



MULTIFAMILY REPORT

# Kansas City: Rents Rule

August 2025

**Asking Rents Keep Climbing**

**Employment Market Falters**

**Deliveries Slow, Pipeline Still Significant**

# KANSAS CITY MULTIFAMILY



## Slowing Deliveries Help Rent Gains

Kansas City rent growth ranked third among Yardi Matrix's top 30 markets, up 3.1% year-over-year as of June and well above the 0.9% U.S. rate. At \$1,335, the average advertised asking rent logged the \$1,749 national figure. The occupancy rate in stabilized properties slid 20 basis points year-over-year, to 94.5% as of May. The Lifestyle rate (95.0%) was higher than the RBN figure.

The deceleration in employment growth continued in the first months of 2025, at 0.4% as of April. The figure was on par with Chicago and half the 0.8% U.S. rate. Kansas City shed 3,900 net jobs overall, with gains in four sectors: education and health services (6,000 jobs), mining, logging and construction (3,000), government (2,000) and financial activities (1,100). Meanwhile, unemployment stood at 3.8% in May, outperforming the U.S. (4.2%). Construction is underway across several redevelopment projects, including the \$1 billion Berkley Riverfront and the \$527 million West Bottoms, which have their first phases set for completion in 2026.

While deliveries dropped to 861 units this year through June, the pipeline remained significant, with 7,333 units under construction. Investment stalled, with just \$182 million in multifamily assets trading during the first half of the year. The average price per unit slid by roughly 20% year-to-date, to \$135,590, well below the \$212,317 national figure.

## Market Analysis | August 2025

### Contacts

#### Jeff Adler

Vice President & General  
Manager of Yardi Matrix  
[Jeff.Adler@Yardi.com](mailto:Jeff.Adler@Yardi.com)  
(303) 615-3676

#### Ron Brock, Jr.

Industry Principal, Matrix  
[JR.Brock@Yardi.com](mailto:JR.Brock@Yardi.com)  
(480) 663-1149 x14006

#### Doug Ressler

Media Contact  
[Doug.Ressler@Yardi.com](mailto:Doug.Ressler@Yardi.com)  
(480) 695-3365

#### Author

#### Anca Gagiuc

Senior Associate Editor

### Recent Kansas City Transactions

#### City Club



City: Kansas City, Mo.  
Buyer: Shelter Growth Capital Partners  
Purchase Price: \$60 MM  
Price per Unit: \$212,014

#### Shawnee Station



City: Shawnee, Kan.  
Buyer: Read Property Group  
Purchase Price: \$38 MM  
Price per Unit: \$165,722

#### Infinity at Plaza West



City: Kansas City, Mo.  
Buyer: PETRA  
Purchase Price: \$29 MM  
Price per Unit: \$130,759

#### Rosewood Place

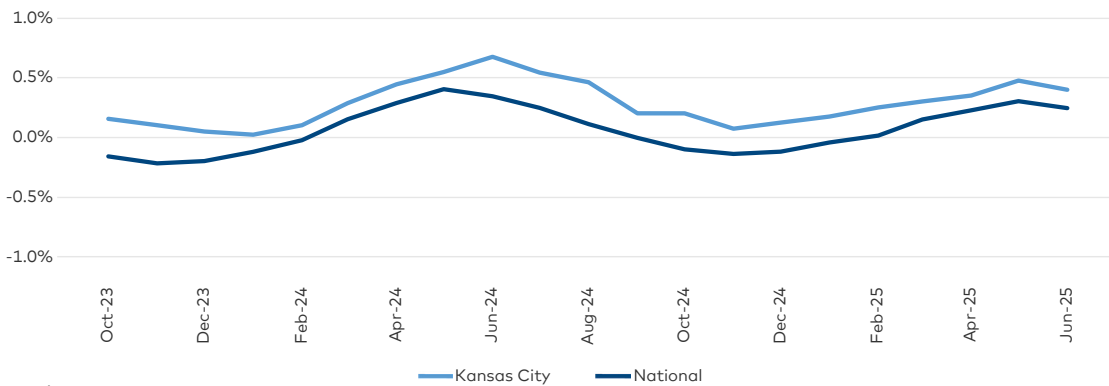


City: Lenexa, Kan.  
Buyer: Homewood Real Estate Partners  
Purchase Price: \$15 MM  
Price per Unit: \$103,149

## RENT TRENDS

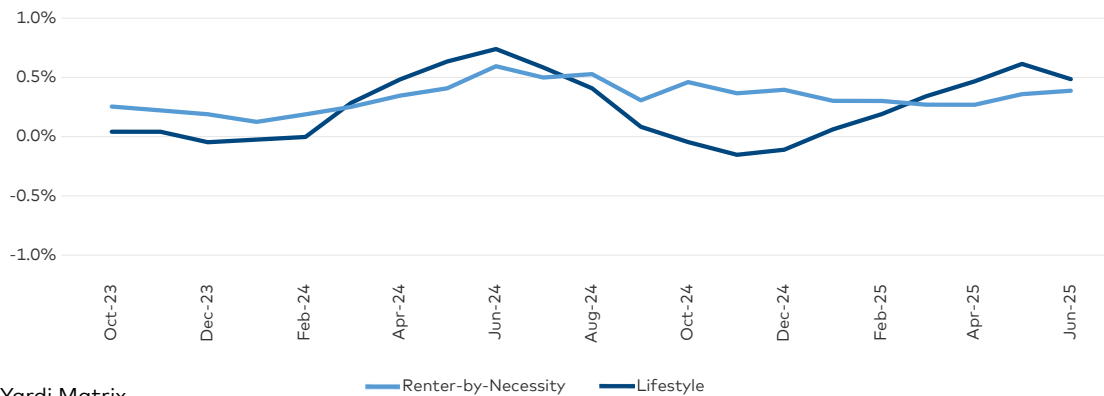
- ▶ Kansas City advertised asking rents continued to outperform the national pace, up by 0.4% on a trailing three-month (T3) basis through June, to \$1,335. The U.S. rate inched up 0.2%, to \$1,749. Year-over-year, Kansas City rates posted the third-best performance among Yardi Matrix's top 30 metros, up by 3.1%. The market only trailed Columbus (3.3%) and Chicago (3.6%). The national average marked a 0.9% yearly increase.
- ▶ Typically outperforming during this phase of the leasing season, Lifestyle advertised asking rents led growth, up by 0.5%, on a T3 basis through June, to \$1,584. Yet, the rate marked a 10-basis-point decline month-over-month. Meanwhile, working-class Renter-by-Necessity rents rose by 0.4%, to \$1,116, maintaining growth in the 0.3% to 0.6% band since March 2024.
- ▶ The occupancy rate in stabilized properties inched down 20 basis points year-over-year, to 94.5% in May, just below the 94.6% national rate. Lifestyle occupancy slid 20 basis points to 95.0%, while RBN dipped 40 basis points, to 94.0%.
- ▶ Asking rents slid year-over-year through June in just three of the 42 submarkets tracked by Yardi Matrix, including Kansas City Northwest/Riverside (-0.3% to \$1,315). The priciest areas remained Downtown Kansas City (1.9%, \$1,627), Overland Park–Southeast (1.8%, \$1,603) and Overland Park–Southwest (2.5%, \$1,600).
- ▶ Kansas City's SFR segment outperformed multifamily, with average advertised asking rents up 5.5% year-over-year, to \$1,875 in June. However, occupancy fell by 1.2%, to 94.8% as of May.

**Kansas City vs. National Rent Growth (Trailing 3 Months)**



Source: Yardi Matrix

**Kansas City Rent Growth by Asset Class (Trailing 3 Months)**



Source: Yardi Matrix

## ECONOMIC SNAPSHOT

- ▶ Kansas City employment growth remained on a decelerating path, up 0.4% as of April and lagging the 0.8% U.S. rate. The metro lost 3,900 net jobs in the 12 months ending in April, with net gains in education and health services (6,000 jobs), mining, logging and construction (3,000), government (2,000) and financial activities (1,100). Meanwhile, six sectors lost 16,000 jobs combined, with the largest declines recorded in leisure and hospitality (-6,300 jobs), professional and business services (-3,800) and trade, transportation and utilities (-3,000).
- ▶ Kansas City unemployment stood at 3.8% as of May, a 40-basis-point improvement since January and on par with the state. The market outperformed the U.S. (4.2%) and Missouri (4.0%), according to data from the Bureau of Labor Statistics.
- ▶ Work started on the second phase of the \$1 billion Berkley Riverfront redevelopment. It will include apartments, retail space and more than 2 acres of riverfront area. Several components are slated for delivery in 2026, including the CPKC Stadium. Another redevelopment project underway is the 21-acre West Bottoms, estimated to cost \$527 million and with completion slated for 2026 and 2028. Meanwhile, the \$350 million, 3.5-mile KC Streetcar extension, under construction since 2022, is expected to open later in 2025.

### Kansas City Employment Share by Sector

Code	Employment Sector	Current Employment	
		(000)	% Share
65	Education and Health Services	185.9	15.6%
15	Mining, Logging and Construction	65.1	5.5%
90	Government	173.6	14.6%
55	Financial Activities	78.8	6.6%
80	Other Services	41.4	3.5%
50	Information	16.4	1.4%
30	Manufacturing	88.5	7.4%
40	Trade, Transportation and Utilities	234.3	19.7%
60	Professional and Business Services	188.4	15.8%
70	Leisure and Hospitality	119	10.0%

Sources: Yardi Matrix, Bureau of Labor Statistics

### Population

- ▶ Kansas City recorded steady population growth over more than a decade, up by 9.6% between 2010 and 2022. That figure outperformed the 8.9% national rate.
- ▶ Between 2023 and 2024, metro Kansas City added 24,817 people, showing renewed potential.

### Kansas City vs. National Population

	2019	2020	2021	2022
National	324,697,795	326,569,308	329,725,481	331,097,593
Kansas City	2,124,518	2,144,129	2,176,124	2,190,750

Source: U.S. Census

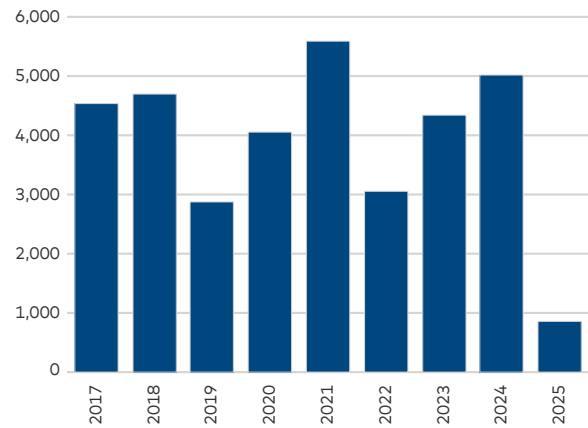
## SUPPLY

- ▶ Just 861 units came online in Kansas City during the first half of 2025, a significant deceleration from typical volumes, with the metro's yearly average above the 4,000-unit mark. All new deliveries were Lifestyle units and represented 0.5% of existing stock, lagging the 1.4% national rate. The metro's stock growth has been lagging the national pace since 2022.
- ▶ As of June, the construction pipeline had 7,333 units underway and another 64,000 in the planning and permitting phases. Development interest remained higher for upscale properties, as the Lifestyle segment accounted for 88% of the units underway, followed by fully affordable properties (10%) and RBN (2%).
- ▶ Construction starts amounted to 1,362 units across six properties during the first half of the year, surpassing the level recorded during the same interval last year, when 958 units across six properties broke ground. In 2024, however, new construction intensified in the second half, when a total of 2,113 units across 10 properties broke ground.
- ▶ Developers were active in 20 of the 42 submarkets tracked by Yardi Matrix. Downtown Kansas City led by a considerable margin, with 1,453

units underway as of June. Next in line were Lenexa (824 units), Lee's Summit (681 units) and Olathe (576 units).

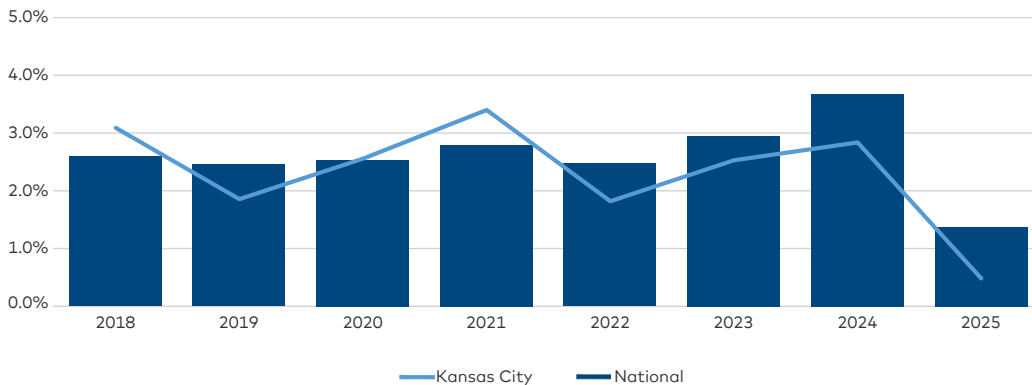
- ▶ Recent deliveries include Star Development Corp.'s Lifestyle project in a Kansas City–North Opportunity Zone. Dubbed 23rd & Swift, the 294-unit property was built with aid from a \$45.7 million construction loan originated by Pinnacle Bank in 2022.

**Kansas City Completions** (as of June 2025)



Source: Yardi Matrix

**Kansas City vs. National Completions as a Percentage of Total Stock** (as of June 2025)



Source: Yardi Matrix

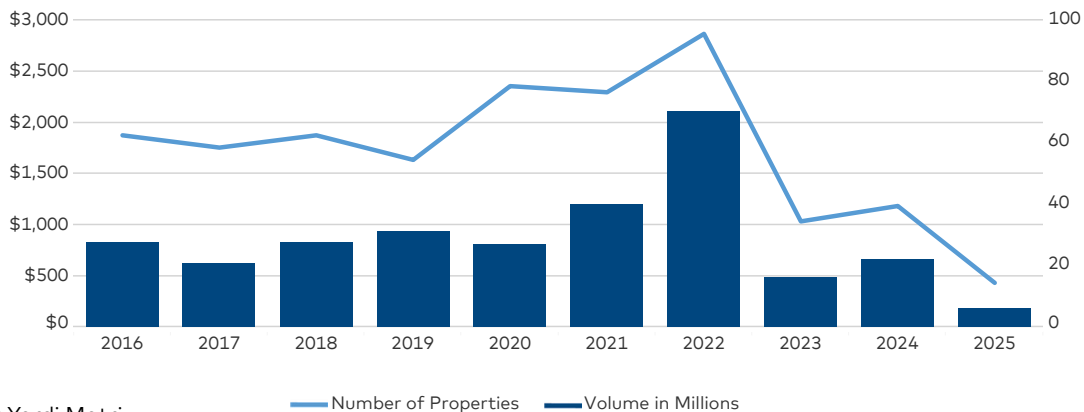
## TRANSACTIONS

- ▶ Halfway through 2025, Kansas City investment activity totaled just \$182 million, decelerating for the third year in a row. The volume represents a fraction of the metro's typical levels, with the annual average at \$881 million over the five years ending in 2021.
- ▶ Kansas City's average price per unit fell by 20.4% year-to-date, to \$135,590, well below the national figure, which climbed 10.1%, to \$212,317. The metro's sales composition con-

tributed to the drop in the per-unit price, as two-thirds of the assets that traded through June were RBN properties.

- ▶ In the 12 months ending in June 2025, Downtown Kansas City (\$256 million) dominated transactions. The submarket recorded six sales totaling 1,333 units, including the 361-unit Galerie, the 283-unit City Club and the 221-unit Crossroads Westside.

### Kansas City Sales Volume and Number of Properties Sold (as of June 2025)



Source: Yardi Matrix

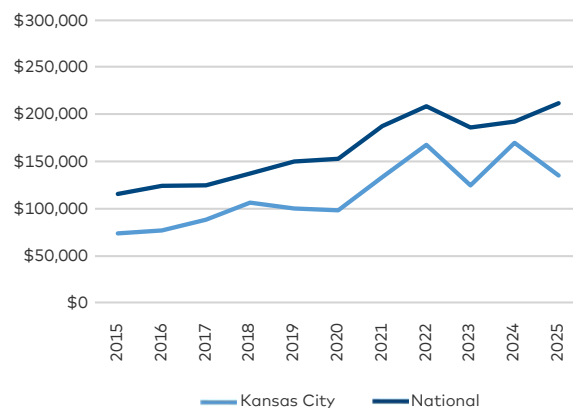
### Top Submarkets for Transaction Volume<sup>1</sup>

Submarket	Volume (\$MM)
Downtown Kansas City	256
Overland Park-North	92
Lee's Summit	77
Overland Park-Southwest	62
Belton/Raymore	62
Olathe	58
Shawnee	38

Source: Yardi Matrix

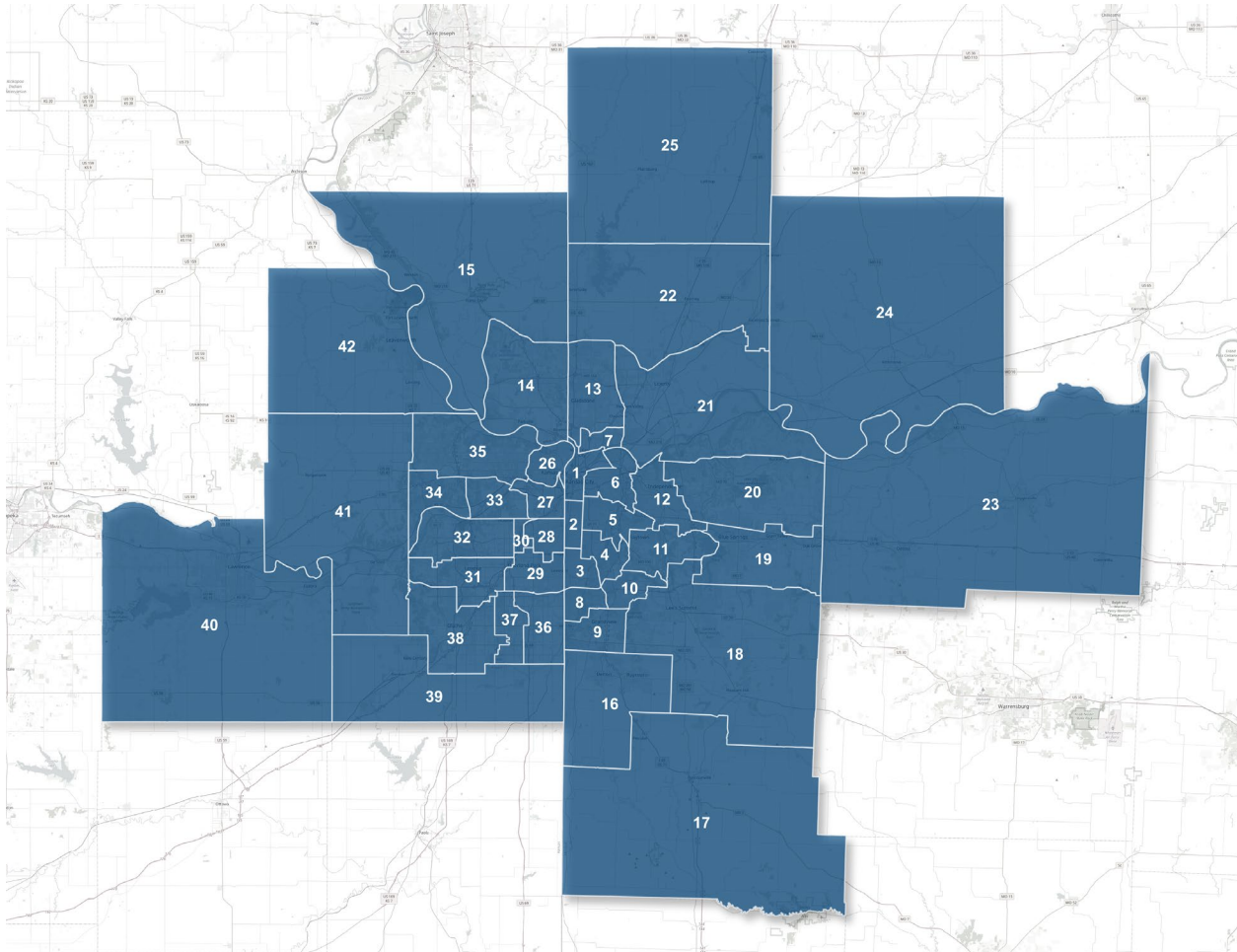
<sup>1</sup> From July 2024 to June 2025

### Kansas City vs. National Sales Price per Unit



Source: Yardi Matrix

# KANSAS CITY SUBMARKETS



Area No.	Submarket
1	Downtown Kansas City
2	Kansas City–South
3	Marlborough Heights
4	Park Farms
5	Kansas City–Southeast
6	Kansas City–East
7	Kansas City–North
8	Calico Farms–Bridlespur
9	Grandview
10	Crossgates
11	Raytown
12	Independence–West
13	Gladstone
14	Kansas City Northwest–Rivers

Area No.	Submarket
15	Platte City
16	Belton–Raymore
17	Harrisonville
18	Lee's Summit
19	Blue Springs
20	Independence–East
21	Liberty
22	Smithville–Excelsior Springs
23	Lafayette County
24	Ray County
25	Clinton County
26	Kansas City–Northwest
27	Kansas City–West
28	Mission

Area No.	Submarket
29	Overland Park–North
30	Merriam
31	Lenexa
32	Shawnee
33	Muncie
34	Edwardsville–Bonner Springs
35	Victory Hills
36	Overland Park–Southeast
37	Overland Park–Southwest
38	Olathe
39	Gardner
40	Lawrence
41	De Soto
42	Leavenworth

## DEFINITIONS

**Lifestyle households (renters by choice)** have wealth sufficient to own but have chosen to rent. Discretionary households, most typically a retired couple or single professional, have chosen the flexibility associated with renting over the obligations of ownership.

**Renter-by-Necessity households** span a range. In descending order, household types can be:

- *A young-professional*, double-income-no-kids household with substantial income but without wealth needed to acquire a home or condominium;
- *Students*, who also span a range of income capability, extending from affluent to barely getting by;
- *Lower-middle-income ("gray-collar") households*, composed of office workers, policemen, firemen, technical workers, teachers, etc.;
- *Blue-collar households*, which barely meet rent demands each month and likely pay a disproportionate share of their income toward rent;
- *Subsidized households*, which pay a percentage of household income in rent, with the balance of rent paid through a governmental agency subsidy. Subsidized households, while typically low income, extend to middle-income households in some high-cost markets, such as New York City;
- *Military households*, subject to frequency of relocation.

These differences can weigh heavily in determining a property's ability to attract specific renter market segments. The five-star resort serves a very different market than the down-and-outer motel. Apartments are distinguished similarly, but distinctions are often not clearly definitive without investigation. The Yardi® Matrix Context rating eliminates that requirement, designating property market positions as:

Market Position	Improvements Ratings
Discretionary	A+ / A
High Mid-Range	A- / B+
Low Mid-Range	B / B-
Workforce	C+ / C / C- / D

The value in application of the Yardi® Matrix Context rating is that standardized data provides consistency; information is more meaningful because there is less uncertainty. The user can move faster and more efficiently, with more accurate end results.

The Yardi® Matrix Context rating is not intended as a final word concerning a property's status—either improvements or location. Rather, the result provides reasonable consistency for comparing one property with another through reference to a consistently applied standard.

To learn more about Yardi® Matrix and subscribing, please visit [www.yardimatrix.com](http://www.yardimatrix.com) or call Ron Brock, Jr., at 480-663-1149 x14006.



# Yardi® Matrix

Power your business  
with the industry's  
leading data provider



## MULTIFAMILY KEY FEATURES

- Pierce the LLC every time with true ownership and contact details
- Leverage improvement and location ratings, unit mix, occupancy and manager info
- Gain complete new supply pipeline information from concept to completion
- Find acquisition prospects based on in-place loans, maturity dates, lenders and originators
- Access aggregated and anonymized residential revenue and expense comps



Yardi Matrix Multifamily  
provides accurate data on  
nearly **23 million** units, covering  
over **92%** of the U.S. population.



(800) 866-1144

Learn more at [yardimatrix.com/multifamily](https://yardimatrix.com/multifamily)

Contact  
US



#### DISCLAIMER

Although every effort is made to ensure the accuracy, timeliness and completeness of the information provided in this publication, the information is provided "AS IS" and Yardi Matrix does not guarantee, warrant, represent or undertake that the information provided is correct, accurate, current or complete. Yardi Matrix is not liable for any loss, claim, or demand arising directly or indirectly from any use or reliance upon the information contained herein.

#### COPYRIGHT NOTICE

This document, publication and/or presentation (collectively, "document") is protected by copyright, trademark and other intellectual property laws. Use of this document is subject to the terms and conditions of Yardi Systems, Inc. dba Yardi Matrix's Terms of Use (<http://www.yardimatrix.com/Terms>) or other agreement including, but not limited to, restrictions on its use, copying, disclosure, distribution and decompilation. No part of this document may be disclosed or reproduced in any form by any means without the prior written authorization of Yardi Systems, Inc. This document may contain proprietary information about software and service processes, algorithms, and data models which is confidential and constitutes trade secrets. This document is intended for utilization solely in connection with Yardi Matrix publications and for no other purpose.

Yardi®, Yardi Systems, Inc., the Yardi Logo, Yardi Matrix, and the names of Yardi products and services are trademarks or registered trademarks of Yardi Systems, Inc. in the United States and may be protected as trademarks in other countries. All other product, service, or company names mentioned in this document are claimed as trademarks and trade names by their respective companies.

© 2025 Yardi Systems, Inc. All Rights Reserved.