



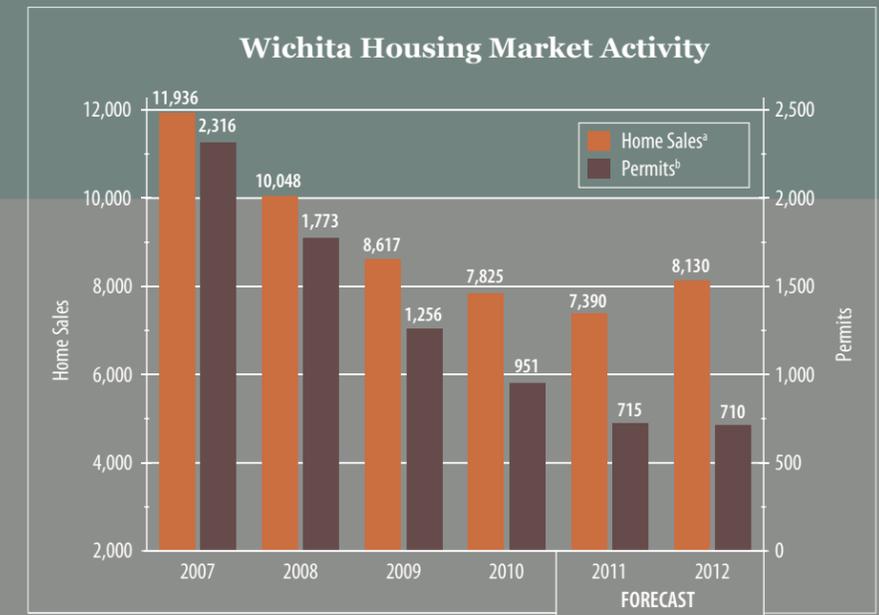
Wichita Forecast

Home sales fell to their lowest level in a decade last year and are on pace to fall another 5.6 percent this year. Sales should begin to rebound next year, rising by 10.0 percent, but still remain below their 2009 level.

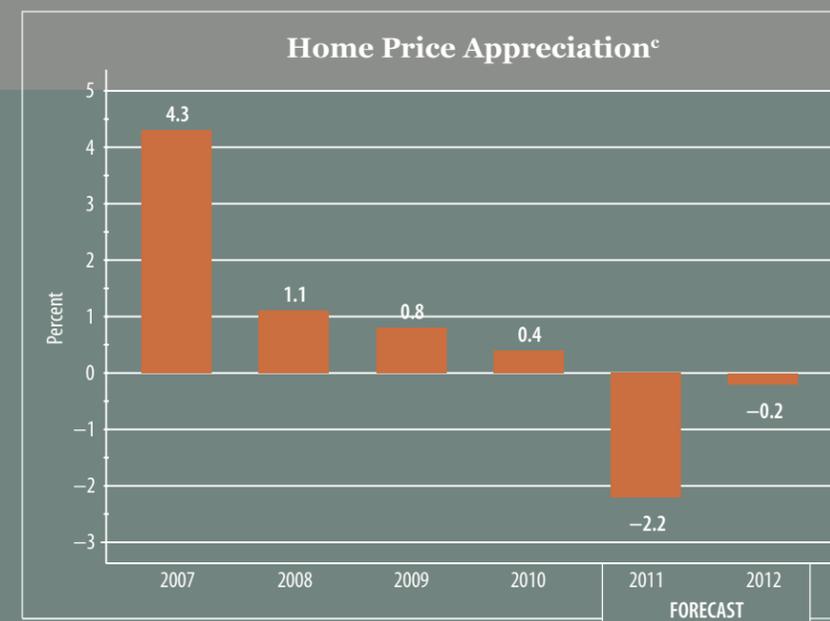
New home construction continues to languish. Permits are expected to end

2011 down 24.8 percent and then level off in 2012. Existing home sales activity will need to show sustained gains before new home construction will pick up again.

Home prices in the Wichita area have finally begun to fall a bit. They should end 2011 down 2.2 percent and then fall a negligible 0.2 percent in 2012.



Wichita area home sales are poised to rise by 10 percent in 2012, but will still remain below their 2009 level.



Wichita home prices will fall by 2.2 percent this year and then remain essentially flat in 2012.

Sources: South Central Kansas Multiple Listing Service; Wichita Area Builders Association; Federal Housing Finance Agency; WSU Center for Real Estate
 Notes: a) Total home sales in the Wichita area as reported by the South Central Kansas Multiple Listing Service.
 b) Total single-family building permits issued in the Wichita area as reported by local permitting offices and compiled by the Wichita Area Builders Association.
 c) Year-over-year percentage change in the Federal Housing Finance Agency all-transaction housing price index for the Wichita metropolitan area, as measured using 4th quarter values.