



CBRE

Capital Markets | Investment Properties, Multifamily

# Kansas City Metro

MULTIFAMILY MARKET UPDATE

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February 2022

# Overall Market Summary

## 4Q '21

Submarket	Supply (Units)	Demand		Vacancy		Rent	
		Quarter (Units)	YTD (Units)	Average (%)	YOY Change (bps)	Per Unit (\$)	YOY Change (%)
Central Kansas City	29,637	0	85	4.9	-230	1,359	6.4
Clay County	16,465	78	170	2.8	-90	1,015	7.8
Independence/East Kansas City	14,597	15	21	4.7	40	911	7.9
Lee's Summit/Blue Springs/Raytown	11,342	276	543	4.2	0	1,096	12.3
North Overland Park	12,191	0	298	2.5	-180	1,144	7.5
Olathe/Gardner	10,313	0	280	2.1	-160	1,095	10.9
Platte County	8,980	552	652	3.8	-160	1,074	9.5
Shawnee/Lenexa/Mission	15,180	168	251	2.6	-230	1,150	8.1
South Kansas City/Grandview	15,303	160	600	3.9	-200	867	6.9
South Overland Park	14,253	56	56	2.7	-240	1,310	11.9
Wyandotte County/Leavenworth	13,095	0	160	3.4	-100	960	7.9
<b>Kansas City Metro</b>	<b>161,356</b>	<b>1,305</b>	<b>3,116</b>	<b>3.3</b>	<b>-160</b>	<b>1,120</b>	<b>8.9</b>
2022 Metro Forecast	166,737	-	2,874	4.2	-	1,185	5.7

Source: CBRE Econometric Advisors

# Rent Summary

## 4Q '21

### Average Rent by Unit Type (\$)

### Average Rent by Age (\$)

Submarket	Studio	1BR	2BR	3BR	1960s	1970s	1980s	1990s	2000s	2010+
Central Kansas City	968	1,226	1,663	2,211	1,000	882	1,119	1,408	1,351	1,567
Clay County	747	922	1,068	1,247	856	848	879	948	1,199	1,307
Independence/East Kansas City	763	813	1,004	1,262	645	794	951	774	1,059	1,403
Lee's Summit/Blue Springs/Raytown	875	970	1,150	1,377	619	828	970	1,091	1,291	1,528
North Overland Park	870	996	1,245	1,432	1,031	1,050	985	884	1,329	1,685
Olathe/Gardner	747	941	1,127	1,471	822	879	884	1,164	1,197	1,079
Platte County	703	956	1,157	1,480	675	843	928	1,024	1,206	1,416
Shawnee/Lenexa/Mission	1,016	1,006	1,209	1,577	1,029	926	1,038	1,158	1,777	1,541
South Kansas City/Grandview	591	757	931	1,141	884	811	836	1,075	975	813
South Overland Park	1,148	1,102	1,428	1,780	na	1,172	1,105	1,270	1,325	1,448
Wyandotte County/Leavenworth	735	882	1,043	1,048	767	769	962	na	1,123	1,335
<b>Kansas City Metro</b>	<b>870</b>	<b>985</b>	<b>1,222</b>	<b>1,517</b>	<b>868</b>	<b>919</b>	<b>984</b>	<b>1,108</b>	<b>1,220</b>	<b>1,395</b>

Source: CBRE Econometric Advisors

# Vacancy Summary

## 4Q '21

Vacancy By Age (%)

Submarket	1960s	1970s	1980s	1990s	2000s	2010+
Central Kansas City	5.50	1.00	2.80	5.50	4.80	5.20
Clay County	1.40	2.00	3.40	4.80	2.90	3.10
Independence/East Kansas City	1.90	5.00	5.10	6.00	3.00	8.60
Lee's Summit/Blue Springs/Raytown	16.00	6.40	2.30	0.40	3.00	5.00
North Overland Park	3.40	2.00	1.80	3.40	2.70	3.70
Olathe/Gardner	5.80	0.00	3.30	1.60	1.20	1.80
Platte County	9.10	2.30	3.40	4.90	1.70	4.60
Shawnee/Lenexa/Mission	5.10	2.50	3.20	1.60	1.70	2.10
South Kansas City/Grandview	5.40	3.70	4.20	0.00	1.40	1.30
South Overland Park	na	3.90	2.00	3.60	2.50	2.20
Wyandotte County/Leavenworth	1.30	4.00	2.20	na	6.20	5.00
<b>Kansas City Metro</b>	<b>5.50</b>	<b>3.00</b>	<b>3.00</b>	<b>3.50</b>	<b>2.70</b>	<b>3.50</b>

Source: CBRE Econometric Advisors

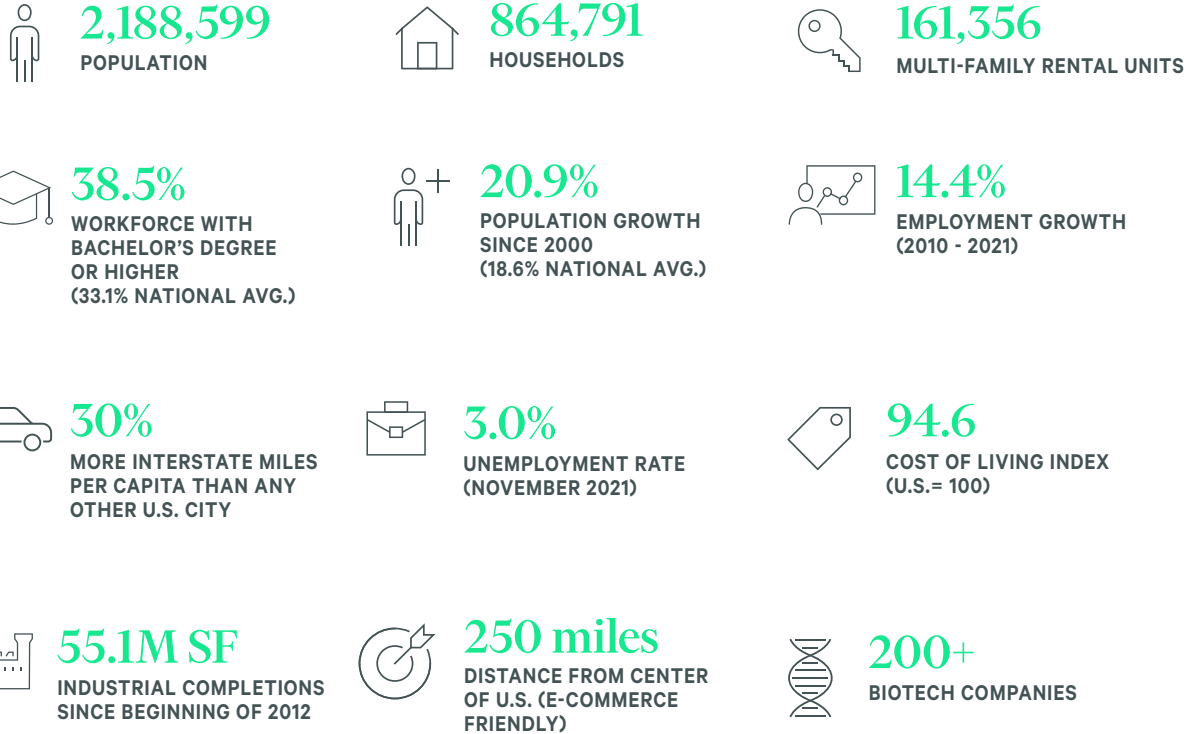
# Market Rate Construction Pipeline

2014-2022

Submarket	2014-2017	2018	2019	2020	2021	2022	Total '14-'22
Downtown/East Kansas City	2,512	1,250	599	1,294	1,259	700	7,614
Gladstone/Liberty	1,321	292	0	0	162	0	1,775
Grandview/Far South	300	0	0	0	246	0	546
Independence	0	0	0	0	280	240	520
Jackson County/Other	513	308	494	74	946	0	2,335
Johnson County/Other	0	0	0	0	184	144	328
Merriam/Mission/Prairie Village	91	282	0	201	0	0	574
North Kansas City	340	328	0	0	320	0	988
Olathe	228	0	0	240	646	0	1,114
Overland Park North	453	0	510	0	0	130	1,093
Overland Park South	2,545	340	0	796	1,001	822	5,504
Platte County	939	0	276	0	640	0	1,855
Platte County/Other	0	0	0	0	0	0	0
Raytown	0	0	0	0	0	0	0
Shawnee/Lenexa	1,298	483	655	149	477	451	3,513
Southwest Kansas City	0	0	0	0	160	210	370
University/Plaza	421	170	0	525	332	0	1,448
Wyandotte	617	0	0	0	0	0	617
<b>Annual Total</b>	<b>11,578</b>	<b>3,454</b>	<b>2,534</b>	<b>3,279</b>	<b>6,653</b>	<b>2,697</b>	<b>30,194</b>

Source: CBRE, Inc.

## Metro Economic Snapshot



Sources: ESRI, CBRE Research, Kansas City Area Development Council, Council for Community and Economic Research (C2ER), and U.S. Bureau of Labor Statistics (Metro)

## Largest Private Employers

Company	Employees
Cerner Corp.	12,778
HCA Midwest Health System	10,076
St. Luke's Health System	9,056
Children's Mercy Hospital & Clinics	7,398
Ford Motor Company	7,250
T-Mobile	6,000
Hallmark Cards	5,400
Honeywell	4,800
Garmin	4,616
FedEx Corporation	4,100
Amazon	4,000
Truman Medical Center	3,746
Burns & McDonnell	3,649
UPS	3,429
SS&C Tehnologies Holdings, Inc.	2,866
UnitedHealth Group	2,800
Commerce Bank	2,676
Olathe Health	2,460
AdventHealth Shawnee Mission	2,451
Black & Veatch	2,364
General Motors	2,229
UMB Financial Corp.	2,063
Prime Healthcare Services Inc.	2,055
U.S. Bank	2,000
Farmers Insurance	1,915

Source: Kansas City Business Journal, 2021

# Headlines

## 4Q '21

<p><b>Google buys more than 200 acres for possible data center development</b></p> <p>Kansas City Business Journal December 20, 2021</p>	<p><b>Block Real Estate Services breaks ground on 200,000-square-foot distribution facility in Kansas</b></p> <p>Kansas City Business Journal December 14, 2021</p>	<p><b>Southwest explores using KCI as a hub to test sustainability measure</b></p> <p>Kansas City Business Journal December 9, 2021</p>	<p><b>Global EML company will relocate in Overland Park to Aspiria campus</b></p> <p>Kansas City Business Journal November 30, 2021</p>	<p><b>Next phase of Promontory with pickleball, shipping container restaurants could start work soon</b></p> <p>Kansas City Business Journal November 29, 2021</p>
<p><b>Walgreens picks Liberty for one of nine \$50M micro-fulfillment centers, will hire 200</b></p> <p>Kansas City Business Journal November 23, 2021</p>	<p><b>\$150M AdventHealth Overland Park South begins admitting patients</b></p> <p>Kansas City Business Journal November 22, 2021</p>	<p><b>Long-suffering Citadel site in KC nears start of \$200M 'live-work-play' community to replace blight</b></p> <p>Kansas City Business Journal November 22, 2021</p>	<p><b>Charter Communications plans \$18.9M call center, 510 jobs in Overland Park</b></p> <p>Kansas City Business Journal November 19, 2021</p>	<p><b>Encouraging signs indicate growth in office market ahead</b></p> <p>Kansas City Business Journal November 15, 2021</p>
<p><b>Downtown KC Apartment Pipeline - Deluge to dry</b></p> <p>Kansas City Business Journal November 15, 2021</p>	<p><b>Glade developer talks Center of Excellence, \$5B master plan for life sciences</b></p> <p>Kansas City Business Journal November 12, 2021</p>	<p><b>Streetcar sees \$415M in private investment along southern extension route</b></p> <p>Kansas City Business Journal November 12, 2021</p>	<p><b>One year after remediation wraps, former Bannister Federal Complex sees significant industrial development</b></p> <p>Kansas City Business Journal November 11, 2021</p>	<p><b>KC considers massive solar farm near Kansas City International Airport</b></p> <p>Kansas City Business Journal November 8, 2021</p>
<p><b>Greater Downtown population jumps 29% in new census results</b></p> <p>Kansas City Business Journal November 4, 2021</p>	<p><b>Garmin buys former Olathe mall site for future expansion</b></p> <p>Kansas City Business Journal November 2, 2021</p>	<p><b>KC NWSL stadium becomes Berkley Riverfront's largest project, poised to spur more</b></p> <p>Kansas City Business Journal October 27, 2021</p>	<p><b>Kansas City Zoo gets started on construction for \$75M aquarium</b></p> <p>Kansas City Business Journal October 26, 2021</p>	<p><b>As more projects stream in, \$380M Parkville development sees existing traffic on the rise</b></p> <p>Kansas City Business Journal October 25, 2021</p>
<p><b>Developers plan genomic research facility, greenhouse to launch \$5B south KC project</b></p> <p>Kansas City Business Journal October 19, 2021</p>	<p><b>Stowers, Ryan Cos. plan distinct life science projects within \$5B south KC project</b></p> <p>Kansas City Business Journal October 19, 2021</p>	<p><b>WyCo park scores new-build distribution center, 240 jobs new to county</b></p> <p>Kansas City Business Journal October 15, 2021</p>	<p><b>Opus starts new work on \$98.5M distribution center for Hallmark in Liberty</b></p> <p>Kansas City Business Journal October 8, 2021</p>	<p><b>Lenexa advances big mixed-use at Ridgeview and K-10</b></p> <p>Kansas City Business Journal October 5, 2021</p>

## CBRE Multifamily Overview

CBRE Multifamily continues to set the bar as the industry leader. With the most powerful platform, covering all facets of the apartment industry, we provide our clients access to the most experienced and highly specialized professionals in every market. In terms of total dollar volume, CBRE has completed more apartment property transactions than any other brokerage firm in the United States since 2001, according to Real Capital Analytics.

CBRE's Capital Markets platform, comprised of property sales, finance and investment banking businesses, works as a seamless, fully integrated service offering to assure clients that all investment strategies are evaluated. As the recognized worldwide leader in advising our clients on the purchase and sale of income-producing properties, debt and structured finance, and entity-level consultancy and execution, we offer complete capital markets solutions everywhere around the globe. In this challenging market, our professionals have the expertise in the multifamily market to effectively execute on every deal.

CBRE Multifamily integrates market research with proprietary investor databases, allowing us to analyze market cycles, anticipate trends and command capital in local, national and global markets. Our clients also benefit from leading edge commentary and statistical data, provided by CBRE Econometric Advisors, on topics across every facet of investment real estate. We set the industry standard for market intelligence by utilizing our integrated network of professionals and our vast commercial real estate database.

**\$97B**

CAPITAL MARKETS MULTIFAMILY  
TRANSACTIONS IN 2021

**\$42.9B**

MULTIFAMILY DEBT & STRUCTURED  
FINANCING IN 2021

**300+**

PROFESSIONALS LOCATED IN  
65 OFFICES ACROSS THE U.S.

NAMED **“Top U.S. Apartment Broker”** BY REAL CAPITAL ANALYTICS SINCE 2001

## Value Delivered



In terms of total dollar volume, CBRE has completed more apartment property sales transactions than any other brokerage firm in the United States and has been named “Top U.S. Apartment Broker” by Real Capital Analytics since 2001.



Our vast network provides direct lines of communication to our global counterparts and expertise in global capital. This global reach ensures CBRE has unrivaled access to key international decision makers, allowing our best in class professionals to deliver the most effective client solutions at a local level.



The CBRE Capital Markets integrated platform provides a dedicated source of multifamily financing to clients nationwide. In addition to our relationships with correspondent life companies and institutional lenders, CBRE Capital Markets is a licensed Freddie Mac Seller/ Servicer, approved Fannie Mae Delegated Underwriting and Servicing (DUS) lender and FHA-approved direct lender.



# Kansas City Team

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**Jeff Stingley**  
Executive Vice President

Jeff is an Executive Vice President in CBRE's Kansas City office and concentrates exclusively on seller representation of multifamily assets throughout Kansas and Missouri. Over his career, Jeff has facilitated the sale of 35,000 units totaling \$3.4 billion in consideration. In eight of the last nine years, including 2020, Jeff was the Top Producer in CBRE's Kansas City office.



**Max Helgeson**  
First Vice President

Max is a First Vice President in CBRE's Kansas City office. Max concentrates solely on seller representation of multifamily assets throughout Kansas and Missouri. Prior to joining CBRE, he was a Director for Institutional Property Advisors of Marcus and Millichap. Over Max's career, he has facilitated the sale of over 7,000 units, totaling \$900 million in consideration.



**Kyle Tucker**  
Senior Vice President

Kyle recently joined the team as a Senior Vice President in CBRE's Kansas City office. Kyle comes to CBRE with more than 12 years of experience in commercial real estate finance. Most recently, he was a producer with NorthMarq in Kansas City, where he specialized in financing for multifamily properties.



**Erica Williams**  
Sales Assistant

Erica is a Sales Assistant for the CBRE Kansas City Multifamily team, responsible for maintaining the team's pipeline of production, coordinating sale transactions from the marketing stage through execution of due diligence to close of escrow. Erica conducts market research of quarterly statistical data for the Kansas City metro area to disseminate to investors, and also gathers and coordinates transaction materials such as listing, commission and sales agreements.



**Ava Davis**  
Client Services Coordinator

Ava is a Client Services Coordinator for the CBRE Kansas City Multifamily team, responsible for the production and implementation of marketing collateral for property listings. Ava also coordinates and tracks marketing reports and maintains the team's social marketing platform.