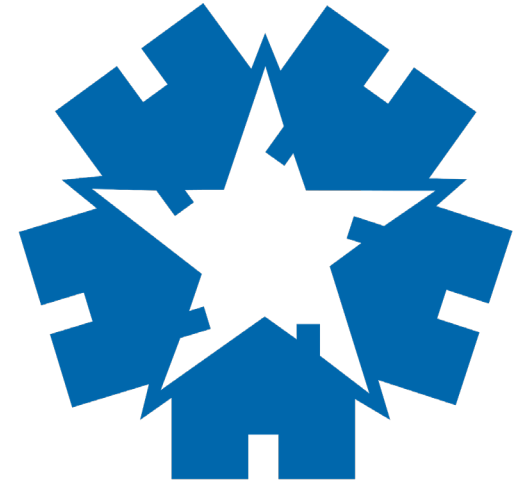


State of Homebuilding Platte County 6.20.2025



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Homeownership for All

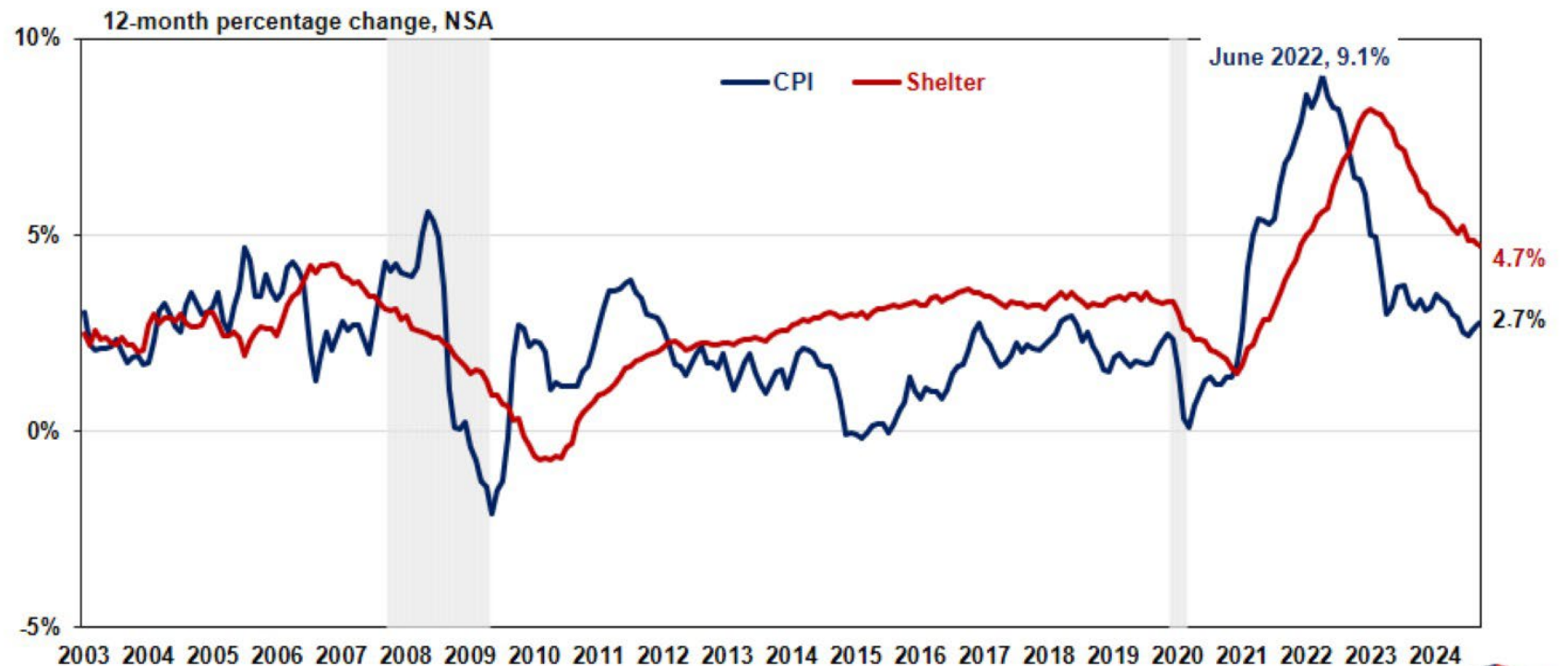
Consumer Inflation - Headline Rate and Shelter - Shelter costs continue to outpace broader consumer prices



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Consumer Inflation – Headline Rate and Shelter

Shelter costs continue to outpace broader consumer prices – only more housing can fix

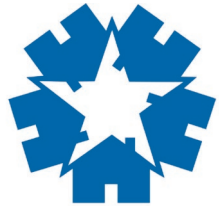


Source: U.S. Bureau of Labor Statistics (BLS)

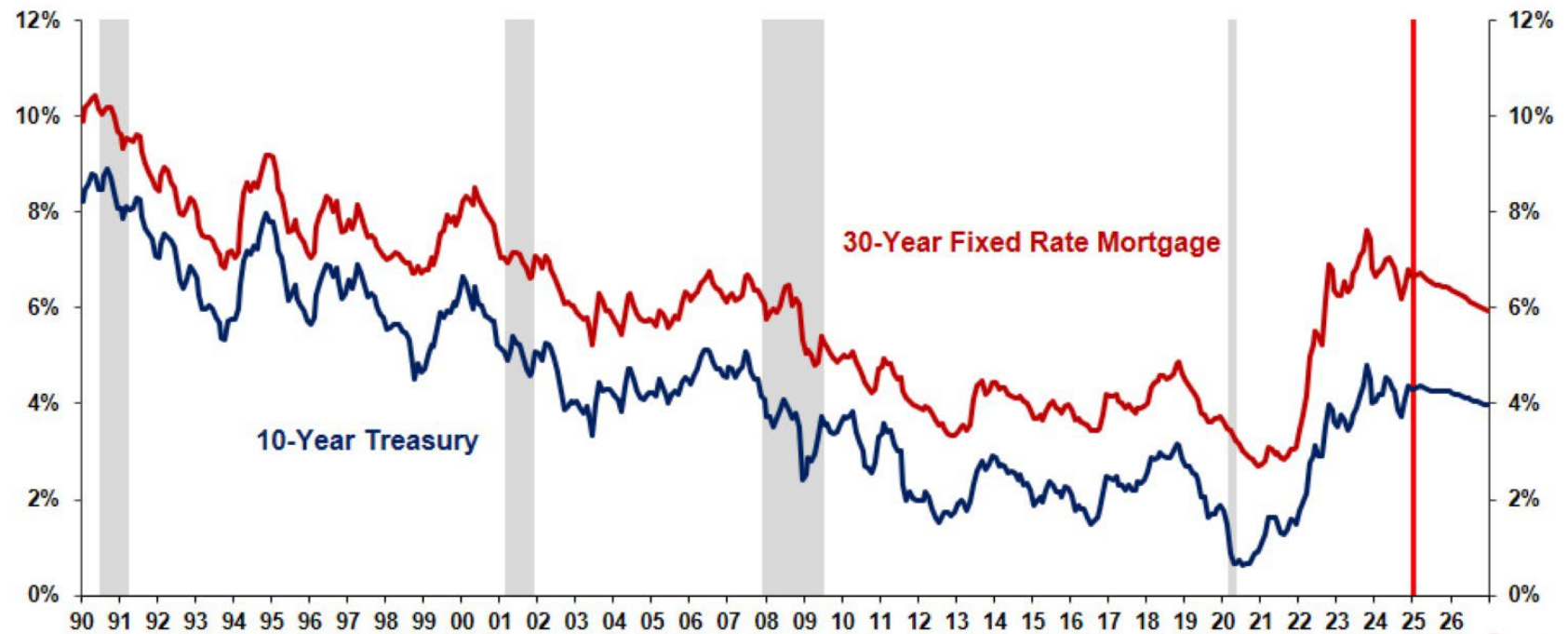
Lower Mortgage Rates? It depends...

Lower Mortgage Rates But the Process Won't Be Smooth

Long-term interest rates could move sideways or higher with larger deficits



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Source: Federal Reserve and Freddie Mac data and NAHB forecast.

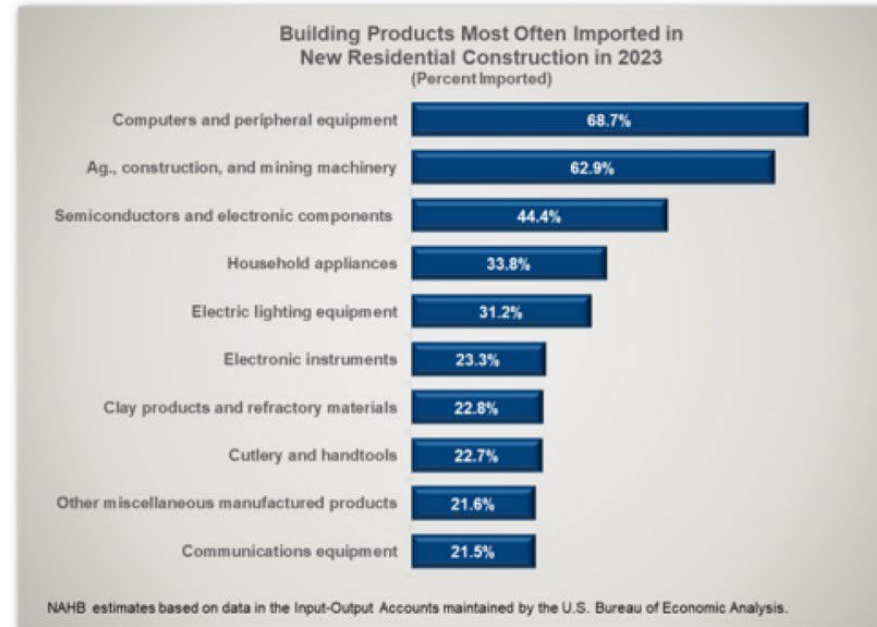


The most common question I get: "How will tariffs affect housing?"

Tariff Considerations

Tariffs are taxes and taxes have costs

7.3% of building materials imported



- *U.S. government*
 - *\$2 trillion income tax revenue from \$20 trillion in income*
- *Proposed 10% across the board tariff*
 - *\$2.7 trillion in imports*
 - *Perhaps raise \$240 billion after substitution effect*
 - *Laffer curve reduces revenues at 50% tariff rate*
 - *Max revenue maybe \$700 billion*
- *After-tax distribution effects 10% tariff*
 - *Bottom 20% - 3% income decline*
 - *Top 20% - 0.7% income decline*

Replacing income taxes with tariffs would have complex effects; no free lunch



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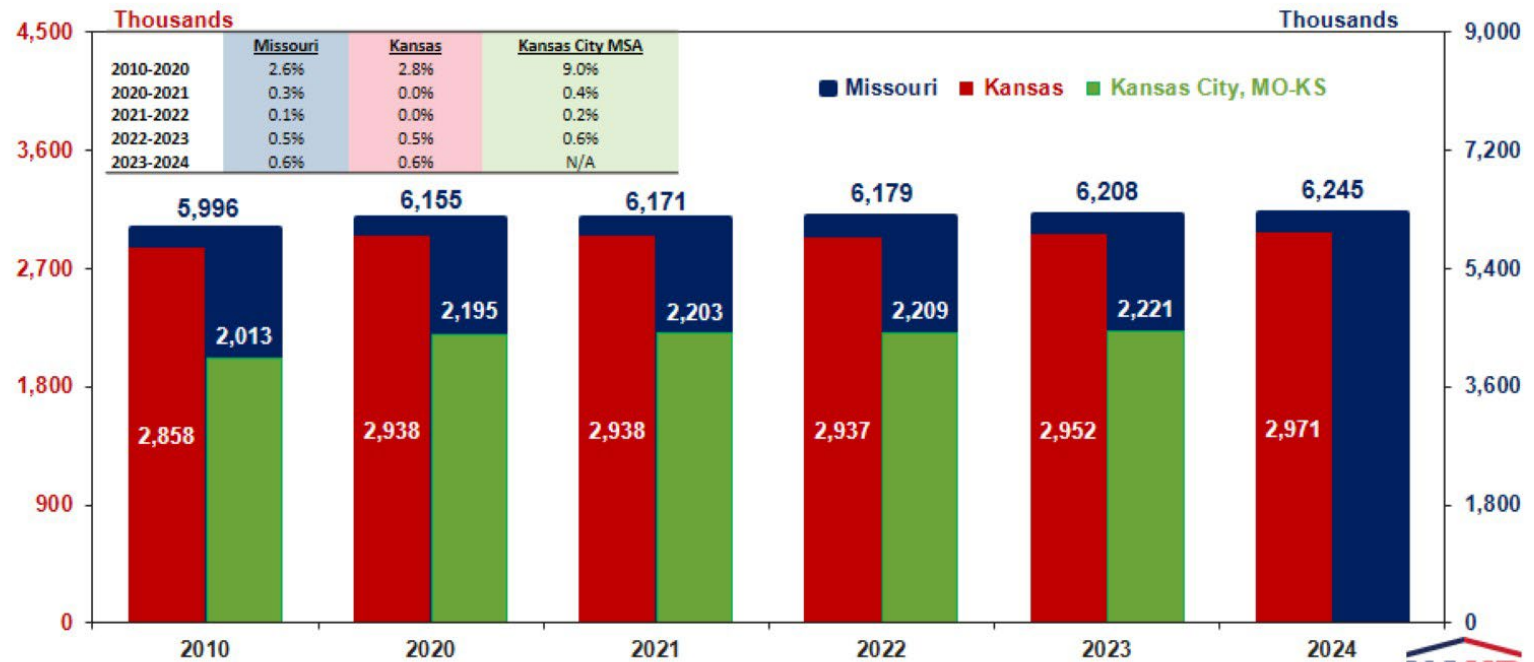
KC MSA is Where the People Are



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Population Growth

Kansas City MSA population grew faster than state rates



Source: U.S. Census Bureau (BOC).

Note: The population estimates (as of July 1) of 2020-2022 are developed from a base that incorporates the 2020 Census, Vintage 2020 estimates, and 2020 Demographic Analysis estimates.

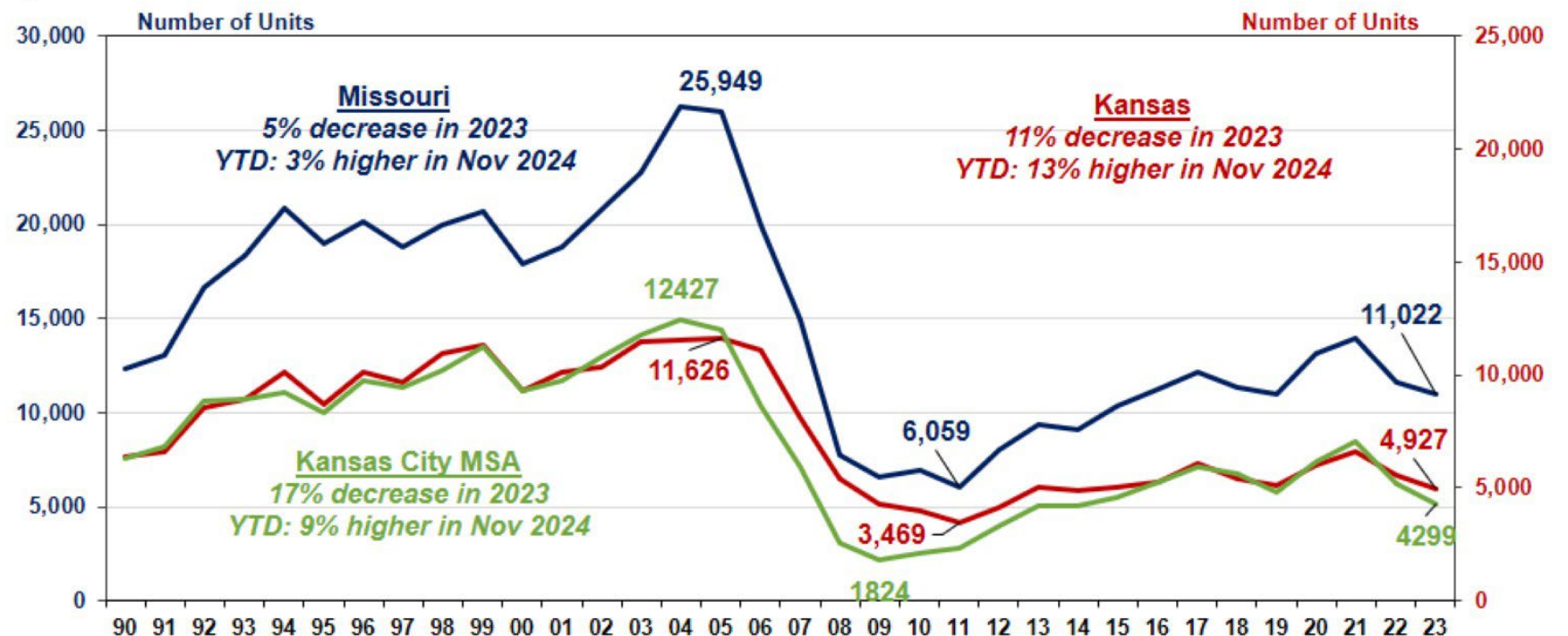


Single Family Permits – MO – KS – KC



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Single-Family Building Permits – Missouri, Kansas and Kansas City MSAs



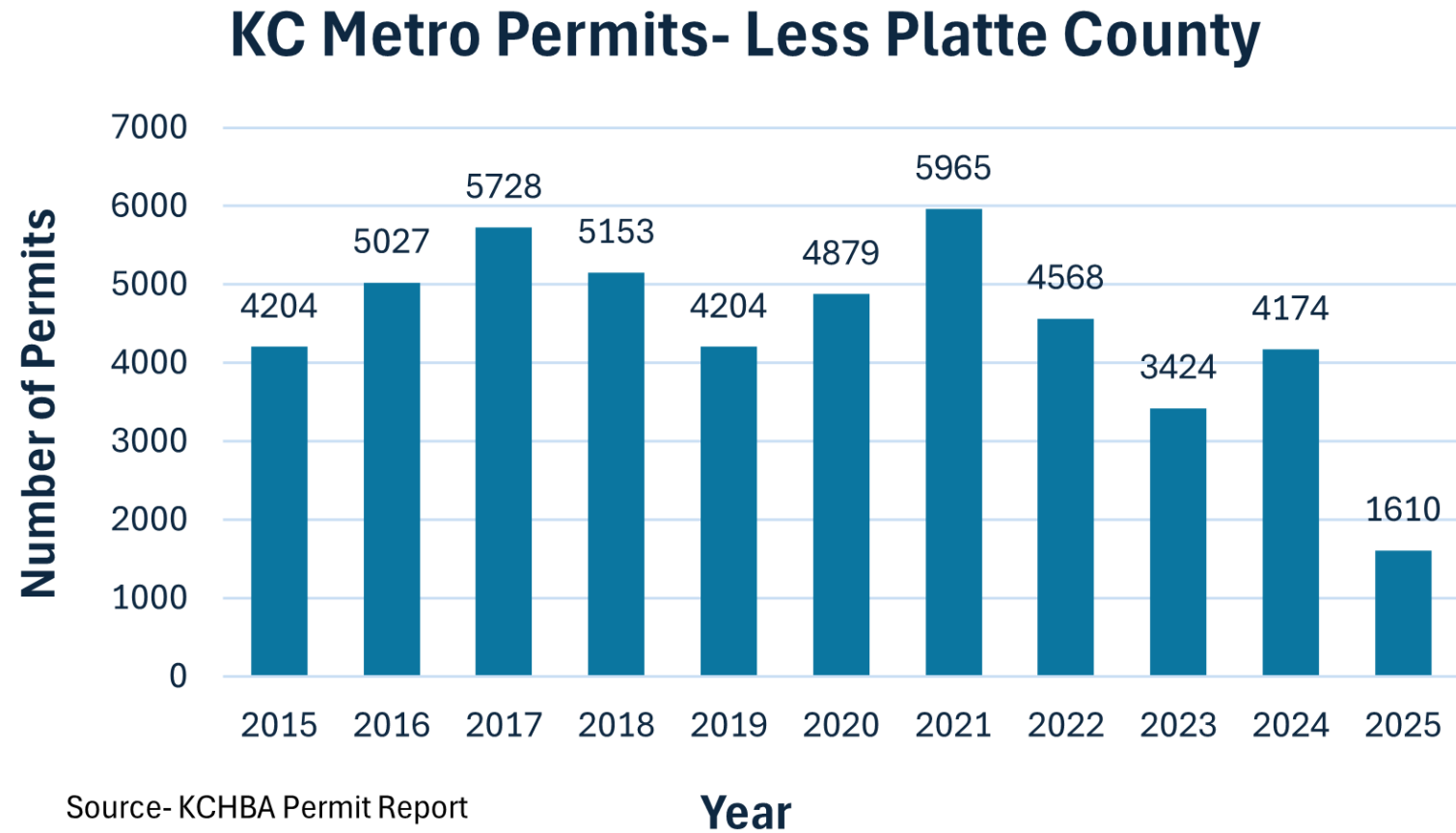
Source: Census Bureau.



Single Family Permit Data (Metro) Last 10 Years



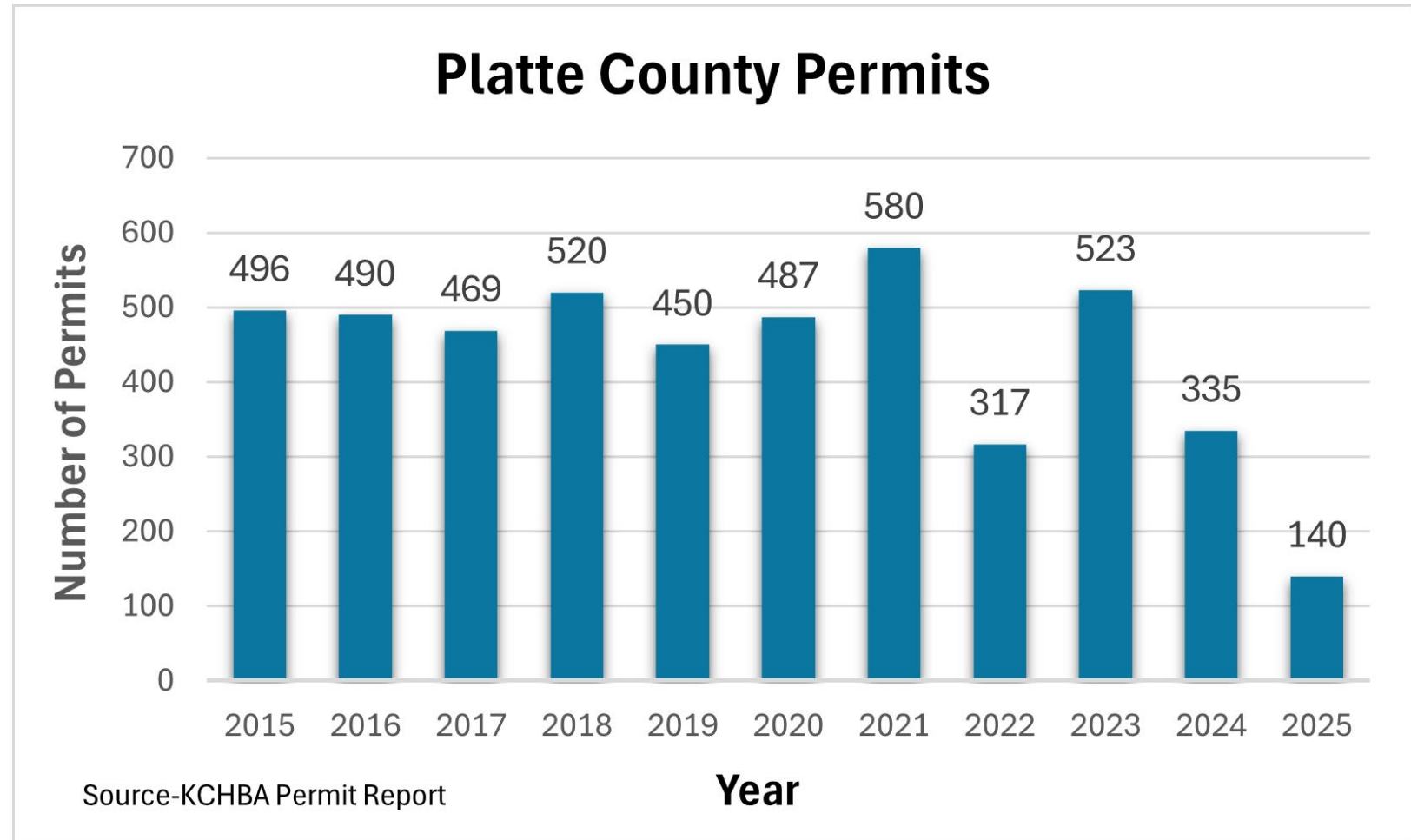
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Single Family Permit Data (Platte County) Last 10 Years



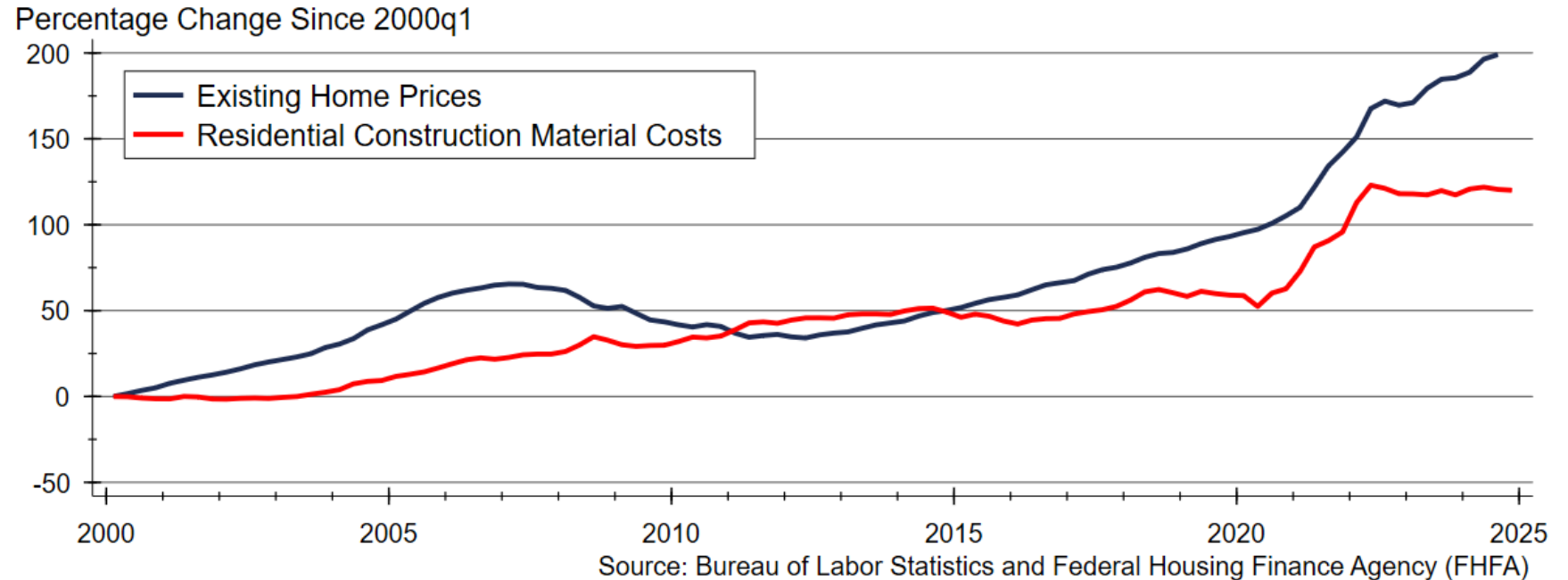
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Existing Home Price Appreciation vs. Residential Construction Material Costs



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5 L's of Housing Supply



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- Land – The land utilized for housing and the costs associated with developing it into buildable ground.
- Labor – The volume of people doing the work to bring housing to market and the wages they command.
- Lumber – An all-encompassing term meant to include all of the physical materials used to build a home.
- Lending – The terms and overall availability of credit and capital that finance the construction and purchase of homes.
- Laws – The regulatory environment consisting of federal, state, and local parameters pertaining to land development and new home construction.

Will Ruder

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Kansas City, MO 64131



THANK YOU!

