

FIGURES | KANSAS CITY INDUSTRIAL | Q2 2026

Positive net absorption of 3.4 million sq. ft. in H1 2026 contributed to a recent trend of declining vacancy rates

▼ 4.5%

Vacancy Rate

▼ 1.7M

SF Net Absorption

▲ 1.4M

SF Construction Delivered

▲ 4.9M

SF Under Construction

▼ \$5.43

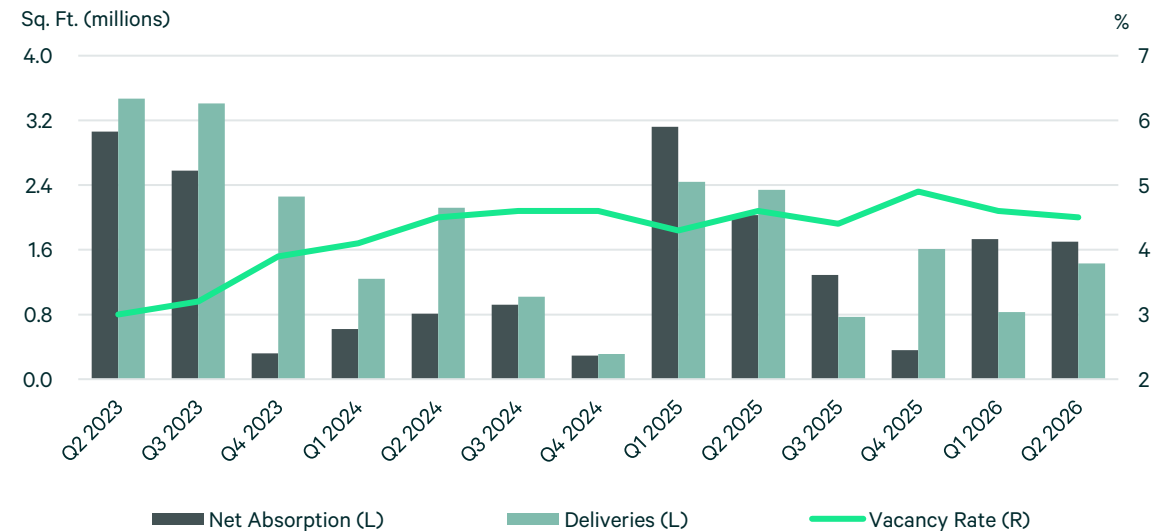
NNN/YR Direct Lease Rate

Note: Arrows indicate change from previous quarter.

Market Overview

- Overall net absorption posted positive 1.7 million sq. ft. for Q2 2026, matching the Q1 2026 total.
- Vacancy rates decreased from 4.6% to 4.5% quarter-over-quarter. Vacancy rates match the 4.5% vacancy rate average from two years ago (Q2 2024), showing longer term stability in the market.
- Five new buildings were delivered in Q2 2026, totaling more than 1.4 million sq. ft. Four buildings were developed on a build-to-suit basis with a total of 960,000 sq. ft. and one building was completed on a speculative basis with 460,000 sq. ft.
- Asking lease rates in the overall market decreased 2.6% year-over-year (\$5.57 per sq. ft. to \$5.43 per sq. ft.). Over the previous three years the average asking lease rate increased 10.4% (\$4.92 per sq. ft. to \$5.43 per sq. ft.).

Figure 1: Historical Net Absorption, Deliveries, and Vacancy



Source: CBRE Research, Q2 2026

Vacancy Rate

The Kansas City industrial market vacancy rate finished Q2 2026 at 4.5%, decreasing from the Q1 2026 average of 4.6%. Looking longer-term vacancy rates fell from 4.6% to 4.5% year-over-year, and increased from 3.0% to 4.5% over the previous three years.

The Cass County submarket had the lowest vacancy rate in the overall metro at 0.0%, the Jackson County submarket had the highest vacancy rate at 5.3%, followed by Clay County with 4.9%.

Sublease space on the market decreased slightly in Q2 2026, with a vacancy rate of 0.4%. In total there was approximately 1.2 million sq. ft. of sublease space on the market in Q2 2026, with an average size of 81,000 sq. ft.

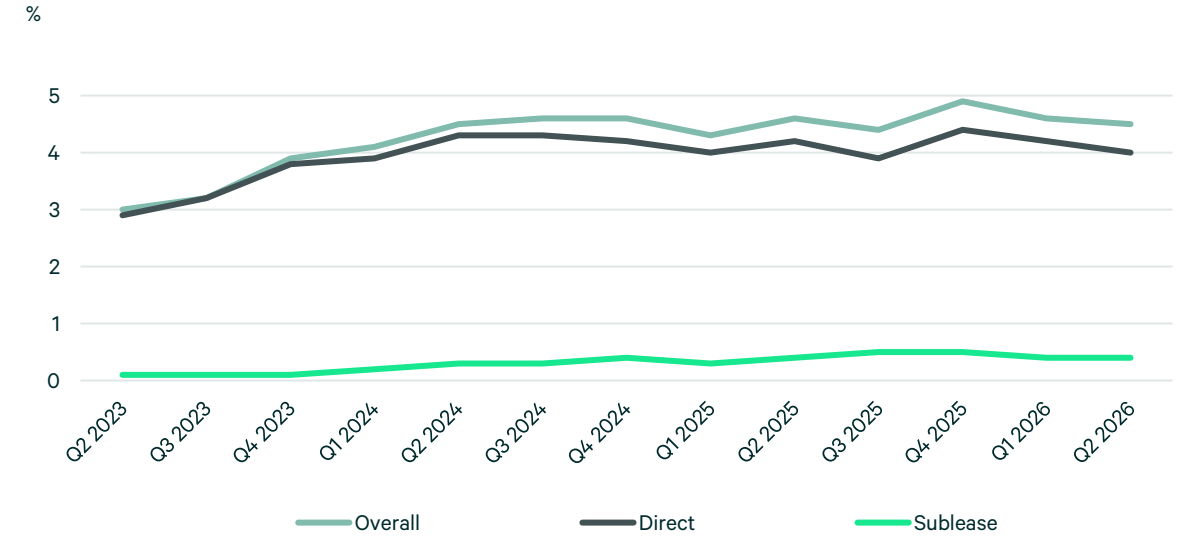
Asking Rent

Asking lease rates decreased 2.6% (\$5.57 per sq. ft. to \$5.43 per sq. ft.) year-over-year.

The Johnson County submarket led the overall market for average asking lease rate at \$6.78 per sq. ft. Platte County had the highest year-over-year increase in lease rates, increasing 15.1% (\$5.50 per sq. ft. to \$6.33 per sq. ft.). Jackson County had the lowest average rates at \$4.70 per sq. ft., followed by Clay County with an average rate of \$5.19 per sq. ft.

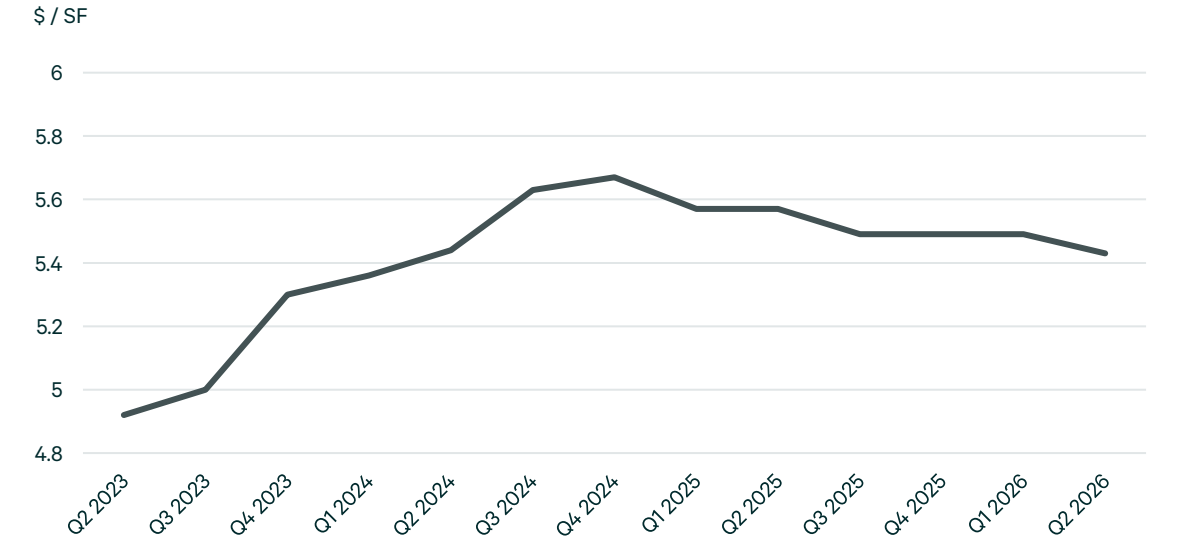
Asking rates vary between the three major industrial types with Distribution/Logistics average rate of \$5.23 per sq. ft., Manufacturing average rate of \$6.43 per sq. ft., and R&D/Flex average rate of \$13.84 per sq. ft.

Figure 2: Vacancy Rate



Source: CBRE Research, Q2 2026

Figure 3: Average Direct Asking Rate



Source: CBRE Research, Q2 2026

Net Absorption

The Kansas City industrial market posted positive 1.7 million sq. ft. for Q2 2026, matching the total from Q1 2026. Positive net absorption was led by Amazon’s 630,000 sq. ft. lease of build-to-suit space at KCI 29 Logistics Park, ARCO’s lease of 227,000 sq. ft. at Eastgate Commerce Center A3, Graham Packaging lease of 215,000 sq. ft. at Lee’s Summit Commerce Center A, Marshalltown’s took 200,000 sq. ft. of build-to-own space at 435 Logistics Park, and Garmin’s 183,000 sq. ft. lease at I-35 Logistics Center Building 2.

Positive net absorption for Q2 2026 was led by the Wyandotte County submarket with 0.70 million sq. ft., and the Platte County submarket with 0.67 million sq. ft. for the quarter. Jackson County also posted positive net absorption with 0.43 million sq. ft., followed by Johnson County with 0.11 million sq. ft. Clay County was the only submarket to post negative net absorption with a negative total of 0.22 million sq. ft.

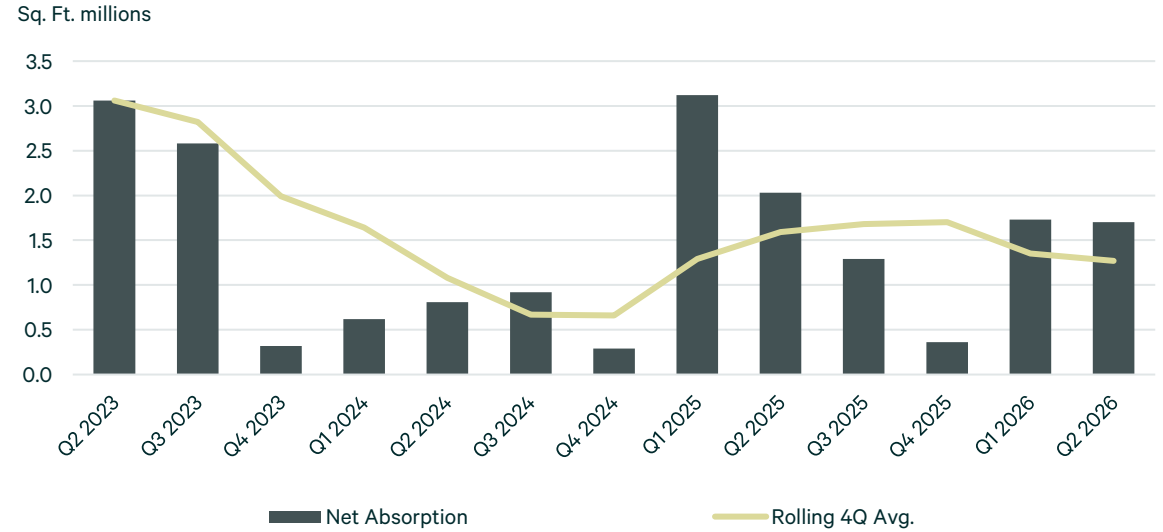
Construction Activity

Five new buildings were delivered in Q2 2026, totaling more than 1.4 million sq. ft. As of the end of Q2 2026, space delivered in the quarter was 67.4% occupied.

Over the past three years the Kansas City market delivered 20.5 million sq. ft. of new industrial space. Deliveries over this time-period came from 61% (12.6 million sq. ft.) speculative projects and 39% (7.9 million sq. ft.) build-to-suit projects.

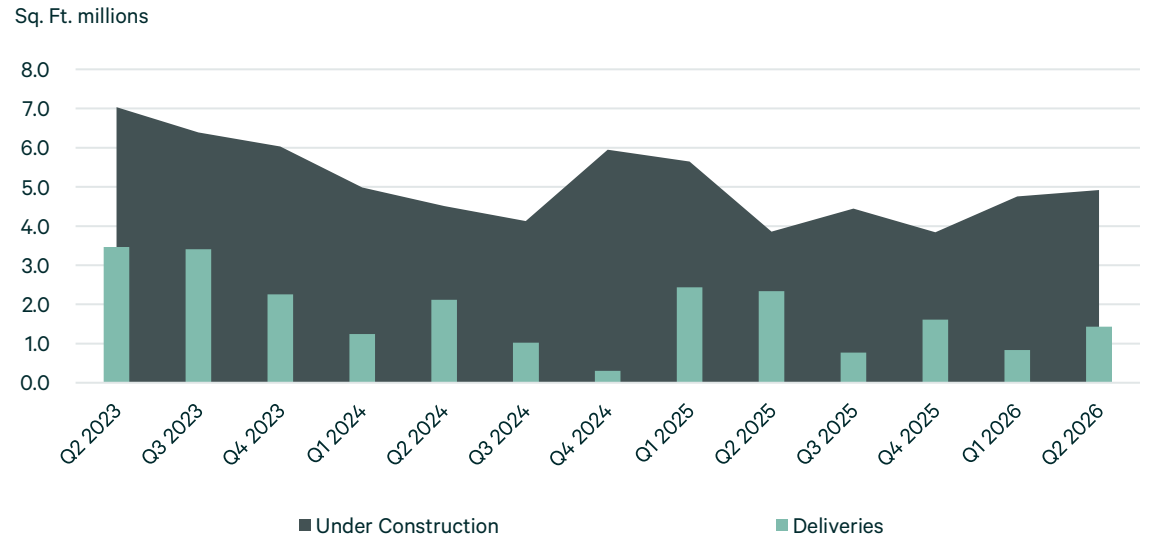
Three new projects broke ground in Q2 2026 with 1.3 million sq. ft. of space, nearly keeping pace with deliveries and resulting in the total amount under construction only slightly decreasing to 4.9 million sq. ft. Most of the projects under construction broke ground on a speculative basis with a total of 3.7 million sq. ft. (76%), the remaining 1.2 million sq. ft. (24%) represent build-to-suit development.

Figure 4: Net Absorption Trend



Source: CBRE Research, Q2 2026

Figure 5: Construction Activity



Source: CBRE Research, Q2 2026

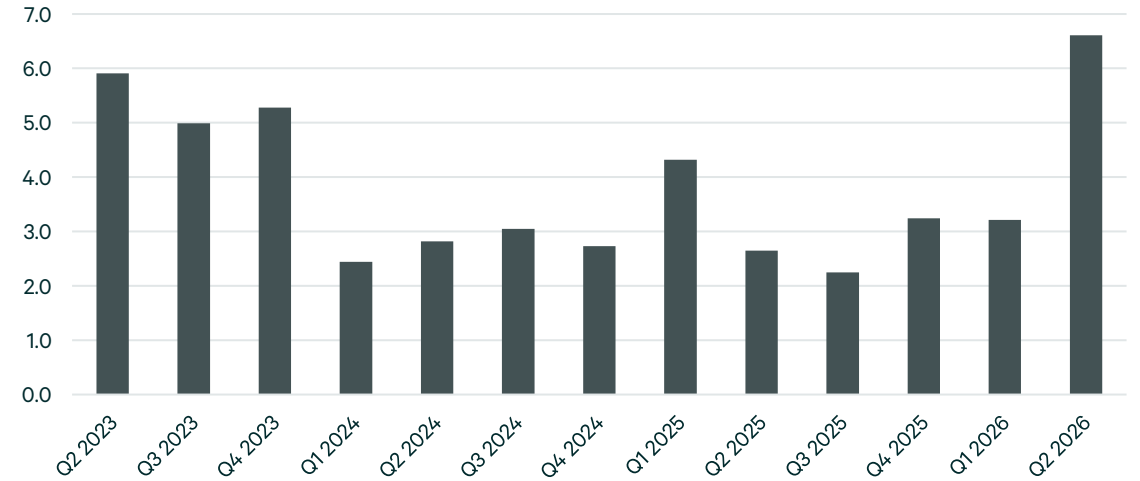
Leasing Activity

Leasing activity in the Kansas City industrial market totaled 6.6 million sq. ft. for Q2 2026, and 15.3 million sq. ft. for the trailing 4-quarters. The Jackson County submarket led the overall market with 2.8 million sq. ft. in Q2 2026, Jackson County also led the trailing 4-quarters with 4.7 million sq. ft.

Transactions greater than 300,000 sq. ft. made up 40% of the total space leased in the trailing 4-quarters with thirteen leases exceeding 300,000 sq. ft. during the time-period.

Google represented the largest new lease signed in the quarter, taking 912,000 sq. ft. at Carefree Industrial Park in the Jackson County submarket, followed by Wagner Logistics which took 830,000 sq. ft. across two leases in the Clay County submarket.

Figure 6: Leasing Activity Trend
Sq. Ft. millions



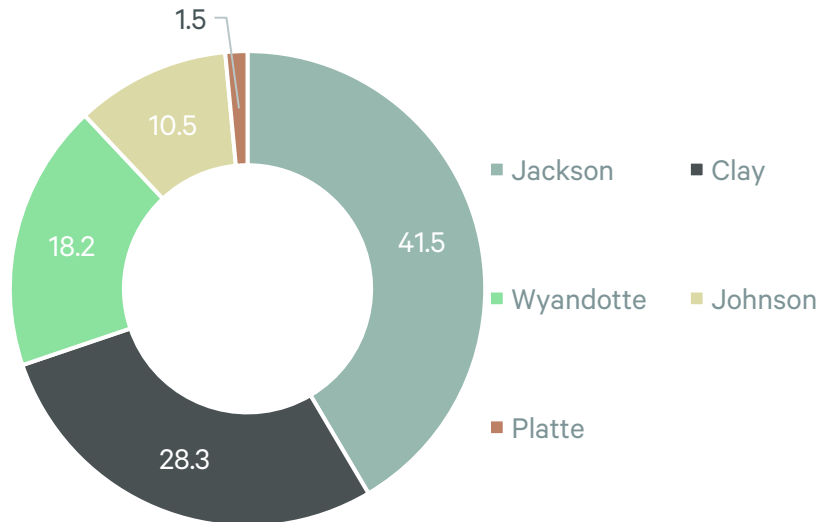
Source: CBRE Research, Q2 2026

Figure 8: Key Lease Transactions

Tenant	Sq. Ft. Leased	Transaction Type	Address	Submarket
Confidential	912,000	New Lease	1600 Mo 291	Jackson
Burd and Fletcher Co.	879,000	Renewal	150-6000 S Space Center Dr	Jackson
Guitar Center	702,000	Renewal	4001 NE Norfleet Ave	Clay
Wagner Logistics	517,000	New Lease	2320 S Withers Rd	Clay
Wagner Logistics	317,000	New Lease	2500 N Lightburne St	Clay
Amazon Logistics	304,000	New Lease	College Pkwy & I-70	Wyandotte
Veritiv Operating Co.	280,000	Renewal	2552 S 98th St	Wyandotte
Layton Construction	233,000	New Lease	10200 Edgerton Rd	Johnson
Pratt Industries	218,000	Renewal	731 N 69th St	Wyandotte

Source: CBRE Research, Q2 2026

Figure 7: Leasing Activity by Submarket (% of Total Activity)



Source: CBRE Research, Q2 2026

Market Statistics by Product Type

Figure 9

Product Type	Net Rentable Area (MSF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF NNN/yr)	Current Quarter Net Absorption (MSF)	YTD Net Absorption (MSF)	Deliveries (MSF)	Under Construction (MSF)
Distribution/Logistics	220.35	5.3	6.0	5.4	0.7	5.23	1.43	3.12	1.38	4.92
Manufacturing - General	53.29	2.0	2.8	2.2	0.6	6.43	(0.01)	0.02	0.05	-
R&D/Flex	3.85	2.5	2.5	2.0	0.4	13.84	0.01	0.02	-	-
Other Industrial	11.70	0.5	0.9	0.9	-	10.95	0.25	0.25	-	-
Total	289.19	4.5	5.2	4.6	0.6	5.43	1.70	3.43	1.43	4.92

Source: CBRE Research, Q2 2026

Market Statistics by Size

Figure 10

Size Range	Net Rentable Area (MSF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF NNN/yr)	Current Quarter Net Absorption (MSF)	YTD Net Absorption (MSF)	Deliveries (MSF)	Under Construction (MSF)
Below 50K SF	23.21	2.4	3.3	3.1	0.2	8.39	(0.04)	(0.10)	-	0.08
50K-99,999 SF	36.79	2.2	2.7	2.4	0.2	6.32	0.10	0.28	0.10	-
100K-249,999 SF	66.37	4.1	4.8	4.0	0.8	5.74	0.50	0.62	0.20	0.80
250K-499,999 SF	54.61	7.5	8.1	6.7	1.4	5.38	0.20	2.04	0.46	2.31
500K-749,999 SF	33.45	3.7	3.7	3.7	-	5.69	0.80	1.01	0.63	1.73
750,000 SF +	74.76	4.6	5.8	5.3	0.4	4.53	0.02	(0.40)	-	-
Total	289.19	4.5	5.2	4.6	0.6	5.43	1.70	3.43	1.43	4.92

Source: CBRE Research, Q2 2026

Market Statistics by Submarket

Figure 11

Submarket	Net Rentable Area (MSF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF NNN/yr)	Current Quarter Net Absorption (MSF)	YTD Net Absorption (MSF)	Deliveries (MSF)	Under Construction (MSF)
Cass	5.05	-	-	-	-	-	-	0.14	-	0.57
Clay	49.86	4.9	5.9	5.4	0.5	5.19	(0.22)	(0.53)	-	0.81
Jackson	90.87	5.3	6.7	6.3	0.5	4.70	0.43	0.25	-	0.20
Johnson	81.96	4.7	4.8	4.1	0.7	6.78	0.11	0.75	0.46	1.73
Platte	19.77	3.8	3.9	1.9	2.1	6.33	0.67	1.67	0.63	0.61
Wyandotte	41.69	2.5	2.7	2.4	0.2	5.43	0.70	1.14	0.33	1.00
Total	289.19	4.5	5.2	4.6	0.6	5.43	1.70	3.43	1.43	4.92

Source: CBRE Research, Q2 2026

Modern Bulk Distribution Market Statistics by Submarket

Figure 12

Submarket	Net Rentable Area (MSF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF NNN/yr)	Current Quarter Net Absorption (MSF)	YTD Net Absorption (MSF)	Deliveries (MSF)	Under Construction (MSF)
Cass	5.05	0.0	0.0	0.0	0.0	-	0.00	0.14	-	0.57
Clay	12.00	7.7	9.3	8.2	0.6	6.39	0.00	(0.10)	-	0.81
Jackson	13.86	13.1	13.1	12.8	0.2	6.09	0.53	0.52	-	0.20
Johnson	41.04	5.9	5.9	5.0	1.0	6.34	0.43	1.06	0.46	1.64
Platte	12.92	3.5	3.5	0.6	3.0	6.15	0.63	1.61	0.63	0.61
Wyandotte	8.94	3.1	3.1	2.0	1.1	5.50	0.35	1.01	0.20	1.00
Total	93.83	6.3	6.5	5.4	1.1	6.23	1.94	4.24	1.29	4.84

Source: CBRE Research, Q2 2026

U.S. Economy Overview

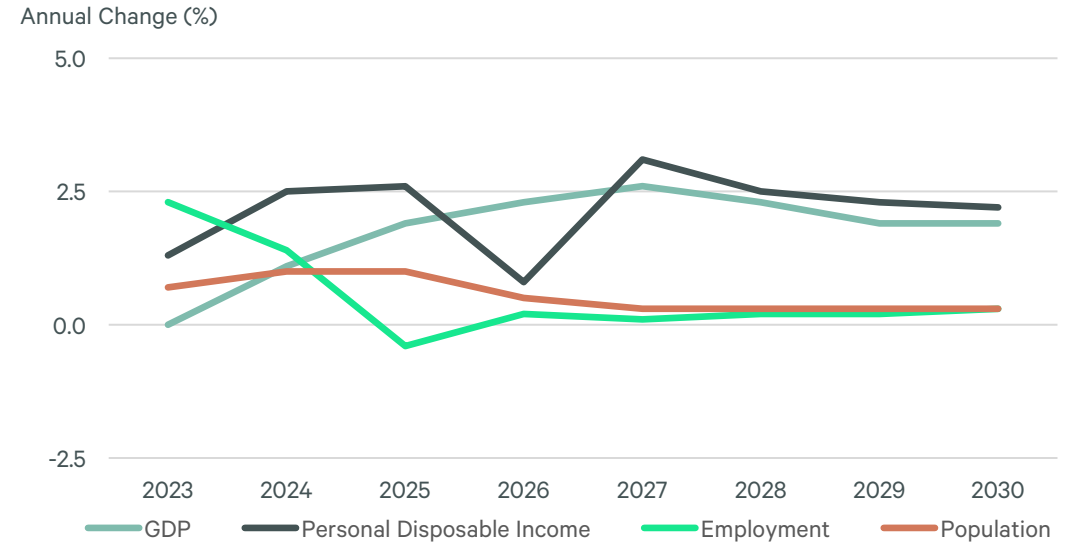
The U.S. economy enters mid-2026 navigating crosscurrents but growing at a healthy pace, with CBRE projecting GDP growth averaging 2.2%, broadly in line with 2025. The AI investment boom is certainly a key driver of this expansion. Concerns surrounding the sustainability of this growth are valid, but we expect AI-related business investment to continue. The more pressing concern in recent months has been the U.S./Iran conflict and its impact on world energy prices, which recently pushed U.S. inflation to 4.2%. Should the prospective peace deal announced in June come to fruition, inflation would fall to the upper 3% range by year-end as energy prices slowly decrease. Stickier inflation has pushed Treasury yields well above 4%, complicating real estate markets. On the upside, the prospect for peace and normal trade flows in the Persian Gulf could refresh the optimism the CRE market felt at the beginning of the year.

Kansas City Economy Overview

According to Oxford Economics, Kansas City job growth is forecast at 0.2% for 2026. Job growth is projected to be led by construction, healthcare, and finance/insurance. Kansas City’s 2025 GDP growth of 1.9% was below the US equivalent rate of 2.1%, led by tech, auto manufacturing, and real estate, Oxford projects GDP growth of 2.2% in 2026 to 2030.

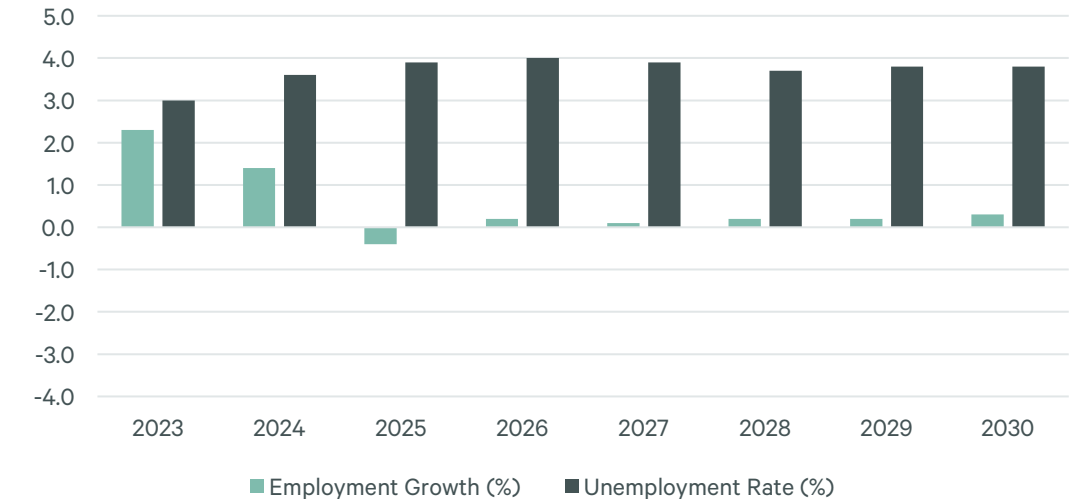
Kansas City’s median home prices grew by 4.1% over Q1 2025, with house prices projected to grow by 3.3%, on average, in 2026 through 2030. Kansas City’s real personal disposable income per capita is forecast to grow 1.8% per year in 2026 through 2030, while consumer spending is forecast to grow by 2.0% on average over the same period.

FIGURE 13: Kansas City Economic Forecast



Source: BLS, US Census Bureau, Oxford Economics, April 2026.

FIGURE 14: Kansas City Employment Forecast



Source: BLS, US Census Bureau, Oxford Economics, April 2026.

Market Area Overview



Definitions

Available Sq. Ft.: Space in a building, ready for occupancy within six months; can be occupied or vacant. Availability Rate: Total Available Sq. Ft. divided by the total building Area. Average Asking Lease Rate: A calculated average that includes net and gross lease rate, weighted by their corresponding available square footage. Building Area: The total floor area sq. ft. of the building, typically taken at the “drip line” of the building. Gross Activity: All sale and lease transactions completed within a specified time period. Excludes investment sale transactions. Gross Lease Rate: Rent typically includes real property taxes, building insurance, and major maintenance. Net Absorption: The change in Occupied Sq. Ft. from one period to the next. Net Lease Rate: Rent excludes one or more of the “net” costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate. Occupied Sq. Ft.: Building Area not considered vacant. Vacancy Rate: Total Vacant Sq. Ft. divided by the total Building Area. Vacant Sq. Ft.: Space that can be occupied within 30 days. Class A industrial are buildings built after 2000, with 32’ or greater clear height and ESFR sprinklers.

Survey Criteria

Includes all competitive industrial buildings 30,000 sq. ft. and greater in size in Johnson County (KS), Wyandotte County (KS), Platte County (MO), Clay County (MO), Jackson County (MO), and Cass County (MO). Buildings under construction includes buildings which have begun development beyond initial site work.

Updated Tracked Criteria

CBRE has updated the criteria for industrial tracked building sets to reflect buildings with a Net Rentable Area (NRA) of 30,000 square feet or higher. In addition to creating regional consistency, this change will enhance the reporting and depth of data on each market’s most competitive buildings. Historical stats have been revised to reflect current industrial thresholds. Building inventories will be evaluated quarterly to ensure they remain the most comprehensive and accurate representation of each market.

Contacts

David Ronsick

Senior Research Analyst
 +1 8169685879
 david.ronsick@cbre.com