



Kansas

2025 HOUSING
FORECAST

Full Circle

Dr. Stanley D. Longhofer

November 21, 2024



The slides from today's presentation are available on the WSU Center for Real Estate website at

wichita.edu/realestate

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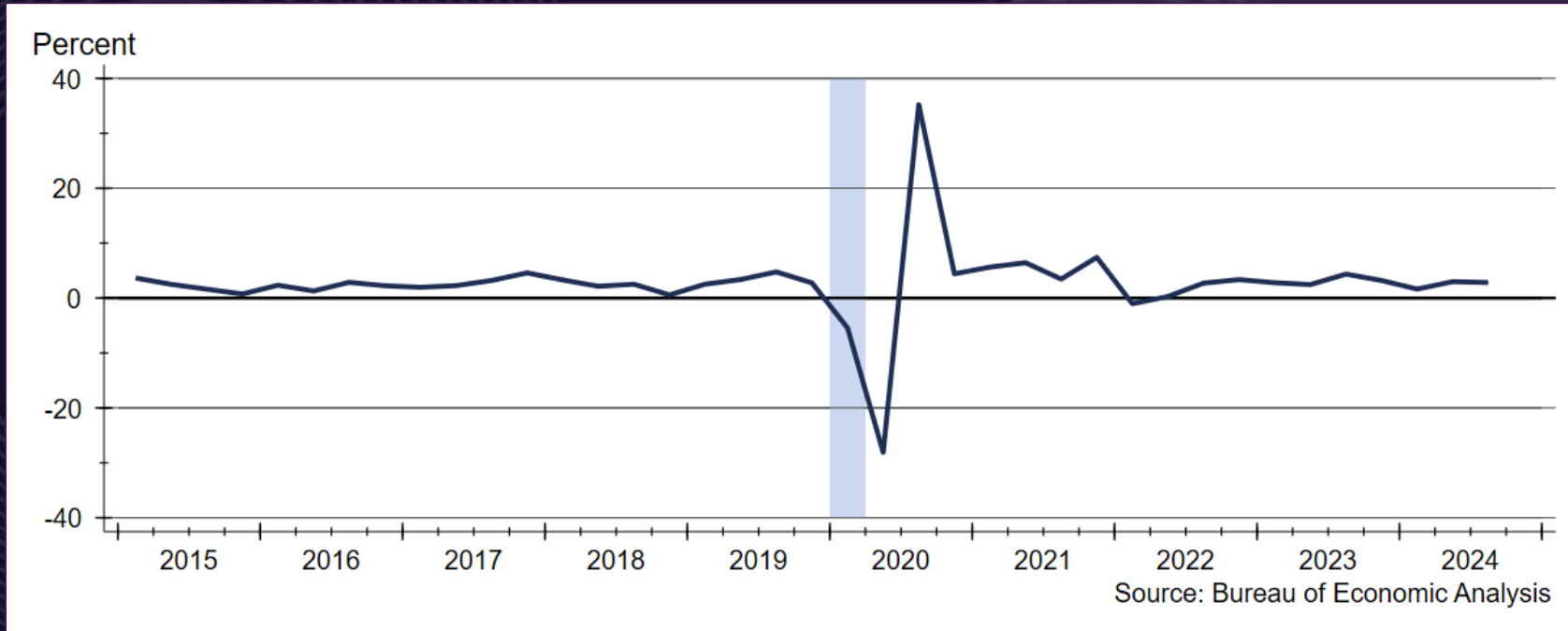
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Thanks also to



and participating REALTOR® MLS systems across Kansas

Real GDP Growth is Strong

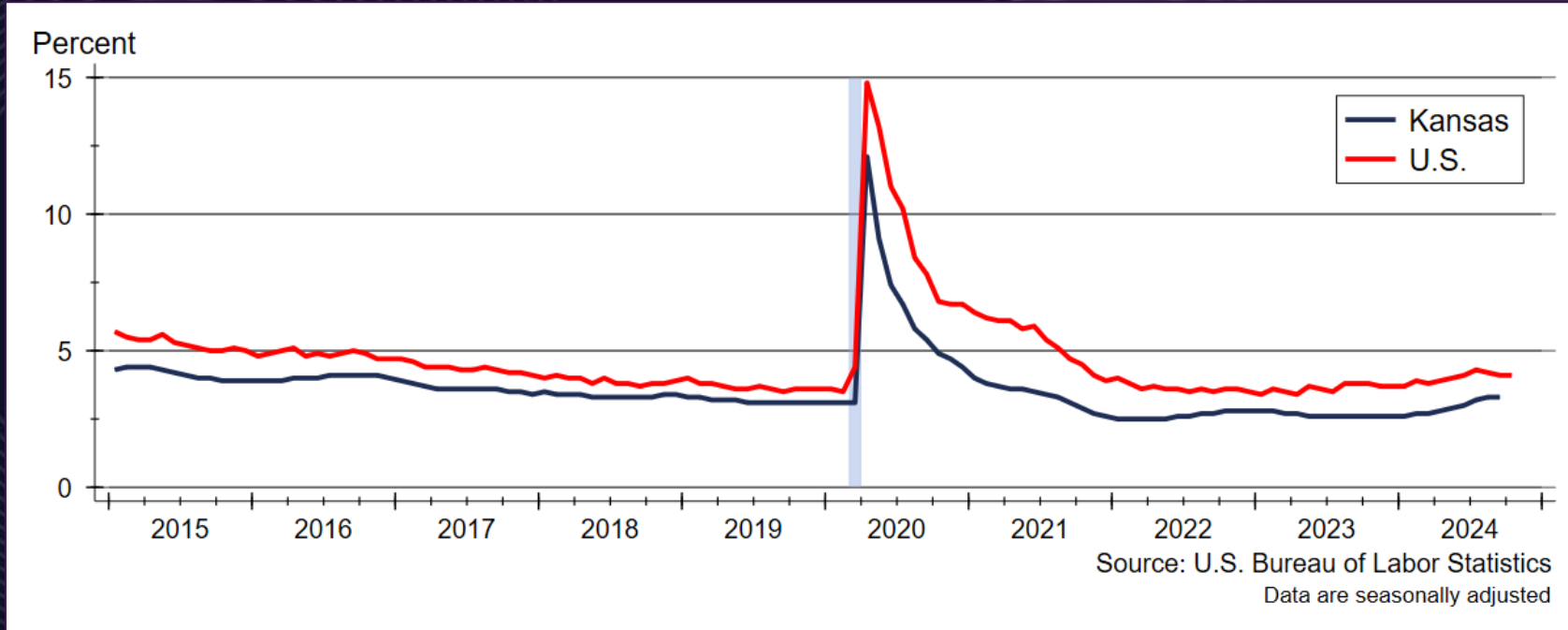


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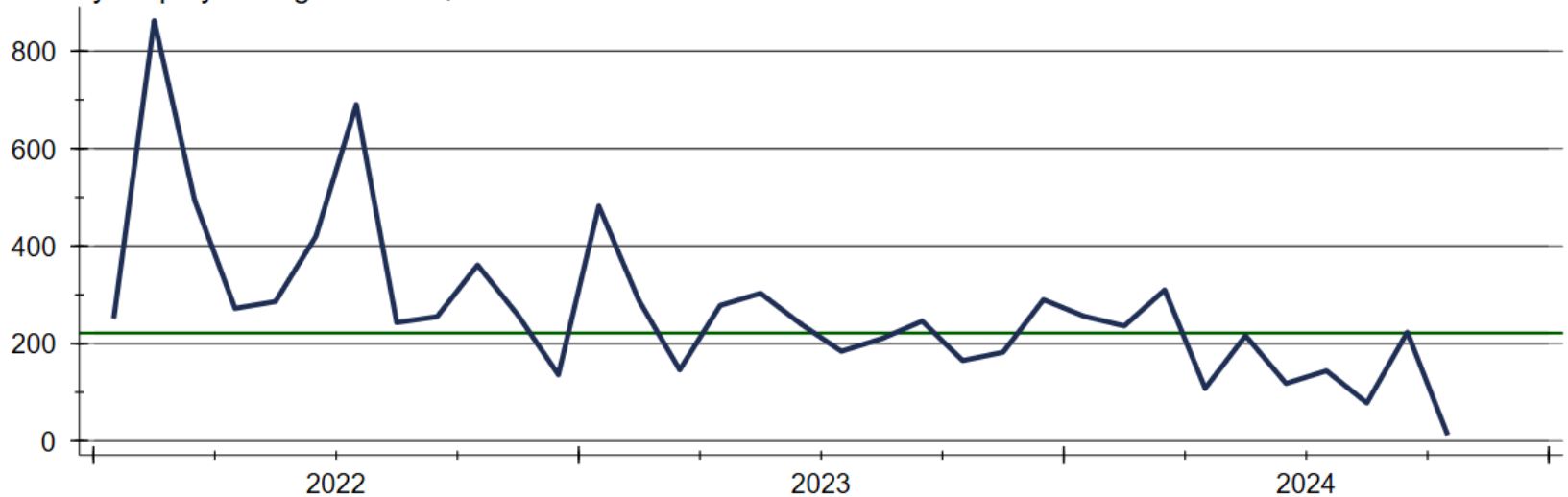
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Unemployment Rate is Still Quite Low



But Employment Growth Remains Sluggish

Monthly employment growth in 1,000s



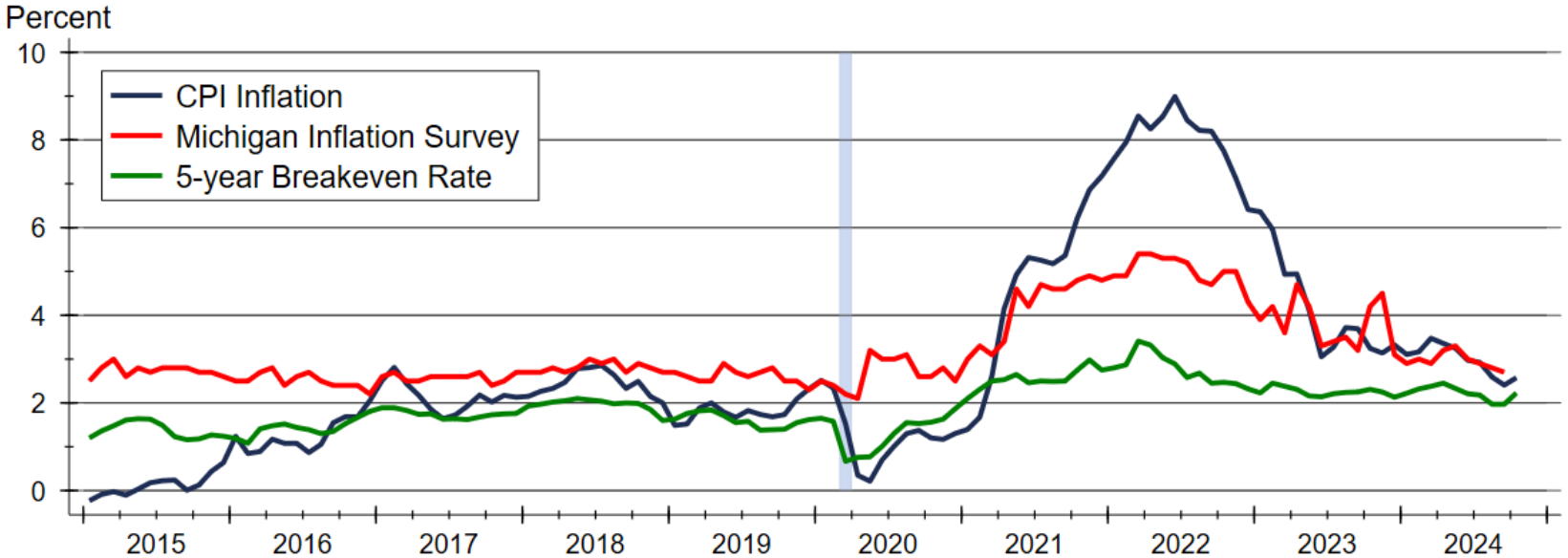
Source: U.S. Bureau of Labor Statistics
2020 and 2021 data excluded



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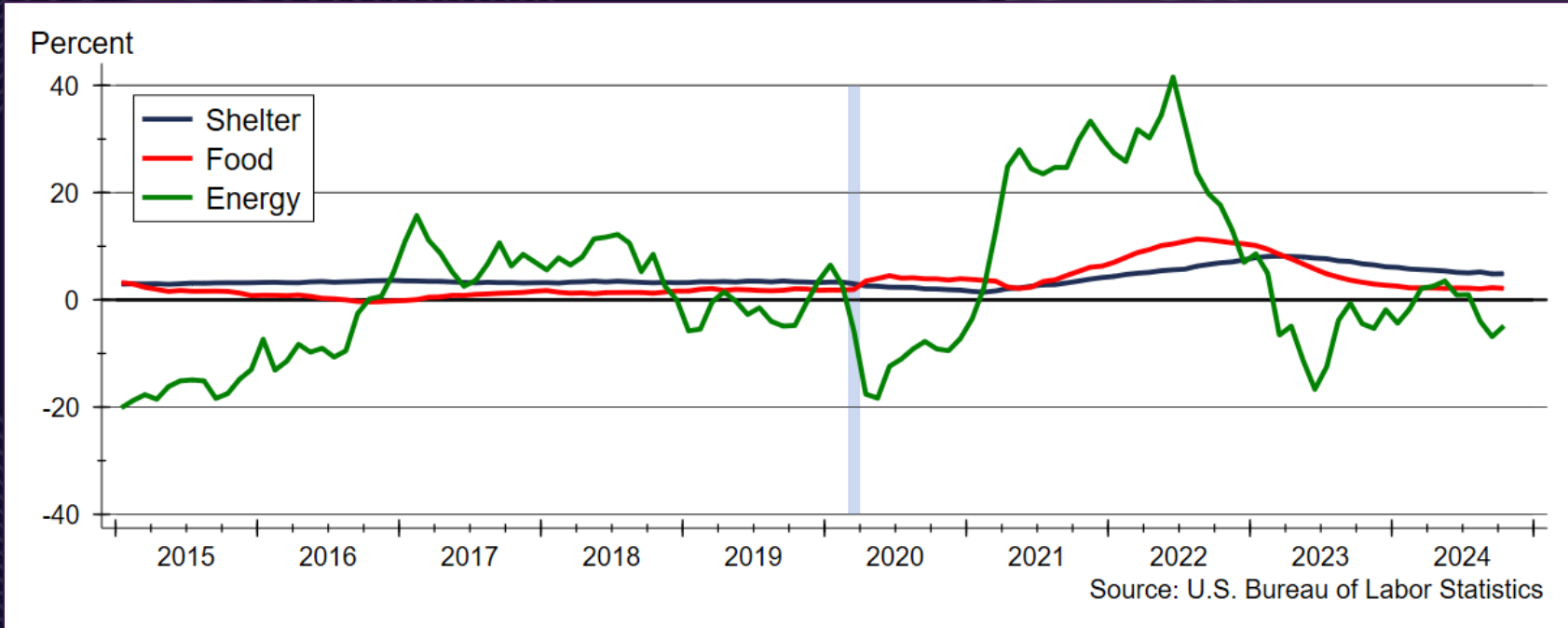
Inflation Expectations are Moderating



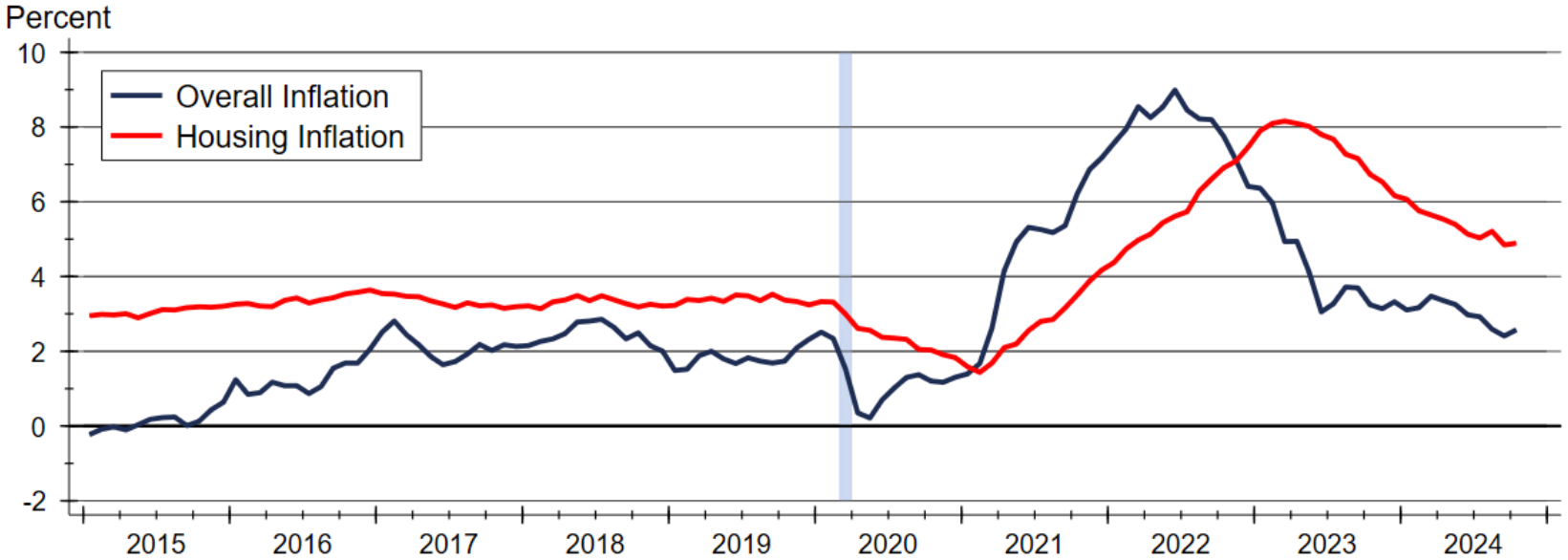
Sources: BLS; Federal Reserve Bank of St. Louis; University of Michigan



Key Drivers of Inflation are Easing

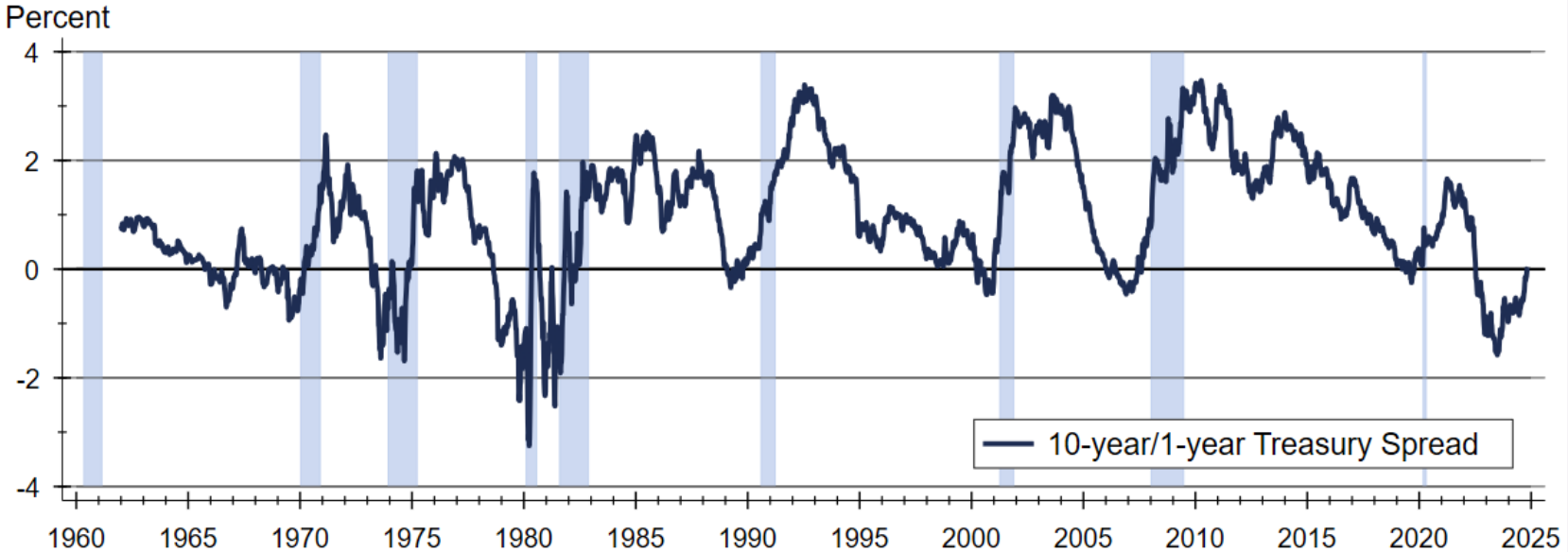


Housing Inflation is Still High



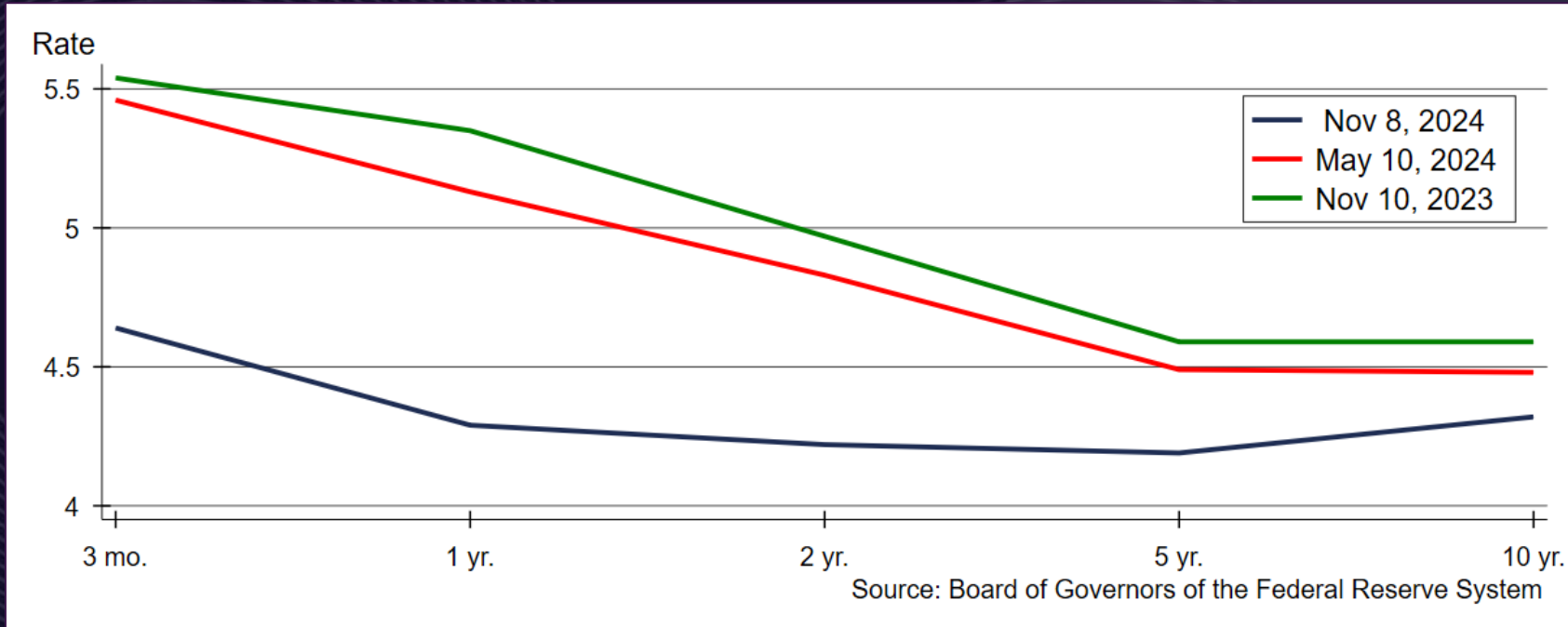
Source: U.S. Bureau of Labor Statistics

The Yield Curve is Flattening



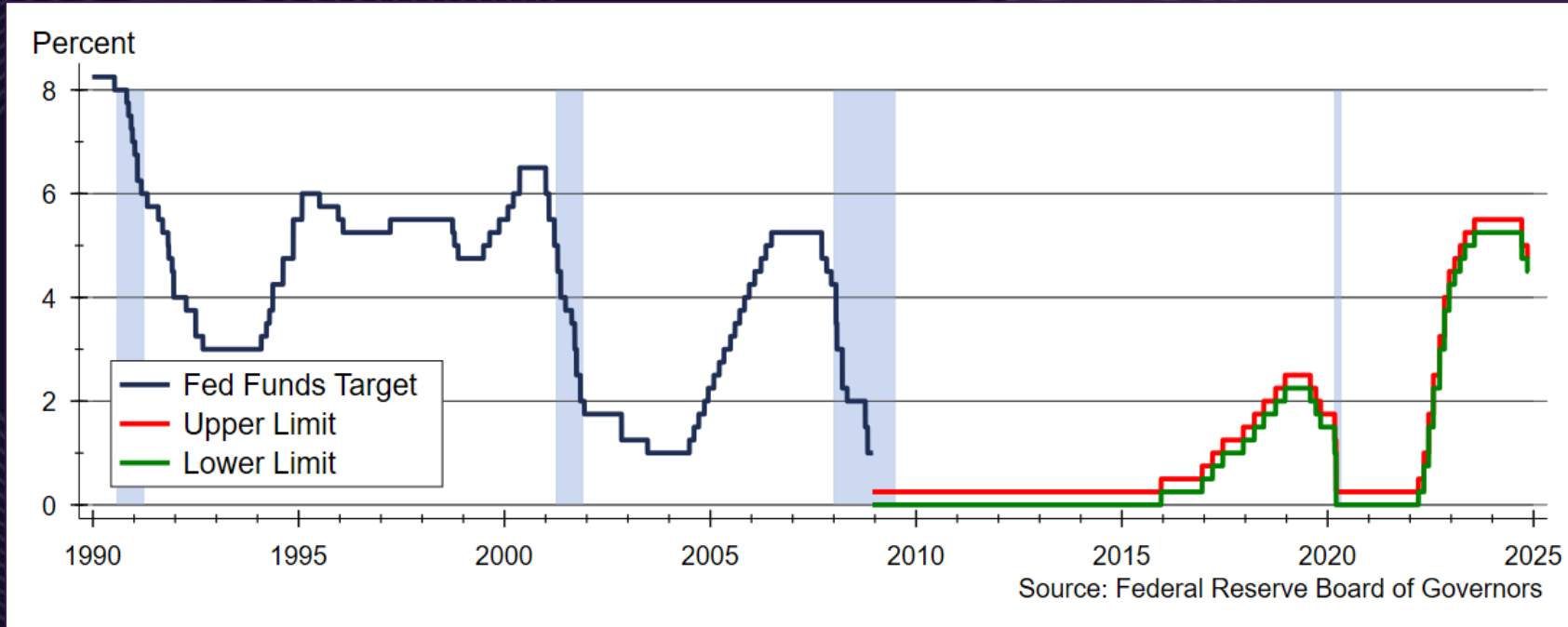
Source: Board of Governors of the Federal Reserve System

The Yield Curve is Flattening

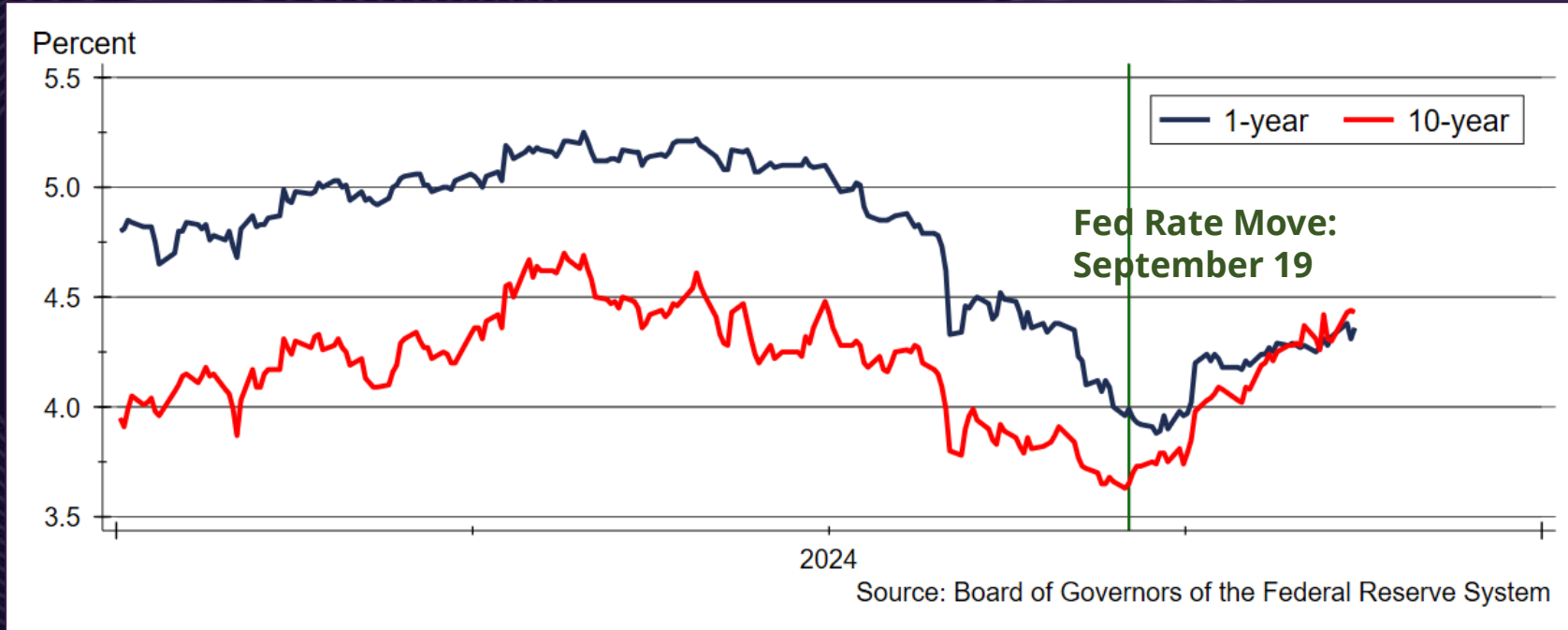




Fed Funds Target Rate

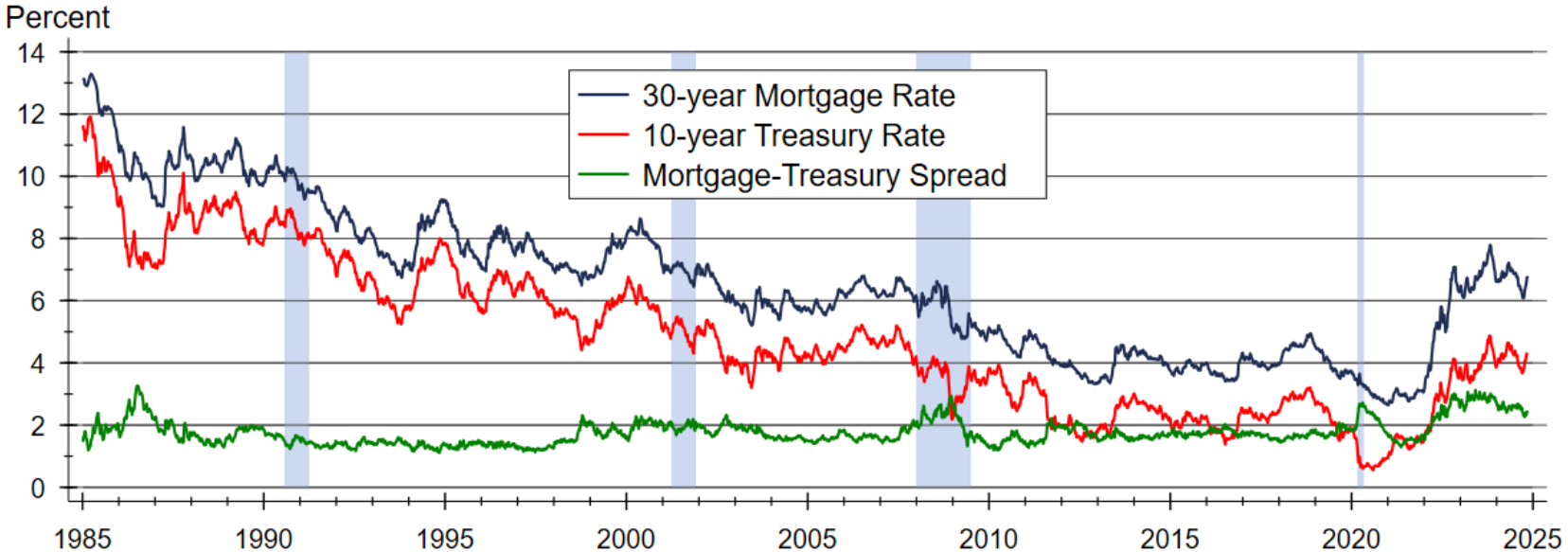


Treasury Rates Following Fed Move



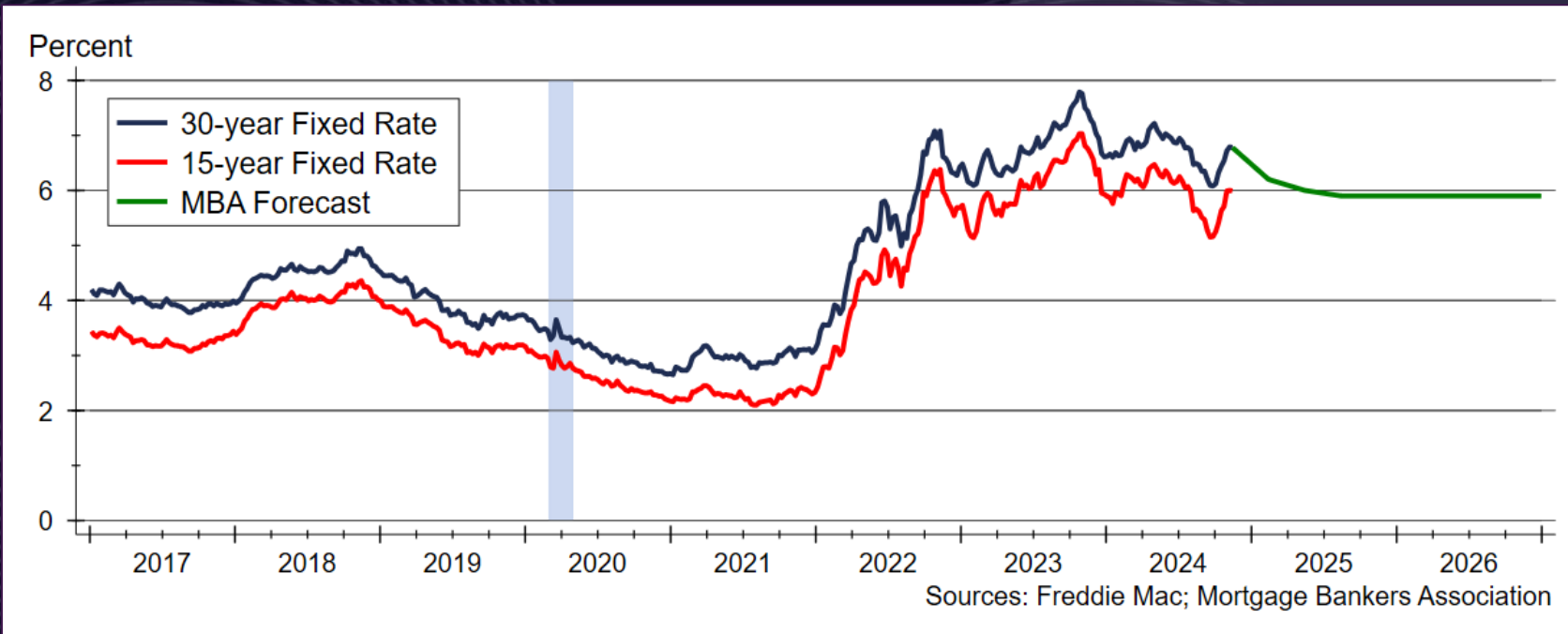
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Mortgage Risk Premium Remains Higher than Normal



Sources: Board of Governors of the Federal Reserve System; Freddie Mac

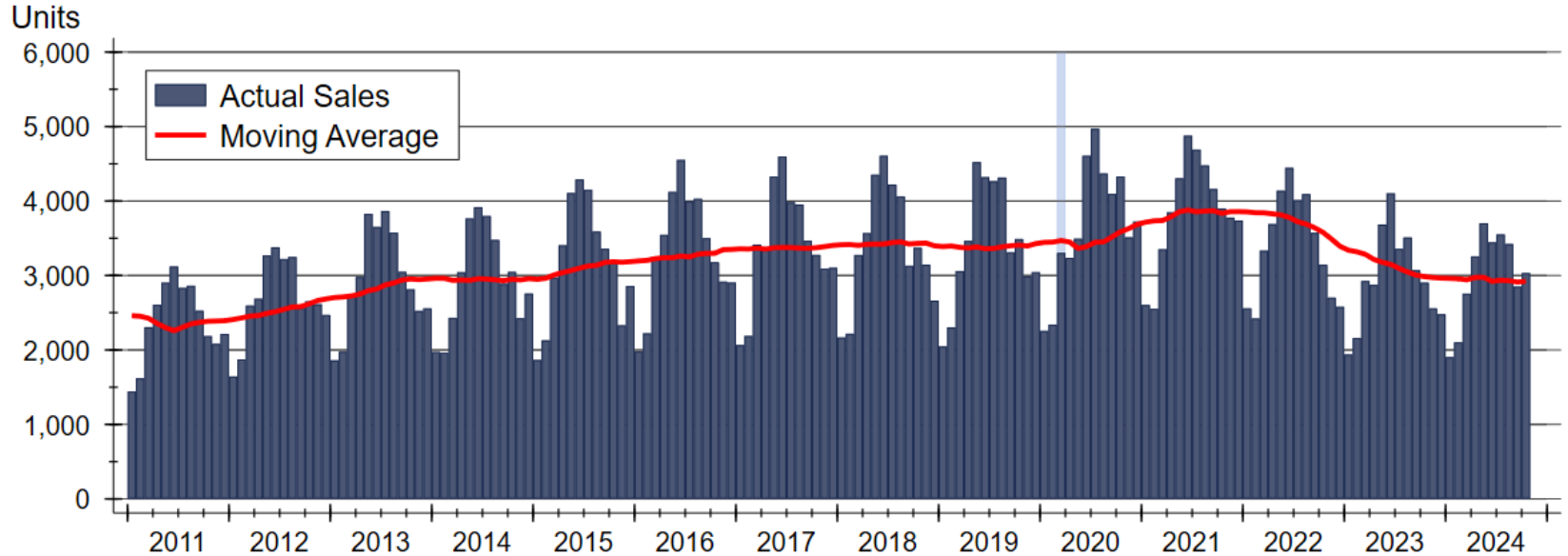
MBA Mortgage Rate Forecast



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Kansas Home Sales Activity



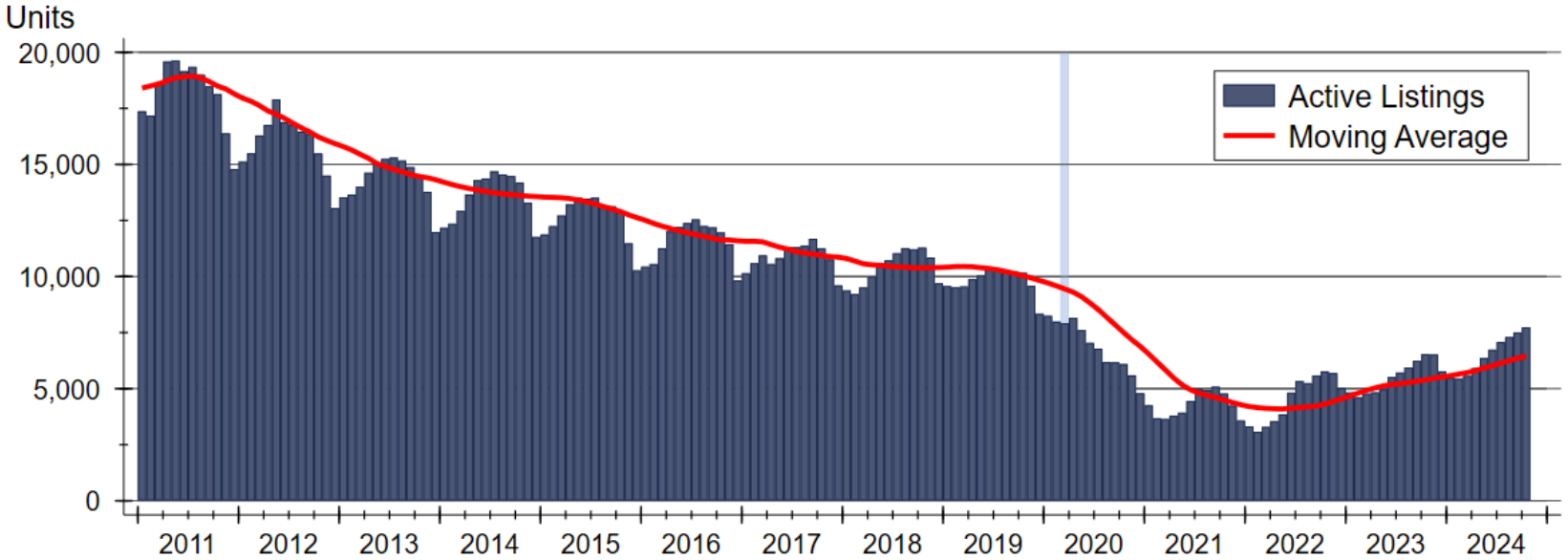
Source: Participating Kansas REALTOR® MLS systems

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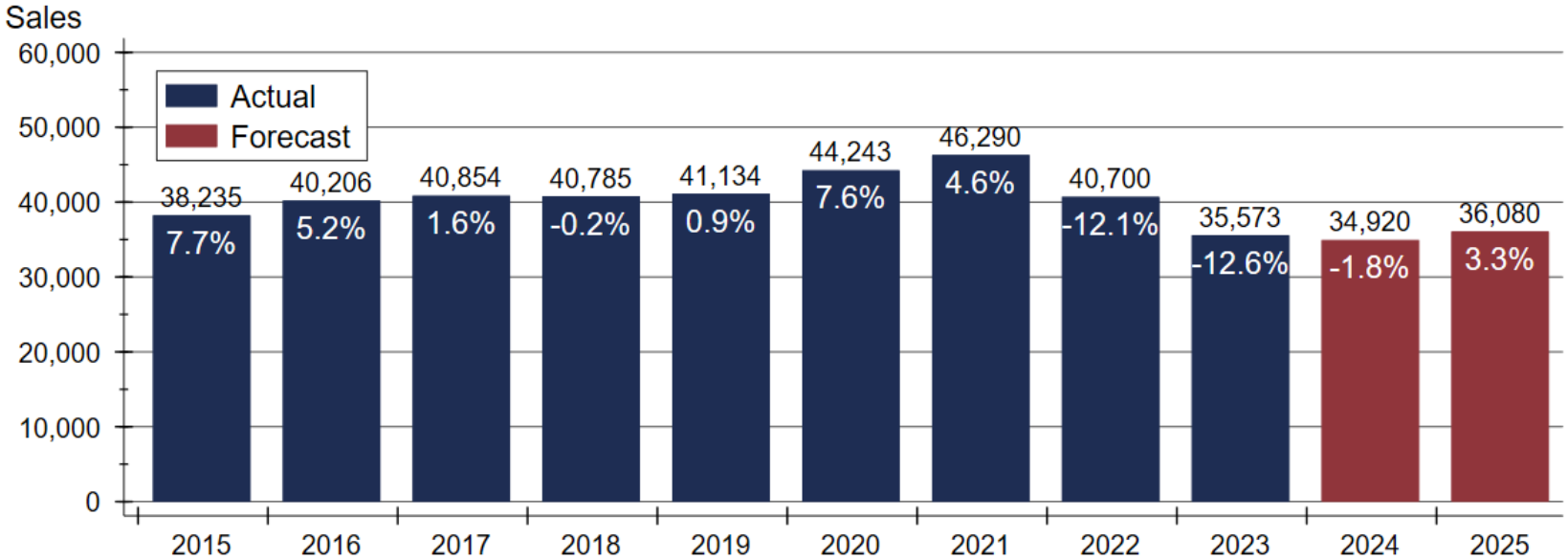
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Active Listings are Still Well-Below Pre-Pandemic Levels



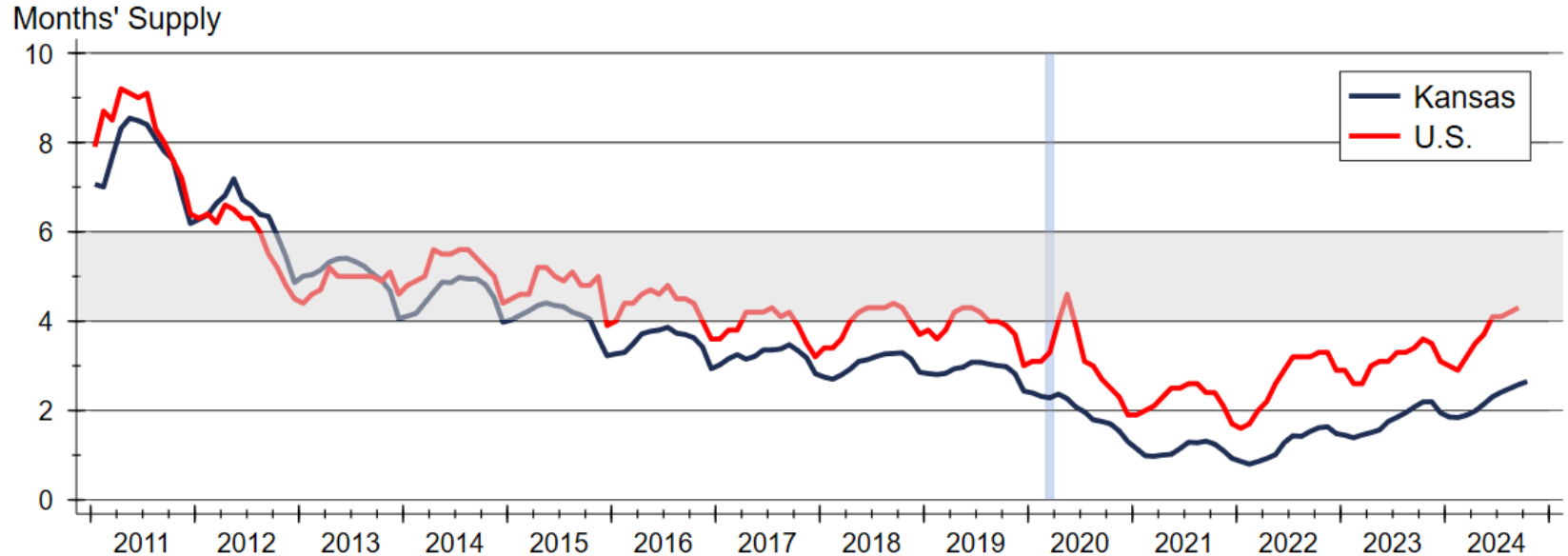
Source: Participating Kansas REALTOR® MLS systems

Kansas Home Sales Forecast



Sources: WSU Center for Real Estate and participating Kansas REALTOR® MLS systems

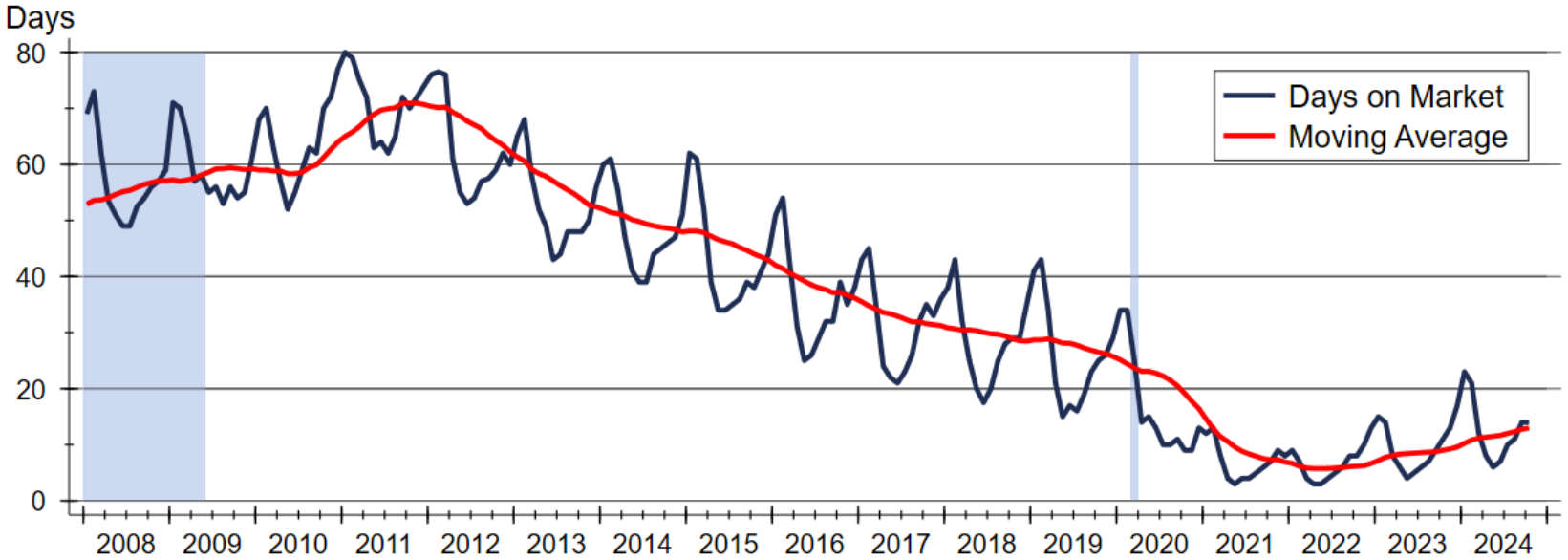
Inventory of Homes Available for Sale in Kansas



Sources: NAR and Participating Kansas REALTOR® MLS systems

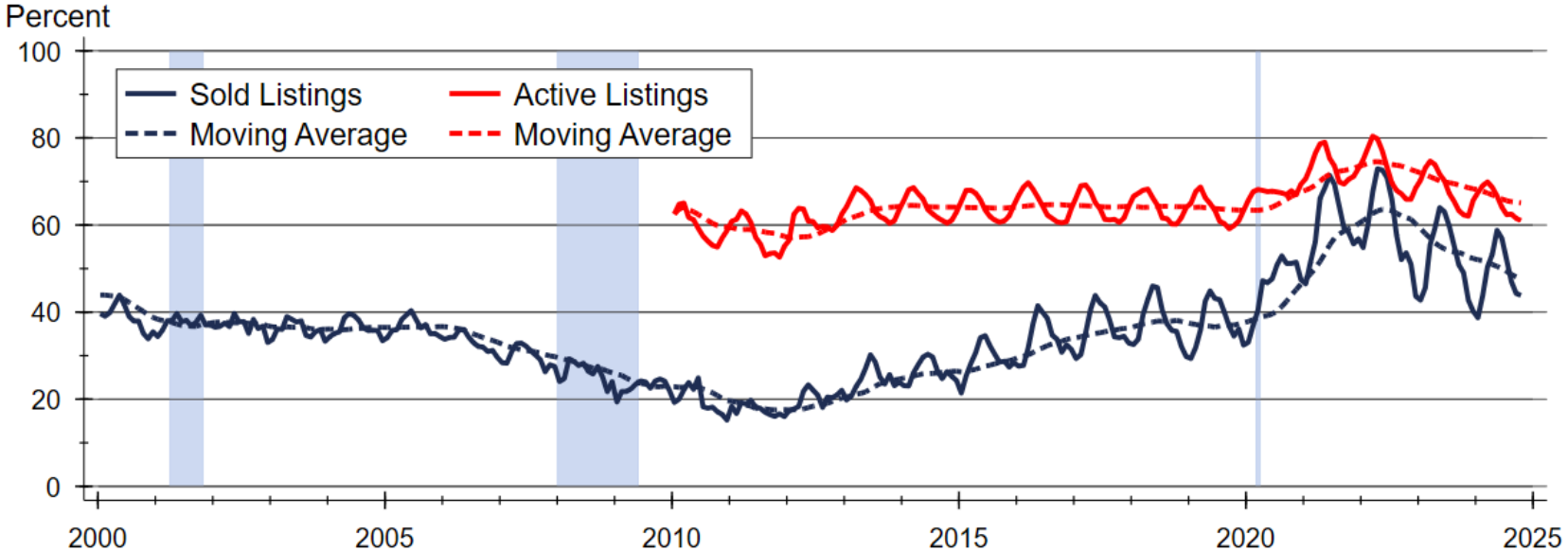
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Median Number of Days On Market



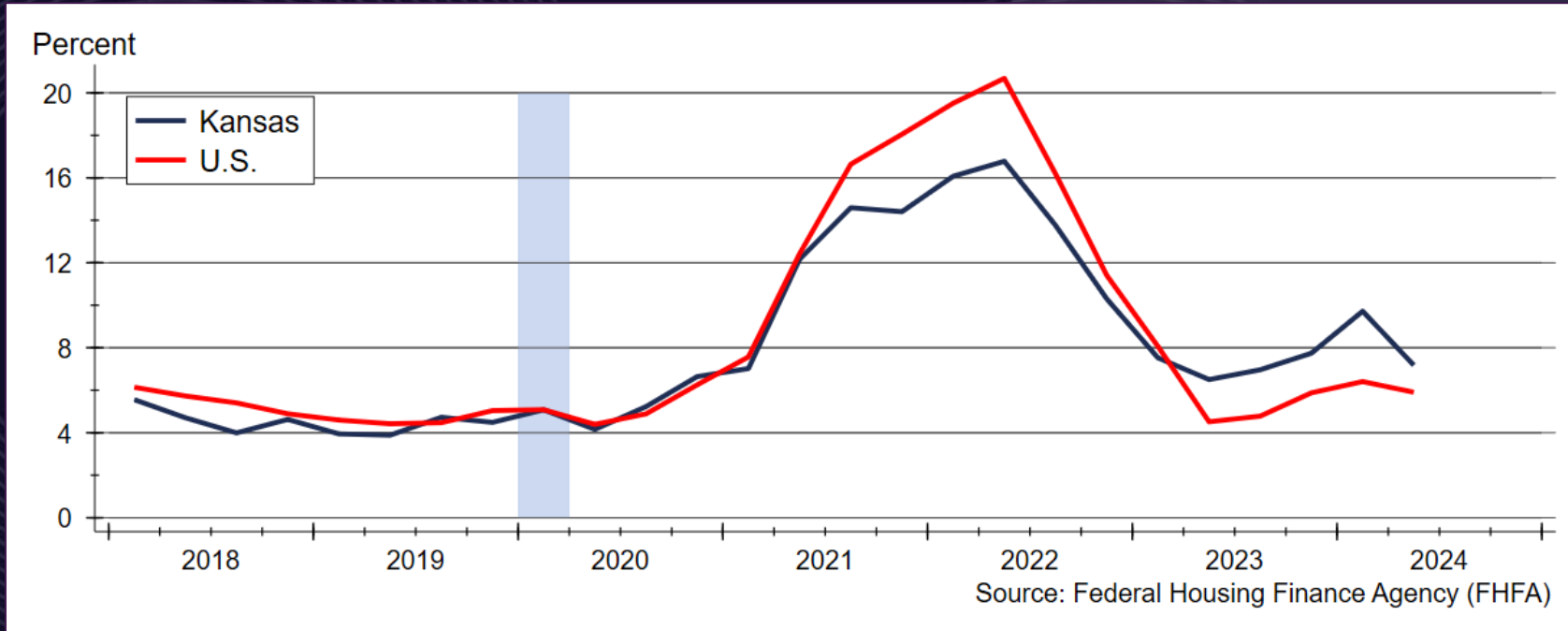
Sources: Participating Kansas REALTOR® MLS systems

Premium Listings and Sales



Source: CRE using data from participating Kansas REALTOR® MLS systems

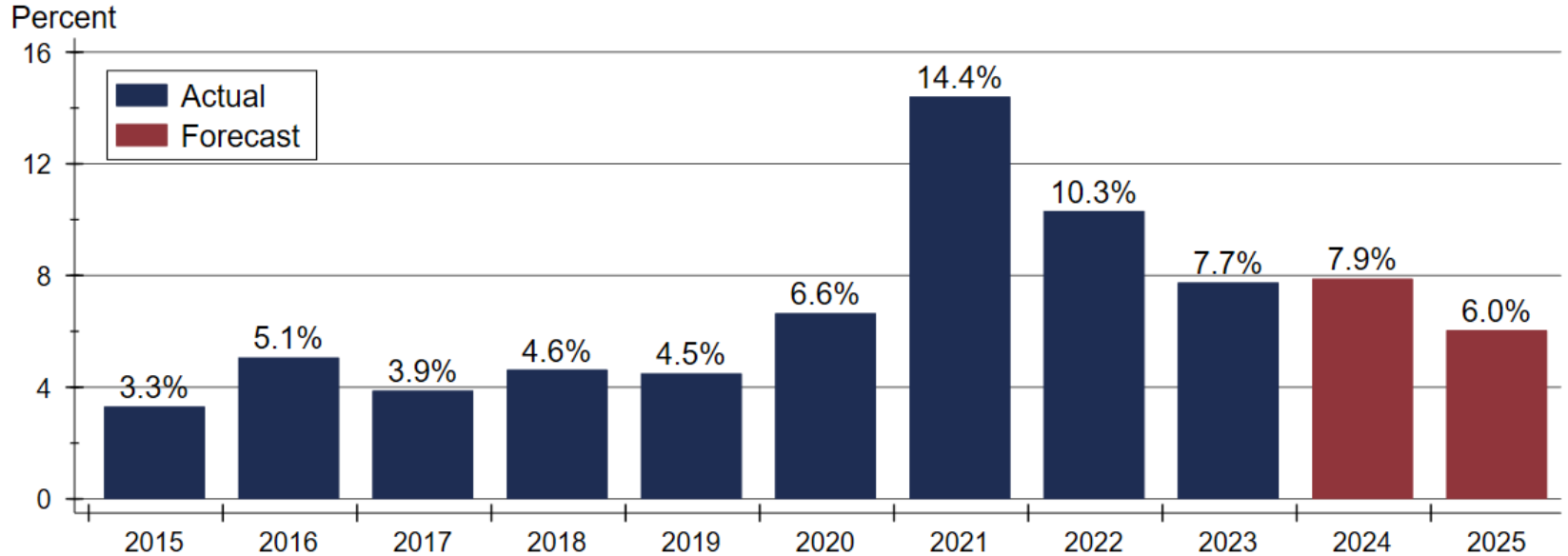
Home Price Appreciation Has Slowed but Remains Very Strong





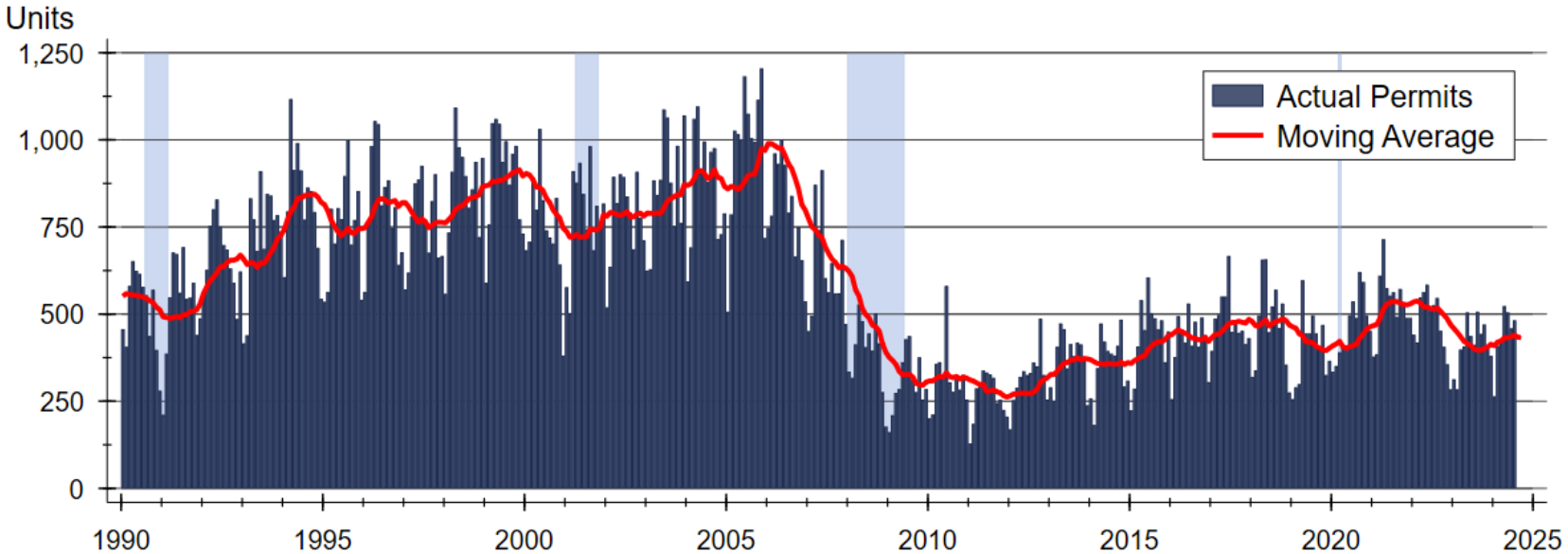
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Home Price Appreciation Forecast



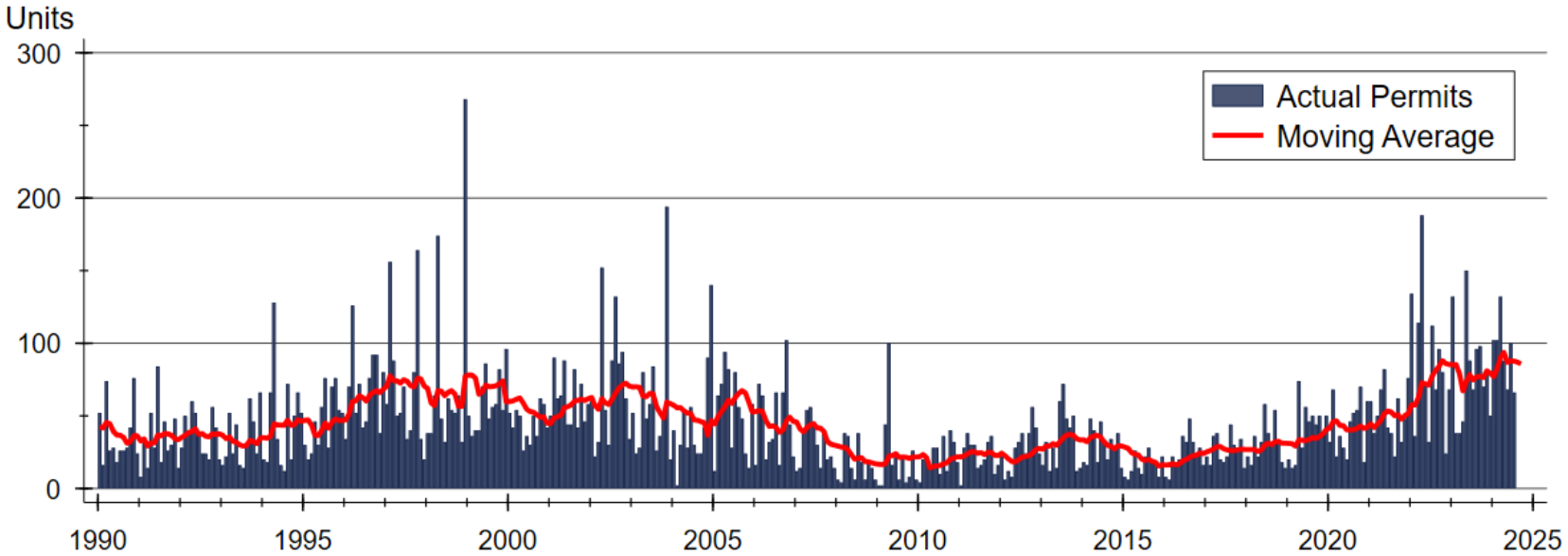
Sources: WSU Center for Real Estate and Federal Housing Finance Agency

Single-Family Building Permits



Source: U.S. Bureau of the Census

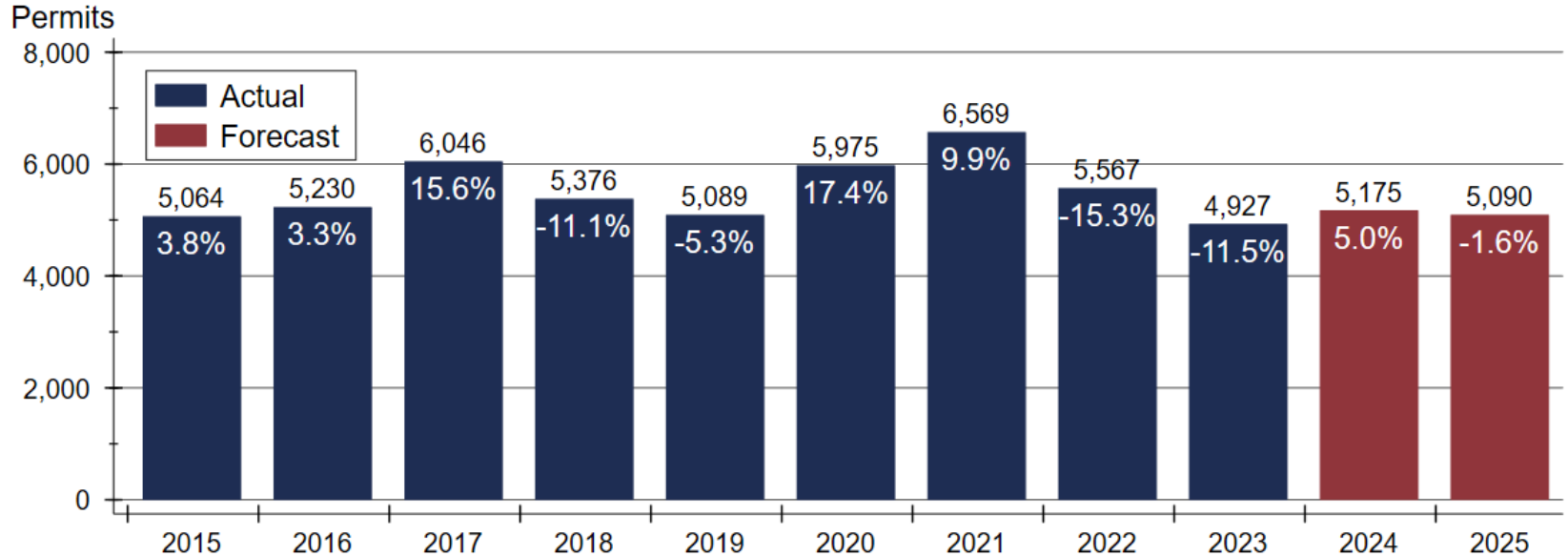
Two-Family Building Permits



Source: U.S. Bureau of the Census



Kansas Single-Family Home Construction Forecast



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

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2025 Kansas Housing Forecast

	2022 <u>Actual</u>	2023 <u>Actual</u>	2024 <u>Forecast</u>	2025 <u>Forecast</u>
Total Home Sales	40,700 units -12.1%	35,572 units -12.6%	34,920 units -1.8%	36,080 units +3.3%
SF Building Permits	5,567 units -15.3%	4,927 units -11.5%	5,175 units +5.0%	5,090 units -1.6%
Home Price Appreciation	+10.3%	+7.7%	+7.9%	+6.0%

2025 Major Markets Forecast

	<u>KC</u>	<u>Lawrence</u>	<u>Manhattan</u>	<u>Topeka</u>	<u>Wichita</u>
Total Home Sales	36,300 units +4.4%	1,080 units -0.9%	1,800 units +11.1%	2,840 units -0.7%	9,550 units +2.0%
SF Building Permits	4,465 units +0.7%	235 units -2.1%	255 units +2.0%	365 units +2.8%	1,285 units +4.9%
Home Price Appreciation	+5.6%	+3.4%	+4.9%	+4.2%	+7.7%



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Dr. Stanley D. Longhofer
October 22, 2025