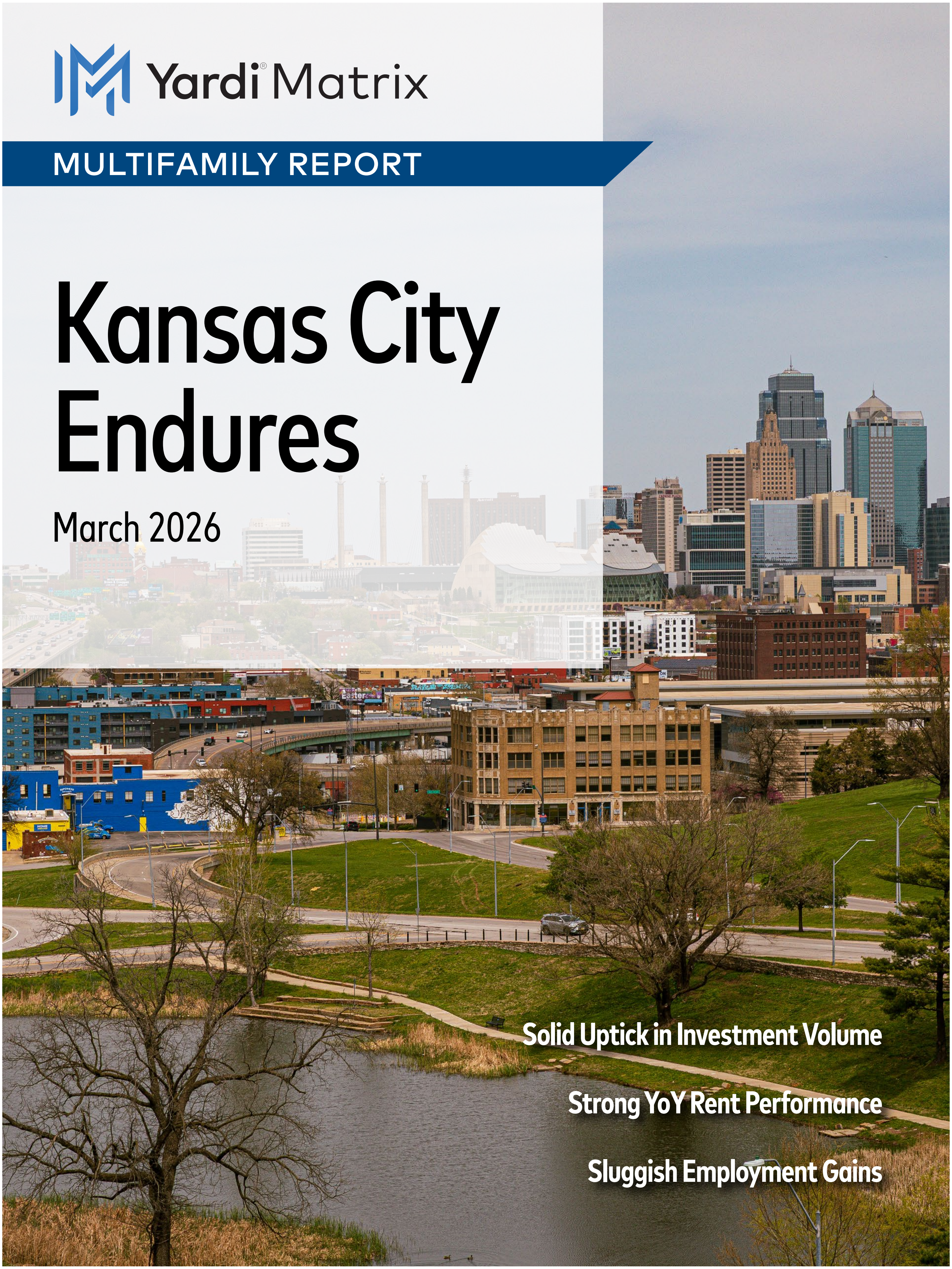
Yardi Matrix

MULTIFAMILY REPORT

Kansas City Endures

March 2026



Solid Uptick in Investment Volume

Strong YoY Rent Performance

Sluggish Employment Gains

KANSAS CITY MULTIFAMILY

Modest Job Growth, Investment Climbs

Kansas City kicked off 2026 posting balanced fundamentals. The average advertised asking rate stood at 0.2%, on a trailing three-month basis, up to $1,355 through January. That was 40 basis points above the U.S. figure. The metro outperformed year-over-year, up 2.5% and placing fourth among Yardi Matrix's top 30 markets. Overall occupancy in stabilized assets stood at 94.5% as of December, down just 10 basis points in 2025.

Job growth remained subdued, marking a 0.1% uptick as of September, well below the 0.8% national rate. The metro lost 3,600 jobs over 12 months, with significant swings in several sectors. Four sectors added jobs, led by education and health services (5,500 jobs), while six others were in the red, as professional and business services shed the most jobs (-6,300). Area unemployment stood at 3.5% as of December, 80 basis points below the U.S. figure, according to preliminary data from the Bureau of Labor Statistics. Construction is now underway at Google's second data center campus in the Kansas City metro area. Dubbed Project Mica, the $10 billion, 500-acre development is taking shape at the intersection of Interstate 435 and U.S. Highway 169.

Developers had 8,563 units under construction as of January in metro Kansas City, on the heels of 3,718 apartments delivered last year. Meanwhile, the metro saw a sizable spike in investment volume, recording $1.1 billion in sales last year.

Market Analysis | March 2026

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Recent Kansas City Transactions

Kinsley Forest

City: Kansas City, Mo.
Buyer: BAM Capital
Purchase Price: $73 MM
Price per Unit: $221,623

Adara Overland Park

City: Overland Park, Kan.
Buyer: Nolan Living
Purchase Price: $69 MM
Price per Unit: $263,462

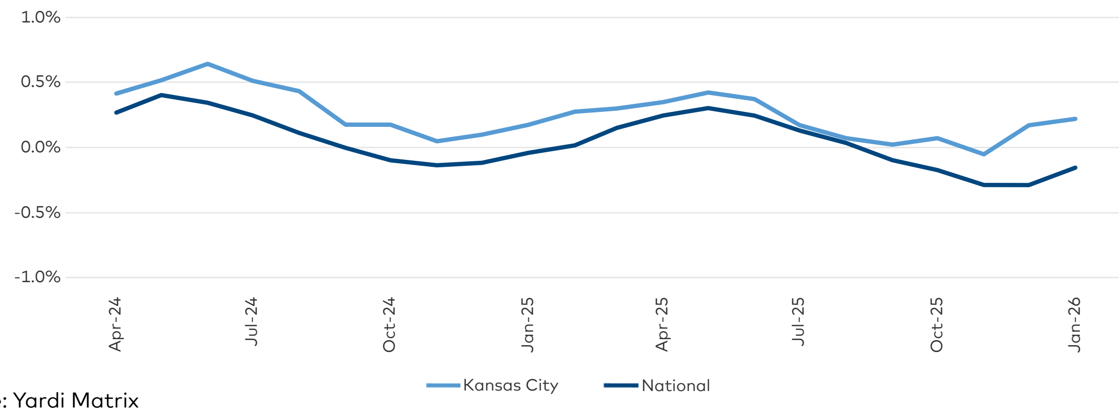
Timberline Apartments

City: Kansas City, Mo.
Buyer: WAO Properties
Purchase Price: $19 MM
Price per Unit: $134,081

RENT TRENDS

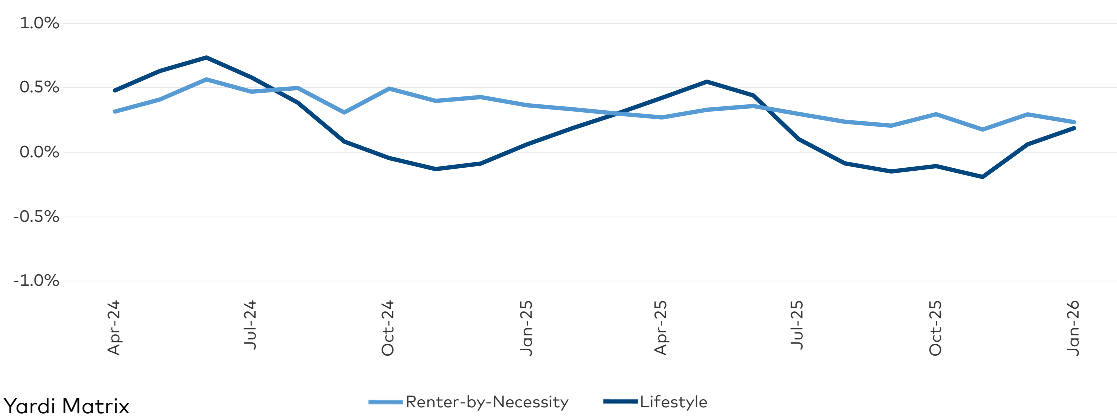
- The average advertised Kansas City asking rent was up 0.2%, on a trailing three-month (T3) basis, to $1,355 through January. That was 40 basis points above the U.S. rate, which was still in the red going into 2026. Year-over-year, Kansas City rates continued to outperform, in line with most metros in the Midwest. The figure was up 2.5%, far outpacing the 0.2% national rate and ranking fourth among Yardi Matrix's top markets. In fact, Kansas City asking rents have not slipped into negative territory on a yearly basis for more than a decade now.
- Both quality segments moved in lockstep, recording 0.2% increases on a T3 basis. The average for Lifestyle assets landed at $1,593, while working-class Renter-by-Necessity apartments were up to $1,135.
- The metro's average overall occupancy rate in stabilized properties stood at 94.5% as of December, down just 10 basis points last year. The Lifestyle figure saw a 20-basis-point decline, to 95.0%. Meanwhile, RBN rates were down 10 basis points, to 93.9%.
- All but five of the 42 submarkets tracked by Yardi Matrix posted year-over-year gains. Downtown Kansas City remains the most expensive area, up 0.2% to $1,642, followed by Overland Park–Southwest (2.0% to $1,615) and Lenexa (4.1% to $1,610).
- In the SFR/BTR segment, Kansas City advertised asking rents were up 3.5% year-over-year, to $1,912. Meanwhile, occupancy was down 20 basis points, to 95.0%.

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 job growth remained slow, marking a modest 0.1% uptick as of September, well below the 0.8% national rate.
- While four sectors added positions—led by education and health services (5,500 jobs)—the other six contracted. The steepest drops were recorded in professional and business services (-6,300 jobs), trade, transportation and utilities (-3,700) and leisure and hospitality (-2,300). Contracting employment sectors shed a total of 14,300 positions.
- The metro's unemployment rate stood at 3.5% as of December, 80 basis points below the U.S. figure, according to preliminary data from the Bureau of Labor Statistics. The metro also fared better than the Kansas (3.8%) and Missouri (3.9%) figures.
- Construction is now underway at Google's new data center campus in the Kansas City metro area. Dubbed Project Mica, the $10 billion development is taking shape at the intersection of Interstate 435 and U.S. Highway 169. The 500-acre campus is Google's second in the area. The company is also partnering with Evergy, the region's largest electricity provider, to cover the full energy costs for both campuses.

Kansas City Employment Share by Sector

		Current Employment	
Code	Employment Sector	(000)	% Share
65	Education and Health Services	187	15.7%
15	Mining, Logging and Construction	65.8	5.5%
55	Financial Activities	79.3	6.6%
80	Other Services	43.1	3.6%
50	Information	16.5	1.4%
30	Manufacturing	90.3	7.6%
90	Government	169.3	14.2%
70	Leisure and Hospitality	123.9	10.4%
40	Trade, Transportation and Utilities	234.5	19.7%
60	Professional and Business Services	183.3	15.4%

Sources: Yardi Matrix, Bureau of Labor Statistics

Population

- In the 10 years ending in 2022, the metro's population increased by more than 150,000 residents.
- Momentum seems to have continued. Between mid-2023 and mid-2024, the area added almost 25,000 people, according to the most recent Census estimates.

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

- Developers brought 3,718 units online in metro Kansas City in 2025. That equated to 2.1% of existing stock and was 100 basis points below than the national rate. The metro's five-year average is roughly 4,500 apartments, with 2024 recording 5,139 units delivered. This slowdown across the metro is set to keep going. Yardi Matrix expects roughly 3,700 units to be delivered in 2026, representing 2.0% of existing stock, followed by 3,100 units in 2027.

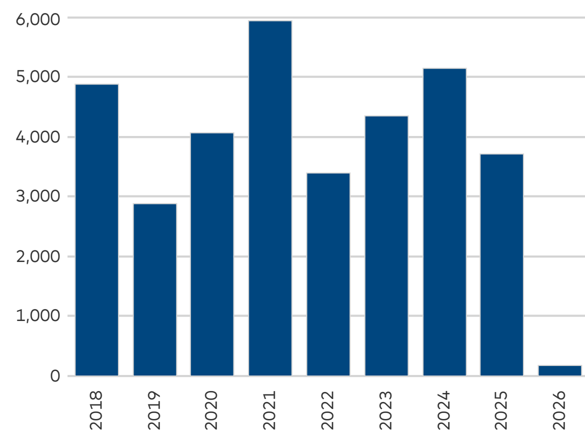
- Kansas City had 8,563 units under construction as of January. The pipeline also included more than 65,000 units in the planning and permitting stages. The scale remains tilted toward upscale properties, with 81.8% of units in the under-construction pipeline in Lifestyle projects. RBN and fully affordable communities accounted for the remaining 18.2% of apartments.

- Developers kicked off work on 26 projects totaling 5,273 units in 2025, compared to just 16 projects encompassing 3,428 units the previous year. That marked a more than 50% increase.

- Of the 42 submarkets tracked by Yardi Matrix, only two crossed the 1,000-unit mark as of January: Downtown Kansas City (1,535 units underway) and Lee's Summit (1,486 units). Kansas City Northwest/Riverside rounded out the top three, with 847 apartments under construction.

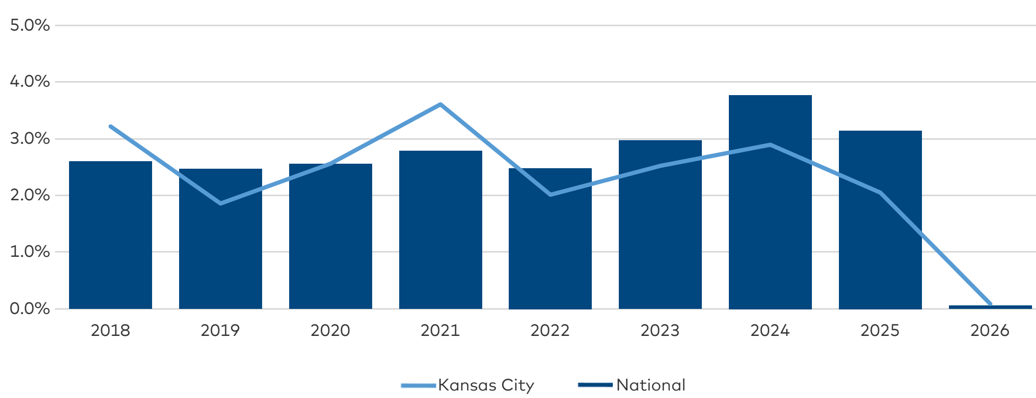
- At 585 units, Alura in the Lee's Summit submarket was the largest project underway in Kansas City at the start of 2026. Intrinsic Development broke ground on May 2025, with help from a $42 million construction loan provided by UMB Bank. Completion is expected for April 2027, while a second phase of the project is in the planning stages.

Kansas City Completions (as of January 2026)



Source: Yardi Matrix

Kansas City vs. National Completions as a Percentage of Total Stock (as of January 2026)



Source: Yardi Matrix

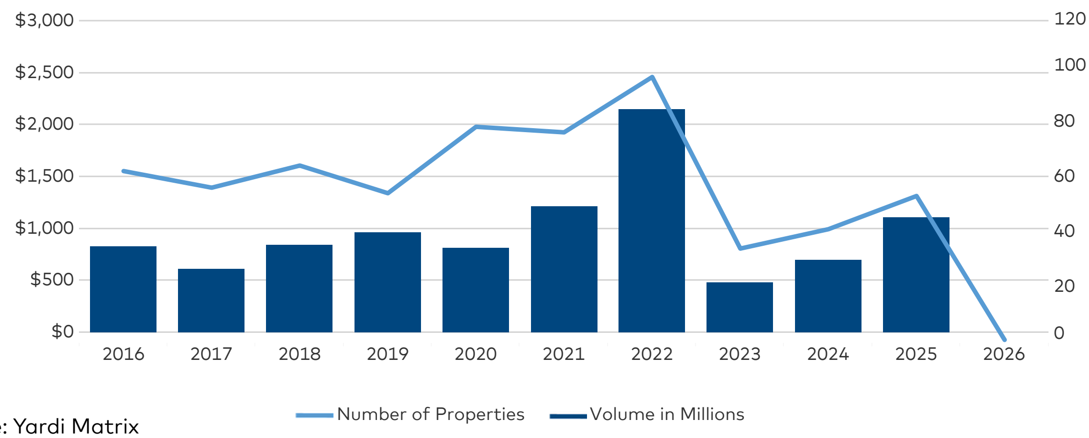
TRANSACTIONS

- Multifamily investment in Kansas City recorded a significant uptick in 2025, with $1.1 billion in properties trading. After the previous two years, which didn't cross the $1 billion mark, the market's performance moved closer to the peak pandemic years. Kansas City registered $3.4 billion in total investment volume in 2021 and 2022; both years were outlier years for the metro and the U.S.

- Investment interest was tilted toward value-add plays in 2025, involving 33 of the 53 assets changing hands. The per-unit price stood at $181,054, some $5,000 higher than in 2024, but still below the $203,810 U.S. average.

- Five submarkets crossed the $100 million mark in the 12 months ending in January 2026. Downtown Kansas City led investment activity, with $161 million in property sales, followed by Overland Park–Southeast ($158 million) and Overland Park–Southwest ($132 million) rounding out the top three.

Kansas City Sales Volume and Number of Properties Sold (as of January 2026)



Source: Yardi Matrix

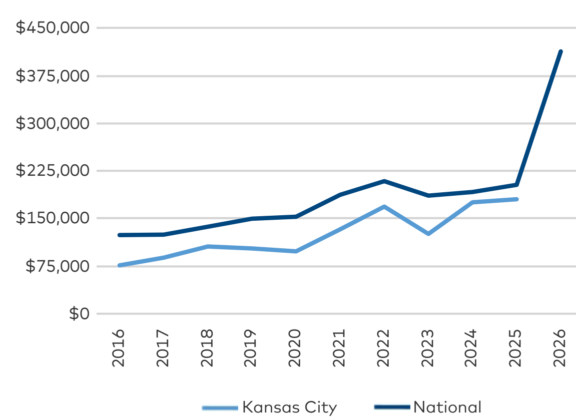
Top Submarkets for Transaction Volume[1]

Submarket	Volume ($MM)
Downtown Kansas City	161
Overland Park–Southeast	158
Overland Park–Southwest	132
Gladstone	110
Kansas City Northwest/ Riverside	103
Olathe	96
Kansas City–South	66

Source: Yardi Matrix

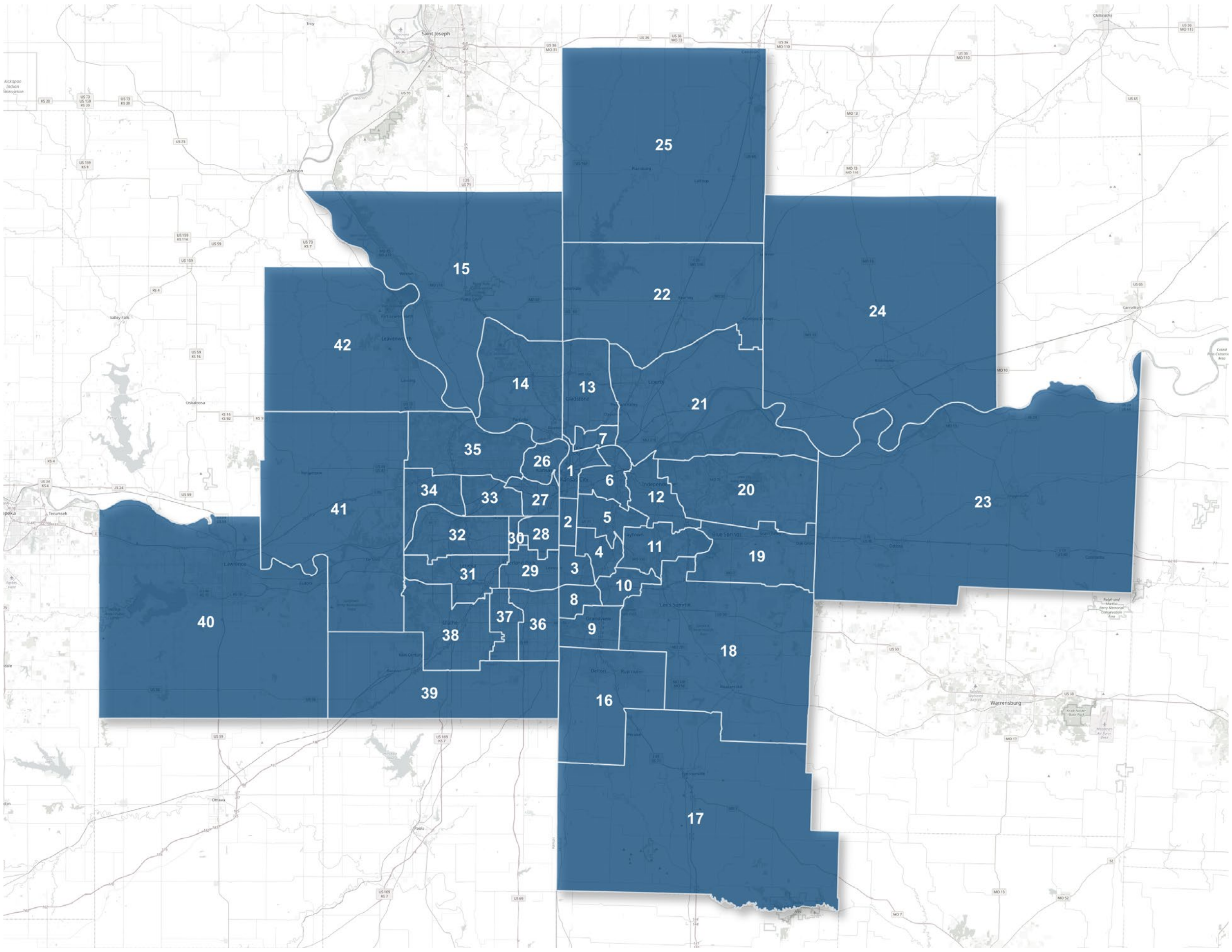
[1] From February 2025 to January 2026

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 or call Ron Brock, Jr., at 480-663-1149 x14006.

Yardi Matrix

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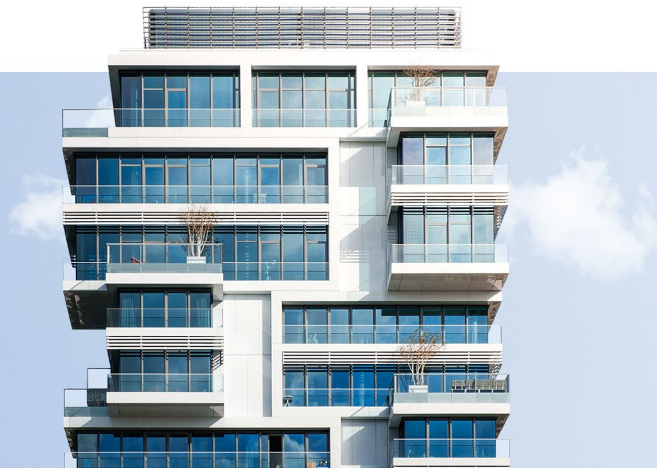
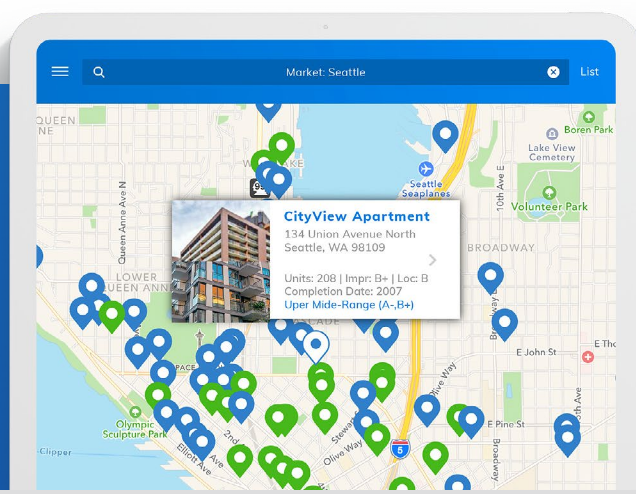


MULTIFAMILY KEY FEATURES

- 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 **23.5 million units,** covering over **92% of the U.S. population.**

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