



MULTIFAMILY REPORT

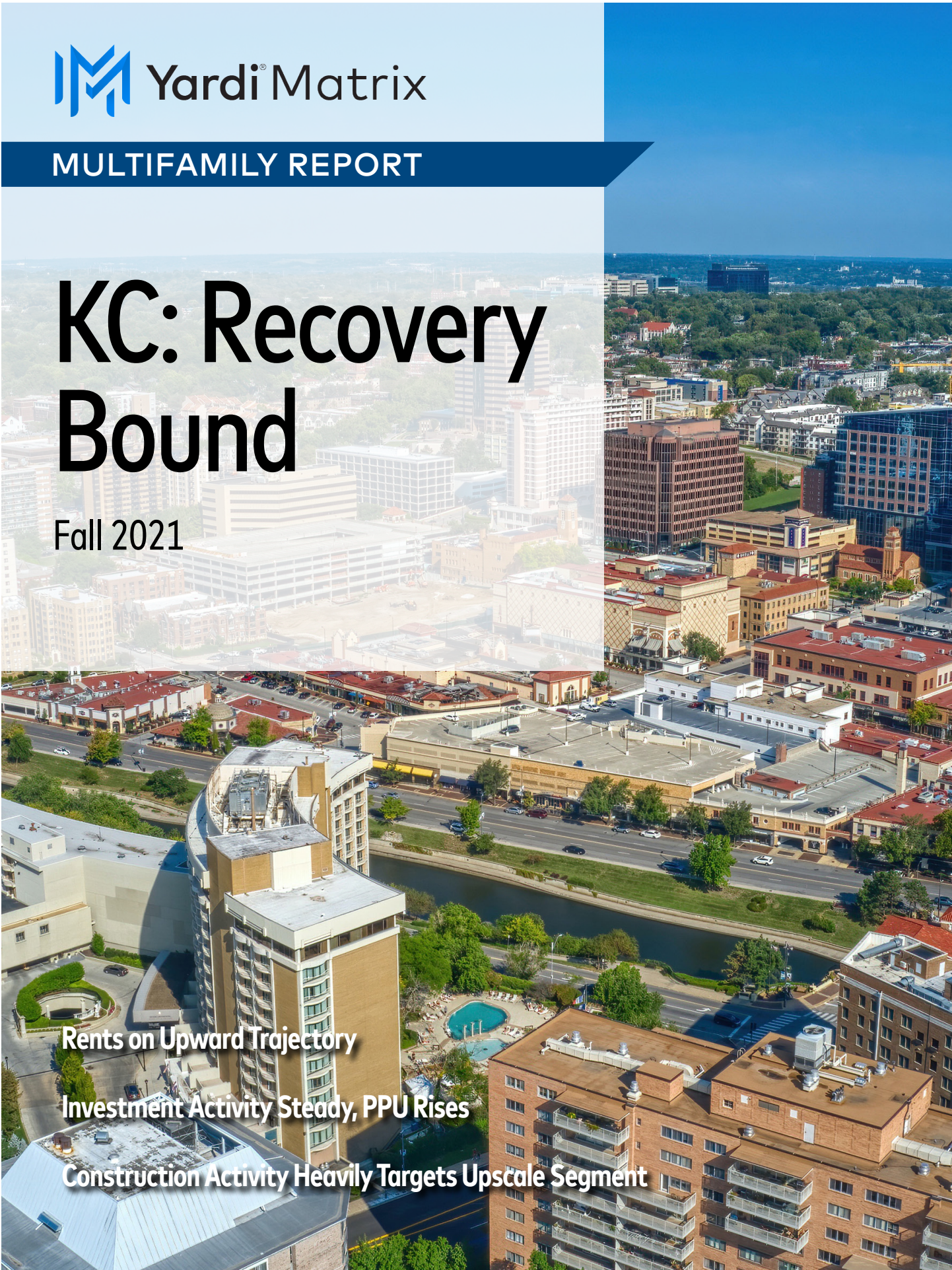
# KC: Recovery Bound

Fall 2021

Rents on Upward Trajectory

Investment Activity Steady, PPU Rises

Construction Activity Heavily Targets Upscale Segment



# KANSAS CITY MULTIFAMILY



## Kansas City Expects a Bright Recovery

Kansas City's multifamily market continued its path to recovery that began during the summer. As of October, rents in the metro were up 0.6% on a trailing three-month basis, to \$1,099, below the \$1,572 national average. RBN assets remained in constant demand, while Lifestyle growth accelerated over the past two quarters. Year-over-year, rents in Kansas City were up 7.0%.

Unemployment in the metro reached 3.5% in September, according to Bureau of Labor Statistics preliminary data, highlighting the city's eagerness to recover ground lost in 2020. Some 48,900 net jobs were gained over a 12-month period ending in August, up 5.0%. The leisure and hospitality sector added the most jobs (20,800), but the metro's largest sectors—trade, transportation and utilities, and professional and business services—also saw positive gains. Of the \$194 million granted through the American Rescue Plan Act, Kansas City has received half, with the second distribution expected in May. The city committed more than \$15.6 million to support disproportionately impacted communities.

Developers shifted their focus due to the increased demand for Lifestyle properties. Kansas City had 7,492 units under construction as of October, with the Lifestyle segment comprising 93.9% of the pipeline. Investment sales generated \$471 million over the first ten months of the year.

## Market Analysis | Fall 2021

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### Recent Kansas City Transactions

#### SouthRidge



City: Kansas City  
Buyer: Beitel Group  
Purchase Price: \$48 MM  
Price per Unit: \$130,273

#### 79 Metcalf



City: Overland Park  
Buyer: 29th Street Capital  
Purchase Price: \$46 MM  
Price per Unit: \$165,750

#### CityView



City: North Kansas City  
Buyer: KC Venture Group  
Purchase Price: \$46 MM  
Price per Unit: \$208,108