

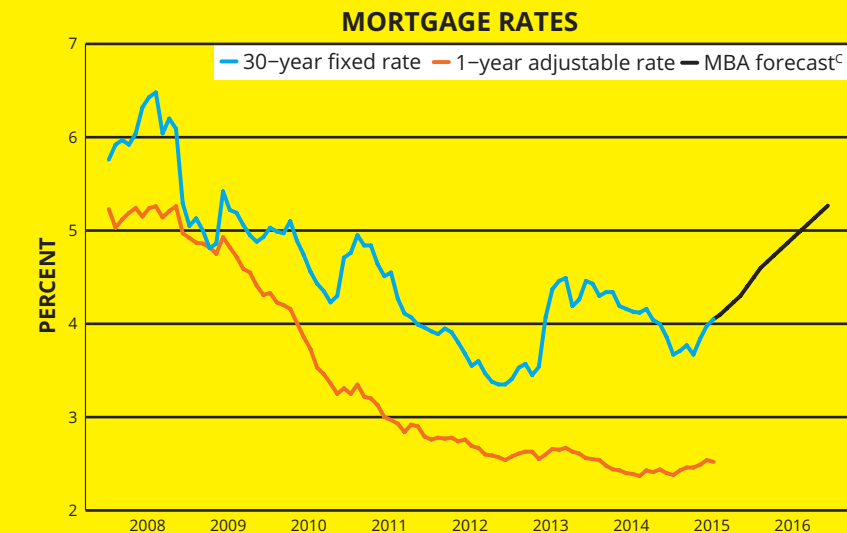
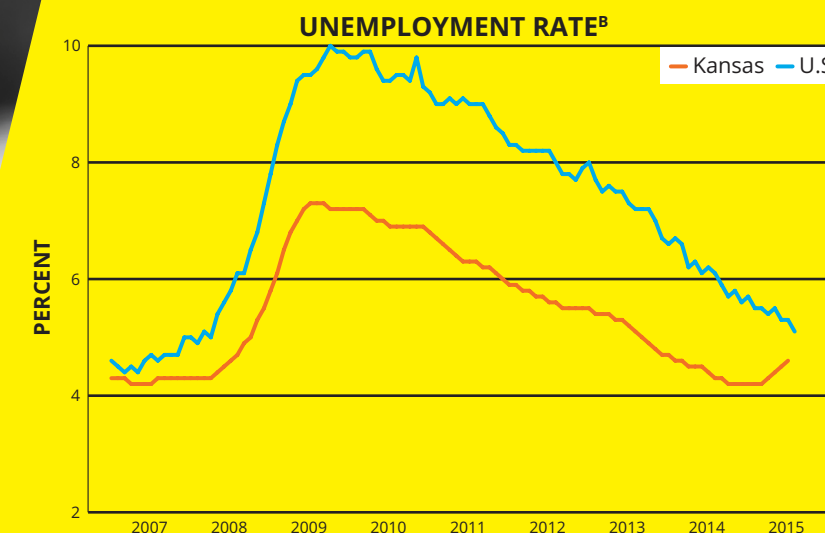
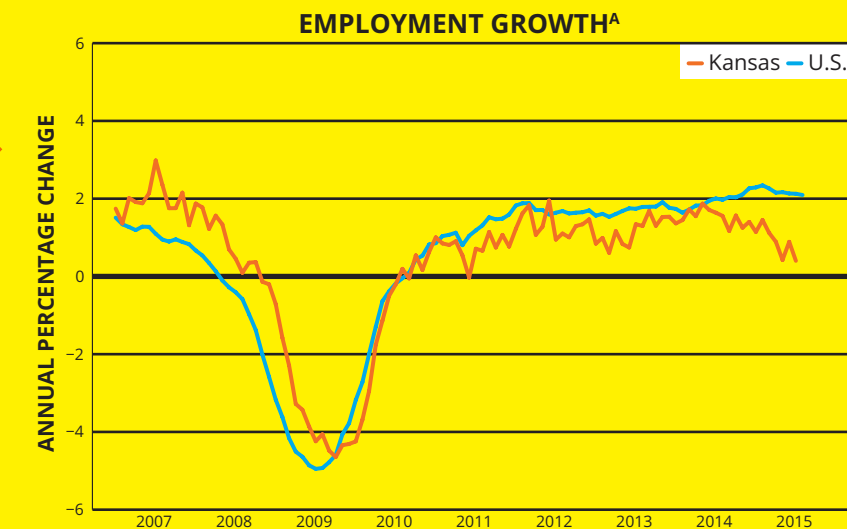
Economic Overview

EMPLOYMENT IN KANSAS IS EXPECTED TO GROW BY 1.4 PERCENT IN 2016.

Even as the national economy has begun to pick up steam over the past year, employment growth in Kansas has been slowing. The WSU Center for Economic Development and Business Research forecasts that total non-farm employment state-wide will rise by 19,958 jobs in 2016, a 1.4 percent increase.

After falling to 4.2 percent at the end of 2014, the Kansas unemployment rate has risen slightly in recent months. This is due to a decline in the overall labor force, as well as an increase in the number of people unemployed.

Although the Federal Reserve did not raise short-term interest rates during its September meeting, the question is when—not if—mortgage rates will begin to rise. Given low inflationary pressures, a modest increase in mortgage rates may actually help the housing market, strengthening the demand for starter homes that are now being bypassed by first-time buyers trying to stretch into more expensive homes given current low rates.



Sources:
Freddie Mac, Mortgage Bankers Association, U.S. Bureau of Labor Statistics

Notes:
A) Year-over-year percentage change in total, non-farm employment, seasonally adjusted
B) Seasonally adjusted
C) Mortgage Bankers Association August 2015 forecast of the 30-year conventional mortgage rate