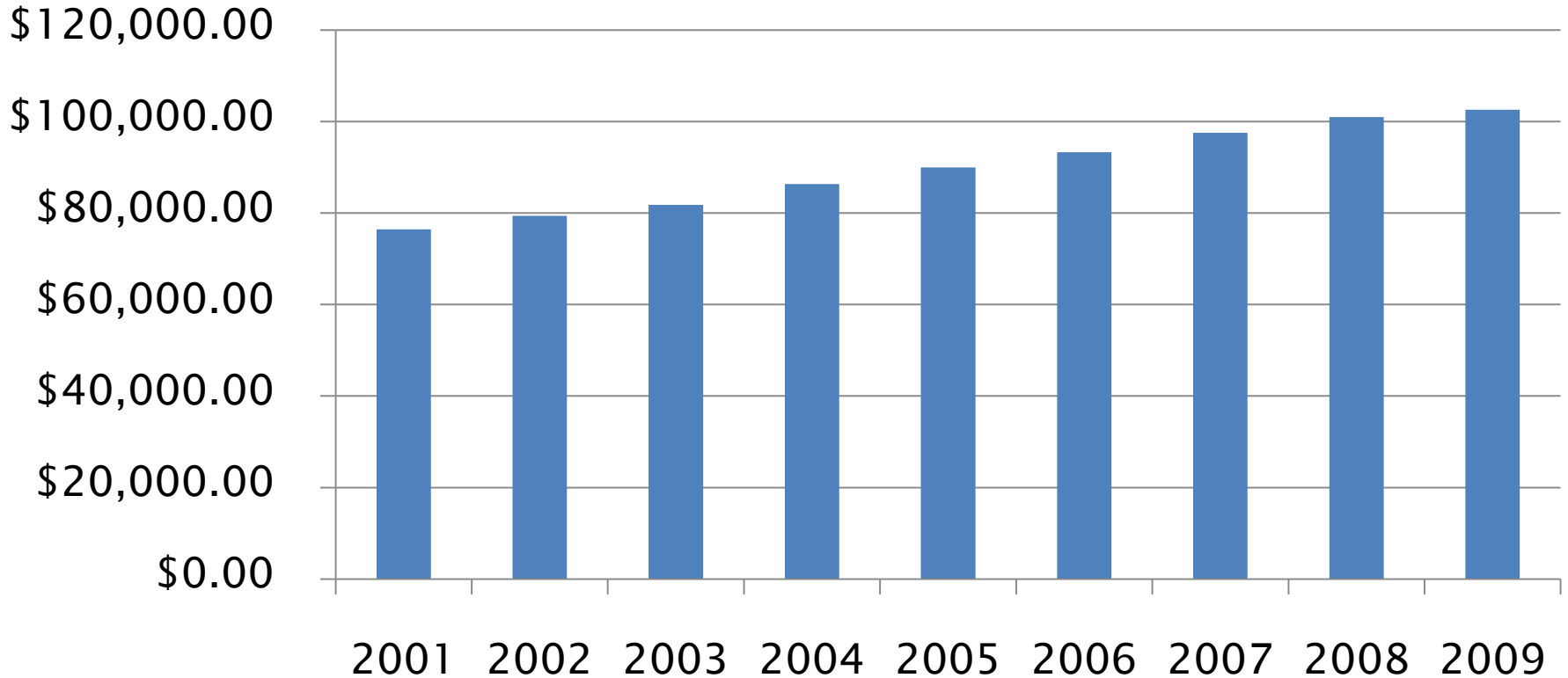


KC Regional Economic Overview

Chris Lester, Senior Vice President–Business Growth
Greater Kansas City Chamber of Commerce

Gross Regional Product

(millions of dollars)

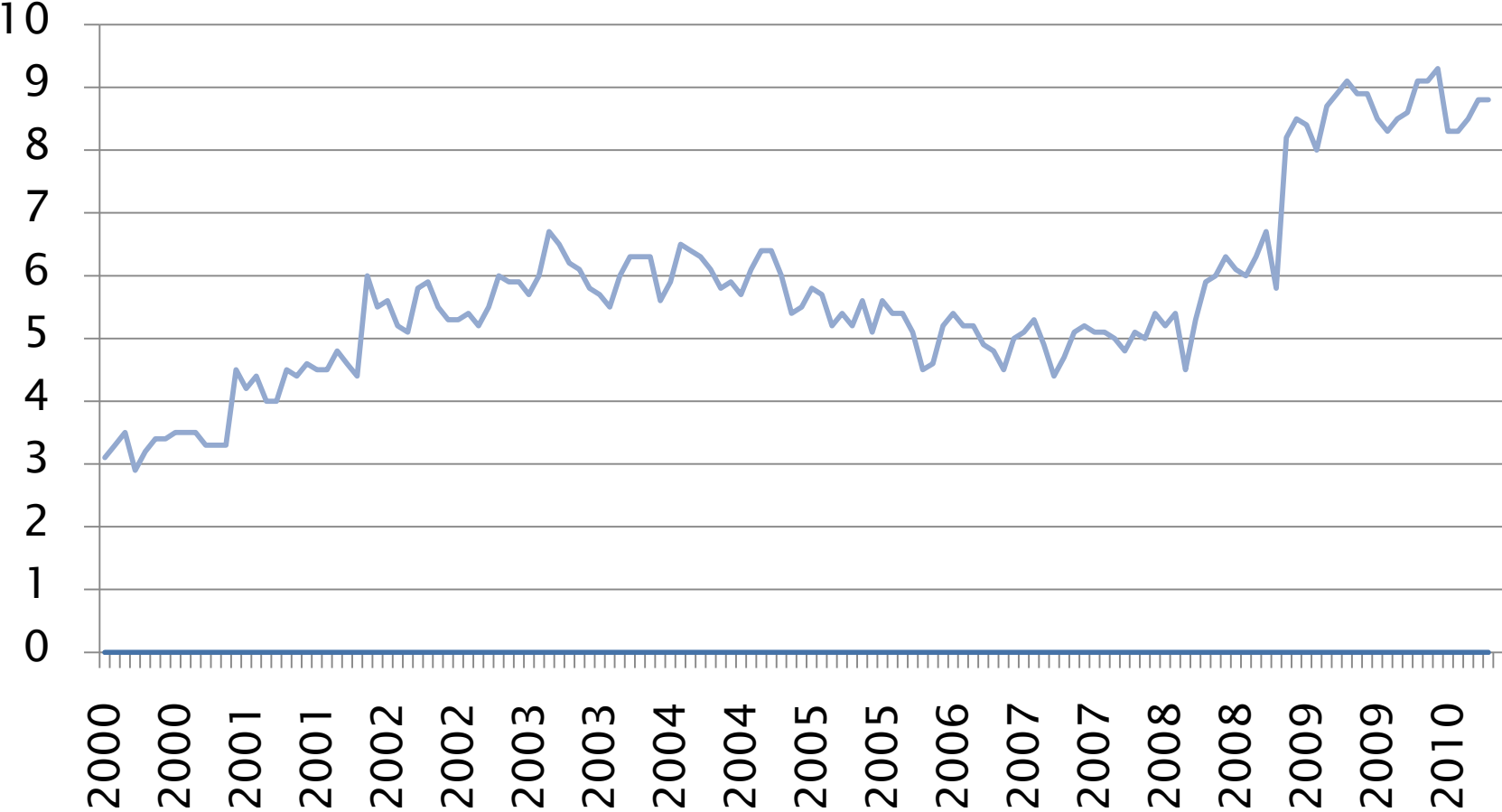


GRP Facts

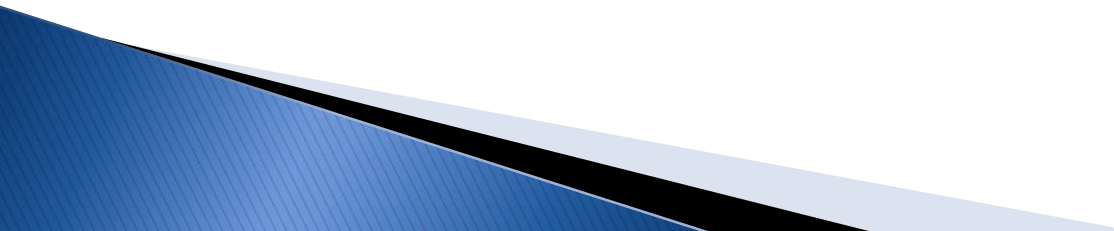
- ▶ **KC–area Gross Regional Product = \$102.6 billion**
 - 28th largest among nation's metro areas
 - If U.S. metros were countries, KC would have the 85th largest economy in the world
 - Roughly 54% of regional GRP in Missouri, and 46% in Kansas
 - At current growth rates, we'll see 50–50 split sometime this decade

Metro Unemployment

(percent)

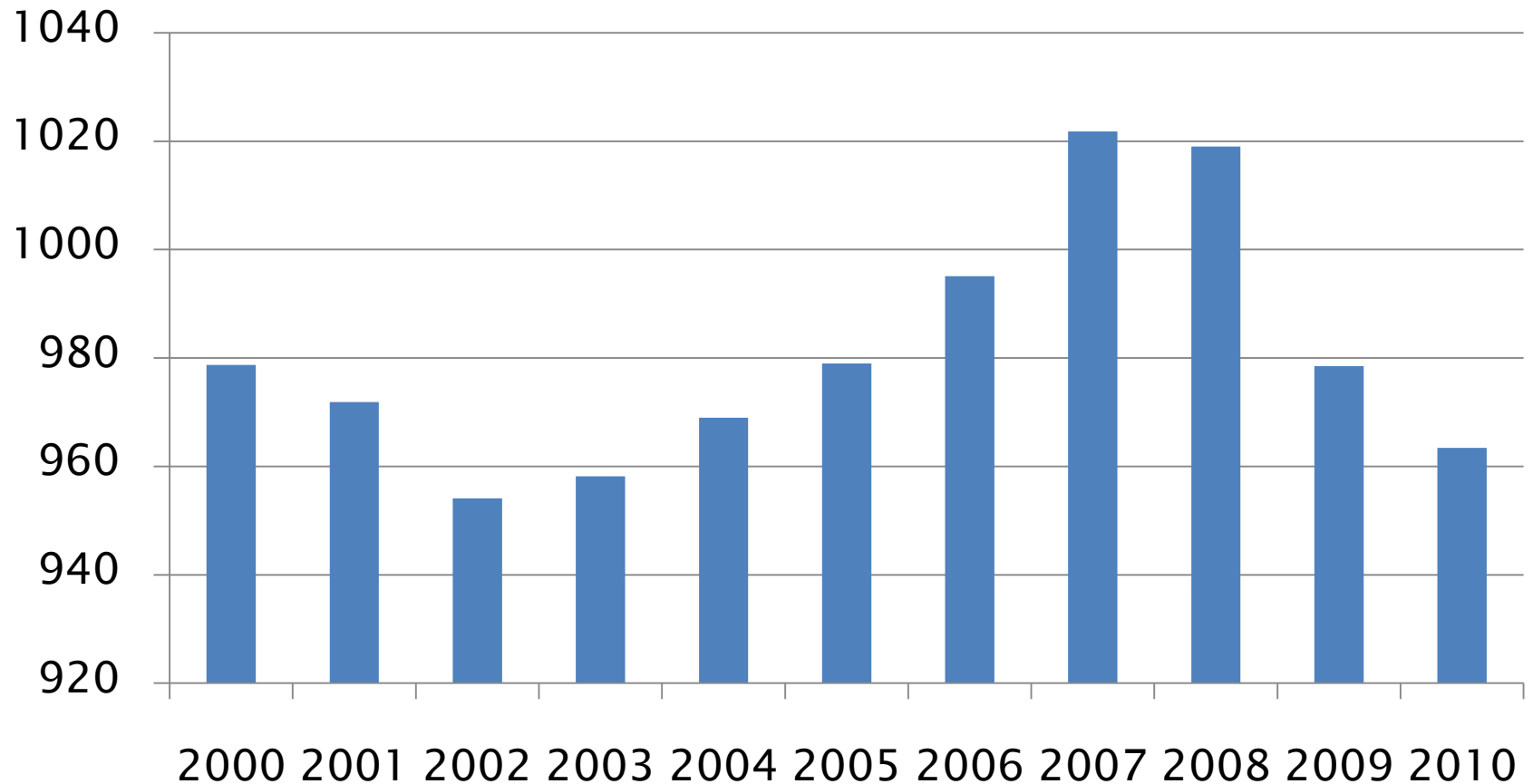


Labor Market

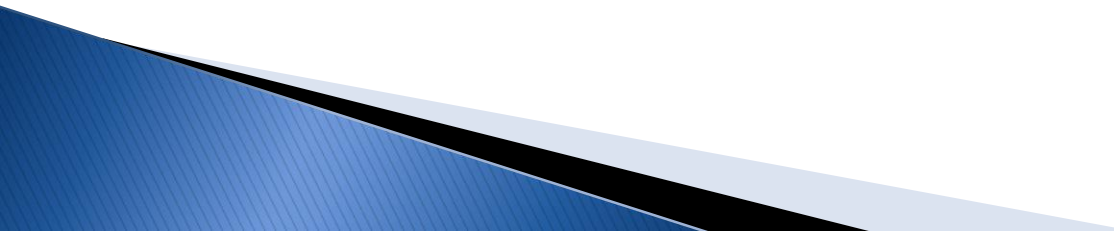
- ▶ Metro unemployment rate 8.8%, below peak of 9.1%
 - ▶ More than 90,000 metro residents seeking jobs
 - ▶ Kansas statewide unemployment 6.6%
 - ▶ Missouri statewide unemployment 9.3%
- 

Metro Payroll Employment

(in thousands)



Payroll Employment

- ▶ Metro lost nearly 62,000 payroll jobs during the Great Recession
 - ▶ Forecasting a gain of about 8,000 this year
 - ▶ It will take until 2012 to recoup previous peak in payroll employment
 - ▶ Meanwhile, household survey reveals a surge in self-employment
- 

Commuter-Income Flows

2007

Personal Income (annual)

KC Metro (15 counties) -	\$77.7 billion
Mo-side counties (9) -	\$41.2 billion
Kan-side counties (6) -	\$36.5 billion

Per Capita Personal Income

Metro -	\$39,222
Mo-side -	\$35,486
Kan-side -	\$44,524

Total Employment (includes sole proprietors)

Metro –	1,304,832
Mo-side –	726,150
Kan-side –	578,682

Net Export/Import of Personal Income

Metro -	- \$832,329,000
Mo-side -	- \$1,238,698,000
Kan-side -	\$406,369,000

Biggest County-level Net Exporters of Personal Income

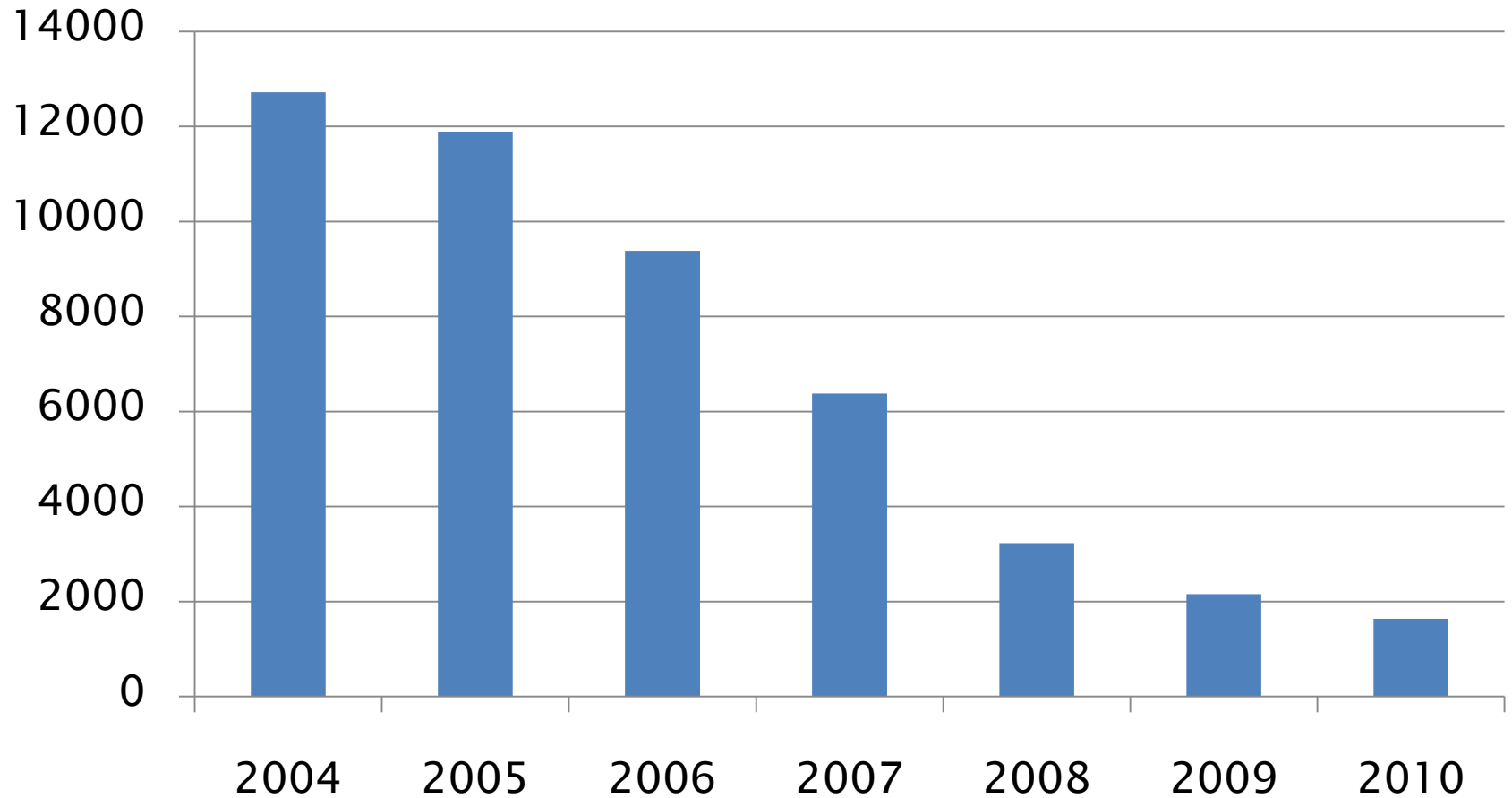
Jackson -	- \$4,967,995,000
Wyandotte -	- \$1,449,264,000

Biggest County-level Net Importers of Personal Income

Cass	\$1,212,330,000
Johnson -	\$985,773,000

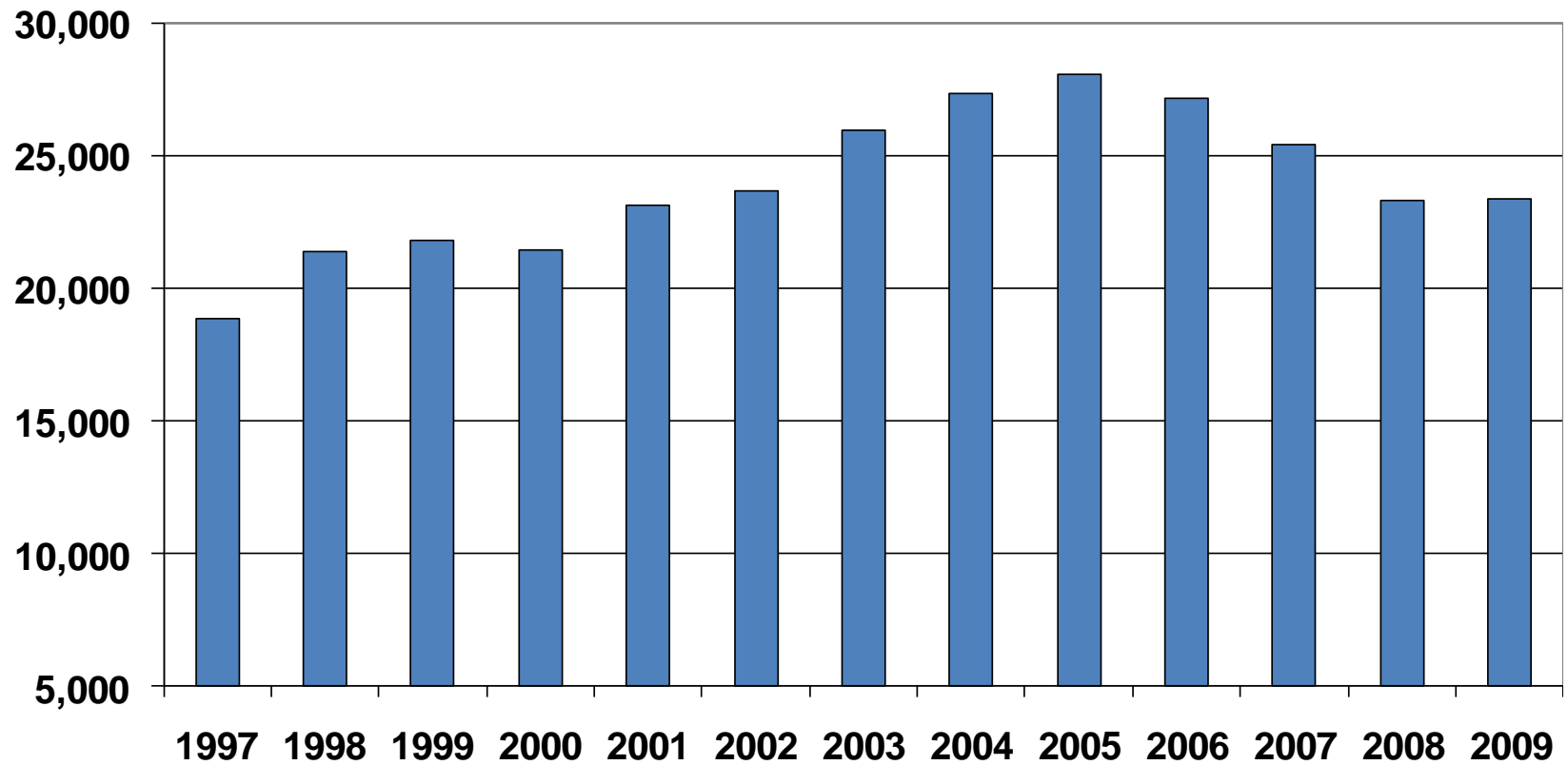
Single-Family Building Permits

(2010 through August)



Housing Market

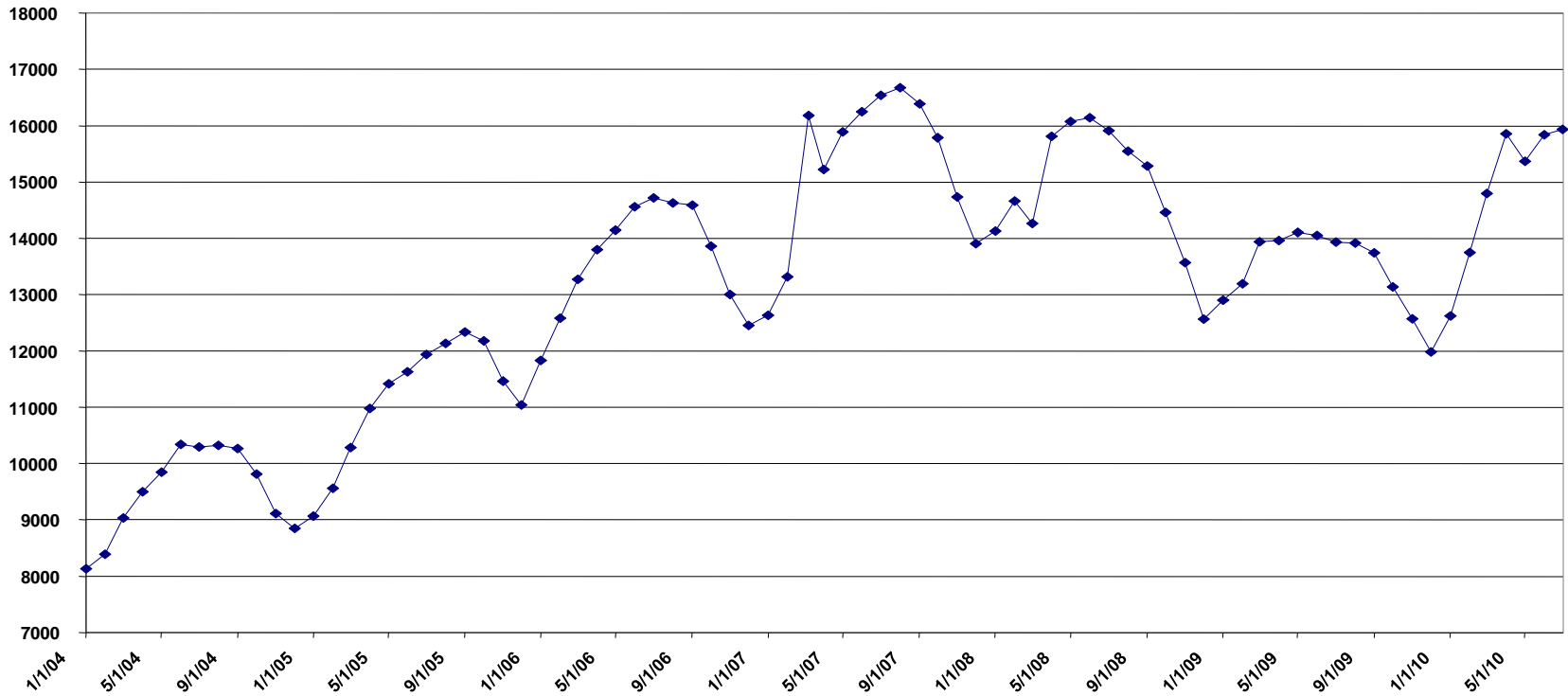
KC Existing Homes - Annual Number Sold 1997-2009



Unsold Inventory

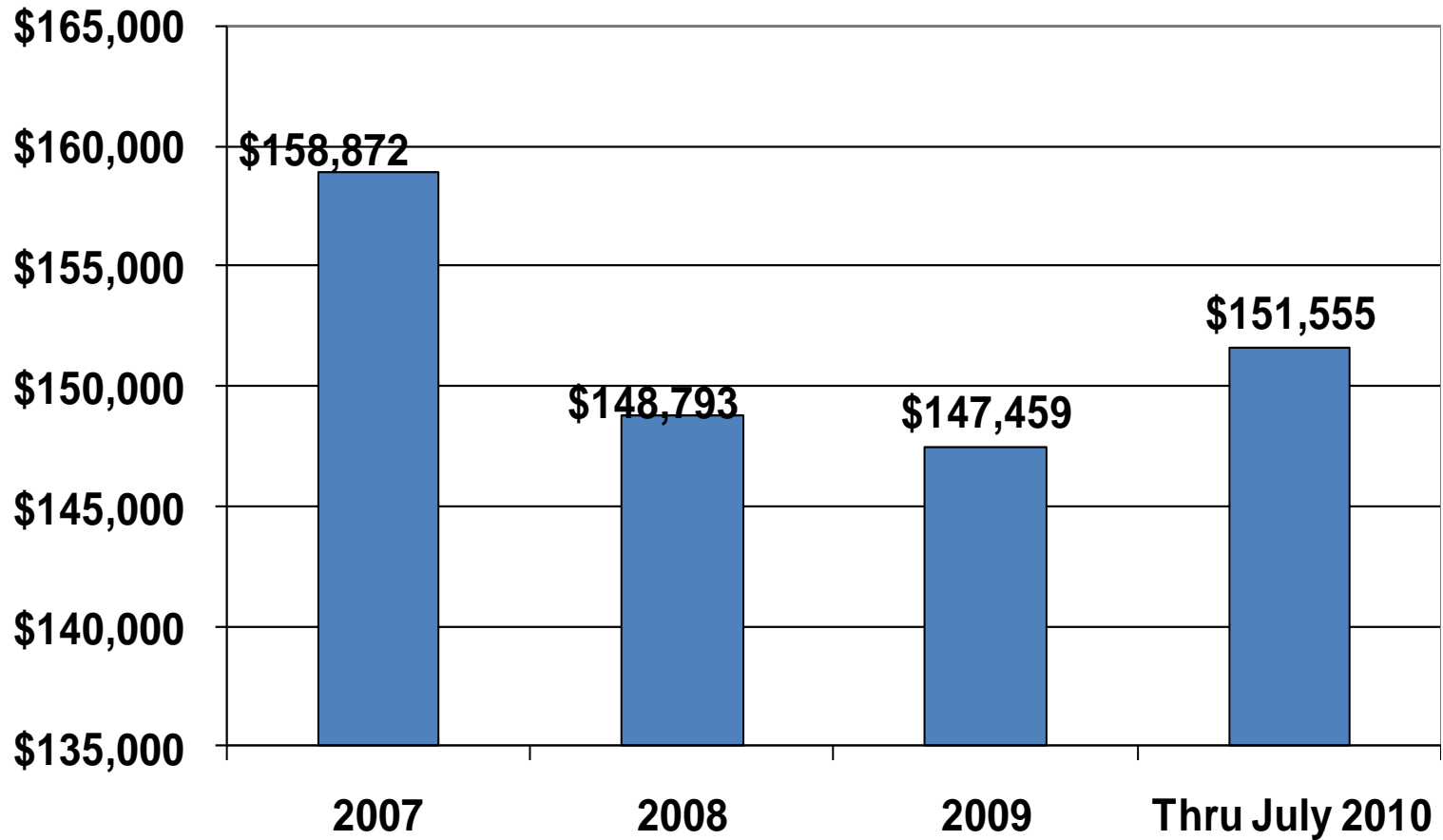
Existing Home Inventory

2004-Present




Home Prices

KC Existing Homes - Avg Sale prices 2007- July 2010

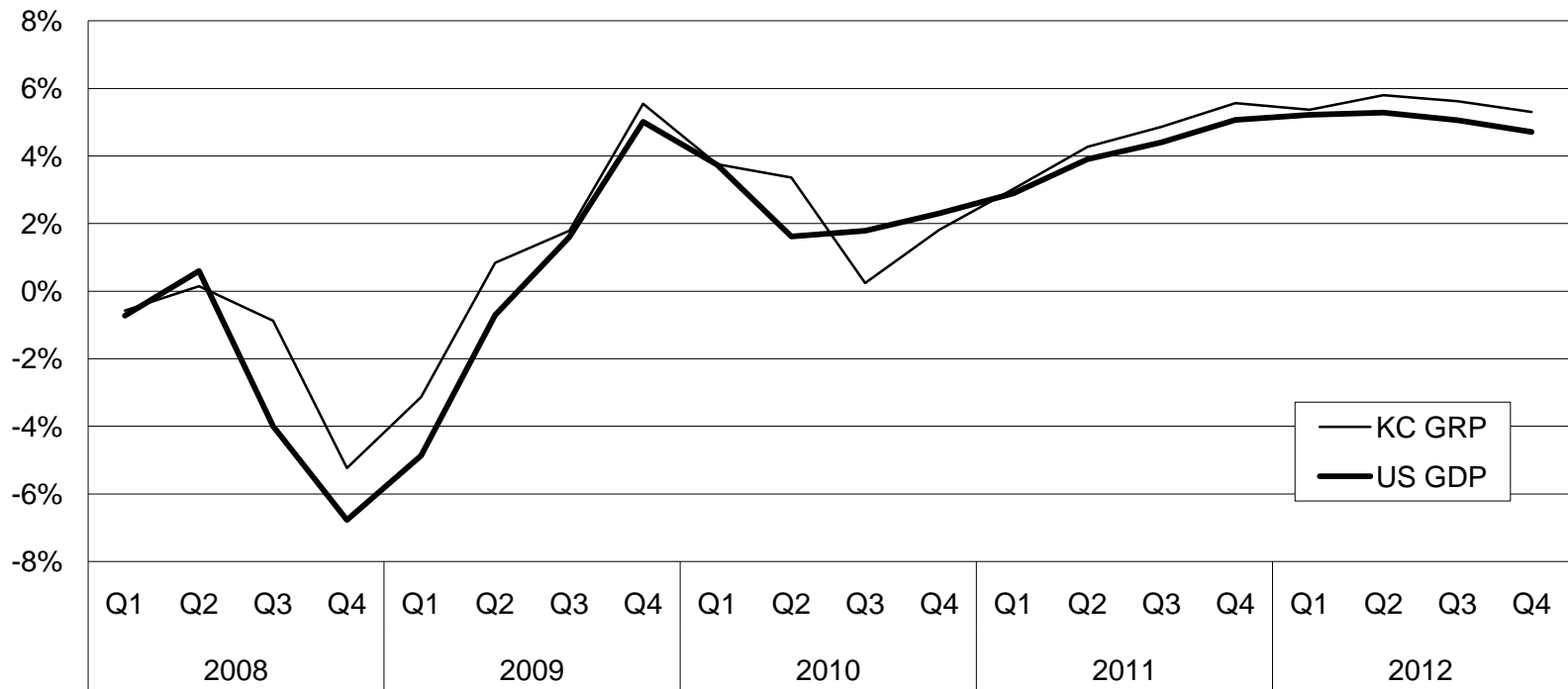


Housing Market Facts

- ▶ Existing home sales now 91 percent of market
 - ▶ Overhang of unsold inventory is 8.7 months at the current sales rate
 - ▶ Sales stalled after tax credit expiration
 - ▶ Unknown level of “shadow” inventory
 - ▶ Low mortgage rates aren’t stimulating the market
 - ▶ Will more quantitative easing help?
 - ▶ Pent-up demand will pop GRP...someday
- 

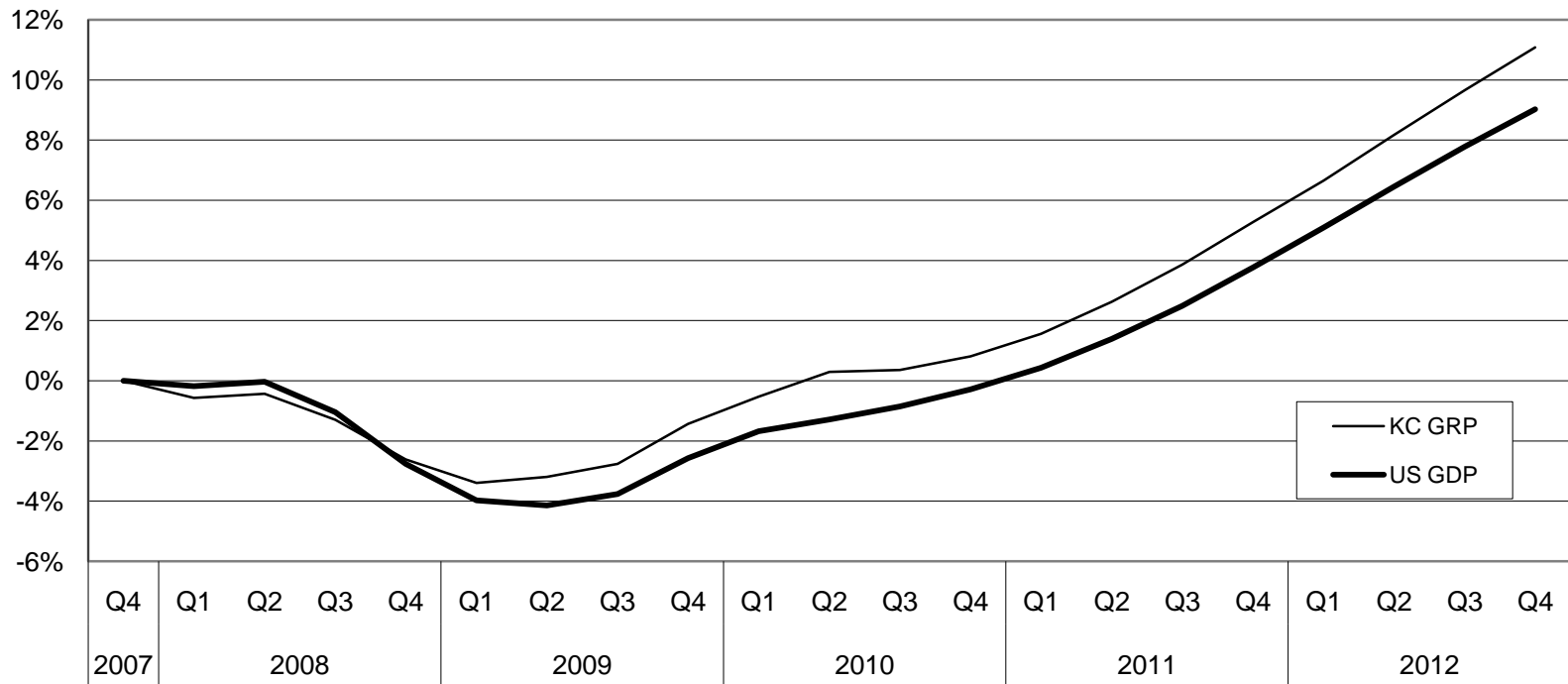
The 'Check-Mark' Recovery

Economic Growth, 2008-2012
U.S. GDP and KC GRP



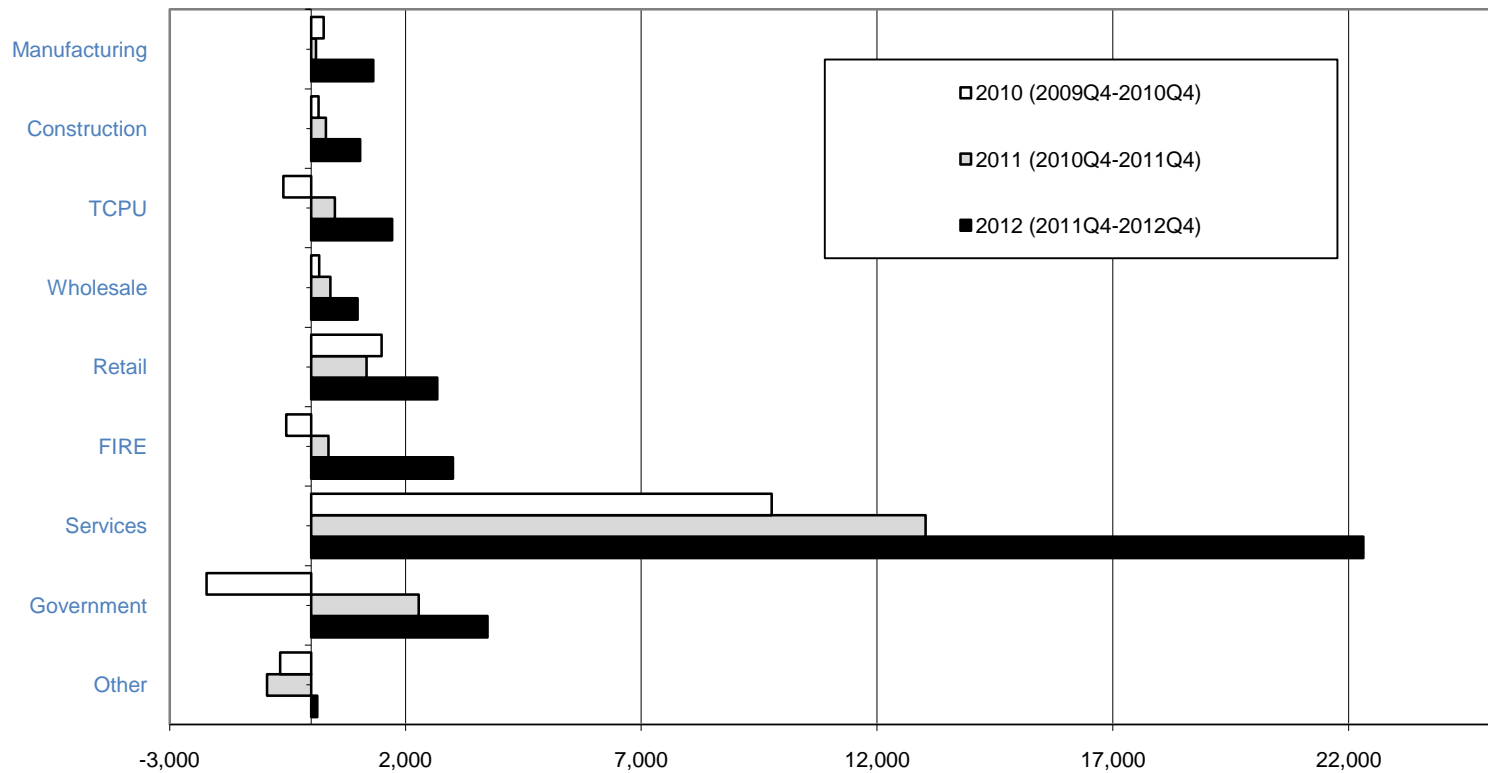
Gross Regional Product

U.S. GDP and KC GRP
Percent Change Since 2007 Q4

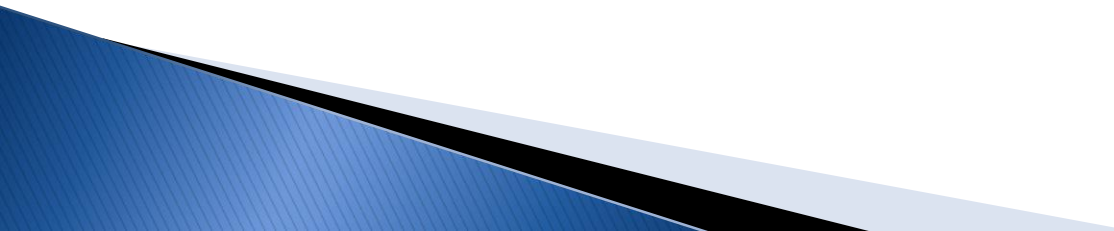


Jobs, Jobs, Jobs

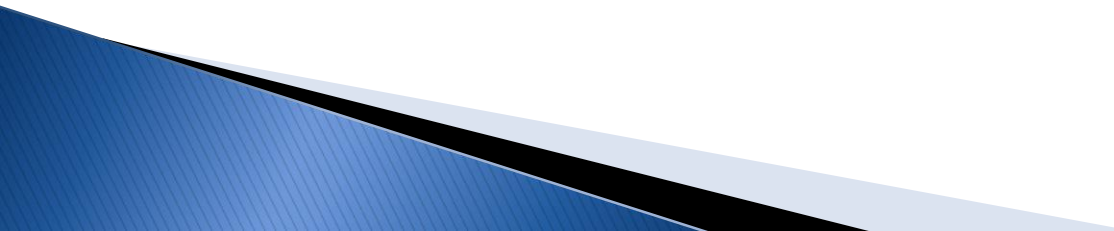
Change in Jobs by Industry - Baseline Scenario



The Good News

- ▶ Entered recession later and emerged sooner than nation as a whole
 - ▶ Unemployment rate nearly a point below the national average
 - ▶ Brookings' MetroMonitor ranks KC area among top 20 of 100 it tracks
 - ▶ Policom Corp. rates KC area 17th among 366 metros in economic strength
 - ▶ Competitive strength in Transportation, Agribusiness, Life and Animal Sciences, Manufacturing
- 

Things to Ponder

- ▶ Double-dip recession's affect on jobs and income
 - Future of the Claycomo plant?
 - ▶ Fiscal crises, particularly at the state and local level
 - ▶ Pent-up demand, particularly as the job and housing markets stabilize
- 

Major Sources

- ▶ Bureau of Economic Analysis
 - ▶ Bureau of Labor Statistics
 - ▶ Brookings MetroMonitor
 - ▶ Mid-America Regional Council
 - ▶ Home Builders Association of Greater Kansas City
 - ▶ Kansas City Regional Association of Realtors
 - ▶ LandMarketing LLC
 - ▶ The Chamber's Regional Competitiveness Database
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