



2018

Residential Lot Inventory Report

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City of Lawrence, Kansas
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Introduction

This report is an update on the status of available lots for new residential construction as of December 31, 2018 based on market demand, supply, and inventory. Information presented within the report helps determine if there is an abundance or need for single-family lots and is one component of inventorying all land use types in the City.

Data within this report focuses on building permits issued in 2018 as well as lots platted for single-family, residential construction from 2008-2018 (i.e. newer subdivisions). Maps showing residential lots platted are included at the end of this report.

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Executive Summary

2018 saw an overall increase of 3% in residential lot supply for single-family housing, with lots increasing by approximately 20% in newer subdivisions and decreasing by just over 5% in older subdivision over the previous year. With demand increasing by 6.9% from 2017, inventory of single-family lots located in new subdivisions (platted within the last ten years) was estimated at 2.3 years in 2018 (approximately 10% higher than the previous year).

Residential Lot Supply¹

Overall, the city netted 28 single-family residential lots in 2018, an approximate increase of 3% compared to the previous year. During the year, newer subdivisions added 61 single-family lots (an increase of approximately 20%) and older subdivisions decreased by 33 lots (a 5.2% reduction) from 2017 supply.

Table 1

Supply of Residential Lots: 2017-2018			
	2017	2018	% Change
Newer Subdivisions	303	364	20.1%
Older Subdivisions	634	601	-5.2%
Total	937	965	3.0%

The supply of development ready residential lots (infrastructure in place) decreased by 2% in 2018 compared to 2017 supply. During the year, newer subdivisions added 16 development ready lots and older subdivisions absorbed 30 development ready lots.

Table 2

Supply of Development Ready Residential Lots: 2017-2018			
	2017	2018	% Change
Newer Subdivisions	237	253	7%
Older Subdivisions	540	510	-6%
Total	777	763	-2%

¹ The number of undeveloped, platted lots for new residential construction is utilized to represent the current supply of available lots.

Residential Lot Demand²

Overall, 2018 saw demand rise for all three residential categories compared to the previous year. Demand for single-family housing was up approximately 7%, increasing from 144 new construction permits in 2017 to 154 permits in 2018. Duplex permits increased from 28 pulled in 2017 to 108 pulled in 2018, an increase of 286%, though 90 of the 108 permits in 2018 were issued toward a managed student housing development located at the southeast corner of Ousdahl Road and West 33rd Street known as the Collegiate. If these 90 permits were removed, then 2018 would see a decrease in Duplex permits from 28 in 2017 to 18, or a 36% decrease. Multi-family permits increased substantially, going from one new construction permit issued in 2017 to 23 issued in 2018.

Table 3

Building Permits: 2017-2018			
	2017	2018	% Change
Single-Family	144	154	6.9%
Duplex	28	108	285.7%
Multi-Family	1	23	2200.0%
Total	173	285	64.7%

Based on annual market demand (154 building permits per year), overall 2018 annual inventory of single-family residential lots decreased slightly going from 6.6 years of inventory in 2017 to 6.2 years of inventory in 2018. The addition of lots in newer subdivisions increased inventory by almost 10%, which helped to counter balance the drop of inventory within older subdivisions (-13.3%).

Table 4

Estimated Lot Inventory in Years: 2017-2018			
	2017	2018	% Change
Newer Subdivisions	2.1	2.3	9.5%
Older Subdivisions	4.5	3.9	-13.3%
Total	6.6	6.2	-6.1%

Averaging annual demand over the previous five years (2014-2018: 139 building permits per year), lot inventory in 2018 increased to 7 years from 6.8 years in 2017. Averaging annual demand over the previous ten years (2009-2018: 133 building permits per year), lot inventory decreased slightly from 7.4 years in 2017 to 7.2 years in 2018.

² Annual demand can be estimated using the number of building permits issued for new residential construction throughout the year. Since the majority of new residential permits are issued for single-family homes, this analysis utilizes the number of single-family building permits issued to represent demand for residential lots.

Residential Lot Supply

The number of undeveloped, platted lots for new residential construction is utilized to represent the current supply of available lots.

At the end of 2018, the City had a total of 965 undeveloped residential lots, 763 of which had infrastructure in place and were considered development ready. The majority of lots having infrastructure are found in older subdivisions (510 as compared to 253 development ready lots in newer subdivisions).

Table 5

Residential Lot Supply (As of December 31, 2018)					
	Newer Subdivisions <i>(platted after 1-1-2008)</i>	% of Total	Older Subdivisions	% of Total	Total Lots
Undeveloped Lots: Without Infrastructure	111	30%	91	15%	202
Undeveloped Lots: With Infrastructure (Development Ready)	253	70%	510	85%	763
Total	364	100%	601	100%	965

City of Lawrence, Kansas, GIS Department

Change in Lot Supply

Total supply of residential lots increased by 3% in 2018, rising from 937 total lots in 2017 to 965 lots in 2018.

Table 6

Historic Comparison: Annual Supply of Residential Lots (lots with and without infrastructure)				% Change		
Year	Lots in Newer Subdivisions	Lots in Older Subdivisions	Total	New Sub	Older Sub	Total
2018	364	601	965	20%	-5%	3%
2017	303	634	937	-12%	-1%	-5%
2016	345	639	984	-25%	1%	-10%
2015	463	630	1,093	-1%	18%	9%
2014	469	532	1,001	-7%	0%	-4%
2013	504	534	1,038	-31%	1%	-18%
2012	732	527	1,259			

City of Lawrence, Kansas, GIS Department

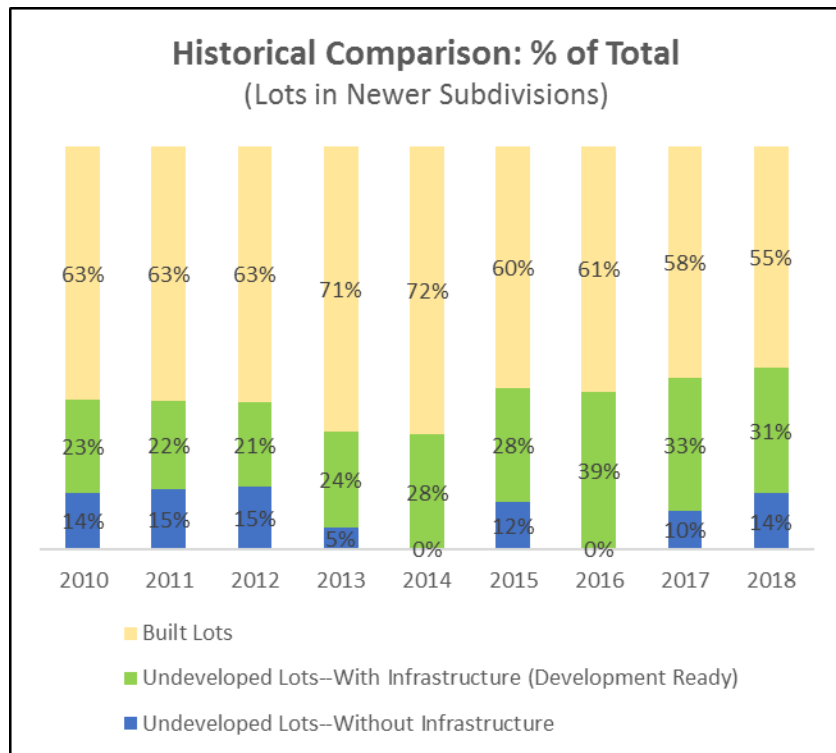
Supply of development ready lots (infrastructure in place) decreased by 2% over 2017, dropping from 777 to 763.

Table 7

Historic Comparison: Annual Supply of Development Ready Lots (lots with infrastructure)			
Year	Lots in Newer Subdivisions	Lots in Older Subdivisions	Total
2018	253	510	763
2017	237	540	777
2016	345	545	890
2015	329	509	838
2014	469	409	878
2013	413	411	824
2012	423	405	828

% Change		
New Sub	Older Sub	Total
7%	-6%	-2%
-31%	-1%	-13%
5%	7%	6%
-30%	24%	-5%
14%	0%	7%
-2%	1%	0%

City of Lawrence, Kansas, GIS Department



Residential Lot Demand

Annual demand can be estimated using the number of building permits issued for new residential construction throughout the year. Since the majority of new residential permits are issued for single-family homes, this analysis utilizes the number of single-family building permits issued to represent demand for residential lots.

2018 saw a substantial increase in demand for all types of residential development compared to the previous year. Permits for single-family housing increased 7%, going from 144 permits issued in 2017 to 154 permits issued in 2018. Demand for duplexes increased dramatically, rising from 28 permits issued in 2017 to 108 permits issued in 2018, though 90 of the 108 permits in 2018 were issued toward a managed student housing development located at the southeast corner of Ousdahl Road and West 33rd Street known as the Collegiate. If these 90 permits were removed, then 2018 would see a decrease in Duplex permits from 28 in 2017 to 18. Multi-family residential demand rose sharply, rising from one permit issued in 2017 to 23 permits issued in 2018.

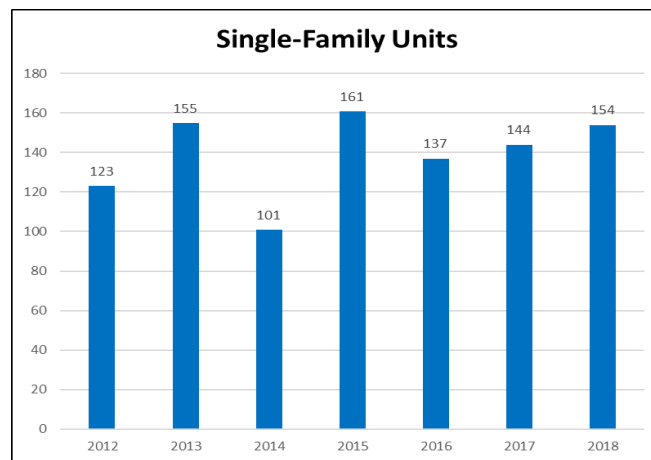


Table 8

Historic Comparison: New Residential Building Permits				
Year	Single-Family	Duplex	Multi-Family	Total
2018	154	108	23	285
2017	144	28	1	173
2016	137	34	74	245
2015	161	78	7	246
2014	101	15	6	122
2013	155	10	23	188
2012	123	3	22	148

% Change			
SF	D	MF	Total
7%	286%	2200%	65%
5%	-18%	-99%	-29%
-15%	-56%	957%	0%
59%	420%	17%	102%
-35%	50%	-74%	-35%
26%	233%	5%	27%

City of Lawrence, Kansas, Development Services Valuation of Building Permits

2018

Residential Lot Inventory

The number of new multi-family units rose dramatically over the past year, going from 8 in 2017 to 392 units in 2018. The number of new duplex units also rose sharply, going from 56 in 2017 to 216 units in 2018.

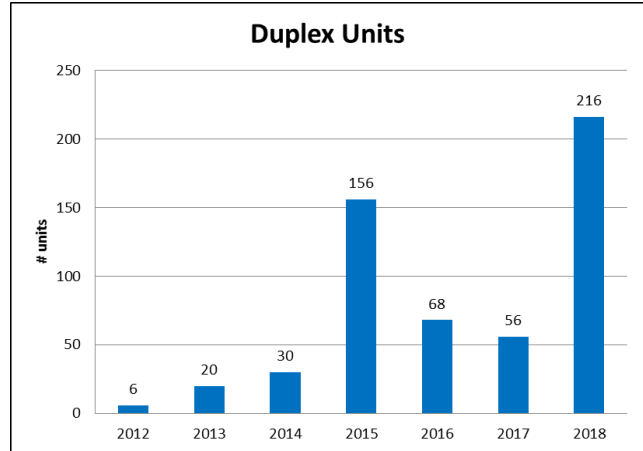
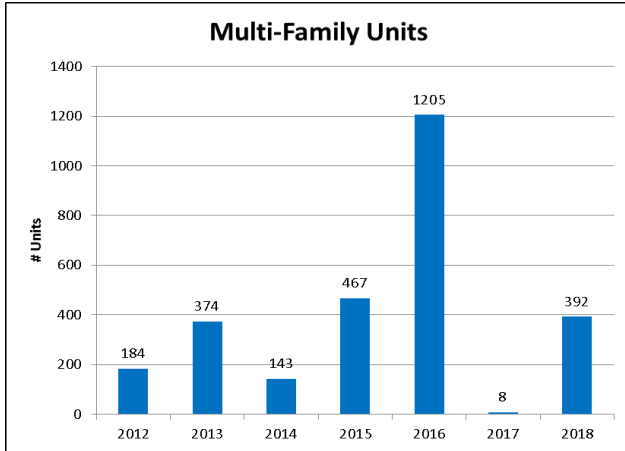


Table 9

Historic Comparison: New Residential Units				
Year	Single-Family	Duplex	Multi-Family	Total
2018	154	216	392	392
2017	144	56	8	208
2016	137	68	1205	1410
2015	161	156	467	784
2014	101	30	143	274
2013	155	20	374	549
2012	123	6	184	313

% Change				
SF	DP	MF	Total	
7%	286%	4800%	88%	
5%	-18%	-99%	-85%	
-15%	-56%	158%	80%	
59%	420%	227%	186%	
-35%	50%	-62%	-50%	
26%	233%	103%	75%	

City of Lawrence, Kansas, Development Services Valuation of Building Permits

Residential Lot Inventory

The inventory of available lots can be estimated by comparing both the supply of and demand for lots for new residential construction.

Using 2018 data to represent current market conditions (154 building permits per year), total residential lot inventory will last approximately 6.2 years. Lots in newer subdivisions are estimated to last approximately 2.3 years with lots in older subdivisions estimated to last approximately 3.9 years.

Table 10

Estimated Lot Inventory in Years			
Current year market demand: 154 permits/year			
	Stock in Newer Subdivisions	Stock in Older Subdivisions	Total Stock
Undeveloped Lots: Without Infrastructure	0.7	0.6	1.3
Undeveloped Lots: With Infrastructure (Development Ready)	1.6	3.3	4.9
Total	2.3	3.9	6.2

Table 11

Historic Comparison: Lot Inventory in Years					% Change		
Current Market Demand (lots with and without infrastructure.)							
Year	Annual SF Permits	Newer Subdivisions	Older Subdivisions	Total	New Sub	Older Sub	Total
2018	154	2.3	3.9	6.2	10%	-13%	-6%
2017	144	2.1	4.5	6.6	-16%	-4%	-8%
2016	137	2.5	4.7	7.2	-11%	18%	6%
2015	161	2.8	4.0	6.8	-47%	-54%	-51%
2014	101	5.3	8.7	14.0	-35%	-31%	-33%
2013	155	8.1	12.7	20.8	-40%	-41%	-40%
2012	123	13.4	21.4	34.8			

Since residential real estate market demand can vary from year to year, the following shows inventory given historical trends in market demand.

When examining historical demand data over the past five years, the average number of single-family building permits issued per year was 139, representing approximately 7 years of residential building lot inventory given the current supply of undeveloped lots. Lots in newer subdivisions are estimated to last approximately 2.6 years.

Table 12

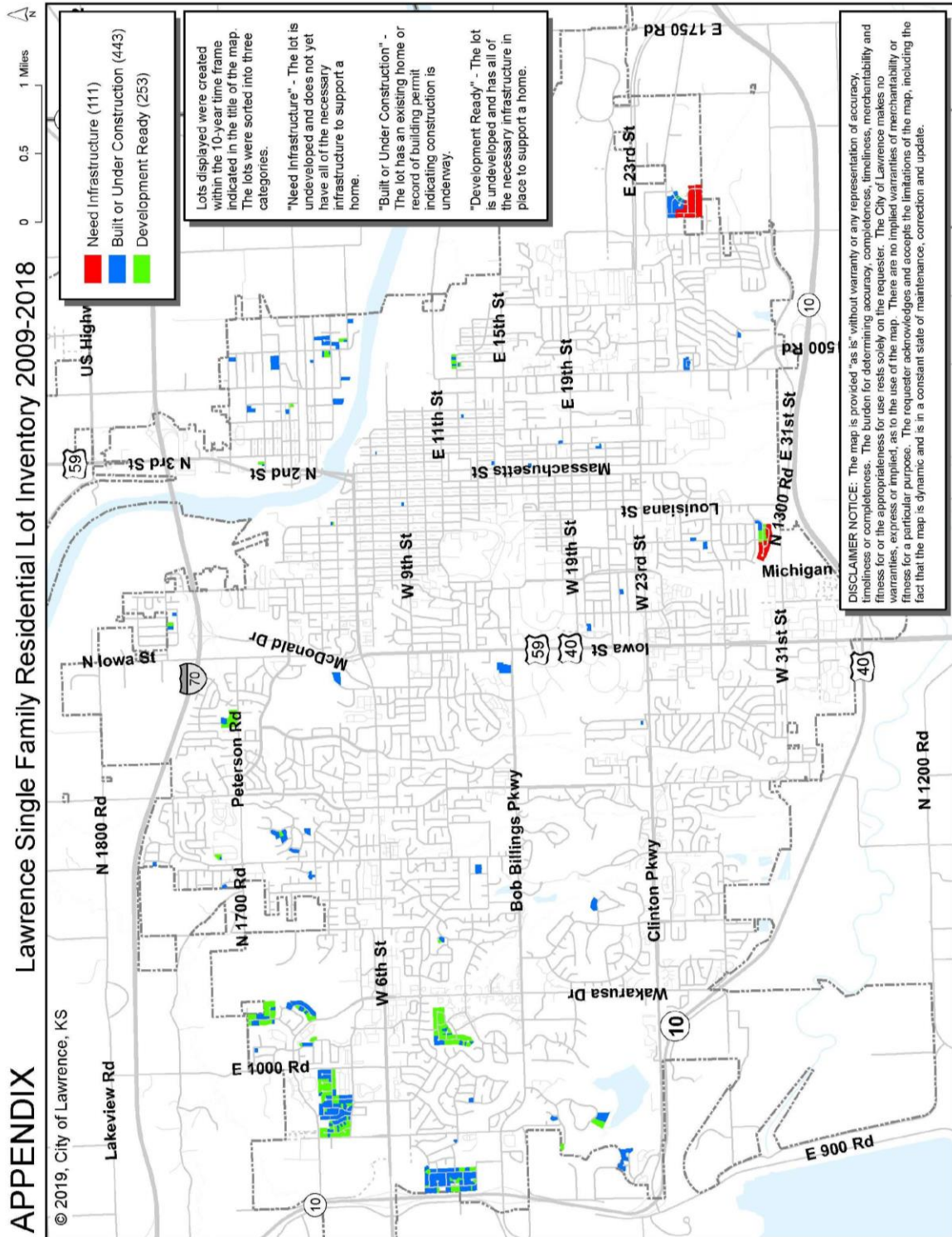
Estimated Lot Inventory in Years			
<i>5-year market demand average: 139 permits/year</i>			
	Stock in Newer Subdivisions	Stock in Older Subdivisions	Total Stock
Undeveloped Lots: Without Infrastructure	0.8	0.7	1.5
Undeveloped Lots: With Infrastructure (Development Ready)	1.8	3.7	5.5
Total	2.6	4.4	7.0

When examining historical demand data over the past ten years, the average number of single-family building permits issued per year was 133, representing 7.2 years of residential building lot inventory given the current supply of undeveloped lots. Lots in newer subdivisions are estimated to last approximately 2.7 years.

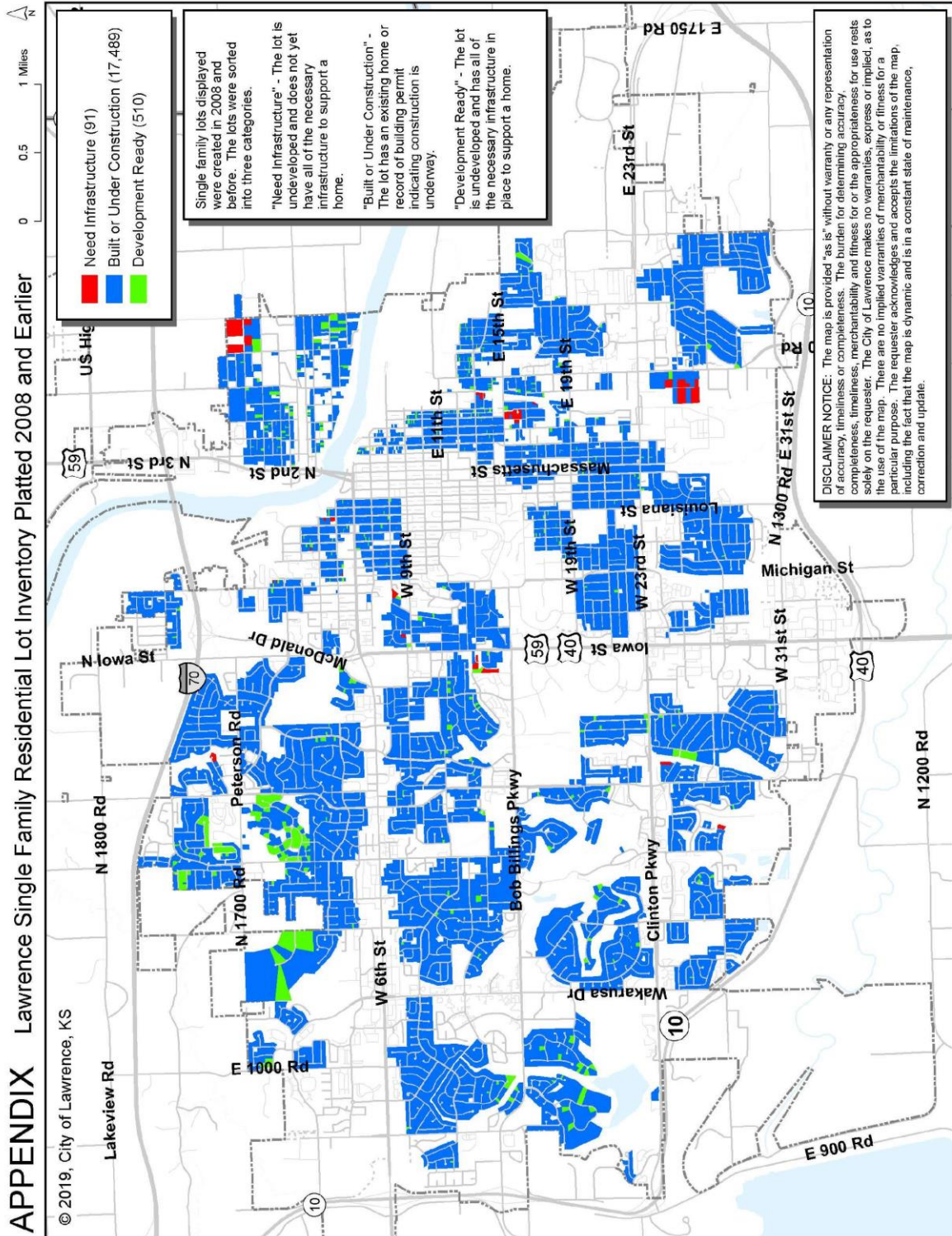
Table 13

Estimated Lot Inventory in Years			
<i>10-year market demand average: 133 permits/year</i>			
	Stock in Newer Subdivisions	Stock in Older Subdivisions	Total Stock
Undeveloped Lots: Without Infrastructure	0.8	0.7	1.5
Undeveloped Lots: With Infrastructure (Development Ready)	1.9	3.8	5.7
Total	2.7	4.5	7.2

2018 Lot Inventory Map: New Subdivisions



2018 Lot Inventory Map: Old Subdivisions



APPENDIX Lawrence Single Family Residential Lot Inventory Platted 2008 and Earlier

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5-Year Building Permits Map

