

**YARDI**® Matrix

# New Life For Kansas City

Multifamily Summer Report 2016

**City Strives for Live-Work-Play**

**Renter-by-Necessity Segment Grows by 5.3%**

**Investment Market Reaches Cycle Peak**

# KANSAS CITY MULTIFAMILY

**YARDI**® Matrix

## Market Analysis

Summer 2016

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## Revitalization Drives New Activity

Kansas City might not be the first metro that comes to mind when the topic of urban living comes up, but revitalization projects are luring residents and developers downtown and breathing life into a slow-moving Midwestern market. Millennials and empty nesters are choosing to rent in the metro's center. The city is paving the way, with a downtown streetcar transit system and approval of redevelopment projects to help create a live-work-play lifestyle and boost demand for apartments. The trend is set to continue, since more than 6,300 units are currently under construction and another 16,000 are on the drawing board.

Though the metro is trailing the nation in job growth, it is a regional center for business services, trade and health care. The local economy is expected to improve further, as large employers such as Cerner Corp. and United Parcel Service have announced significant expansion plans.

Transaction volume rose last year, with investors attracted by steady fundamentals and the potential for higher yields. Last year, volume increased by more than 50% to a record high of \$800 million. We expect demand to remain healthy, which, along with steady job creation and increasing supply, will generate a moderate rent growth of 3.1%.

## Recent Kansas City Transactions

### Willow Creek



City: Kansas City  
Buyer: Landmark Realty  
Purchase Price: \$79 MM  
Price per Unit: \$97,621

### Lodge of Overland Park



City: Overland Park, Kan.  
Buyer: Mandel Corp.  
Purchase Price: \$49 MM  
Price per Unit: \$88,504

### Village West



City: Kansas City  
Buyer: JVM Realty  
Purchase Price: \$48 MM  
Price per Unit: \$156,863

### Haven at Prairie Trace



City: Overland Park, Kan.  
Buyer: MAA  
Purchase Price: \$45 MM  
Price per Unit: \$159,107