



MULTIFAMILY REPORT

Kansas City's Sunny Side

March 2025

Construction Starts Slow

Rent Gains Remain Strong

Occupancy On Par With US

KANSAS CITY MULTIFAMILY



Rent Gains Among Nation's Best

Kansas City started 2025 maintaining healthy fundamentals, in line with similar markets in the Midwest and Northeast. Average advertised asking rates rose on a trailing three-month basis through January, up 0.1%, to \$1,306, even as the U.S. figure slid 0.1%, to \$1,746. Year-over-year, advertised asking rents were up 3.9% in the metro, behind only a few other markets. Meanwhile, occupancy in stabilized assets mirrored the U.S. average, at 94.5% as of January.

Kansas City unemployment hit 3.2% as of December 2024, according to preliminary data from the Bureau of Labor Statistics. The rate was below the 4.1% national average. The metro added 13,400 net jobs in the 12 months ending in November, with education and health services and leisure and hospitality contributing the most. Data center projects are moving forward across the Kansas City, adding to its growing tech hub status. Edged Data Centers completed a 26-megawatt project downtown. Meanwhile, Patmos secured the first tenant at its 120-megawatt facility, which is currently underway. Google plans to complete the first phase of Rocky Branch Creek Technology Park in late 2025.

Kansas City developers had 6,774 rental units under construction as of January, on the heels of 4,718 units delivered last year. However, with starts down, Yardi Matrix expects Kansas City to add only 3,646 apartments to its stock in 2025.

Market Analysis | March 2025

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Recent Kansas City Transactions

The Highlands



City: Overland Park, Kan.
Buyer: Hamilton Zanze & Co.
Purchase Price: \$82 MM
Price per Unit: \$183,036

Satori Olathe



City: Olathe, Kan.
Buyer: Bonaventure Senior Living
Purchase Price: \$58 MM
Price per Unit: \$243,590