

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
3.6% Vacancy Rate	▼	—
3.7K Net Absorption, units	▲	—
\$1.50 Effective Rent, PSF <small>(Overall, All Property Classes)</small>	▲	▲

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
1,147.4K Kansas City Employment	▲	▲
3.9% Kansas City Unemployment Rate	▲	▲
1.1% Kansas City Household Growth Rate	▲	▲

Source: BLS, Moody's Analytics

ECONOMY:

One of Kansas City’s greatest strengths has long been a high level of employment. A diversified economy has meant the market hasn’t enjoyed explosive periods of growth during economic expansions, but it also means that during challenging periods Kansas City is resilient and avoids significant downturns. In April of this year the Bureau of Labor Statistics revised the Kansas City unemployment rate from 2016 through 2024. After those revisions, the average for that nine-year period was 3.8%.

PRICING:

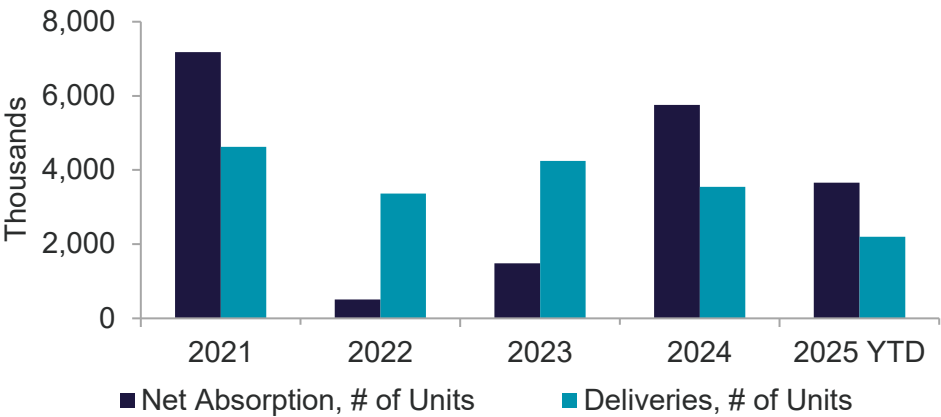
The multifamily market saw some of the largest increases in effective rates ever in 2021 and 2022, a trend that was evident in Kansas City and across the country. At the halfway point of 2022, the year-over-year (YOY) effective rent growth in Kansas City was 13.5% and it was 16.9% at the national level. That level of increase is unsustainable, and over the past few years rates have moderated, dropping to 4.4% in calendar year 2024 for Kansas City and 1.2% nationally over that same time.

While Kansas City was a little slow to show those increases and never saw the dramatic spikes of other markets, its growth has been steadier. Looking back, Kansas City has outperformed national rates of effective rent growth over the one-year (4.9% vs. 2.1%), three-year (17.1% vs. 7.3%), and five-year (40.2% vs 30.9%) windows. On the national level, there have been six quarters of negative effective rent growth over the past five years, while in Kansas City there have been only two. That sort of steady upward trajectory is enough to offset individual spikes.

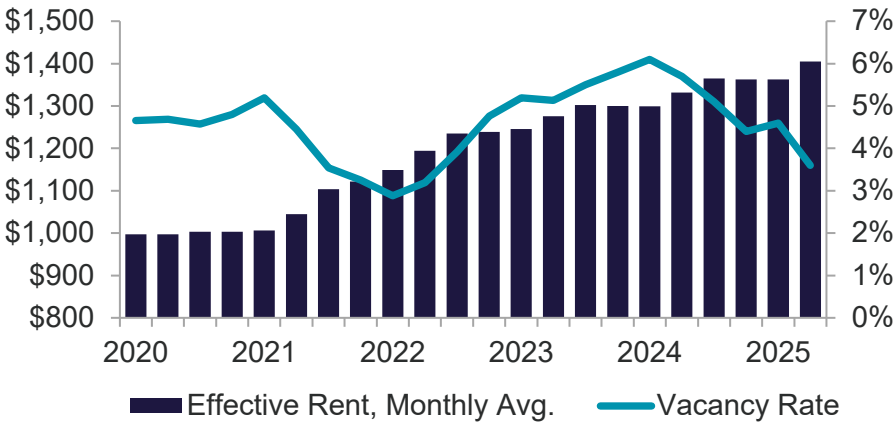
DEVELOPMENT:

Development and demand trends in the Kansas City market have remained healthy, with net absorption of 3,700 units in the first six months of the year exceeding the 2,200 units that have been delivered. This has pushed the occupancy rate to 96.4%, up from 94.3% twelve months earlier. There were 4,500 units under construction at the end of the second quarter with almost 1,300 of those in Central Kansas City.

DEMAND / DELIVERIES



OVERALL VACANCY & EFFECTIVE RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (UNITS)	YTD DELIVERIES (UNITS)	YTD % INVENTORY GROWTH	UNDER CNSTR (UNITS)	YTD NET ABSORPTION (UNITS)	VACANCY RATE	YOY VACANCY RATE CHANGE	AVG EFFECTIVE RENT / UNIT	AVG EFFECTIVE RENT PSF	YOY % EFFECTIVE RENT GROWTH
Central Kansas City	30,565	731	2.5%	1,286	938	6.0%	-0.7%	\$1,636	\$1.90	6.4%
Clay County	21,450	74	0.3%	342	404	3.3%	-2.4%	\$1,231	\$1.30	4.8%
Independence/East Kansas City	15,556	-	0.0%	582	53	5.6%	-1.8%	\$1,253	\$1.43	9.3%
Lee's Summit/Blue Springs/Raytown	15,696	175	1.1%	436	302	3.9%	-2.0%	\$1,340	\$1.42	3.5%
North Overland Park	13,034	46	0.4%	150	10	4.1%	-1.2%	\$1,409	\$1.48	3.9%
Olathe/Gardner	10,900	-	0.0%	136	21	2.0%	-1.9%	\$1,449	\$1.59	8.3%
Platte County	10,974	200	1.9%	184	260	2.9%	-2.9%	\$1,311	\$1.42	3.7%
Shawnee/Lenexa/Mission	17,856	419	2.4%	545	536	2.4%	-1.7%	\$1,487	\$1.52	3.7%
South Kansas City/Grandview	18,099	-	0.0%	494	204	4.7%	-3.1%	\$1,120	\$1.19	3.3%
South Overland Park	20,106	236	1.2%	177	430	2.5%	-2.9%	\$1,639	\$1.63	5.4%
Wyandotte County/Leavenworth	14,115	319	2.3%	215	498	4.3%	-2.5%	\$1,180	\$1.36	6.7%
MARKET	188,351	2,200	1.2%	4,547	3,656	3.6%	-2.1%	\$1,405	\$1.50	5.0%

KEY DELIVERIES / PROJECTS IN LEASE UP YTD 2025

PROPERTY	SUBMARKET	DEVELOPER	DELIVERY	UNITS
The Oslo	South Overland Park	Ryan Cos	2025 Q1	413
Reflections	Shawnee/Lenexa/Mission	Vantage Point Properties	2025 Q2	338
The Dial	Central Kansas City	Maxus Properties	2025 Q1	263
The Hudson	Wyandotte County/Leavenworth	LANE4 Property Group	2025 Q2	228
The Helm	Wyandotte County/Leavenworth	Flaherty & Collins	2025 Q2	224
Aria	Olathe/Gardner	First Management	2025 Q1	208
Barry West	Platte County	Sallee Development	2025 Q1	182
Rustic Heights	Lee's Summit / Blue Springs / Raytown	Sallee Development	2025 Q1	176

KEY DEVELOPMENT PROJECTS Q2 2025

PROPERTY	SUBMARKET	DEVELOPER	DELIVERY	UNITS
Arrive KC	Central Kansas City	NorthPoint Development	2026 Q2	360
Oberon	Central Kansas City	EPC Real Estate	2026 Q2	281
Alto Apartments	Shawnee/Lenexa/Mission	Cityscape Residential	2025 Q3	280
Residences at Blackwell	Lee's Summit/Blue Springs/Raytown	Griffin Riley	2025 Q3	268
Vista Village Apartments	Shawnee/Lenexa/Mission	West Star	2026 Q1	247
The Wade	Central Kansas City	EPC Real Estate	2025 Q4	235
Wonderland	Central Kansas City	Lux Living	2026 Q2	215
Via KC	Central Kansas City	Milhaus	2025 Q4	193

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