

KANSAS CITY, MO

2023 MARKET AT A GLANCE

Occupancy Rate

95.6%



DOWN 30 BPS YOY

Effective Rent

\$1,263



UP 3.3% YOY

Rent Share of Wallet

18.6%



UNCHANGED YOY

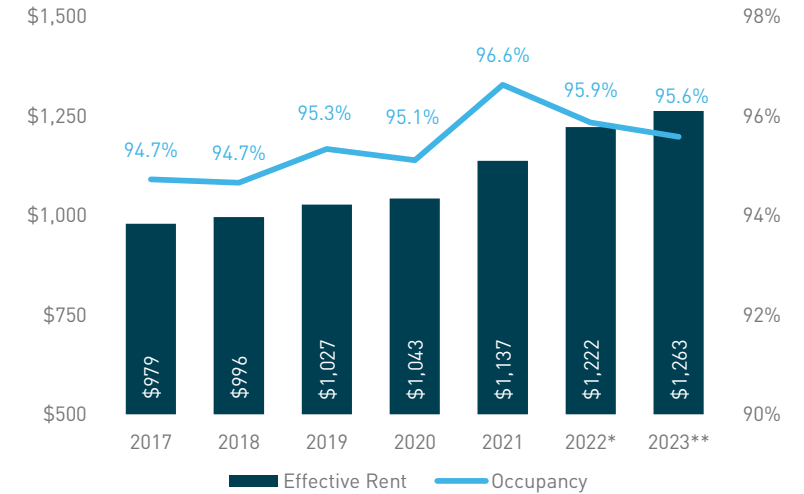
Deliveries Continue at a Brisk Pace Amid Sturdy Fundamentals and Corporate Investments

Kansas City's foothold as a Silicon Prairie metro is drawing high-profile investments such as Panasonic's \$4 billion battery plant and Meta's \$800 million data center. Kansas City's rental market will remain competitive in 2023 underpinned by net migration of 1,300 people seeking employment and more affordable cost of living from higher-priced Midwestern markets like Chicago and Minneapolis. At 3.3%, rent expansion this year will be on par with the U.S. level, while monthly effective rent in the metro will be \$565 below the national average of \$1,827 by the fourth quarter. Despite the addition of nearly 19,000 units in the five years ending 2022 and more than 4,800 units this year, the occupancy rate in stabilized properties is forecast to be 95.6% by year-end, 90 basis points higher than 2017. Economic development in the multifamily area will heighten as builders speed up completions this year amid vigorous rental demand. There are 7,300 units currently underway across 40 projects and another 22,000 in the planning stage. Three new apartment communities will reach lease-up in Overland Park, one of the hottest job markets in the metro. The 600-unit Aspiria in the South Overland Park submarket will be the largest development metrowide. The area's principal employers will help spur leasing activity starting this year like Garmin Limited's headquarter expansion; major tech employer WellSky's expansion at CityPlace; and 1 million square feet at the \$71 million New Century Commerce Center. These Overland Park developments will bring more than 7,200 new jobs over 10 years.

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 2022 are projected values. 2023 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.

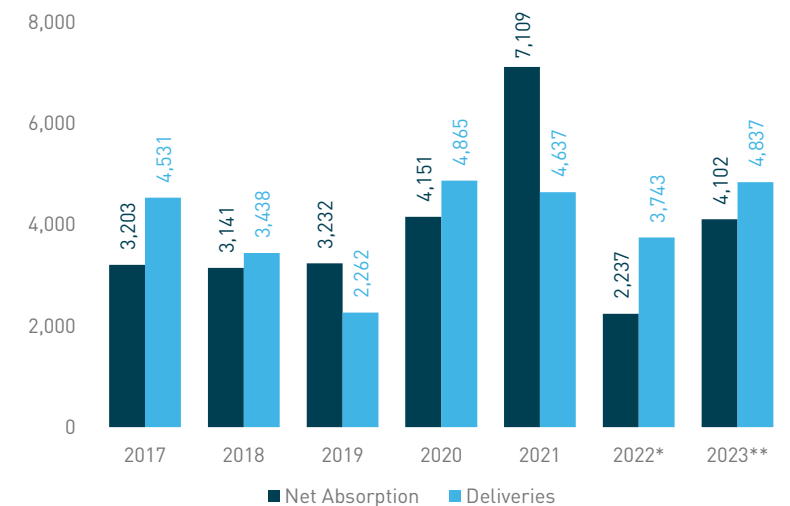
Apartment Trends

Effective Rent & Occupancy



*Projected **Forecast

Absorption & Deliveries

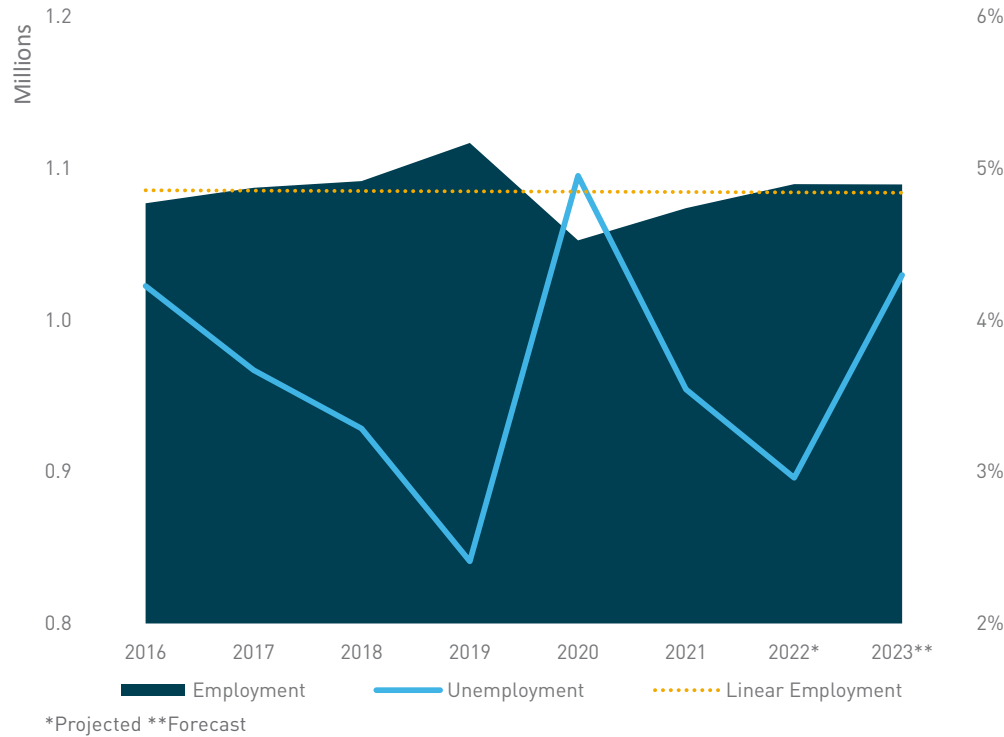


*Projected **Forecast

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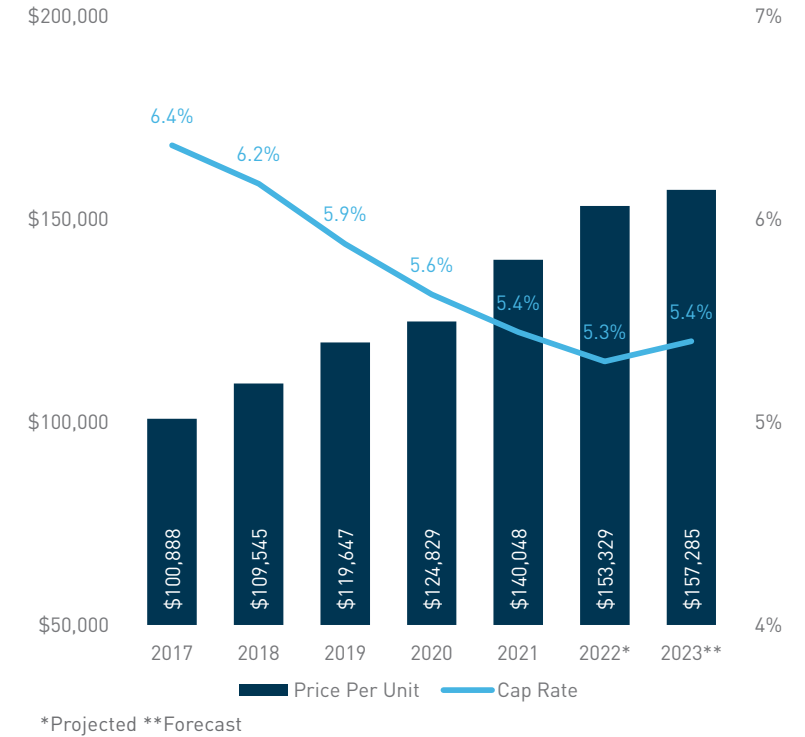
Employment Trends

Market Employment Trends



Sales Trends

Price Per Unit & Cap Rate



<p>Employment</p> <p>1,089,200</p> <p>(=)</p> <p>UNCHANGED YOY</p>	<p>Unemployment</p> <p>4.3%</p> <p>(↑)</p> <p>UP 130 BPS YOY</p>	<p>Median Household Income</p> <p>\$81,496</p> <p>(↑)</p> <p>UP 3.5% YOY</p>
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<p>Price Per Unit</p> <p>\$157,285</p> <p>(↑)</p> <p>UP 2.6% YOY</p>	<p>Cap Rate</p> <p>5.4%</p> <p>(↑)</p> <p>UP 10 BPS YOY</p>
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