

FIGURES | KANSAS CITY INDUSTRIAL | Q4 2025

Net absorption for 2025 exceeded 6.1 million sq. ft.

▲ 4.9%
Vacancy Rate

▼ 360,044
SF Net Absorption

▲ 1.6M
SF Construction Delivered

▼ 3.5M
SF Under Construction

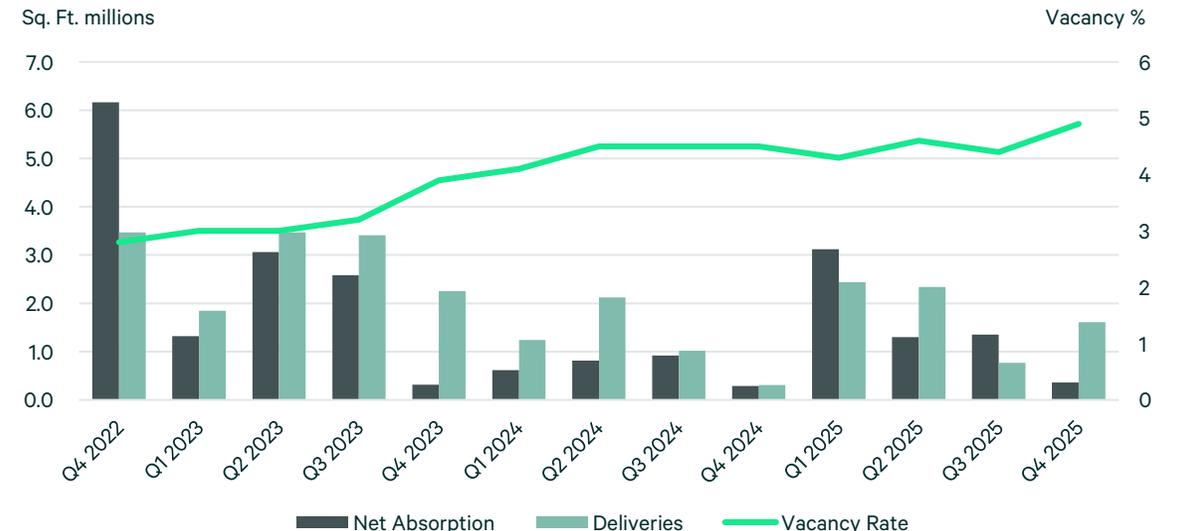
▶ \$5.49
NNN/YR Direct Lease Rate

Note: Arrows indicate change from previous quarter.

SUMMARY

- Overall net absorption posted positive 360,044 sq. ft. for Q4 2025, bringing the total for 2025 to 6.1 million sq. ft.
- Vacancy rates increased from 4.2% to 4.9% year-over-year, and increased from 3.1% to 4.9% over the previous three years.
- Four new buildings were delivered in Q4 2025, three new build-to-suit buildings were delivered with a total of 1.25 million sq. ft. and one speculative building with 0.35 million sq. ft.
- Asking lease rates in the overall market decreased 3.5% year-over-year (\$5.68 per sq. ft. to \$5.49 per sq. ft.). Over the previous three years the average asking lease rate increased 3.4% (\$5.31 per sq. ft. to \$5.49 per sq. ft.).

FIGURE 1: Historical Absorption, Deliveries, and Vacancy



Source: CBRE Research, Q4 2025

Availability Rate

The Kansas City industrial market availability rate finished Q4 2025 at 5.7%, increasing from the Q3 2025 average of 5.6%. Looking longer-term availability rates fell from 6.0% to 5.7% year-over-year, and increased from 3.4% to 5.7% over the previous three years.

The Cass County submarket had the lowest availability rate in the overall metro at 2.9%, followed by Wyandotte County at 3.5%. The Platte County submarket had the highest availability rate at 9.6%, a significant amount of speculative development has had an especially large influence on Platte County due to its relatively small size.

Sublease space remained steady in Q4 2025, with an availability rate of 0.6%. In total there was approximately 1.7 million sq. ft. of sublease space on the market in Q4 2025, with an average size of 56,548 sq. ft.

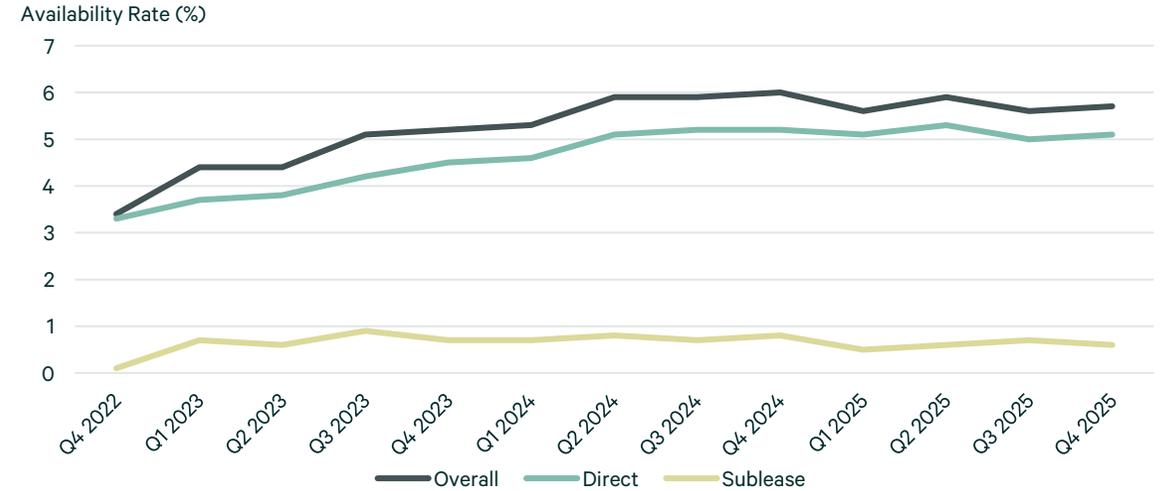
Asking Rent

Asking lease rates decreased 3.5% (\$5.68 per sq. ft. to \$5.49 per sq. ft.) year-over-year.

The Johnson County submarket led the overall market for average asking lease rate at \$6.19 per sq. ft. Clay County had the highest year-over-year increase in lease rates, increasing 11.3% (\$5.19 per sq. ft. to \$5.74 per sq. ft.). Clay County had the lowest average rates at \$4.75 per sq. ft., followed by Jackson County with an average rate of \$5.19 per sq. ft.

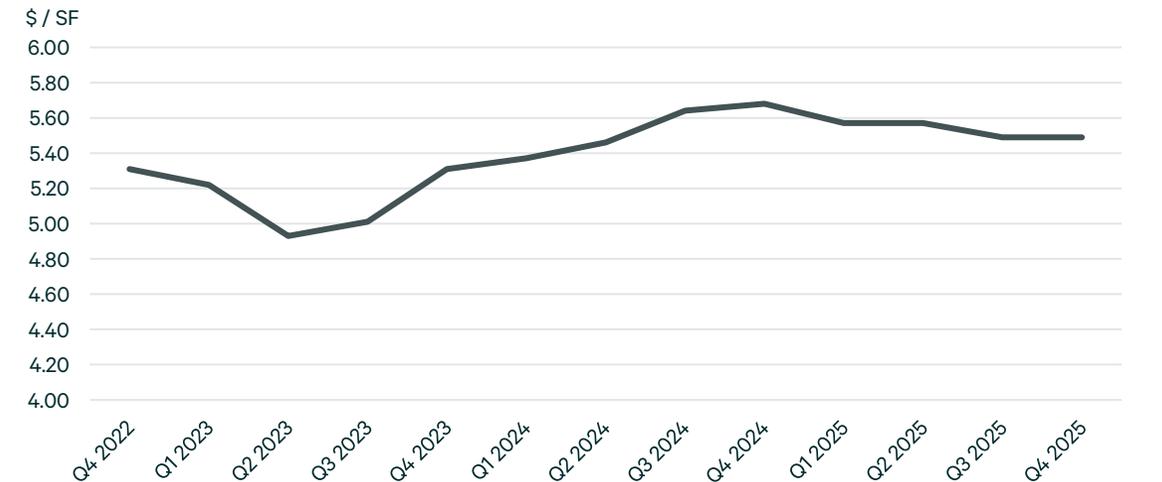
Asking rates vary between the three major industrial types with Distribution/Logistics average rate of \$5.43 per sq. ft., Manufacturing average rate of \$5.35 per sq. ft., and R&D/Flex average rate of \$12.75 per sq. ft.

FIGURE 2: Availability Rates



Source: CBRE Research, Q4 2025

FIGURE 3: Avg. Direct Asking Rate (NNN/YR)



Source: CBRE Research, Q4 2025

Net Absorption

The Kansas City industrial market posted positive 376,184 sq. ft. for Q4 2025, trailing the 1.4 million sq. ft. total from Q4 2025. Positive net absorption was led by Church & Dwight’s 555,871 sq. ft. lease of build-to-suit space at Raymore Commerce Center, CJ Logistics 400,000 sq. ft. lease of build-to-suit cold storage space in New Century, KS, Bimbo Bakeries 300,000 sq. ft. lease of build-to-suit space in Jackson County, MO, and a confidential tenants lease of 283,215 sq. ft. at Compass 70 Logistics Building 2.

Positive net absorption for Q4 2025 was concentrated primarily in the Cass County submarket with 555,871 sq. ft., and the Jackson County submarket with 221,364 sq. ft. for the quarter. Platte County also posted positive net absorption with 137,485 sq. ft., followed by Wyandotte County with 128,880 sq. ft. Clay County was the only county which had a negative net absorption total, posting negative 673,381 sq. ft. for the quarter.

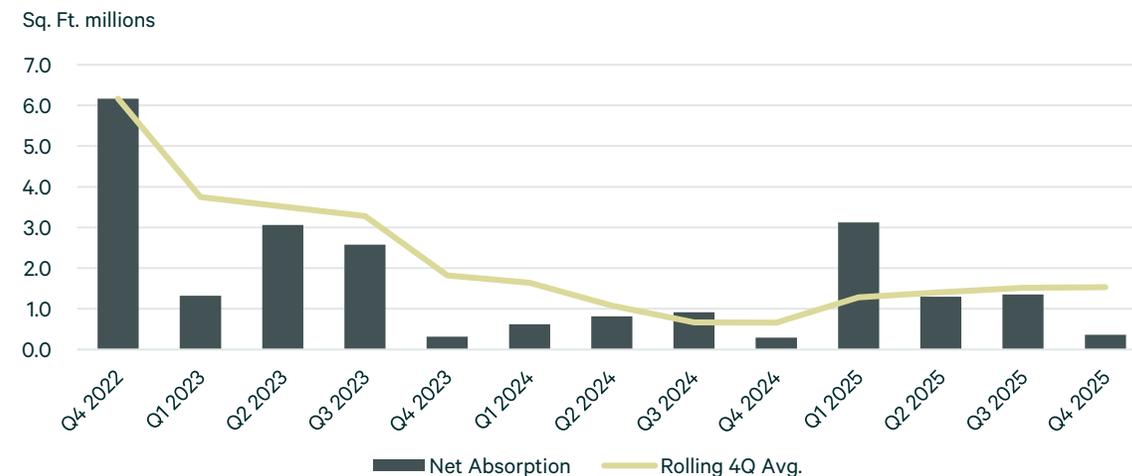
Construction Activity

Four new buildings were completed in Q4 2025 with a total of 1.6 million sq. ft. which was 78% occupied as of the end of the quarter.

Over the past three years the Kansas City market delivered 22.9 million sq. ft. of new industrial space. Deliveries over this time-period came from 71% (16.3 million sq. ft.) speculative projects and 29% (6.6 million sq. ft.) build-to-suit projects.

Four new projects broke ground in Q4 2025 with 1.0 million sq. ft. of space, trailing deliveries and resulting in the total amount under construction decreasing to 3.5 million sq. ft. Most of the projects under construction broke ground on a build-to-suit basis with a total of 2.3 million sq. ft. (60%), the remaining 1.2 million sq. ft. (40%) represent speculative development.

FIGURE 4: Net Absorption Trend



Source: CBRE Research, Q4 2025

FIGURE 5: Construction Activity



Source: CBRE Research, Q4 2025

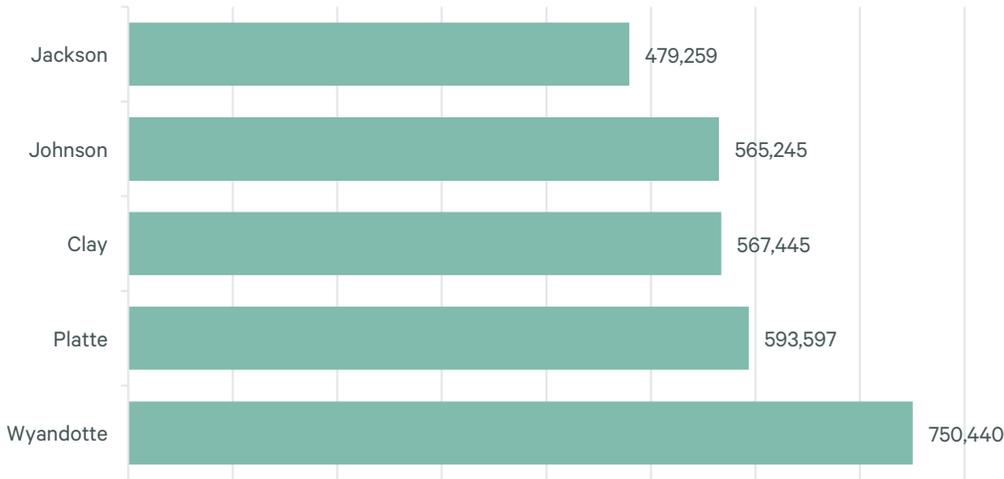
Leasing Activity

- Overland Park-based Aspen Funds announced plans for approximately 4.0 million sq. ft. of new industrial development at the southeast corner of 167th Street and Hedge Lane in Olathe, KS.
- Raymore Commerce Center broke ground on a 577,500 sq. ft. speculative warehouse building.

Leasing activity in the Kansas City industrial market totaled 2.9 million sq. ft. for Q4 2025, and 12.4 million sq. ft. for the trailing 4-quarters. The Platte County submarket led the overall market with 1.1 million sq. ft. in Q4 2025, Johnson County led the trailing 4-quarters with 4.6 million sq. ft.

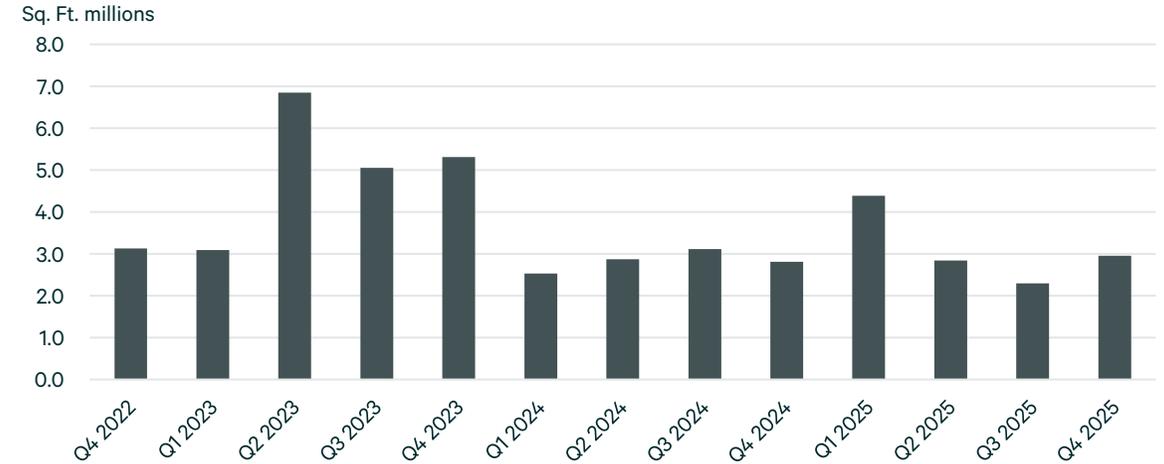
Transactions greater than 300,000 sq. ft. made up 37% of the total space leased in the trailing 4-quarters with ten leases exceeding 300,000 sq. ft. for the quarter.

FIGURE 6: Leasing Activity by Submarket



Source: CBRE Research, Q4 2025

FIGURE 7: Leasing Activity Trend



Source: CBRE Research, Q4 2025

FIGURE 8: Key Lease Transactions

Tenant	Sq. Ft. Leased	Transaction Type	Address	Submarket
Central Power	526,502	New Lease	14880 92 Hwy	Platte
Land O' Lakes	396,480	New Lease	4250 MO-29 Hwy	Platte
FedEx Supply Chain	369,000	New Lease	9525-9535 Woodend Rd	Wyandotte
Confidential Tenant	283,215	New Lease	110 S 110th St	Wyandotte
KGP	251,873	Renewal	15251-15351 S Green Rd	Johnson
Ranew's Companies	200,194	New Lease	167 th St & I-35	Johnson
AJ Manufacturing	200,000	New Lease	1501 E Bannister Rd	Jackson
Dakota Bodies	173,300	New Lease	2501 N Lightburne St	Clay
Bunzl	158,417	Renewal	7503 NW 106th St	Platte
Ecolab	86,481	New Lease	1 N Pleasant Ave	Clay

Source: CBRE Research, Q4 2025

Market Statistics by Size

	Net Rentable Area	Total Vacancy	Total Availability	Direct Availability	Sublease Availability	Avg. Direct Asking Rate (NNN/YR)	Current Quarter Net Absorption	YTD Net Absorption	Deliveries	Under Construction
Under 100,000 sq. ft.	60,143,279	2.2	2.9	2.6	0.3	6.86	(6,212)	254,018	0	214,951
100,000-199,999 sq. ft.	46,838,866	3.0	3.8	3.2	0.6	5.78	(111,917)	(264,316)	0	198,715
200,000-299,999 sq. ft.	34,089,698	7.8	7.9	7.6	0.3	5.90	14,383	596,730	0	413,701
300,000-499,999 sq. ft.	39,087,050	10.1	11.3	9.1	2.2	4.96	98,346	471,971	1,056,200	1,469,552
500,000-749,999 sq. ft.	32,086,697	5.1	5.1	5.1	0.0	5.97	345,419	1,149,248	555,871	1,207,500
750,000 sq. ft.	74,761,470	4.1	5.4	4.9	0.4	4.85	20,025	3,930,848	0	0
Total	287,007,060	4.9	5.7	5.1	0.6	5.49	360,044	6,138,499	1,612,071	3,504,419

Market Statistics by Product Type

	Net Rentable Area	Total Vacancy	Total Availability	Direct Availability	Sublease Availability	Avg. Direct Asking Rate (NNN/YR)	Current Quarter Net Absorption	YTD Net Absorption	Deliveries	Under Construction
Distribution / Logistics	217,697,640	5.8	6.6	5.9	0.6	5.43	1,023,359	5,450,134	1,612,071	3,447,719
Manufacturing	54,492,519	1.9	2.6	2.0	0.6	5.35	(364,511)	897,344	0	56,700
R&D / Flex	3,891,291	3.0	3.0	2.6	0.4	12.75	(18,804)	33,225	0	0
Other Industrial	10,925,610	2.9	3.5	3.5	0.0	7.71	(280,000)	(242,204)	0	0
Total	287,007,060	4.9	5.7	5.1	0.6	5.49	360,044	6,138,499	1,612,071	3,504,419

Market Statistics by Submarket

	Net Rentable Area	Total Vacancy	Total Availability	Direct Availability	Sublease Availability	Avg. Direct Asking Rate (NNN/YR)	Current Quarter Net Absorption	YTD Net Absorption	Deliveries	Under Construction
Cass	5,049,566	2.9	2.9	2.9	0.0	5.75	555,871	555,871	555,871	577,500
Clay	50,168,081	3.8	4.7	4.5	0.3	4.75	(673,381)	(1,021,797)	0	306,556
Jackson	90,729,950	5.1	6.6	6.0	0.7	5.16	205,224	1,347,324	300,000	0
Johnson	80,805,121	4.9	5.5	4.7	0.7	6.19	5,965	3,821,860	756,200	744,818
Platte	19,171,879	9.4	9.6	7.7	2.0	5.96	137,485	1,627,771	0	1,240,181
Wyandotte	41,082,463	3.8	3.5	3.5	0.0	5.51	128,880	(192,530)	0	635,364
Total	287,007,060	4.9	5.7	5.1	0.6	5.49	360,044	6,138,499	1,612,071	3,504,419

Modern Bulk Distribution Market Statistics by Submarket

	Net Rentable Area	Total Vacancy	Total Availability	Direct Availability	Sublease Availability	Avg. Direct Asking Rate (NNN/YR)	Current Quarter Net Absorption	YTD Net Absorption	Deliveries	Under Construction
Cass	5,049,566	2.9	2.9	2.9	0.0	5.75	555,871	555,871	555,871	577,500
Clay	12,082,652	6.8	4.6	4.1	0.6	6.75	(299,544)	(326,801)	0	306,556
Jackson	14,085,377	16.9	16.9	16.6	0.2	6.33	374,500	1,104,739	300,000	0
Johnson	40,332,820	7.0	7.5	6.2	1.3	6.12	(161,417)	3,509,797	356,200	665,231
Platte	12,492,640	11.5	11.5	8.5	3.0	5.84	202,240	1,749,973	0	1,240,181
Wyandotte	8,596,846	9.2	4.9	4.9	0.0	5.93	283,215	(265,785)	0	500,000
Total	92,639,901	9.1	8.6	7.5	1.1	6.18	954,865	6,327,794	1,212,071	3,289,468

Modern Bulk Distribution includes distribution/warehouse facilities 100,000 sq. ft. or greater, built in 1990 or later, with a 28' clear height or greater

U.S. Economy Overview

The U.S. economy is sending some mixed signals. Financial markets are focused on the upside, particularly AI's sizable contribution to growth in recent quarters. Some indicators of business activity, such as capital goods orders, are improving, and strengthening credit markets are helping to usher real estate into a new cycle.

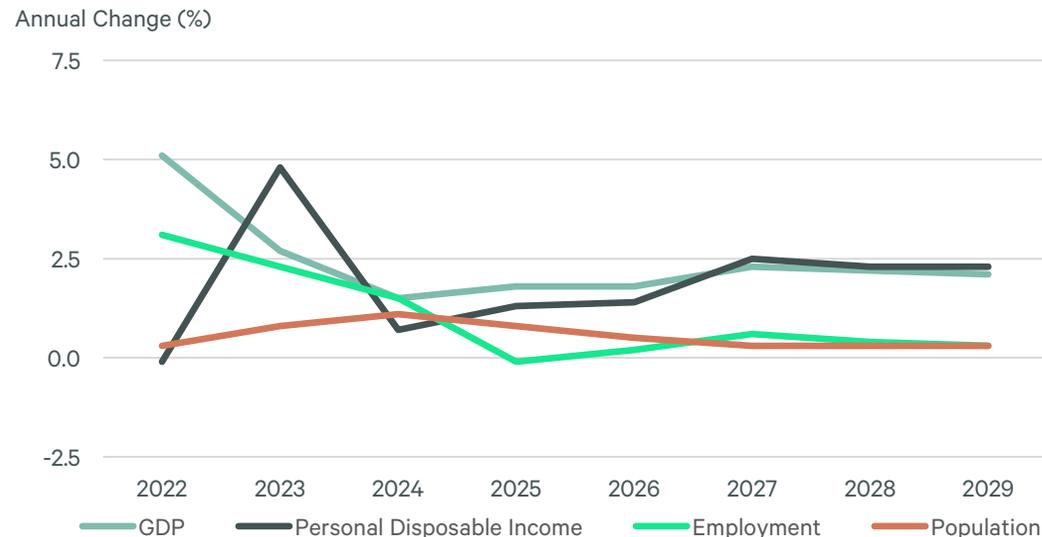
The picture gets more melancholy when looking at households. Consumer confidence remains weak, with spending reportedly driven by a smaller segment of affluent households. This mosaic of data suggests that annual average GDP growth will be steady in 2026, at 2%, but a touch softer than in 2025. A key catalyst is a softer labor market, as companies are 'slow to hire, slow to fire'—a trend that is likely to last a few quarters. A consequence of this outlook is softer inflation and long-term bond yields trending just below 4% by H2 2026.

Kansas City Economy Overview

According to Oxford Economics, Kansas City had a year-to-date job decline of 0.3% as of October 2025. The decline is largely due to Kansas City's large federal government sector which has suffered from job cuts and buyouts. Kansas City's year-to-date GDP growth of 1.1% was below the US equivalent rate of 1.3%, led by data processing, real estate, and tech-related sectors. Future GDP growth is forecast at 2% in 2025 to 2029.

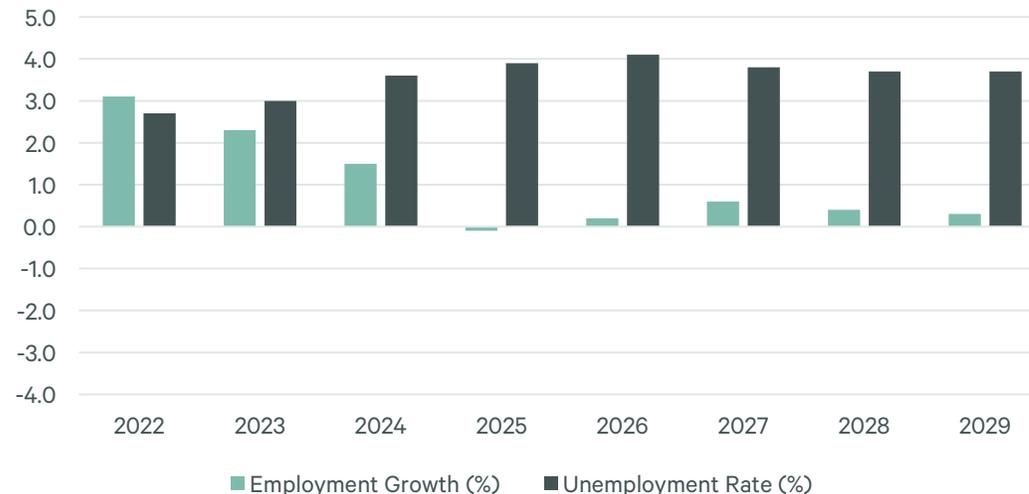
Kansas City's median home prices grew by 1.1% year-over-year as of Q3 2025, with house prices projected to grow by 3.1%, on average, in 2025 through 2029. Kansas City's real personal disposable income per capita is forecast to grow 1.5% per year in 2025 through 2029, while consumer spending is forecast to grow by 1.8% per year over the same period.

FIGURE 9: Kansas City Economic Forecast



Source: BLS, US Census Bureau, Oxford Economics, October 2025.

FIGURE 10: Kansas City Employment Forecast



Source: BLS, US Census Bureau, Oxford Economics, October 2025.

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
 +1 816 968 5879
david.ronsick@cbre.com