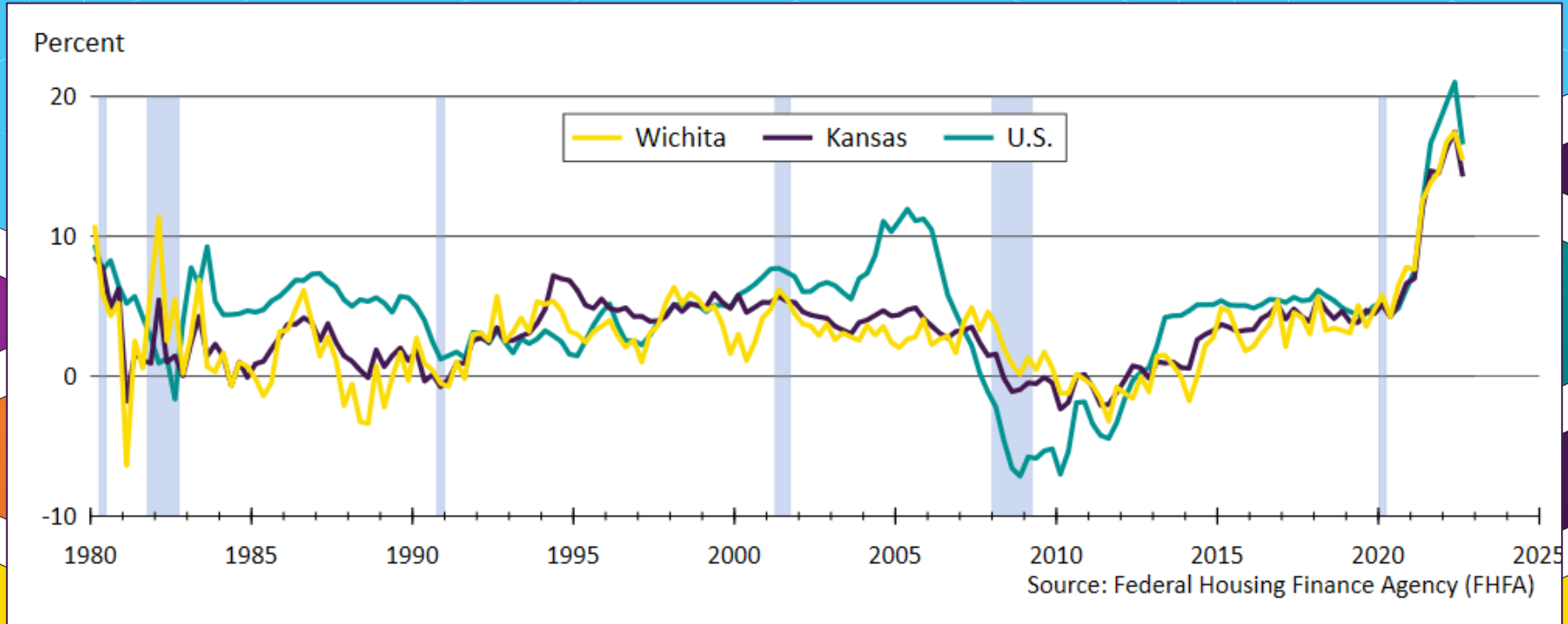
# Even as Demand Softens, It Will Remain a Sellers' Market

Months' Supply



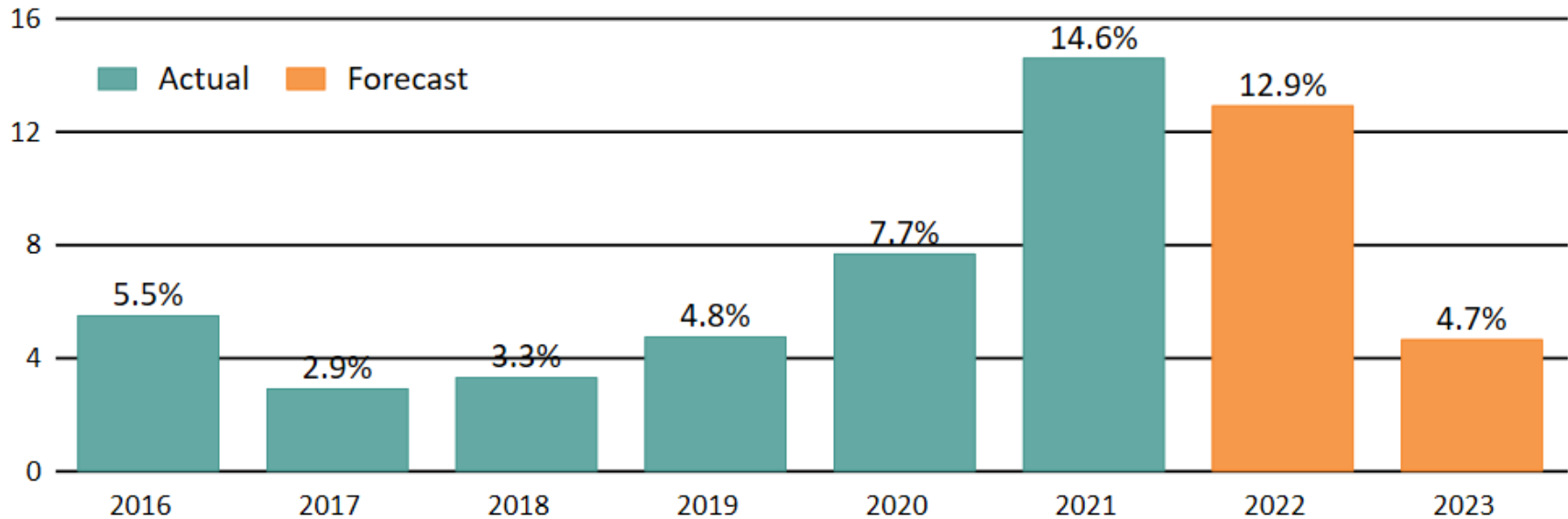
Sources: South Central Kansas MLS; NAR; Participating Kansas REALTOR® MLS Systems

# Annual Home Price Appreciation



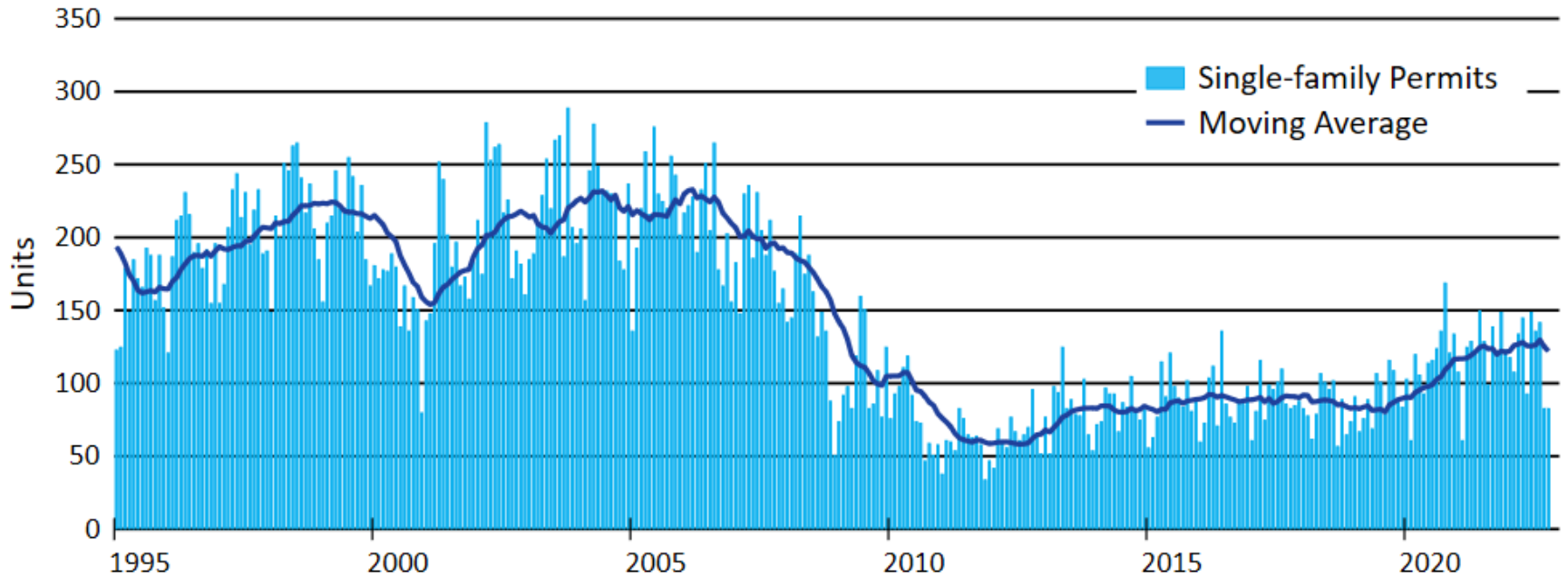
# Home Price Appreciation Forecast

Percent



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

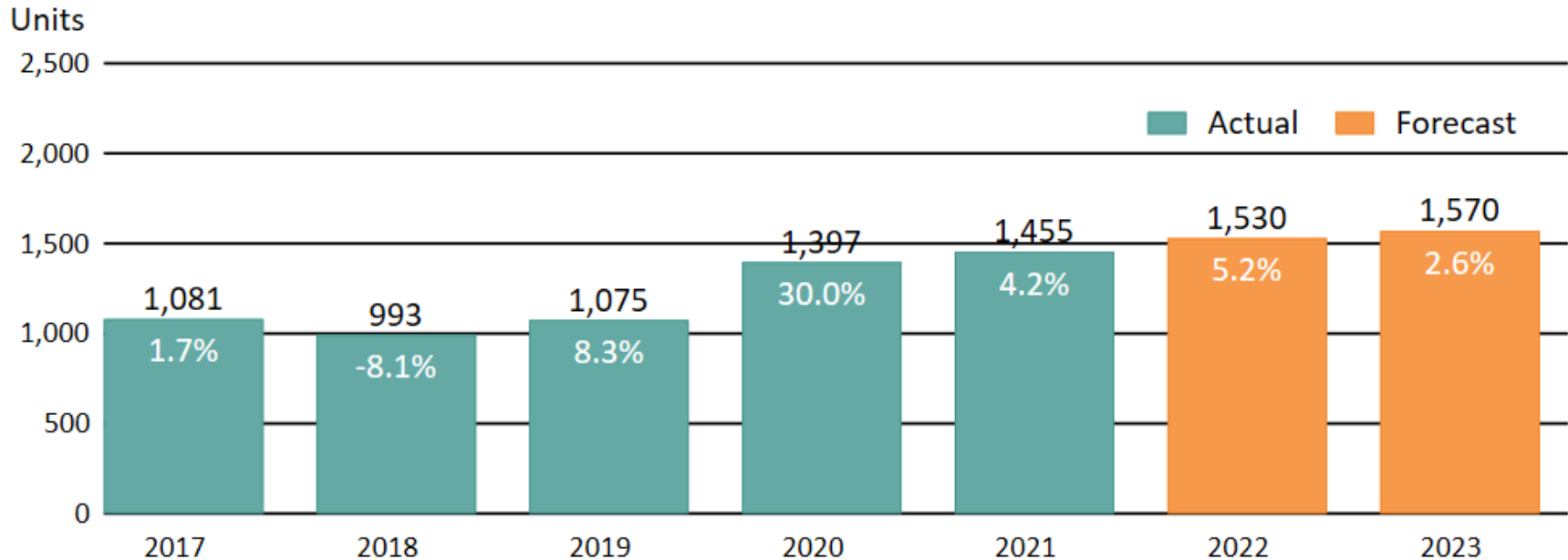
# Wichita New Home Construction



Source: Wichita Area Builders Association



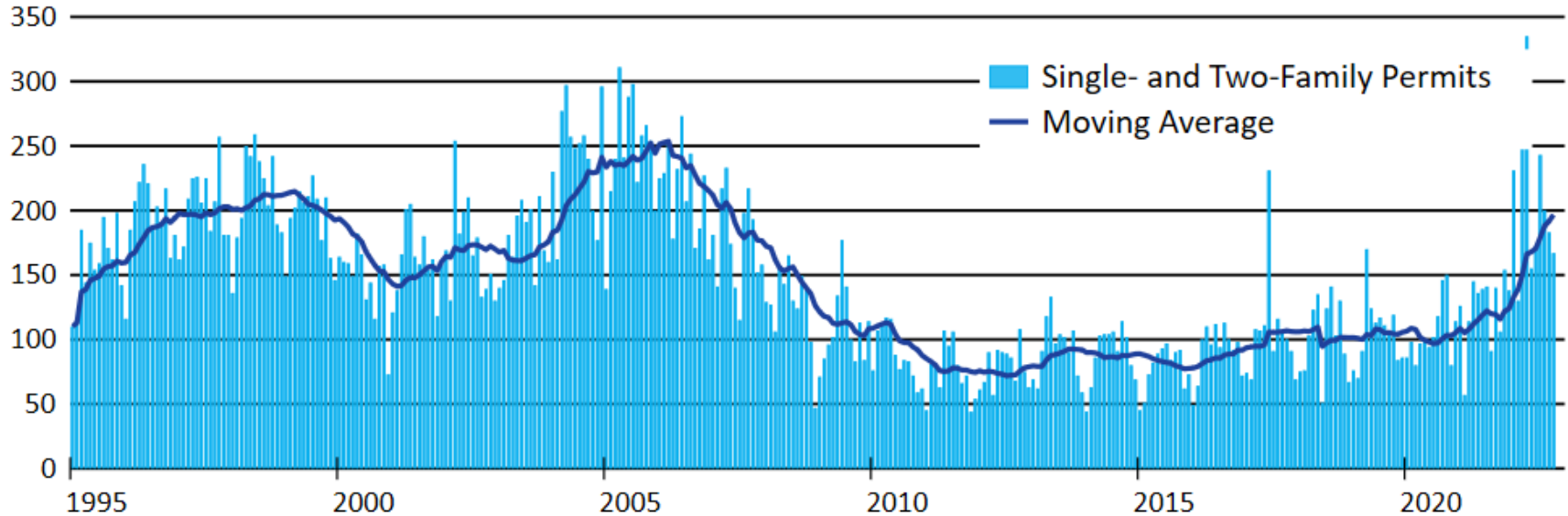
# Wichita New Home Construction Forecast



Sources: WSU Center for Real Estate and Wichita Area Builders Association

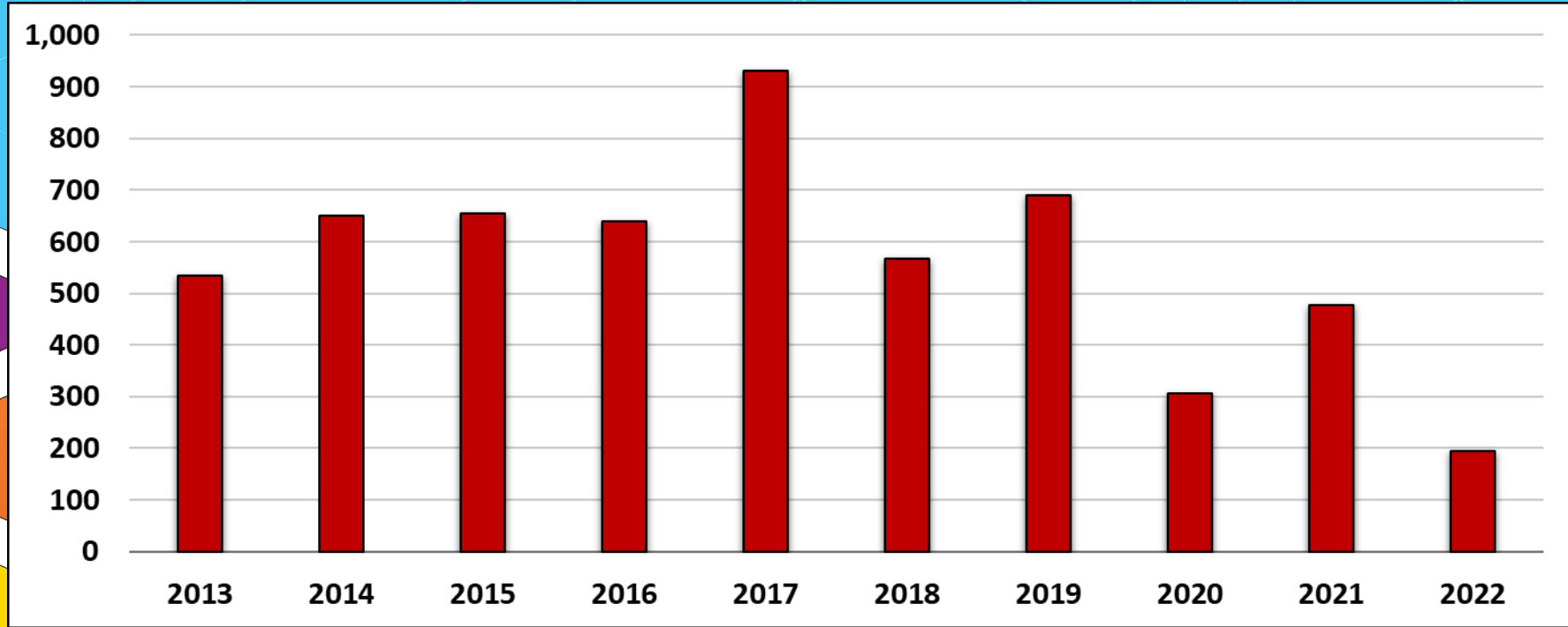
# Wichita New Home Construction

Units



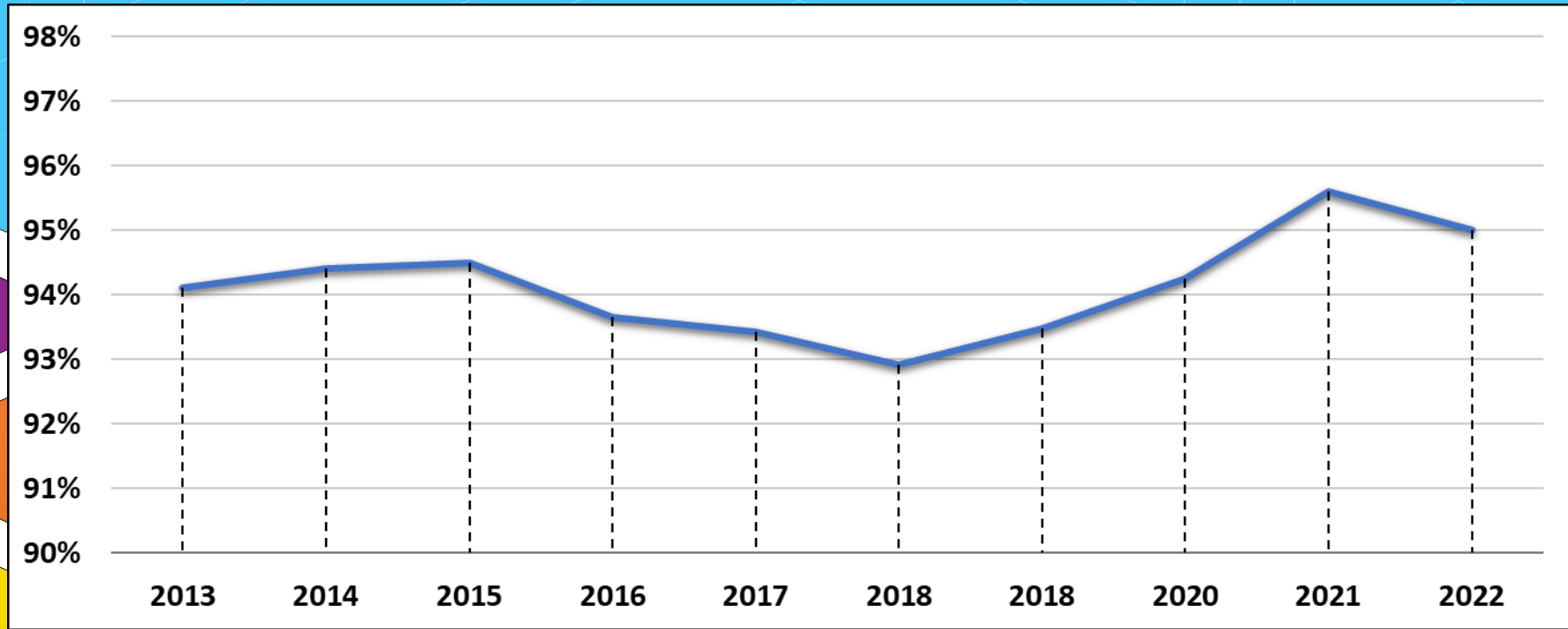
Source: U.S. Bureau of the Census

# Apartment Units Added to Market



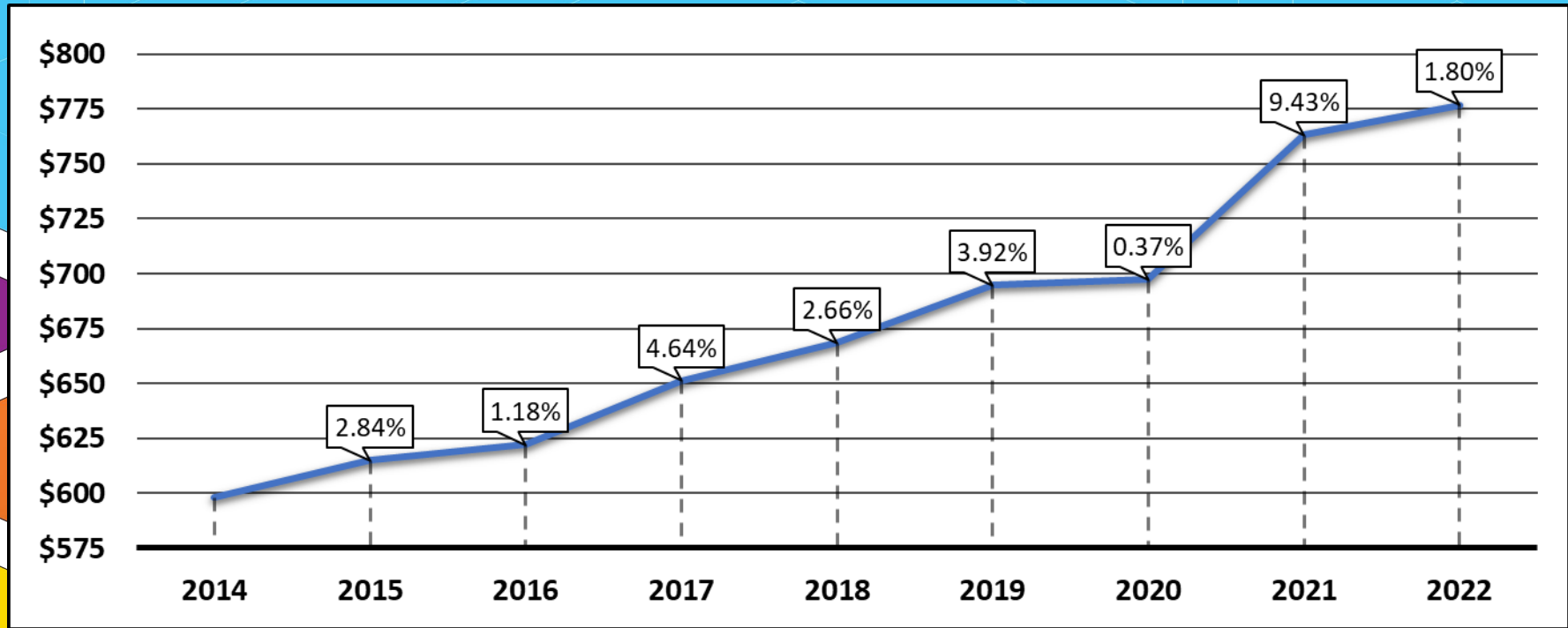
Source: NAI Martens 2022 Multifamily Market Update

# Wichita Apartment Occupancy



Source: NAI Martens 2022 Multifamily Market Update

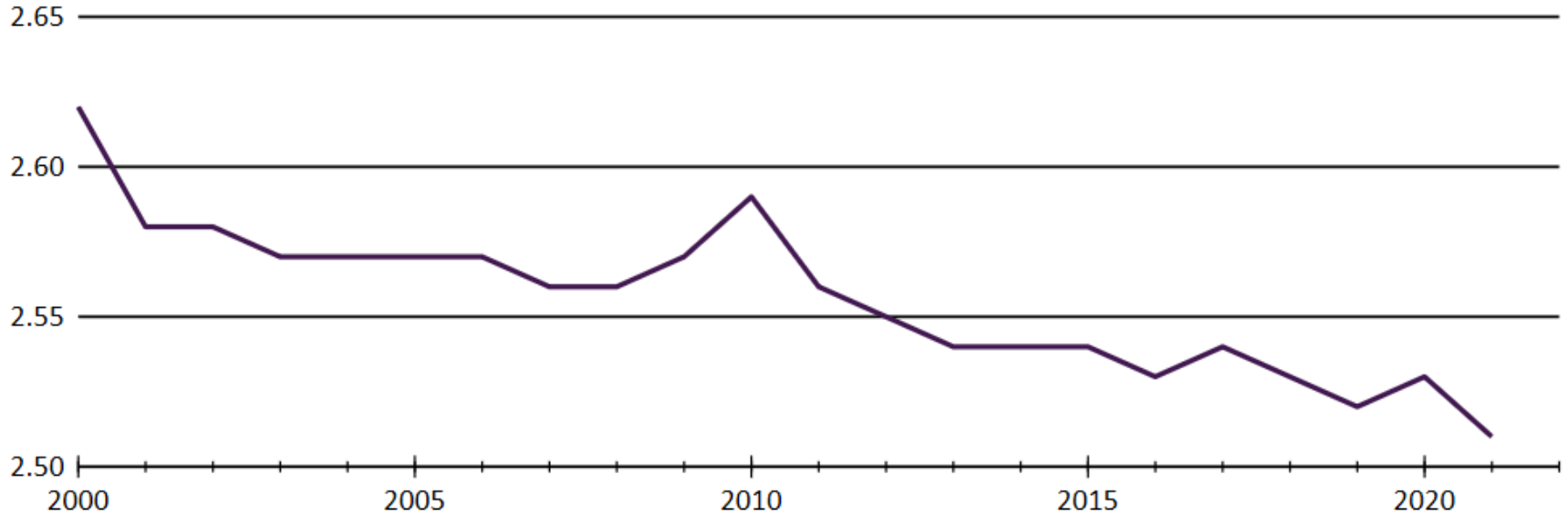
# Wichita Apartment Rent Growth



Source: NAI Martens 2022 Multifamily Market Update

# Households Continue to Get Smaller

People per Household



Source: U.S. Census Bureau

# 2023 Wichita Housing Forecast

	2020 <u>Actual</u>	2021 <u>Actual</u>	2022 <u>Forecast</u>	2023 <u>Forecast</u>
Total Home Sales	11,494 units +6.2%	12,152 units +5.7%	11,560 units -4.9%	11,460 units +0.7%
SF Building Permits	1,397 units +30.0%	1,455 units +4.2%	1,530 units +5.2%	1,570 units +2.6%
Home Price Appreciation	+7.7%	+14.6%	+12.9%	+4.7%



Thanks Again to:



Security 1<sup>st</sup> Title

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