

Yardi® Matrix

Kansas City Shines Brighter

Multifamily Report Summer 2018



Rent Growth Rebounds

Per-Unit Prices Inch Up

Affordable Housing Takes a Blow

KANSAS CITY MULTIFAMILY

Yardi® Matrix

Market Analysis

Summer 2018

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KC Grows From the Core

Young professionals continue to fuel multifamily development in Kansas City, with rent growth registering a slight rebound in the first part of 2018. The metro is adding a shiny layer of attractive and modern businesses over its manufacturing base, as new coworking and collaborative spaces located across downtown are opening their doors. In fact, 41% of the 22,000 residents in the city center are part of Generation Y, according to a report by the Downtown Council and MySidewalk.

Financial activities and professional and business services accounted for more than half of the 17,900 jobs that Kansas City added in the 12 months ending in February. With growing demand for both urban and suburban office space, new projects are rising across the metro. The 350,000-square-foot Overland One and the multi-phase, 600,000-square-foot CityPlace Corporate Center are both under construction in Overland Park. On the downside, however, is the manufacturing sector: Harley Davidson and Procter & Gamble announced the shutting down of Kansas City facilities, impacting more than 1,000 workers.

Transaction volume sank, but high competition for assets continued to push up per-unit prices. As more than 7,000 units are underway across the metro, we expect rent growth to decelerate to 2.0% for the whole of 2018.

Recent Kansas City Transactions

Corinth Place



City: Prairie Village, Kan.
Buyer: JDC
Purchase Price: \$49 MM
Price per Unit: \$142,533

Riverstone



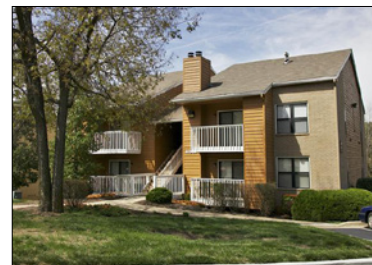
City: Kansas City
Buyer: White Oak Partners
Purchase Price: \$45 MM
Price per Unit: \$137,222

Kenilworth



City: Prairie Village, Kan.
Buyer: JDC
Purchase Price: \$41 MM
Price per Unit: \$167,008

Haven



City: Kansas City
Buyer: Inco Real Estate
Purchase Price: \$39 MM
Price per Unit: \$99,409