



Understanding the State of the KC Housing Market

May 26, 2026

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Regional Housing Partnership





Greater Kansas City
Regional Housing Partnership

Demographics

Income

Education

Race

Household Size

Supply

Stock

Occupancy

Age

LIHTC

Housing Problems

Overcrowding

Housing Costs

Rental Costs

Owner Costs

Cost Burden

Lending

Housing Data Hub

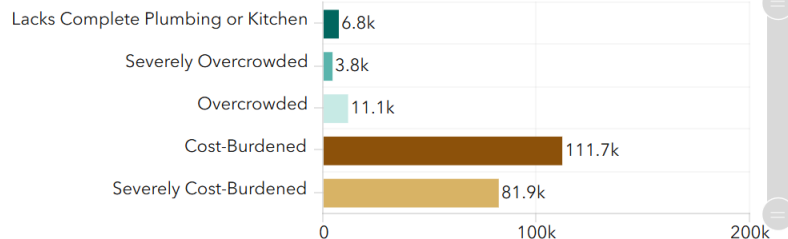
Housing Problems by Census Tract

Filter by State

Loading...

Number of Occupied Housing Problem Type

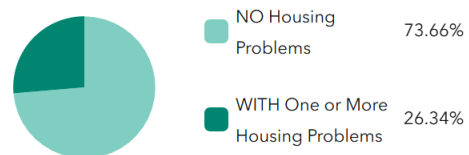
for Selected Geography



Type | Income | Race | Tenure

Percent of Occupied Housing Units with Housing Problems

for Selected Geography



Percent

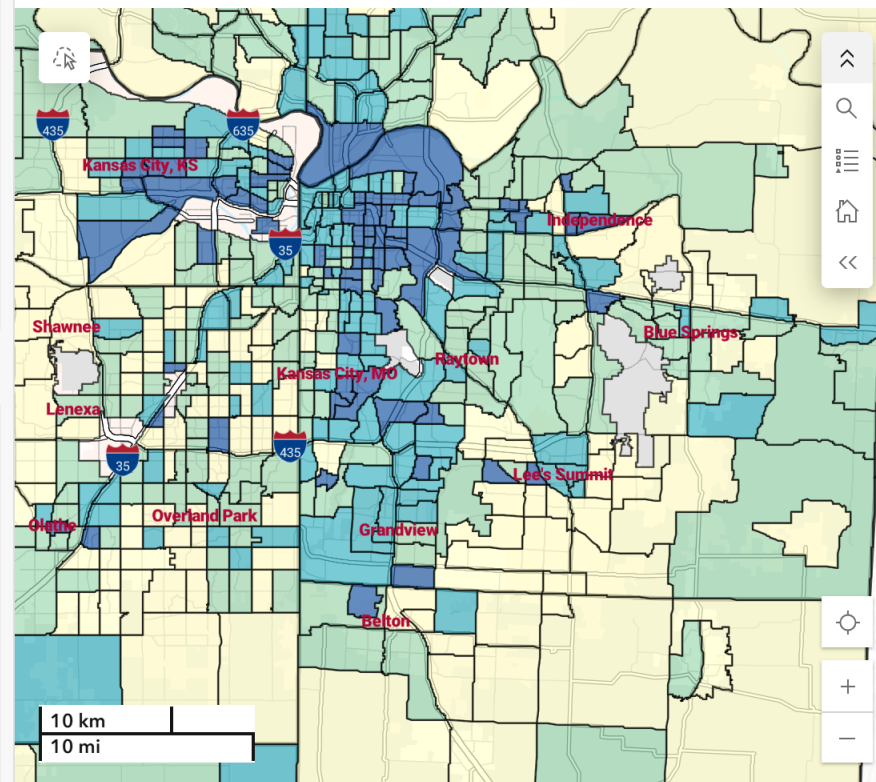
Map Legend

% of Occupied Housing Units with At Least 1 Housing Problem

% of Occupied Housing Units with At Least 1 Housing Problem



Percent of Occupied Housing Units with Housing Problems by Census Tract



Esri, CGIAR, USGS | Mid-America Regional Council

Powered by Esri

Use the button in the upper-left corner of the map to select a custom geography. Charts will adjust based on selection.

Data Source for this page is Comprehensive Housing Affordability Strategy (CHAS) data. In this dataset, HUD defines housing problems as lacking complete kitchen or

Change Geography Level:

Tract

City

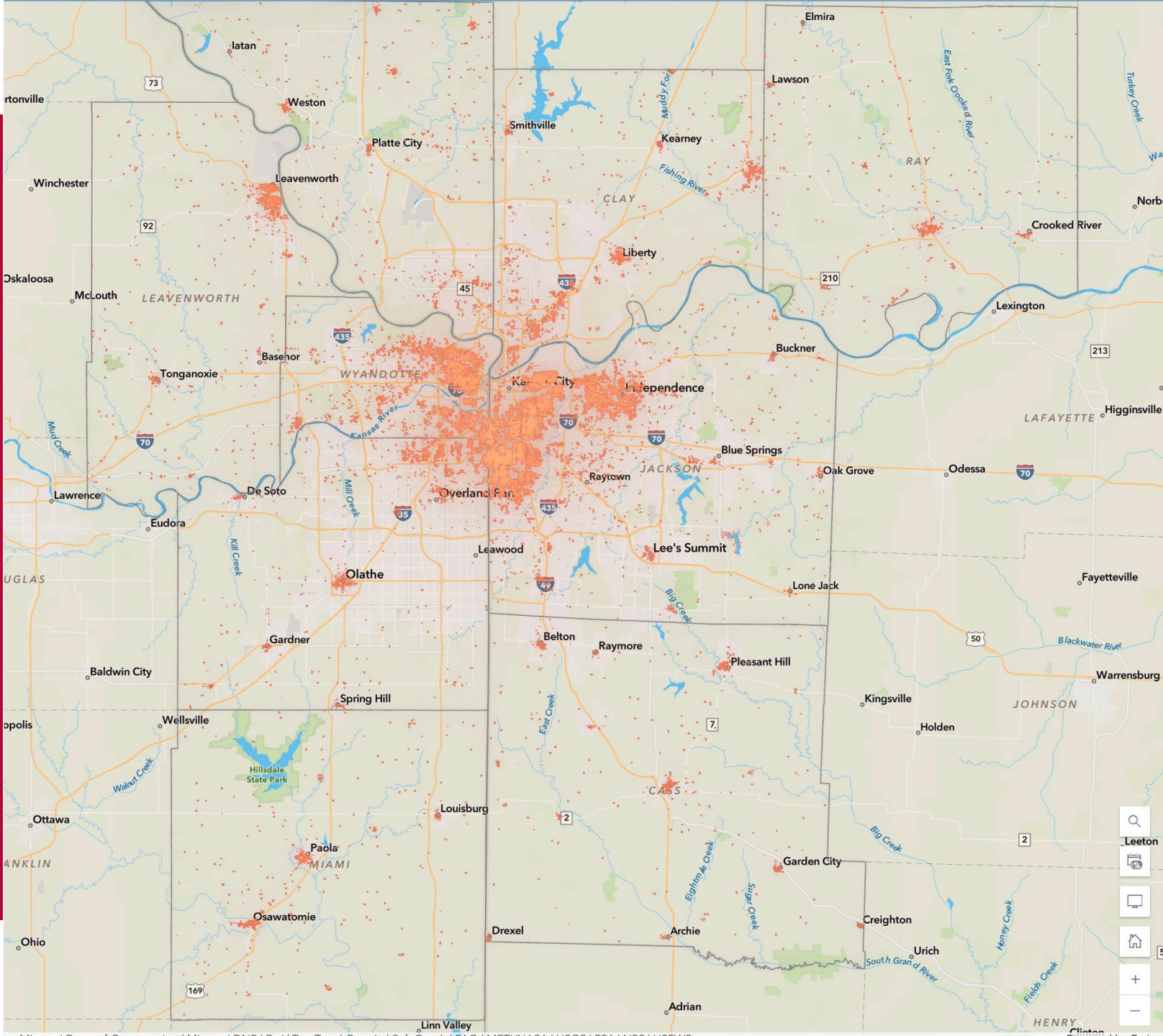
County



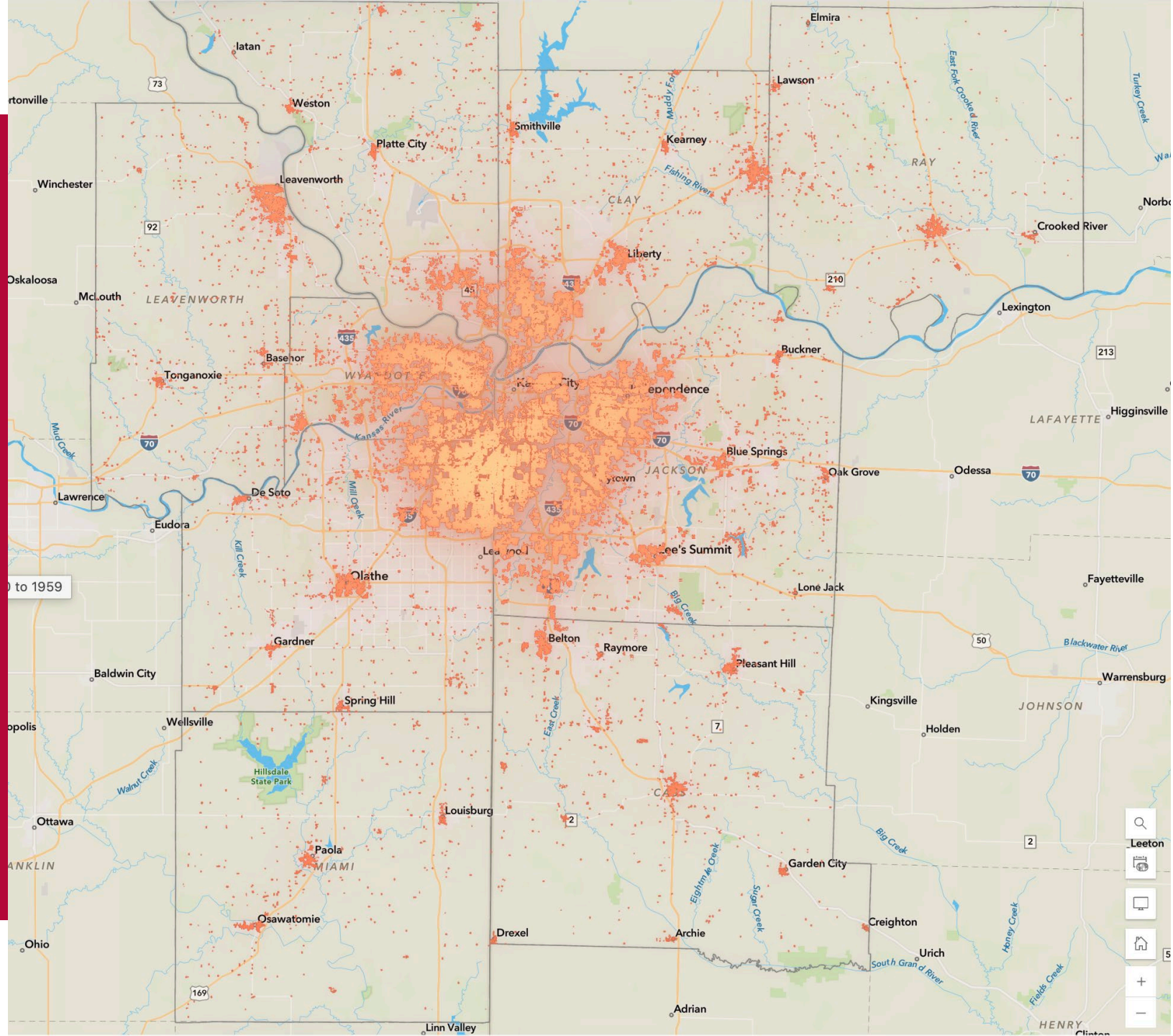


Historical Context

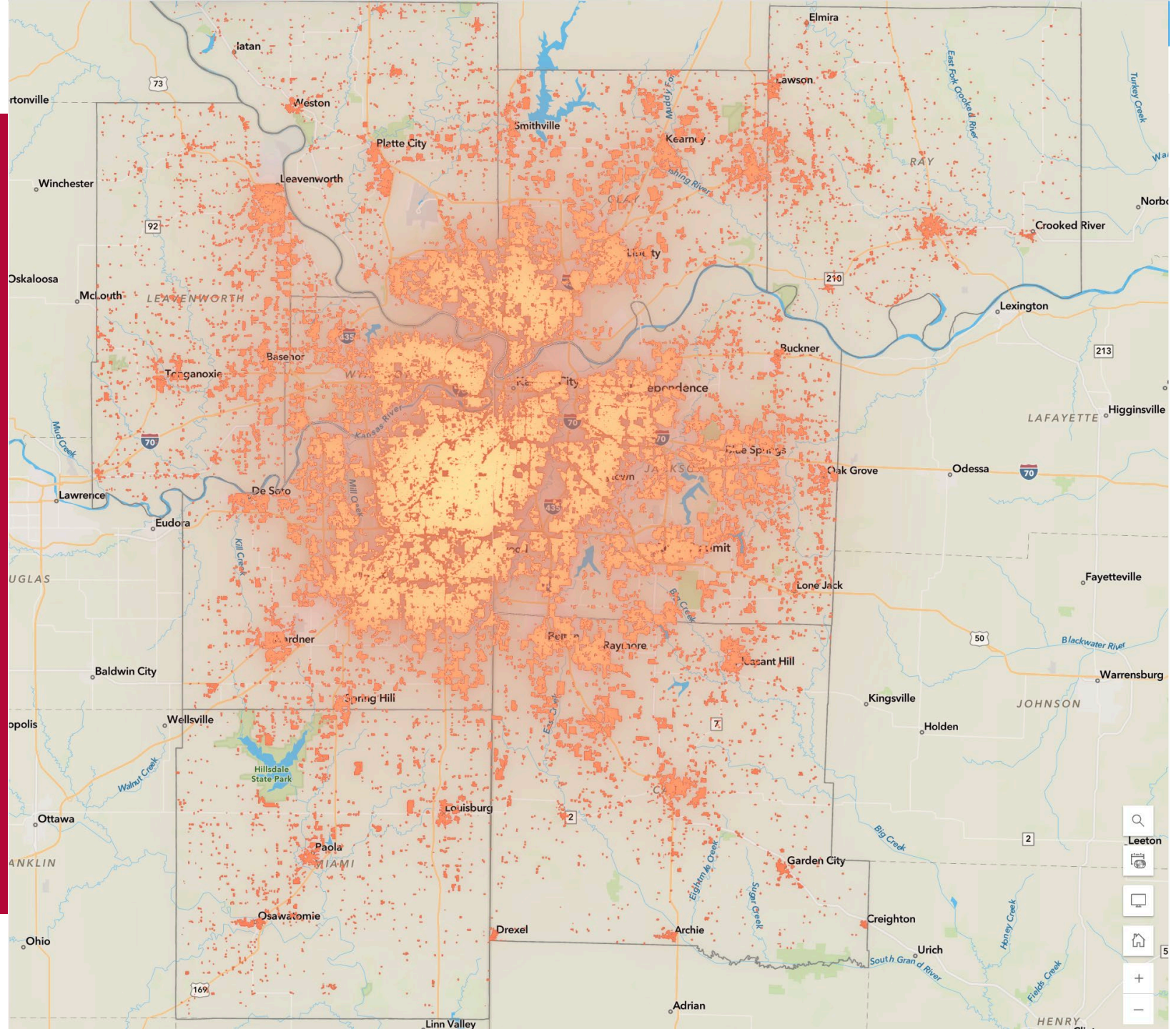
Developed area in 1940.



Developed area in 1970



Developed area
today



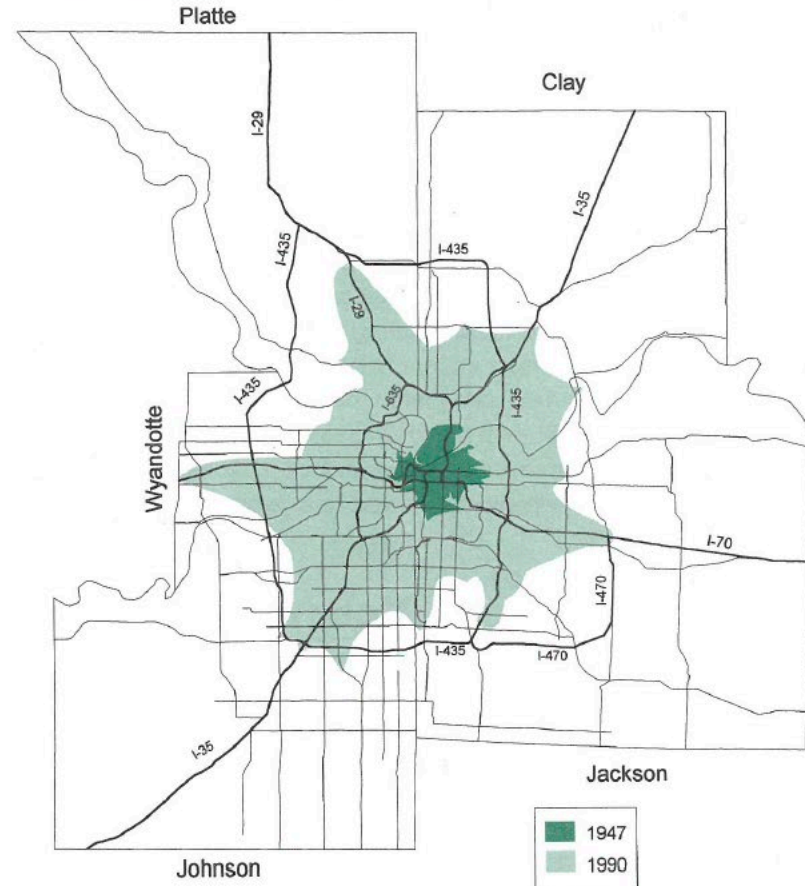
Of course, none of this happens without policy decisions to expand infrastructure and vastly increase the amount of land accessible to jobs and available for development

MAP 5

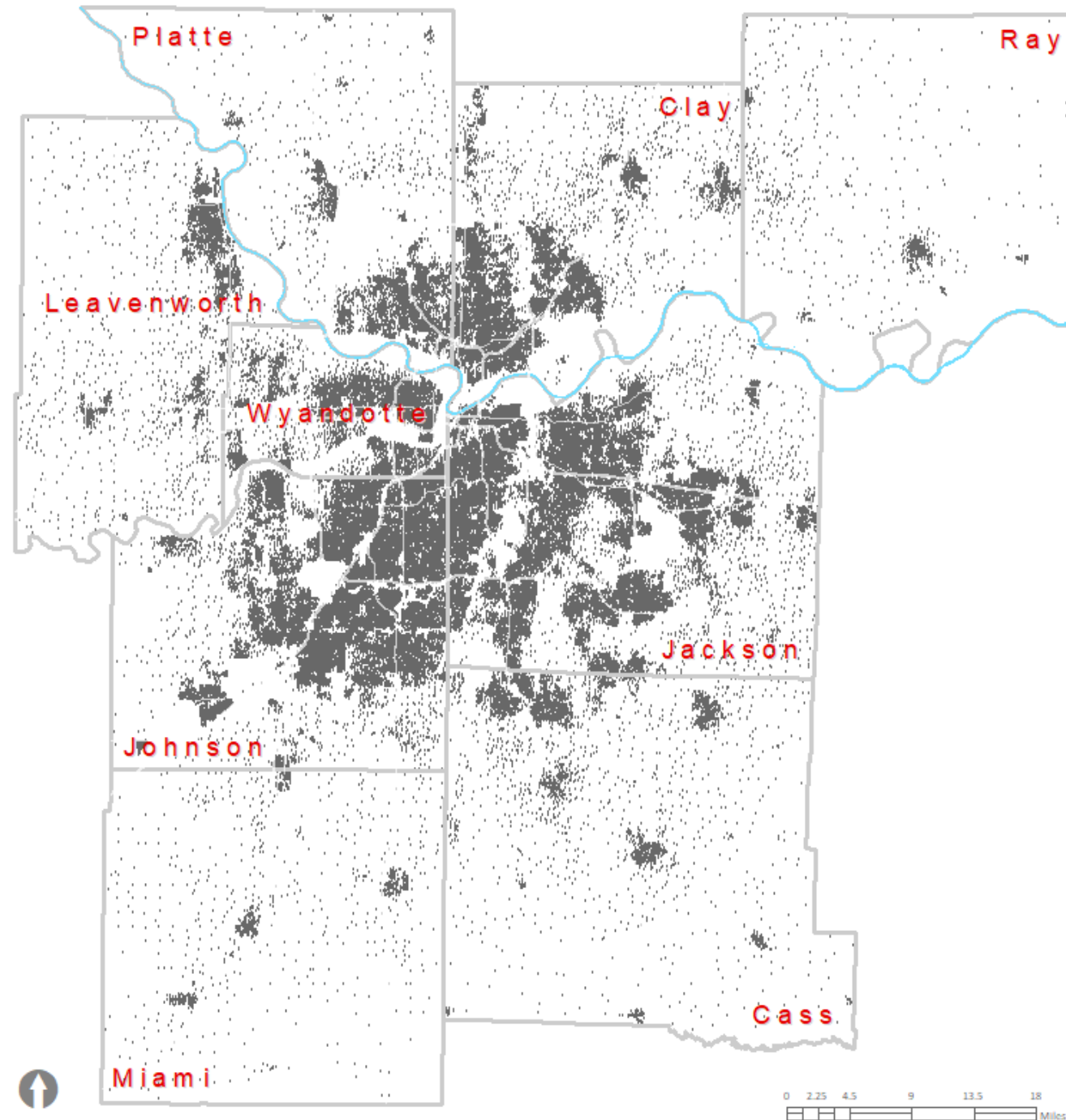
**Travel Distance
From Downtown
in 20 Minutes
1947 vs 1990**

Improvements to the highway system vastly increased the amount of land accessible to jobs and available for development.

*Source: Kansas City, Missouri,
Plan Commission, MARC*



It's a pattern of development where land and housing are relatively cheap, but infrastructure is not, and transportation costs rival housing costs in some parts of the region.



**Population Density
by Census Block**
1 Dot = 25 people

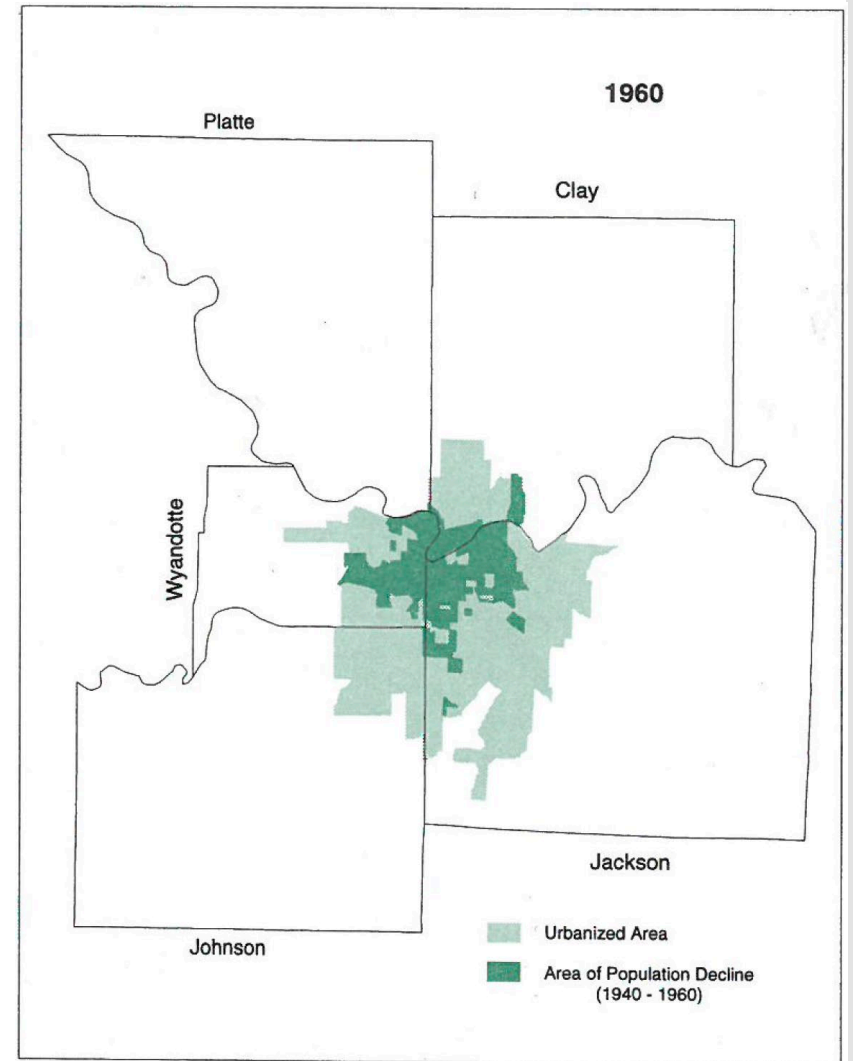
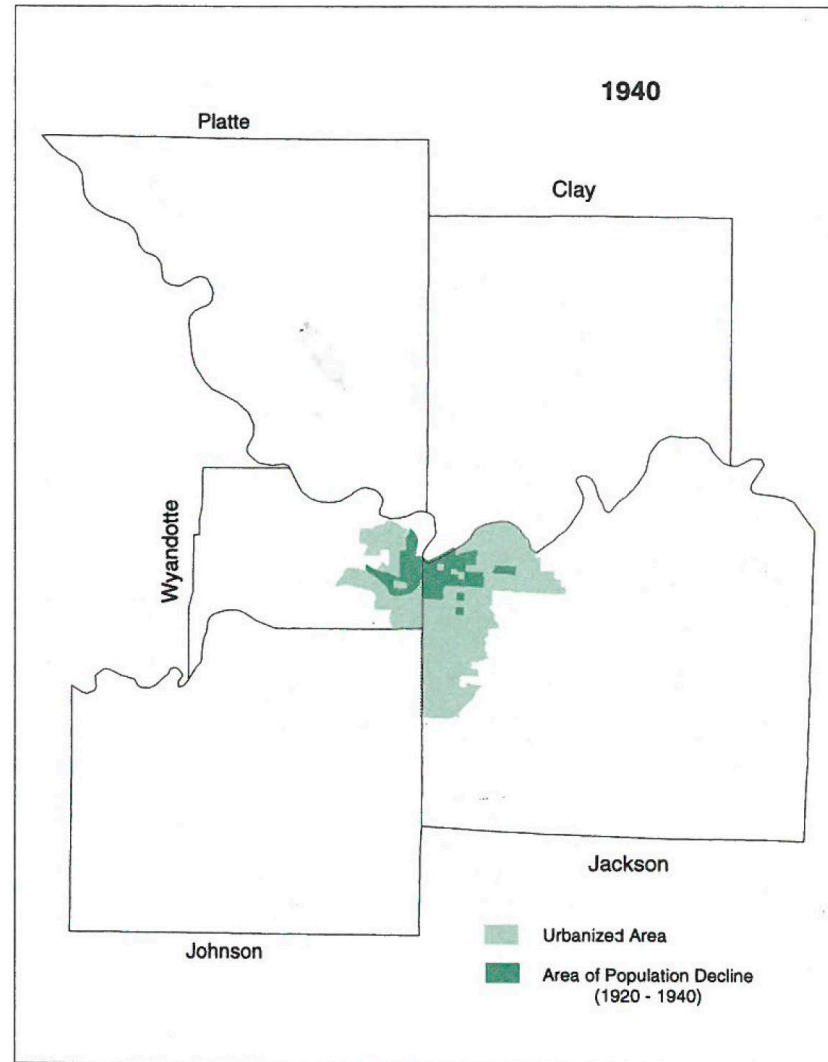
- Population
- County Boundaries

Source: Census 2020 Redistricting Data

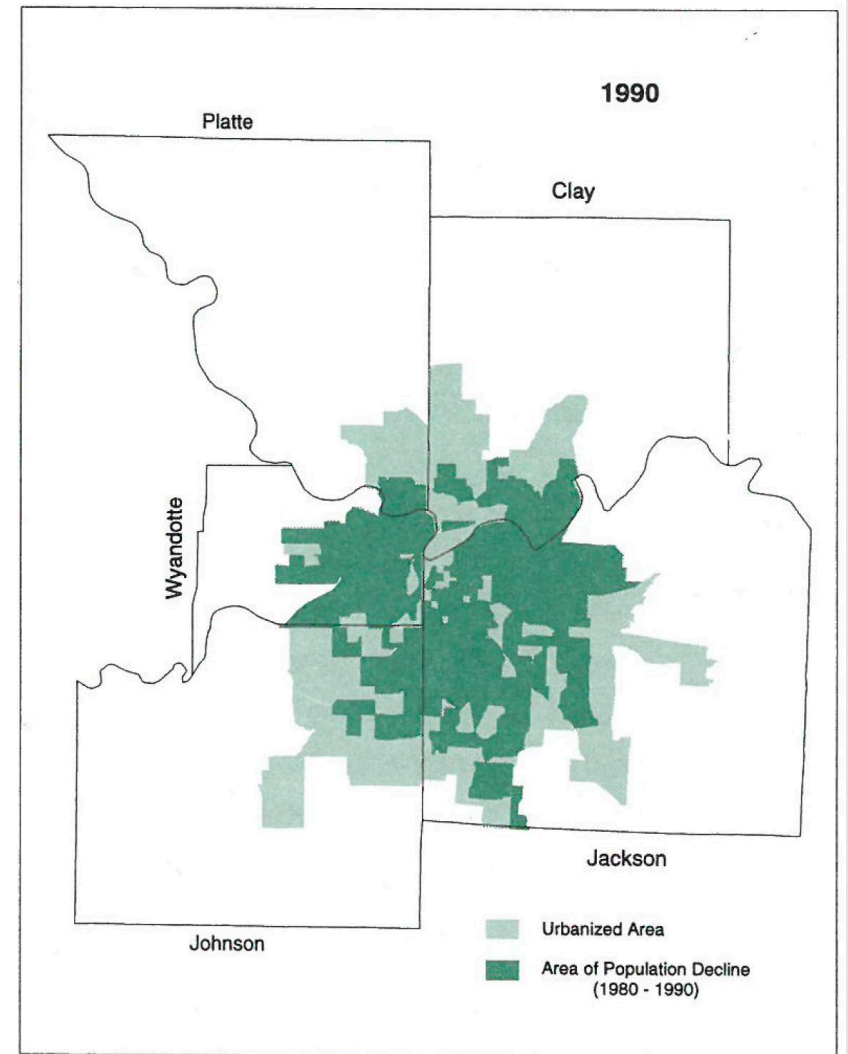
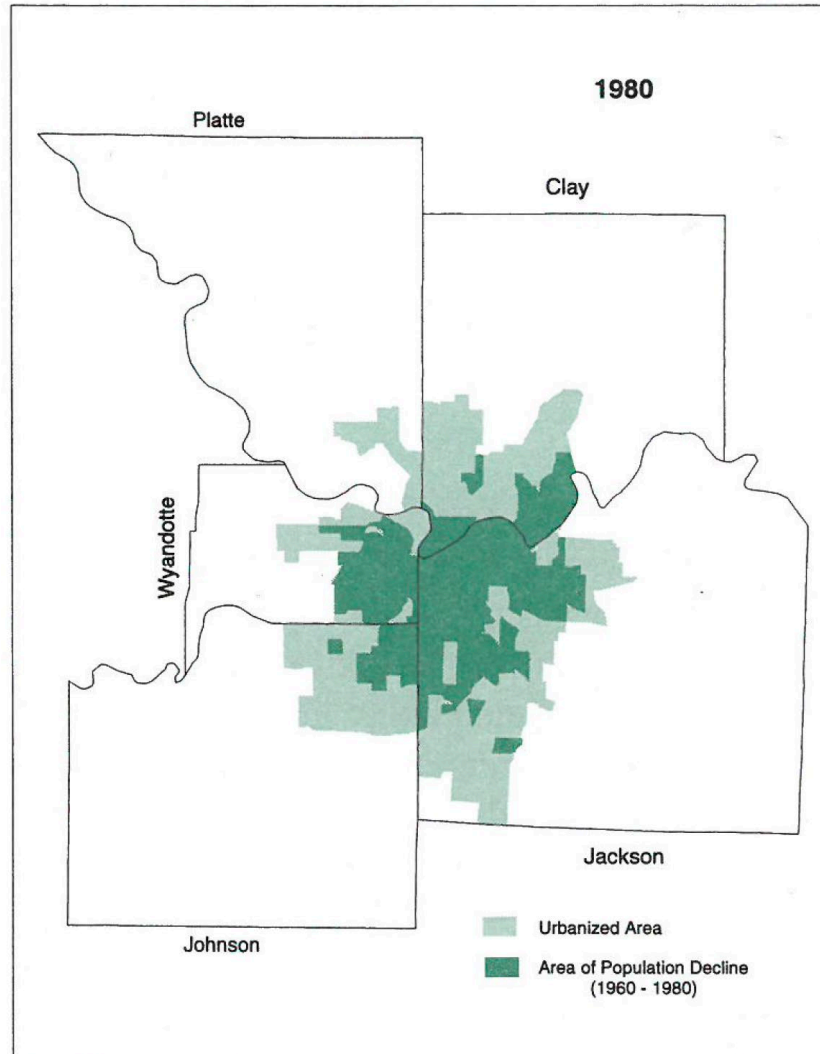


But outward expansion is only half the story.

The other half is a history of inward decline



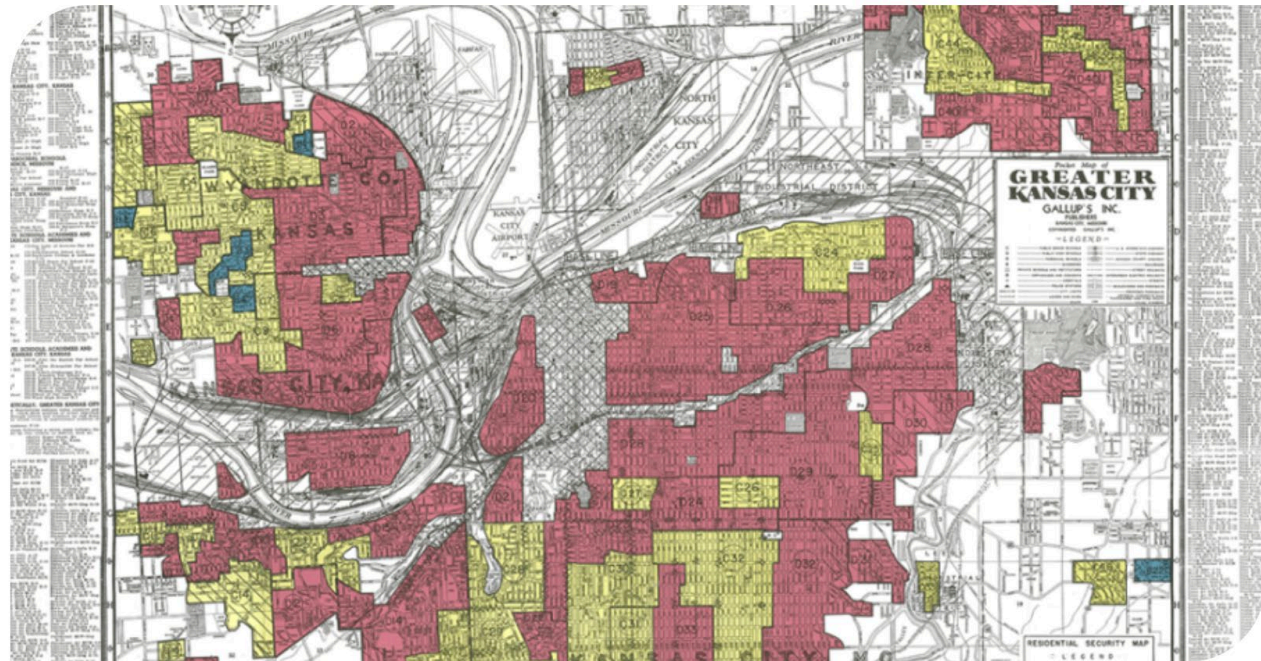
And the area of decline was spreading faster than the area of growth



This pattern was fueled by different, policies, ones that concentrated poverty and people of color in the cores of our central cities

The history of racial discrimination in housing still impacts the Kansas City region today

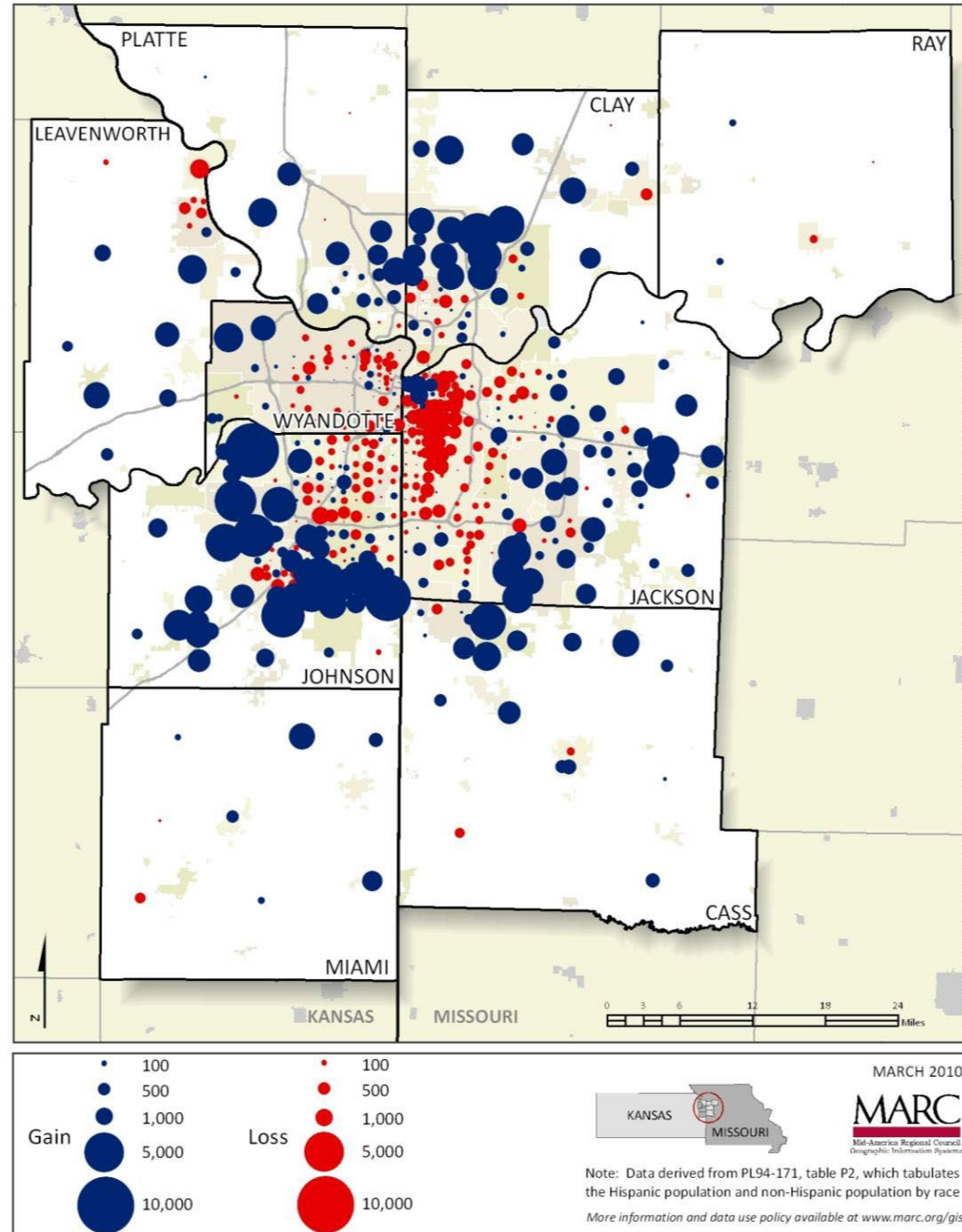
Mar 02, 2023 | Posted in [Economy & Housing](#)



<https://www.marc.org/news/economy/history-racial-discrimination-housing-still-impacts-kansas-city-region-today>

This pattern growing outward while declining inward largely continued through 2010.

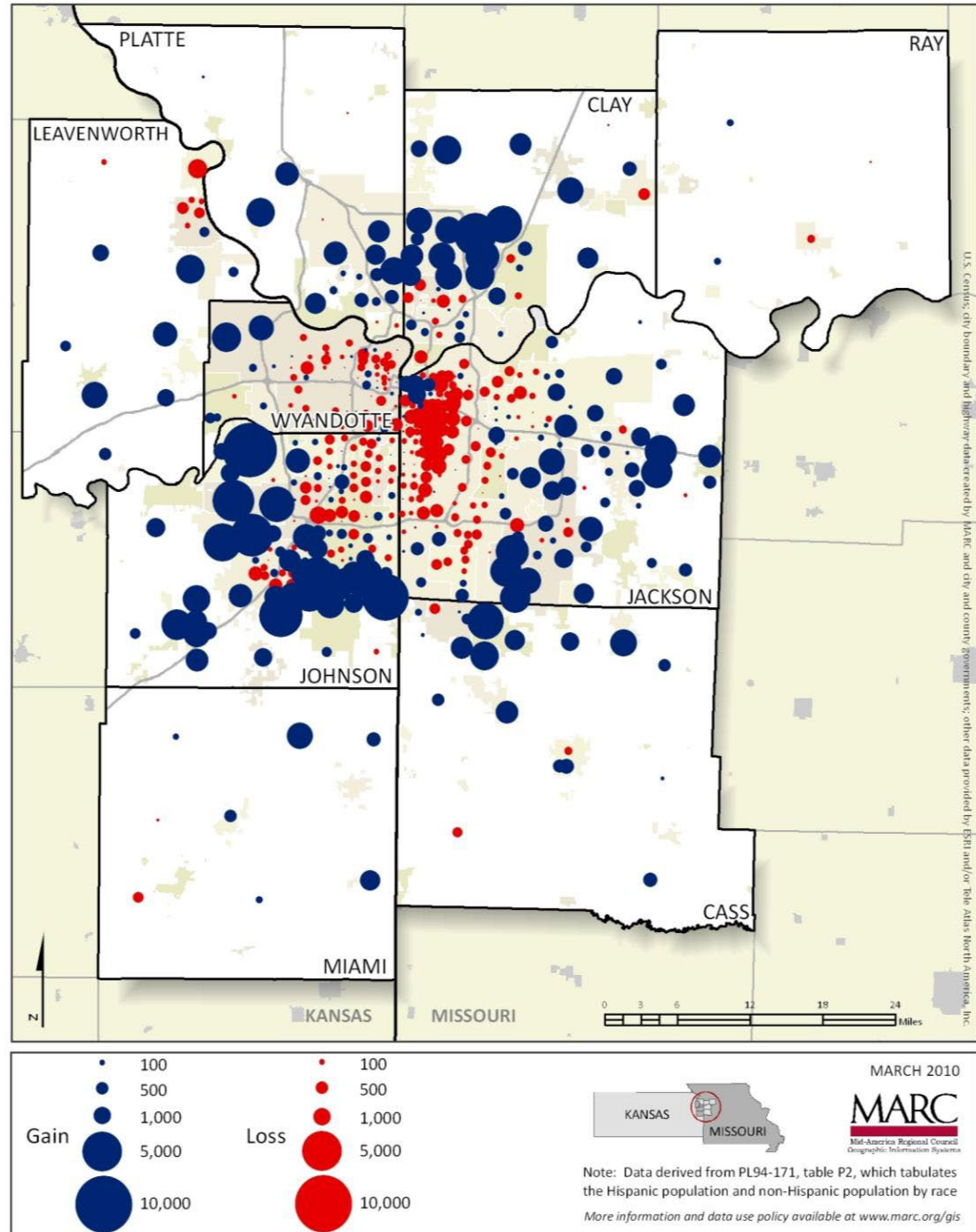
2000-2010 Population Change by Census Tract



Except around downtown, thanks to pro-housing policy to subsidize warehouse conversions.

By 2020, the pattern of population changed from this...

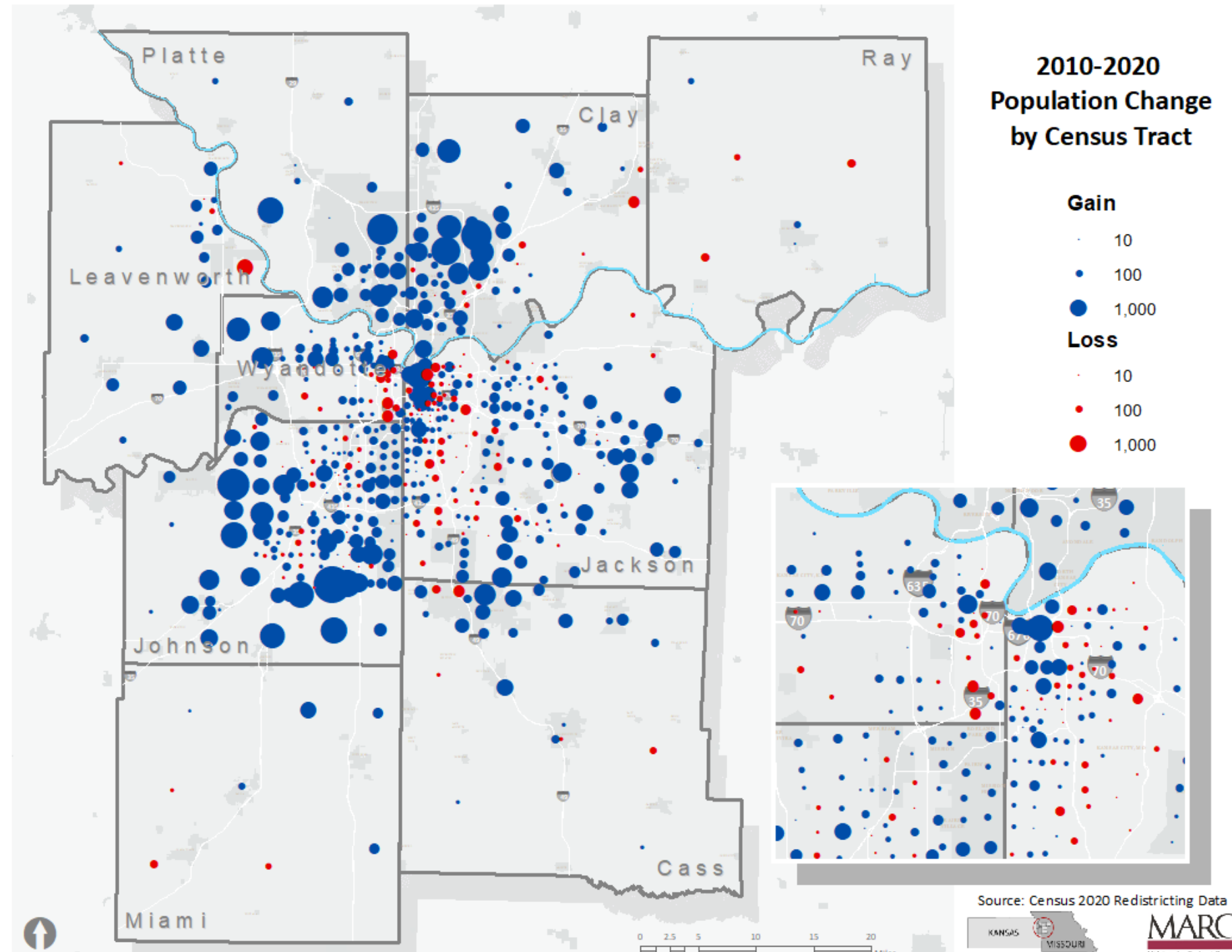
2000-2010 Population Change by Census Tract



To this.

Instead of a region with a declining core and growing suburbs, we have made much progress toward a region where all parts are healthy, at least in terms of their ability to attract population.

What drove this transformation?





Demand

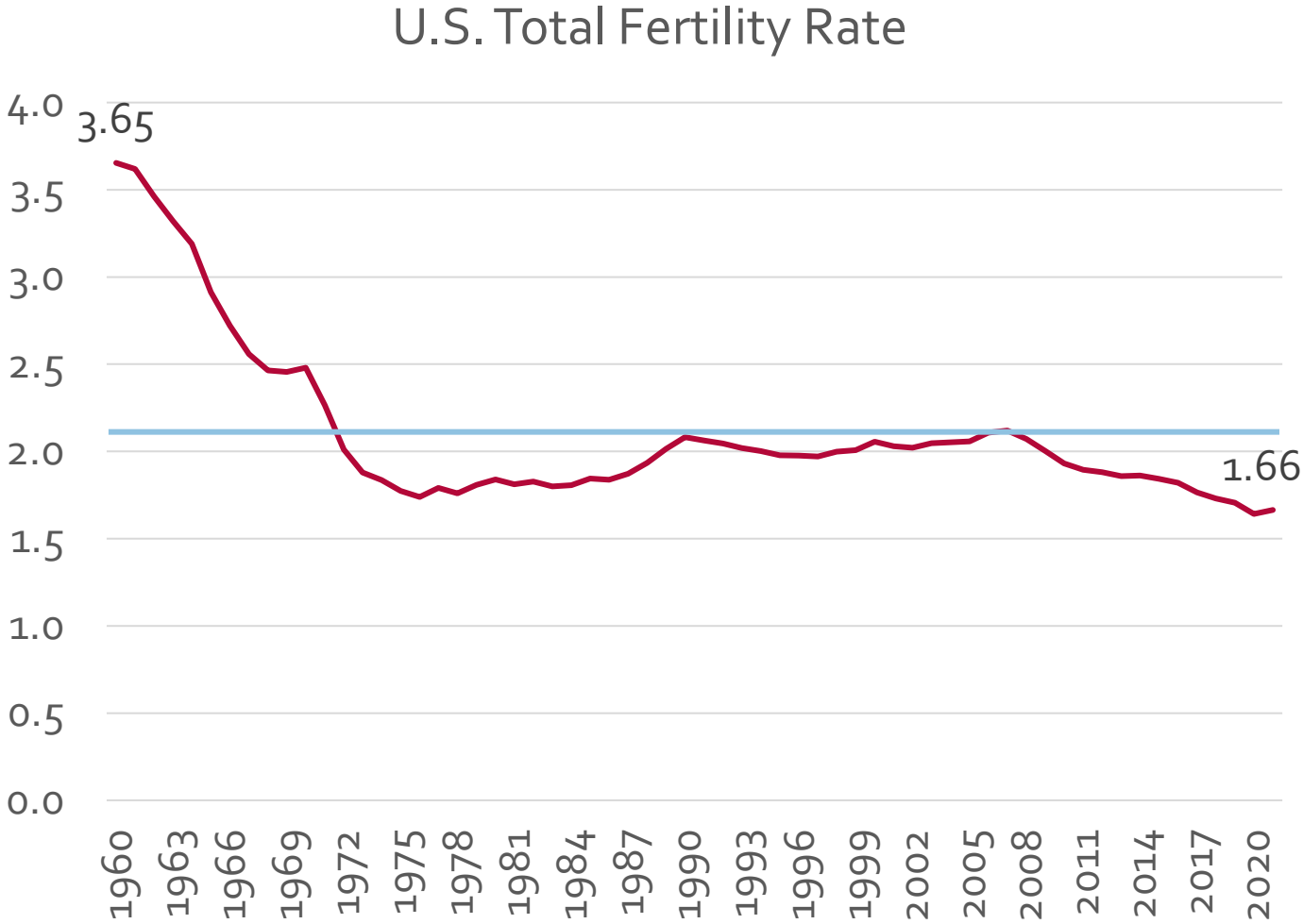
Demographic forces are changing housing demand

We need more housing, yes,
but also of a wider variety of
types that reflect the greater
diversity of ages.

Demographic forces are changing housing demand

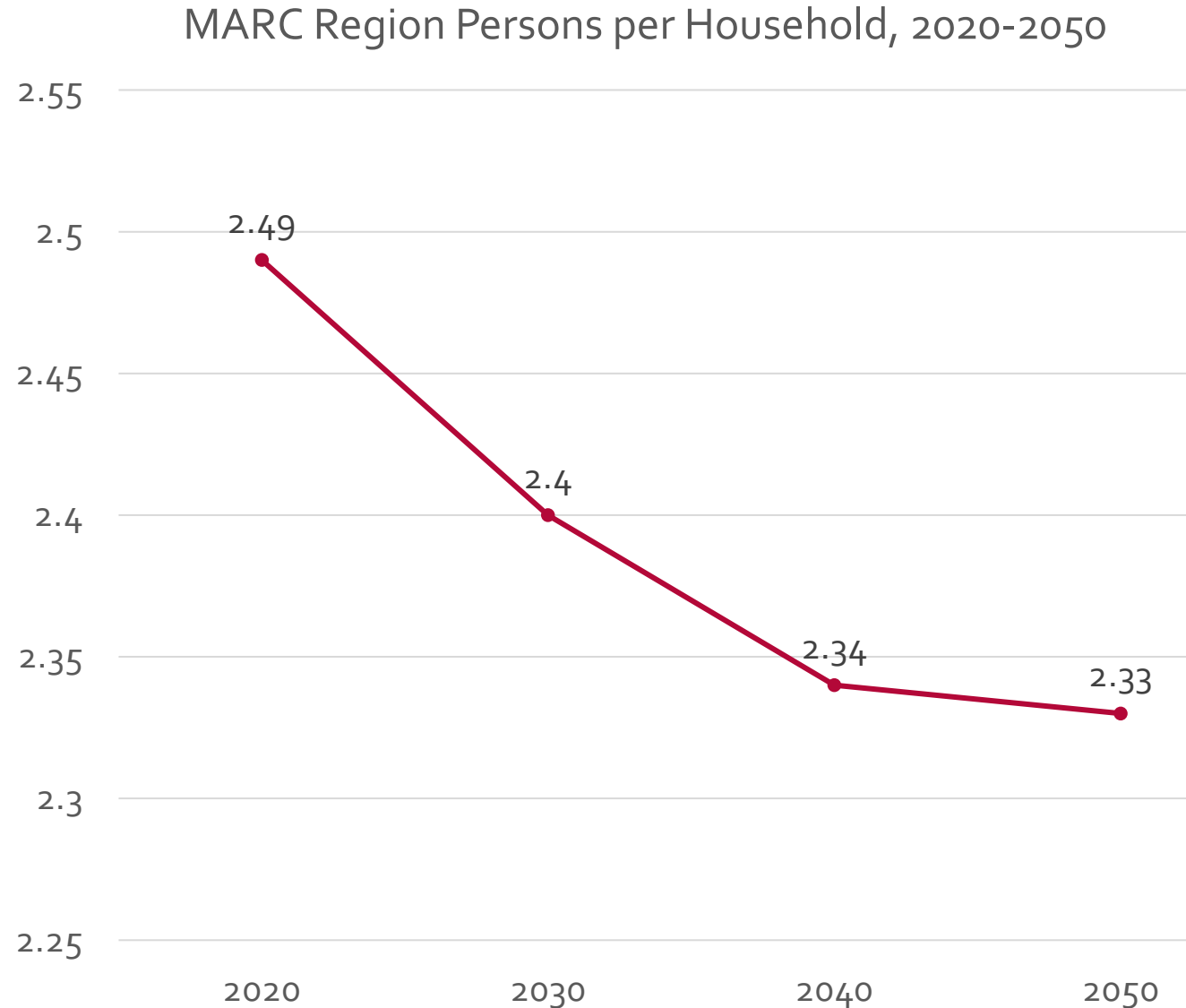
Retiring Baby Boomers and
their children (Millennials)
fueled growth in demand for
multi-family units

Fertility rates continue to drop despite economic recovery from the Great Recession



The Result: Smaller households

Declining fertility, an aging population, and lower immigration are all combining to create region where growth is slowing and household size is declining.



Accommodating these trends required different policy choices.

- Local governments began planning for reinvestment and revitalization as much as new development (e.g., Vision Metcalf).

Visualizations

Powerful tools to communicate neighborhood scale changes



Troost & Armour
Kansas City, MO

Noland Road and Hwy 350



Noland Road Visualization, Fregonese Associates

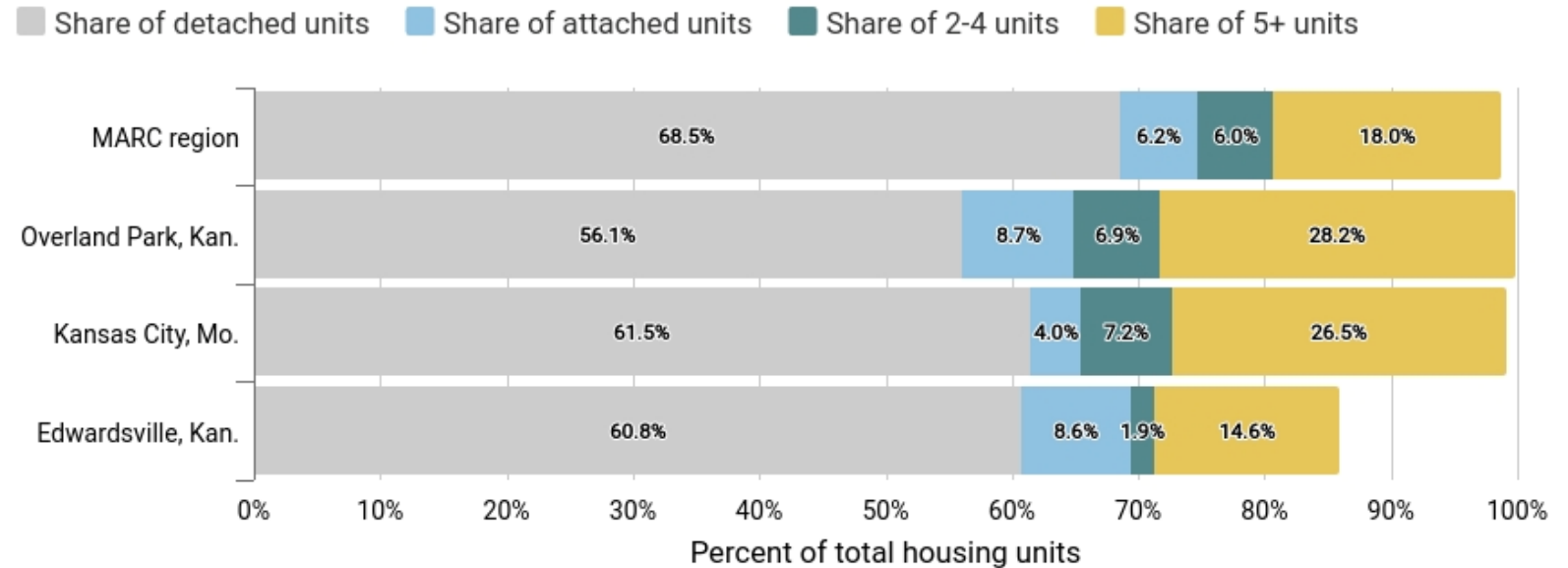
People liked this.

These visualizations revealed a demand for something different, resulting in a different composition of housing.

Now, some suburban communities have densities rivaling central cities.

Housing structure composition across urban, suburban and rural contexts

Shares shown for the nine-county metro area, Kansas City, Mo. (urban core), Overland Park, Kan. (suburban), and Edwardsville, Kan. (rural*). Categories ordered from lower- to higher-density housing types.



Source: ACS 5-year 2020-2024. Detached units excludes mobile homes/RVs. Totals may not add up to 100% because of this. *Rural cities are defined by the Census Bureau as having a population of less than 5,000 residents or 2,000 housing units -- Edwardsville, Kan. has both.

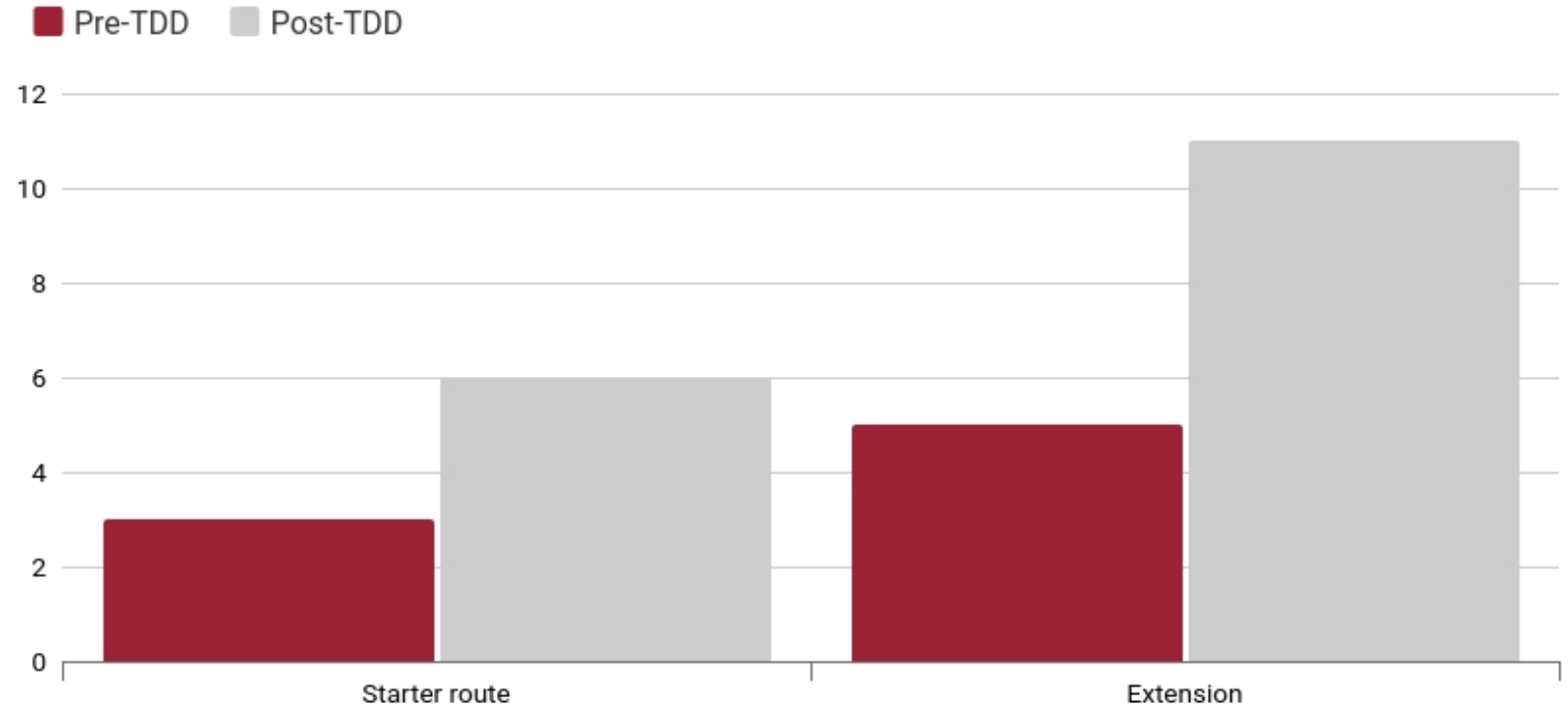
marc.org

<https://www.marc.org/news/economy-housing/how-preapproved-building-plans-can-reform-small-scale-housing-production>

Kansas City, Missouri created a TDD for the streetcar. This unleashed \$2B of investment along the corridor and doubled the prior pace of new construction permits.

Average annual new construction permits

Pre- and post-establishment of the Transportation Development District (TDD).



Pre-TDD baseline periods differed by route: the starter line baseline covered 2010-2011 to exclude Great Recession impacts; the extension covered 2010-2016.

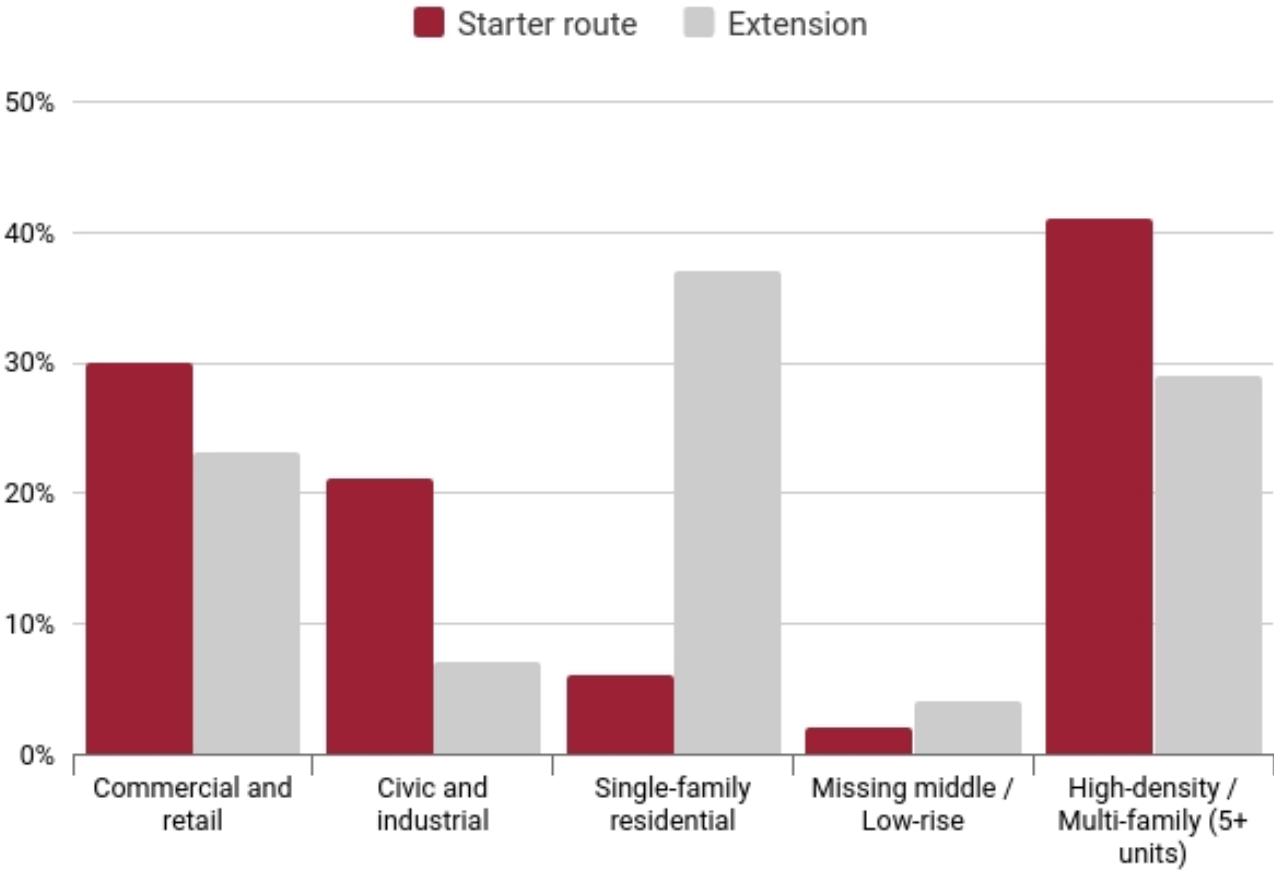
www.everviz.com

<https://www.marc.org/news/data-maps/streetcar-doubles-pace-new-construction-permits>

Mainly by reinforcing existing character, rather than changing it.

Permit mix by phase

Share of total permits by type, for each corridor segment



Building permits were collected from 2010 to the most recent available (May 2025) from the city of Kansas City's Open Data KC portal.

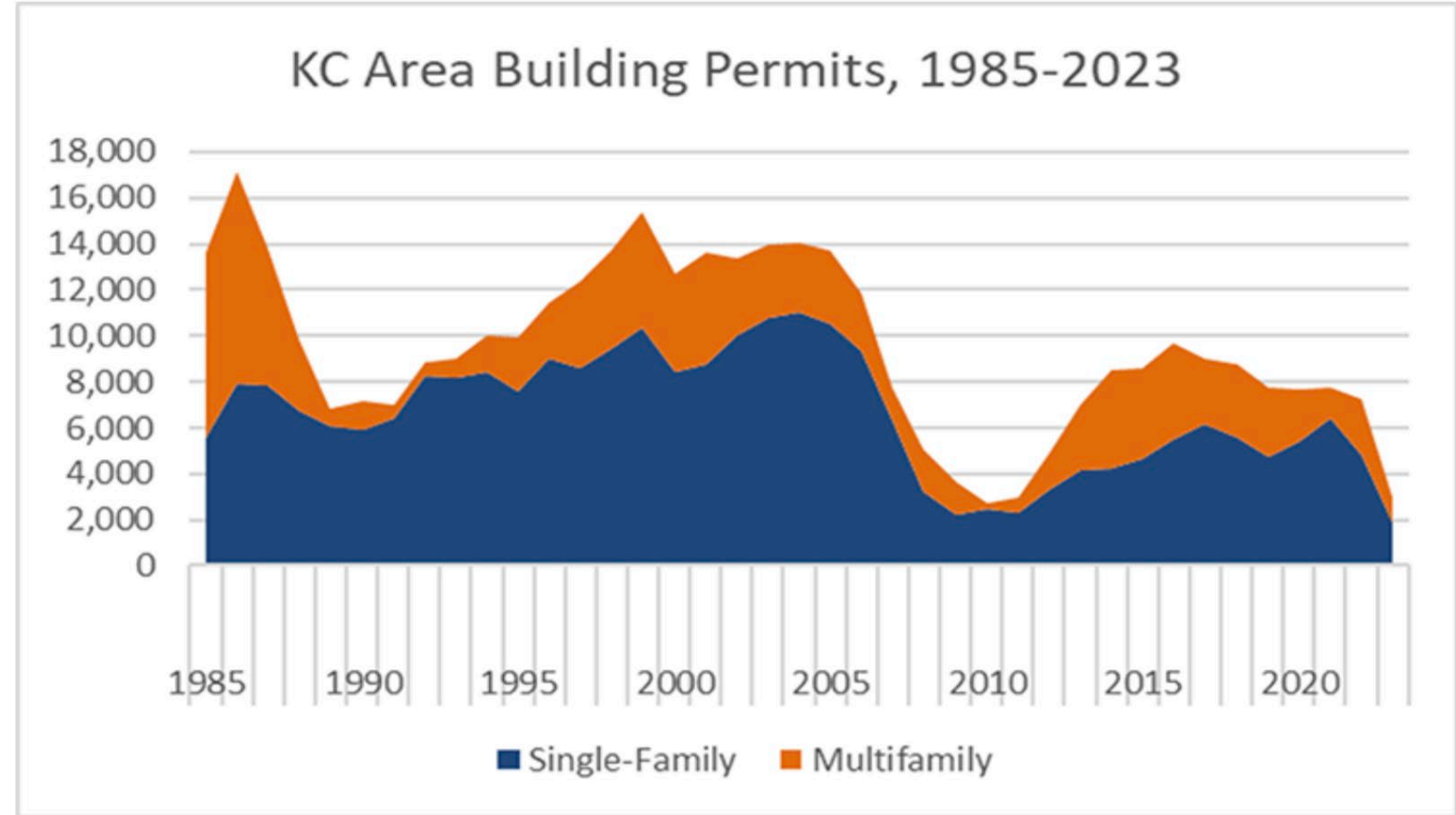
marc.org



Supply

Despite a region continuing to grow near historical averages, **we are producing housing at half the rate we did before the Great Recession.**

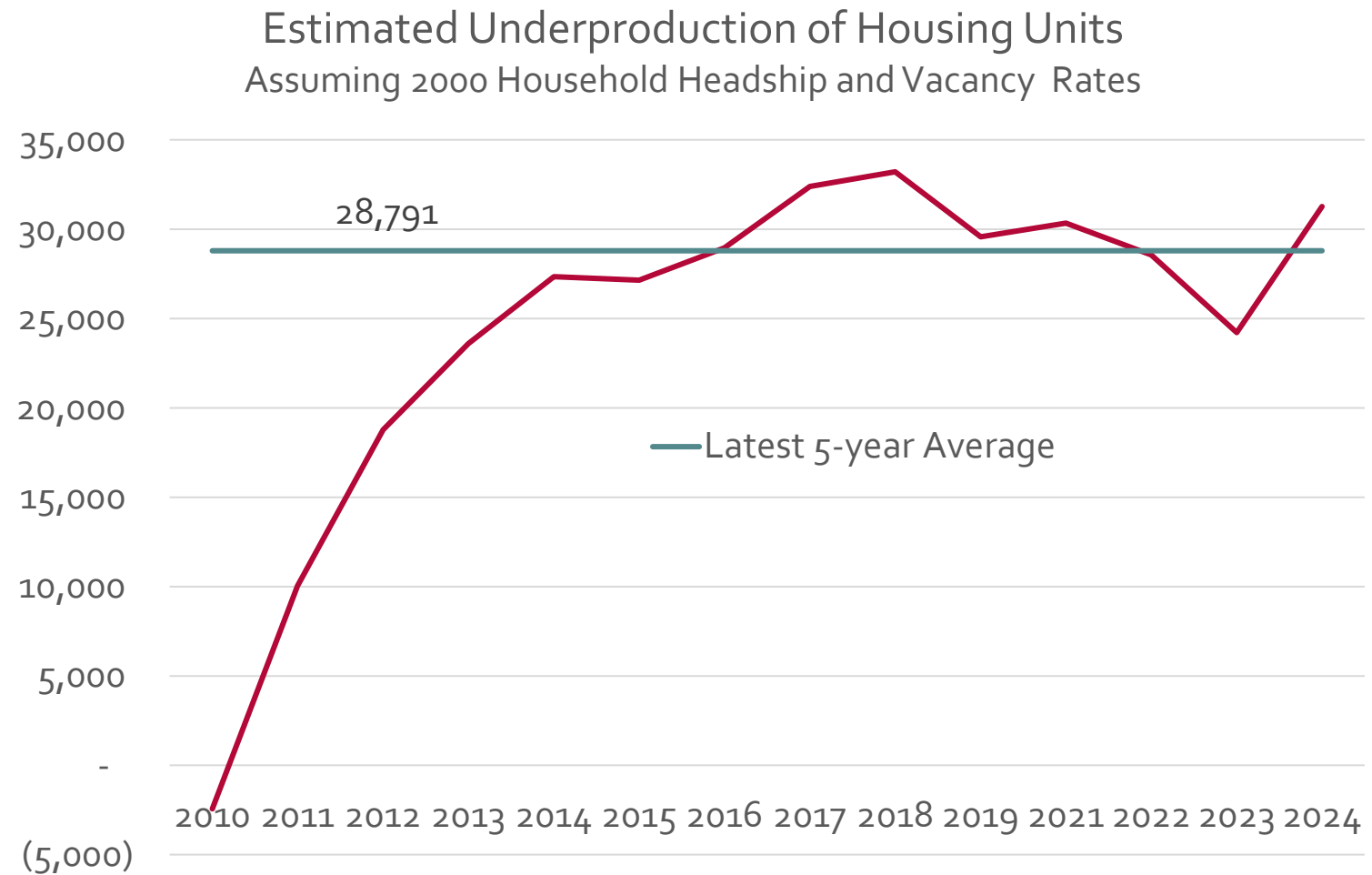
Tightened underwriting standards in the aftermath significantly restricted who could qualify for a loan, despite low interest rates.



Data Source: Source: Greater Kansas City Homebuilders Association

We have to go back to the early 2000s to find a time when the housing market felt normal, before the bubble became the financial crisis leading to the Great Recession.

If people formed households at the same rate they did in 2000, then we would expect to have 29,000 more housing units than we have today. (Note: preliminary data)

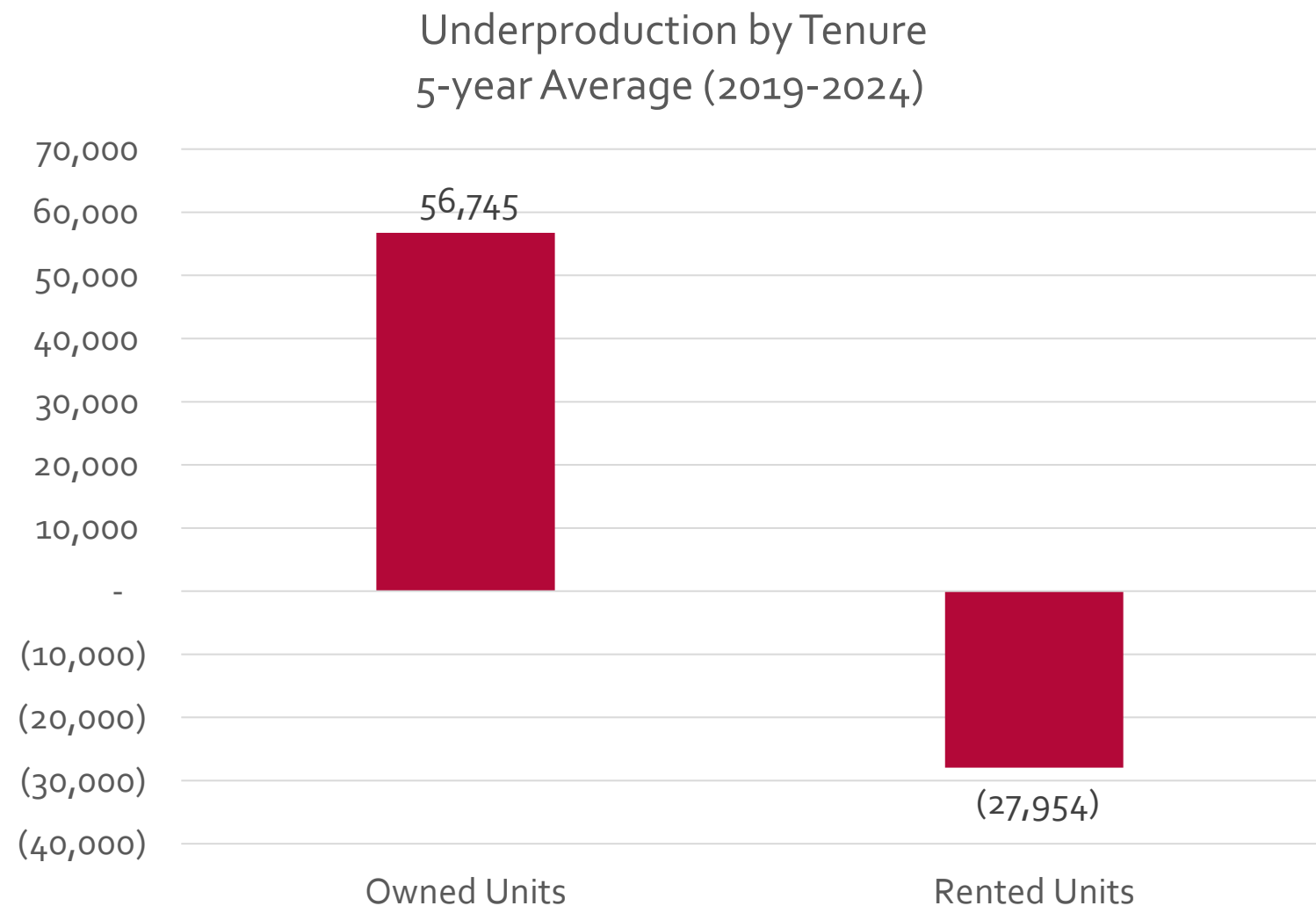


Source: Census Bureau American Community Survey (ACS) and Public Use Microdata Sample (PUMS), 1-year data

Household headship rates describe the proportion of population that is the head of a household, typically by 5- or 10-year age groups.

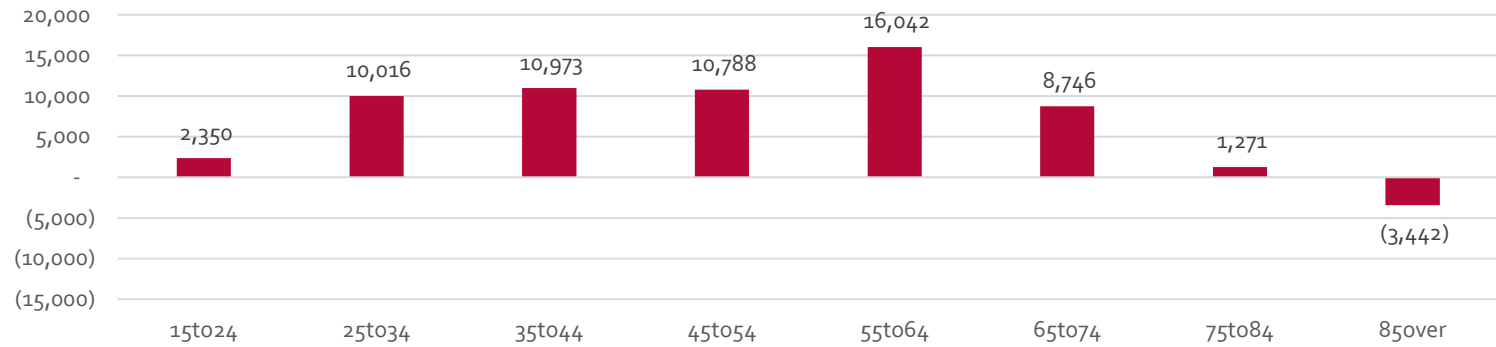
Applying 2000 household formation rates by not only age but also by tenure – i.e., owners vs. renters – reveals that the shortage is mostly on the owner side. On net, there are 57,000 fewer homeowners than expected and 28,000 more renters.

(Note: preliminary data)

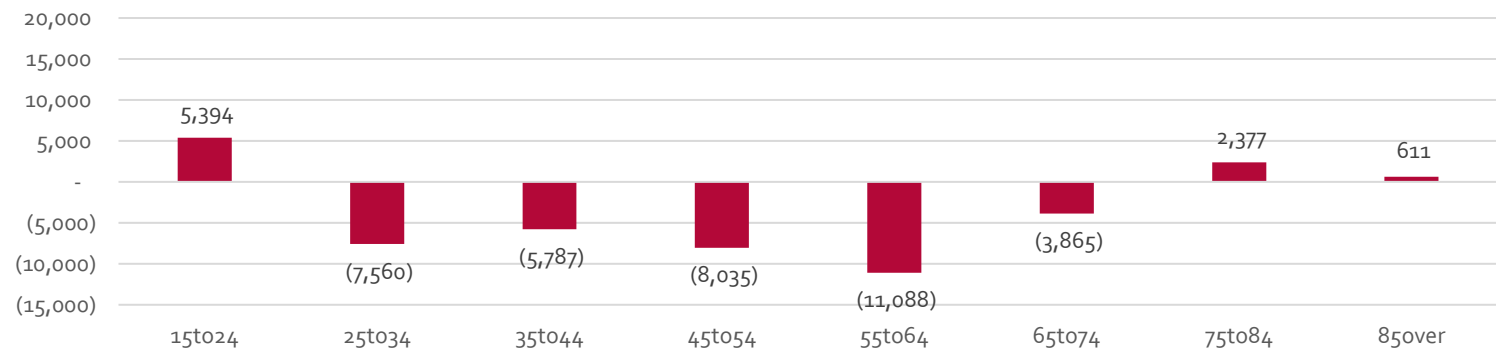


The underproduction of homes for ownership affects virtually all age groups, not just first-time home buyers.
(Note: preliminary data)

Underproduction of Owned Units
5-year Average

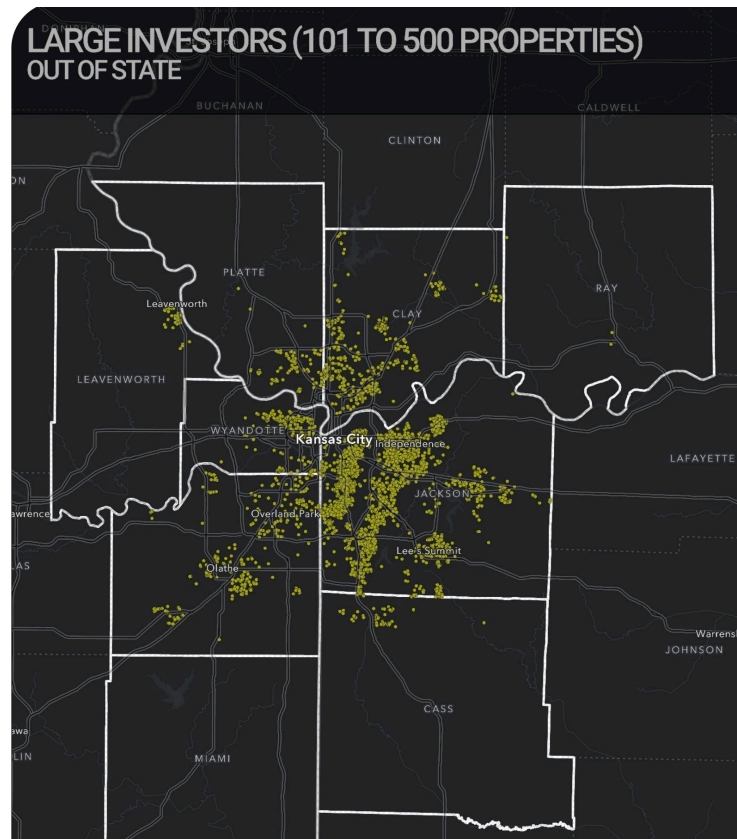


Underproduction of Rented Units
5-year Average



The 33 largest institutional own 14,000 of the region's single-family housing, a scale equal to 25% the underproduction of homes for ownership.

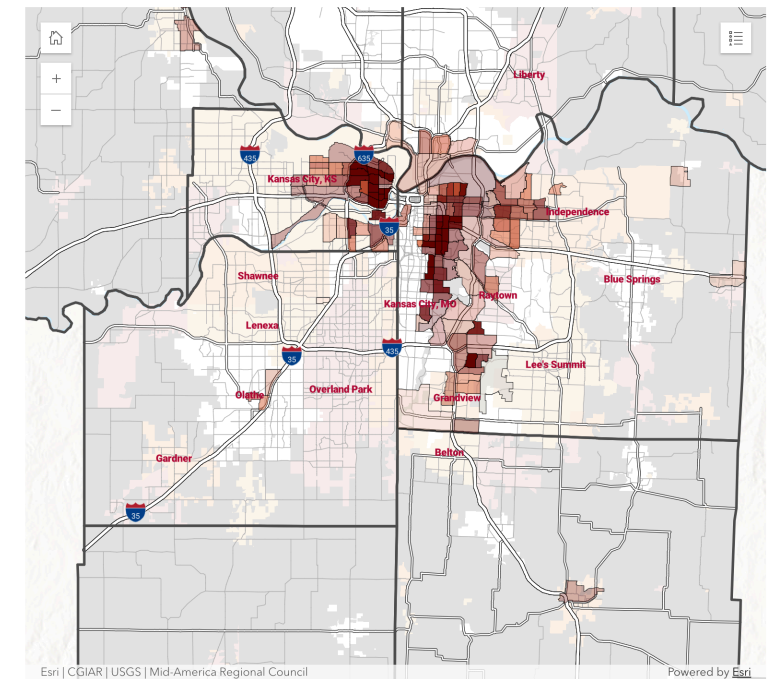
Still, these units represent only 9% of the total single family rental market. While insufficient to cause overall rent increases, large investors can cause rent increases in the specific neighborhoods.



<https://www.marc.org/news/economy/new-homeownership-patterns-emerge-large-investor-portfolios>

<https://www.marc.org/news/economy/investor-impact-single-family-housing-kc-region>

SINGLE-FAMILY INVESTOR OWNERSHIP BY CENSUS TRACT



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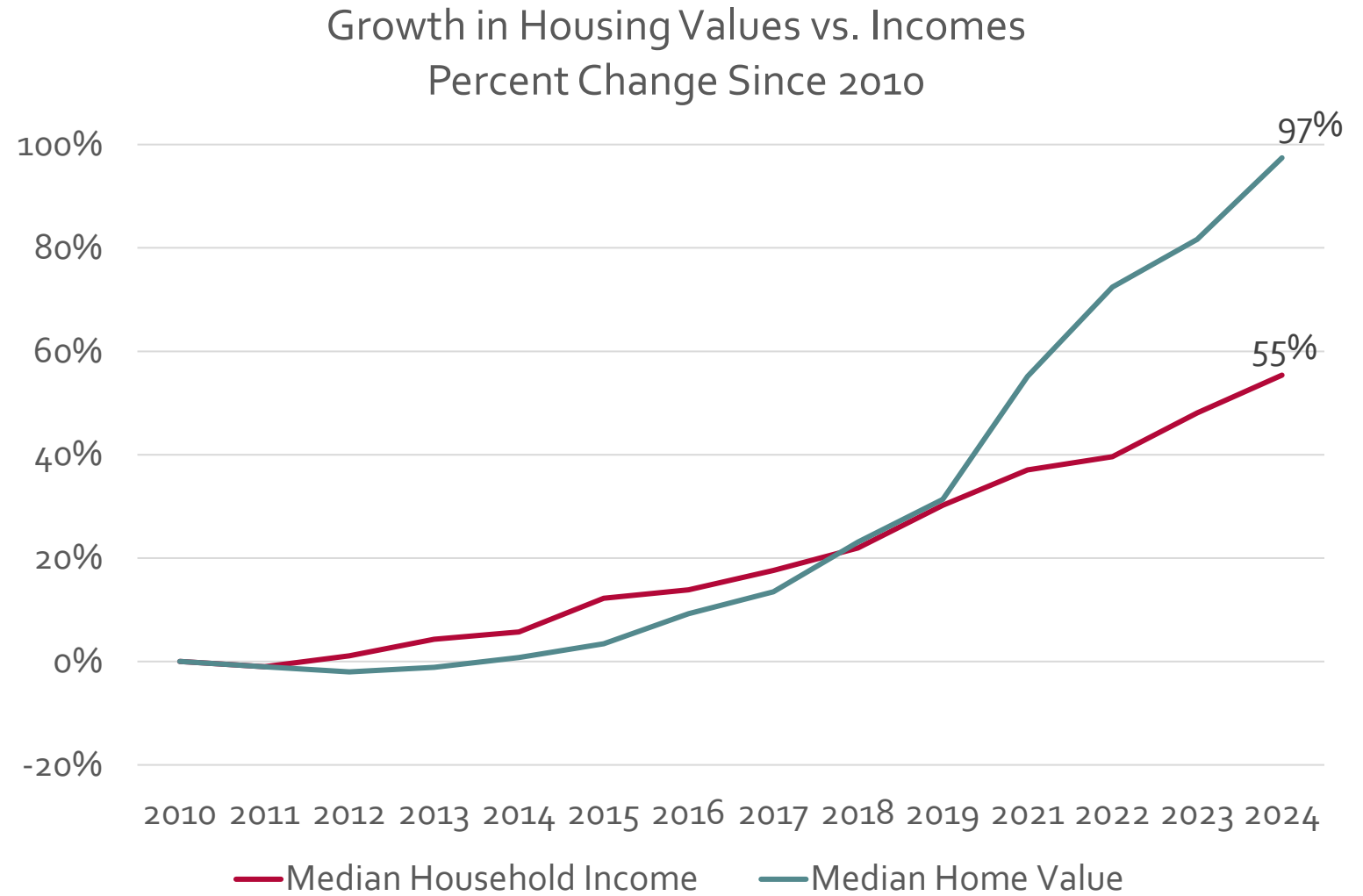
<https://www.marc.org/news/economy-housing/investor-ownership-high-many-regions-most-underserved-and-overburdened>



Affordability

A constrained supply has helped push median home values up much faster than incomes. Values have almost doubled since 2010 and are increasing at rates that are nearly twice as fast residents' ability to pay.

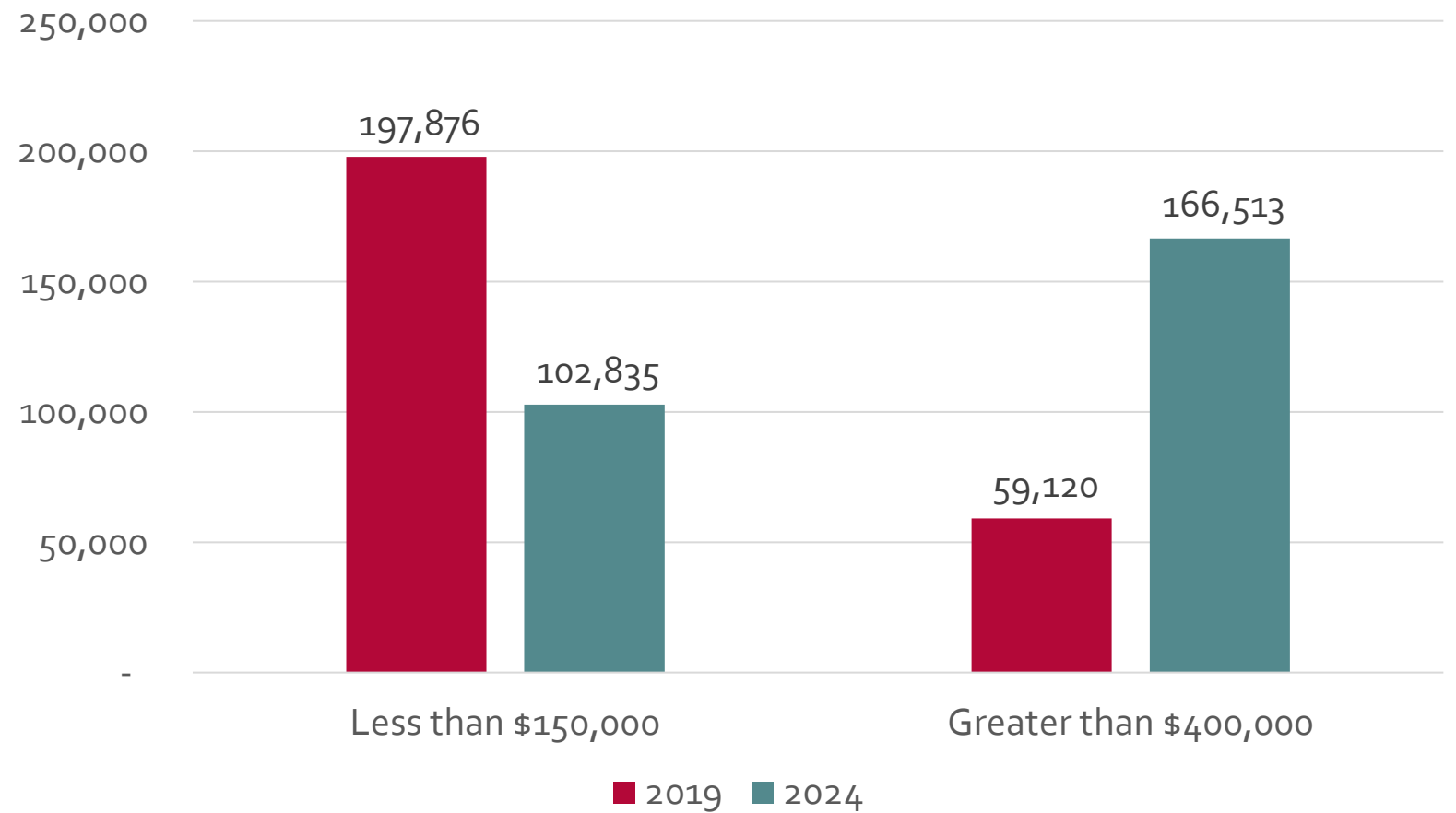
Note that this is largely a post-pandemic phenomenon.



Source: Census Bureau American Community Survey (ACS), 1-year data

As a result, the number of owner-occupied homes less than \$150,000 has been cut in half in the last five years, while the number valued at \$400,000 or more has nearly tripled.

Owner-occupied housing units less than \$150k have been cut in half while those more than \$400k have almost tripled

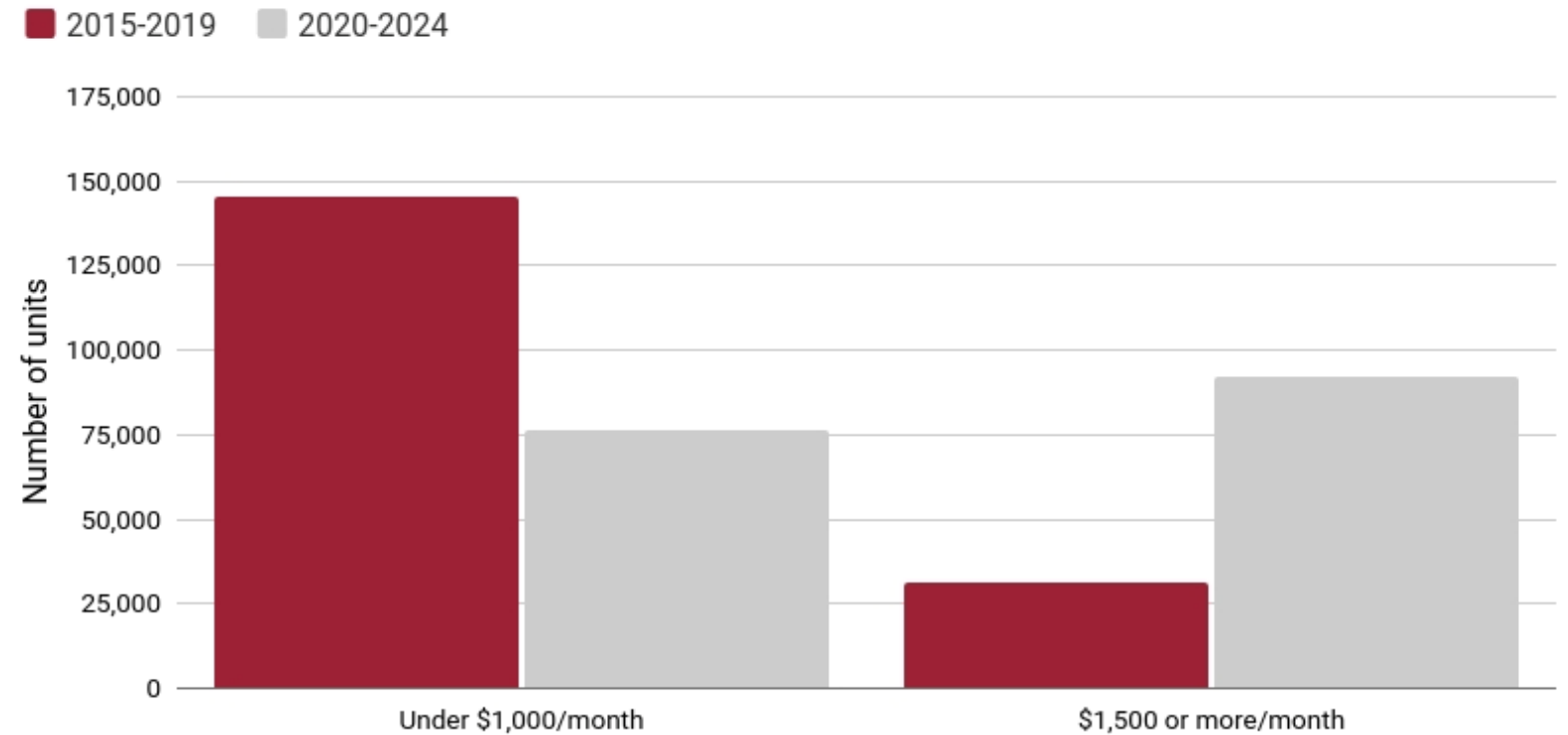


Source: Census Bureau American Community Survey (ACS), 5-year data

The cost of ownership is pushing more people into rentals, increasing demand and raising rents. The number of rentals priced under \$1000 per month has also dropped by half.

Rentals under \$1,000/month dropped by half as higher-priced units tripled

Rental units by price tier in the nine-county MARC region



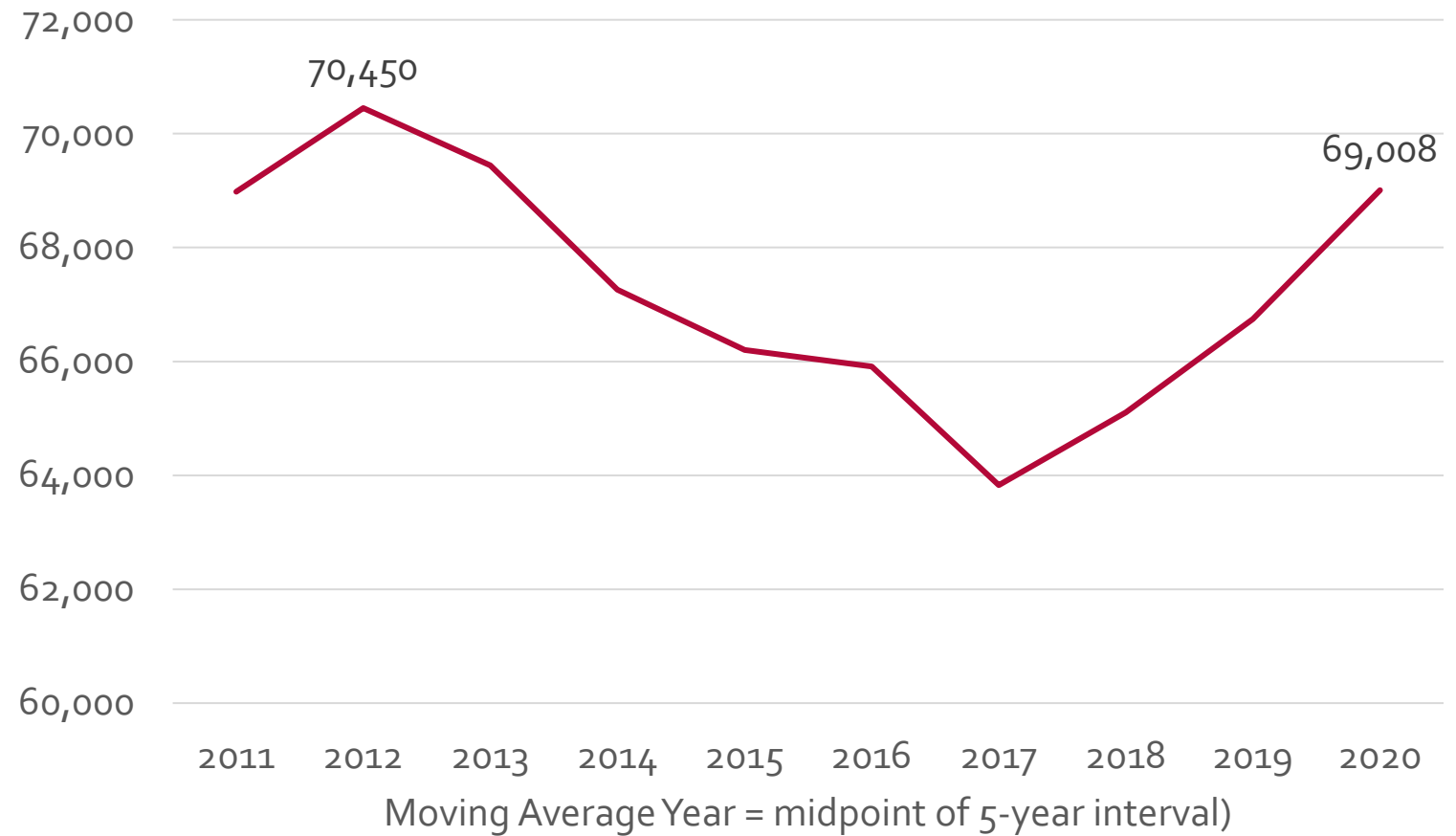
Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2015–2019 and 2020–2024

marc.org

The affordability crisis affects low-income households the most, many of which spend more than 50% of their incomes on housing.

Some 69,000 low-income renters live in units unaffordable to them, levels not seen since the foreclosure crisis.

Affordable Housing Gap
2011-2020



Source: HUD Comprehensive Housing Affordability Strategy (CHAS) data, derived from Census Bureau 5-year ACS data

At the low end of the market, there aren't enough units, and half those that exist are occupied by households with higher incomes.

49%

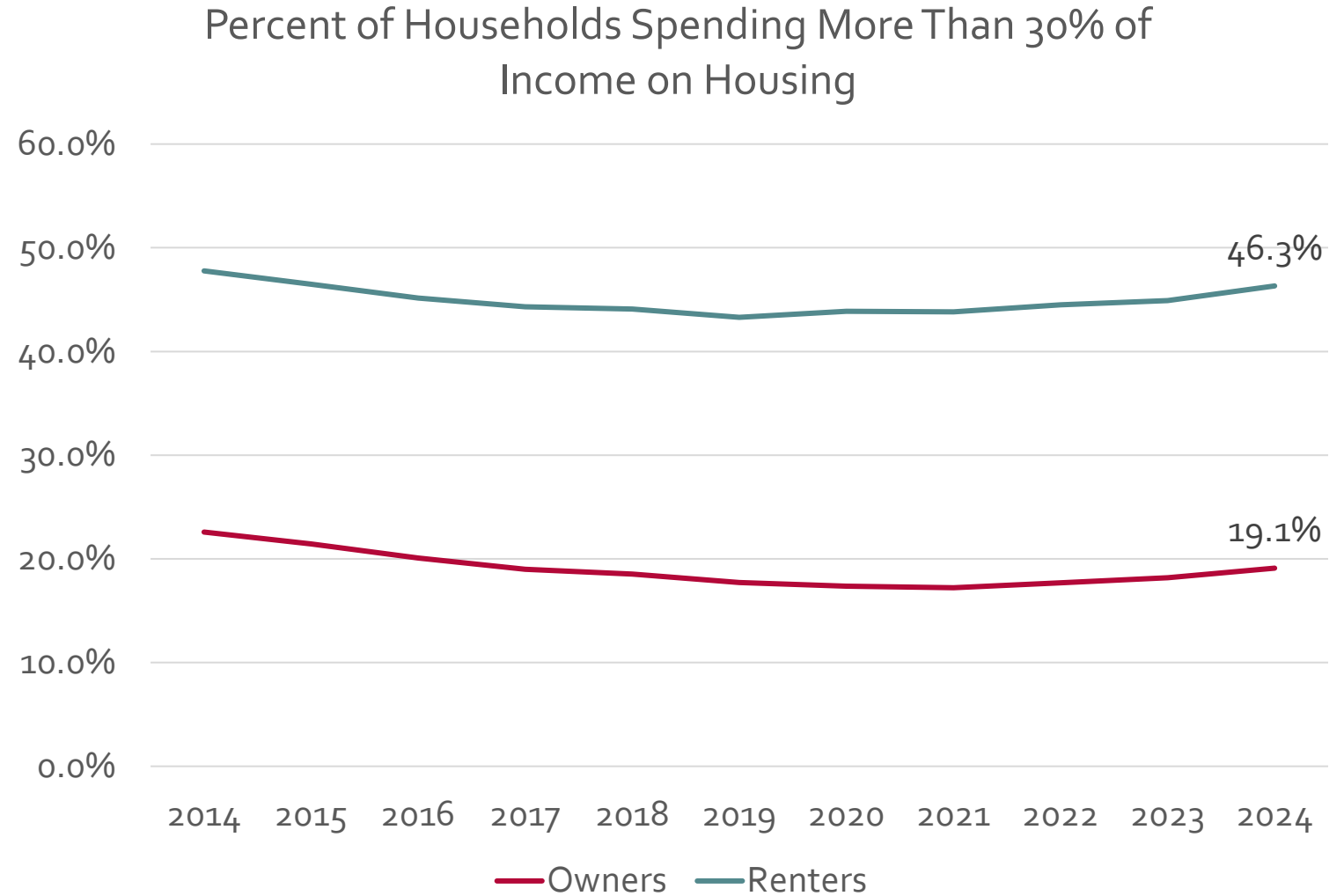
The percentage of units affordable to households with very low incomes that are occupied by households with higher incomes

52%

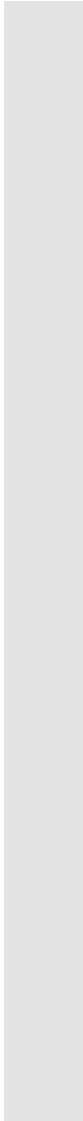

The percentage of households with very low incomes living in units affordable to only to those with higher incomes

Housing cost-burdens have turned up for all households, not just those with low incomes.

They are also approaching levels not seen since the aftermath of the financial crisis.



Source: Census Bureau American Community Survey (ACS), 1-year data



What can local
governments do?

In response, local governments are experimenting with pro-housing policy.

How preapproved building plans can reform small-scale housing production

Mar 31, 2026 | Posted in [Economy & Housing](#)



<https://www.marc.org/news/economy-housing/how-preapproved-building-plans-can-reform-small-scale-housing-production>

In response, local governments are experimenting with pro-housing policy.

Accessory dwelling units continue to be an important housing solution for Kansas City area communities

Dec 31, 2024 | Posted in [Economy & Housing](#)



<https://www.marc.org/news/economy-housing/accessory-dwelling-units-continue-be-important-housing-solution-kansas-city>

Ideas local governments are actively exploring

Housing policies for consideration		
Allow or eliminate barriers for prefab-manufactured homes .	Adapt codes and permits to allow for innovative construction methodologies .	Remove barriers created by numerous conflicting codes fire, energy, water, etc.
Eliminate single-family-only residential zoning .	Create efficiency and certainty with pre-approved plans .	Offer incentives to spur supply-side interest in housing.

Source: Housing Policy Workshop, May 8, 2026

Conclusion:

Policies transformed housing markets in the past. They can do it again.

Which policies will we choose?

We need policies that:

- Act to **preserve** the remaining affordable housing.
- Promote **relaxation of codes** to drive greater **adaptive reuse** of existing structures and increase affordability
- **Remove barriers** that restrict the **range of housing types** demanded by the market
- Develop **innovative funding** mechanisms and **allow innovative building** methods
- **Create partnerships** between the city, the community and the owners
- **Boost household incomes**
 - Workforce investment
 - Effective, accessible public transportation
 - Enabling more non-family workers in homes