KANSAS CITY, MO

2022 MARKET AT A GLANCE

Occupancy Rate
95.2%
DOWN 40 BPS YOY

Effective Rent
$1,125
UP 4.5% YOY

Rent Share of Wallet
17.9%
UP 30 BPS YOY

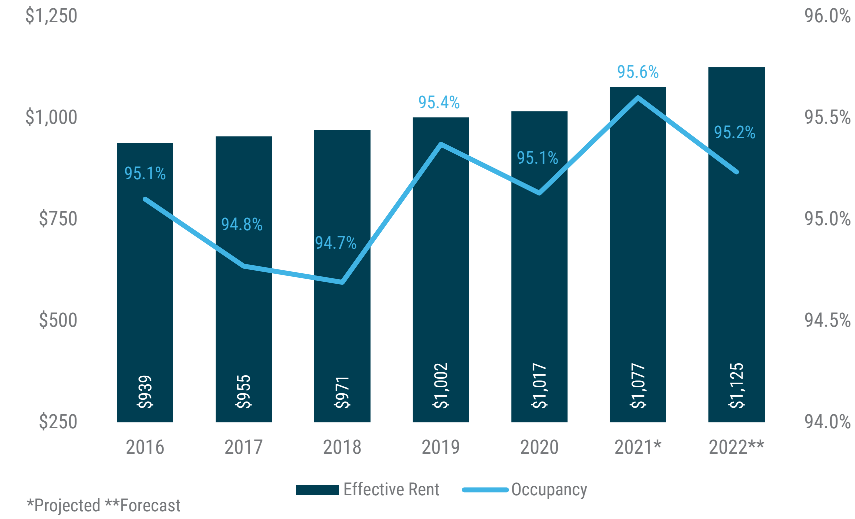
Developers Bullish on K.C. as Population and Fundamentals Continue to Make Headway

Over the past decade, Kansas City's population grew 7.9%, above the 6.9% national rate, benefitting the local multifamily market with developers quick to bolster inventory. Approximately 10% of Kansas City's multifamily inventory was constructed in the past five years. The Central Kansas City submarket received a majority of the new supply, expanding inventory by 6,614 units. Following a 32% inventory expansion from 2016 to 2021, completions in the central business district should soften in 2022 relative to prior years. Builders in Downtown K.C. will add just 571 units of the 4,187 total units metrowide forecast to come online over the next four quarters. Developers will pivot to prioritize completions in suburban neighborhoods where rentals outside Kansas City's city center performed exceptionally well since the pandemic onset, as renters sought lower cost of living and larger floor plans while working remotely. Greater K.C.'s suburbs like Overland Park, Lenexa, and Shawnee will continue to do well coming out of the pandemic. Notably, Overland Park is among the hottest job markets and development is underway on the transformational 200-acre, $1.8 billion Brookridge mixed-use project forecast to generate up to 24,000 jobs. The Aspiria project, a repurposing of the Sprint campus, is gaining momentum; plans call for copious office space, retail, and multifamily. Metrowide, the occupancy rate of 95.2% in the fourth quarter will remain slightly above the annual five-year average on net absorption of 3,339 units in 2022. Landlords will slow rent growth, forecast to end the year at 4.5% compared to 5.9% in 2021.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2021 are projected values. 2022 figures are forecast projections. The apartment sales information represents transactions of apartment properties with a sales price of $2.5 million or more, unless otherwise indicated.

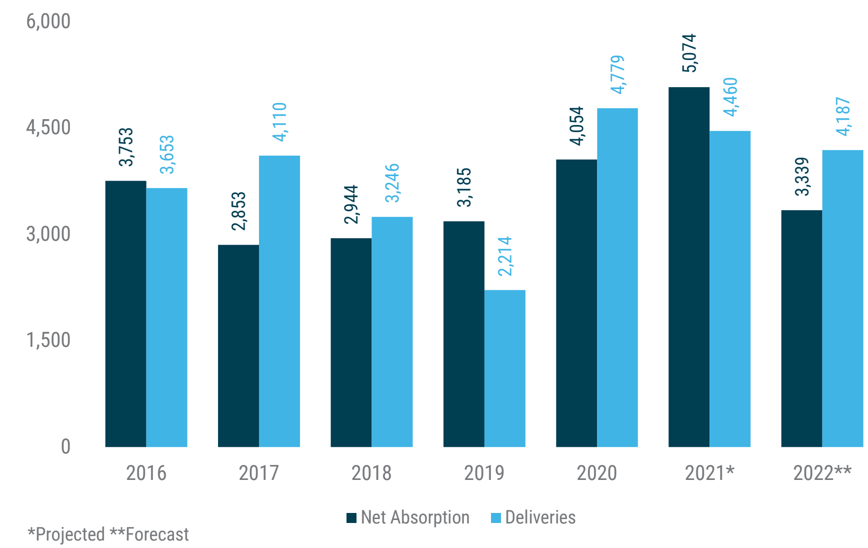
APARTMENT TRENDS

Effective Rent & Occupancy



*Projected **Forecast

Absorption & Deliveries

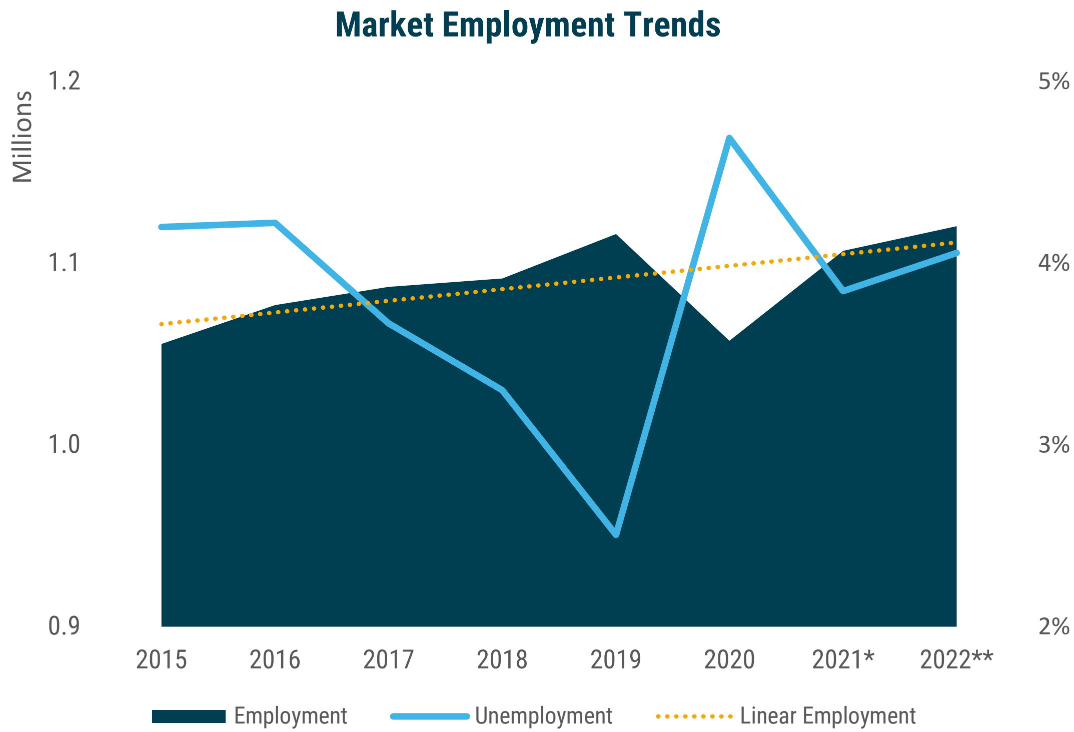


*Projected **Forecast

KANSAS CITY, MO

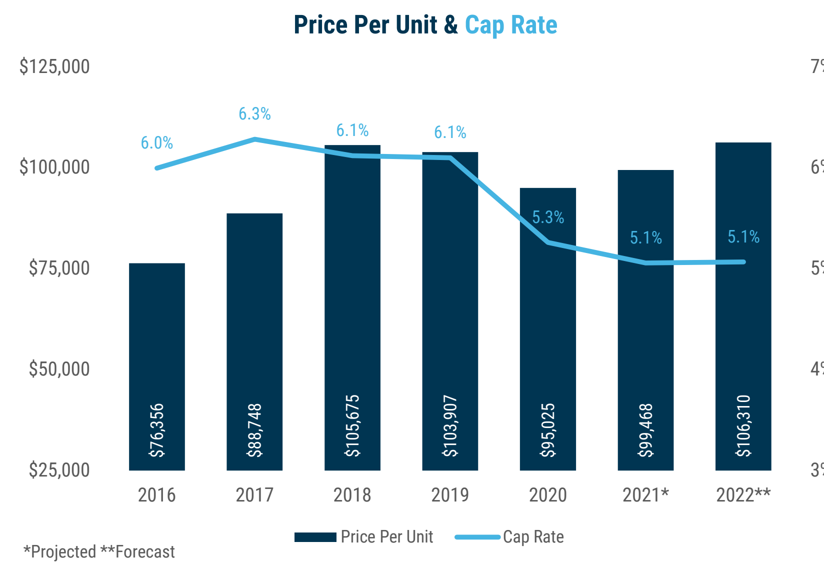
BERKADIA

EMPLOYMENT TRENDS



*Projected **Forecast

SALES TRENDS



*Projected **Forecast

Employment	Unemployment	Median Household Income
1,120,400	4.1%	$75,597
UP 1.2% YOY	UP 30 BPS YOY	UP 3.2% YOY

Price Per Unit	Cap Rate
$106,310	5.1%
UP 6.9% YOY	UNCHANGED YOY