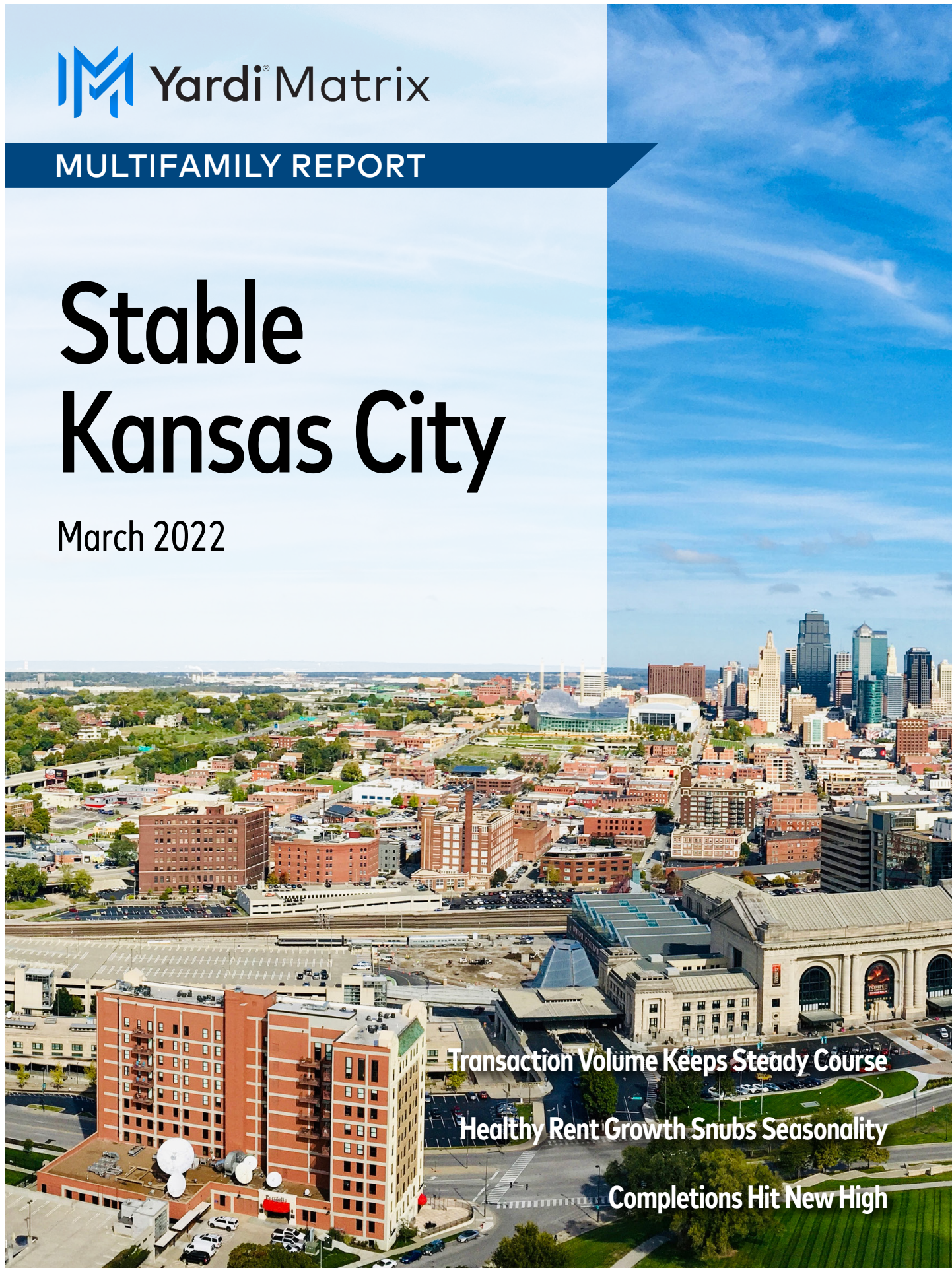




MULTIFAMILY REPORT

Stable Kansas City

March 2022



Transaction Volume Keeps Steady Course

Healthy Rent Growth Snubs Seasonality

Completions Hit New High

KANSAS CITY MULTIFAMILY



Development Heightens Amid Sustained Demand

While lacking the headline-making fluctuations that coastal markets went through during recent years, Kansas City rentals continue to display solid fundamentals. With rents up 7.2% year-over-year and occupancy rising 120 basis points to 95.6%, the metro stepped into 2022 on the right foot, albeit lagging Sun Belt cities and gateway metros where recovery is reaching full velocity.

One of Kansas City's brightest spots is its economy, with unemployment at a very tight 2.5% as of December according to preliminary Bureau of Labor Statistics data, and total employment already surpassing pre-pandemic levels. However, while leisure and hospitality (16,000 jobs), trade, transportation and utilities (13,200) and professional and business services (13,100) registered strong gains, two sectors contracted. This was the case for information, which lost a relatively low 700 positions, as well as financial activities, which contracted by 4,000 jobs.

Development is firing on all cylinders across Kansas City, with 5,048 units completed last year. An additional 7,331 were underway at the start of 2022, nearly 4,000 of which are expected to come online this year. Meanwhile, \$936 million in rental assets traded in 2021, in line with the metro's five-year average.

Recent Kansas City Transactions

Village West



City: Kansas City, Kan.
Buyer: Avanti Residential
Purchase Price: \$65 MM
Price per Unit: \$212,418

Mayfair



City: Kansas City, Mo.
Buyer: LEDG Capital
Purchase Price: \$3 MM
Price per Unit: \$42,373

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