

RESEARCH 1Q26

# Kansas City Retail Report



**NEWMARK**  
ZIMMER

# Executive Summary

Newmark Zimmer is constantly monitoring market indicators, tracking and analyzing supply and demand drivers, cyclical patterns and industry trends. The following quarterly research report examines the multifaceted Kansas City retail market.

Newmark Zimmer research and analytics has established a system of data flow unique in our industry. Rather than rely on third party data sources, our data acquisition efforts involve inputs from advisors in the field, analysts and brokers executing transactions. Newmark Zimmer research converts market data and analysis into knowledge that creates value for our clients.

Our clients include market-leading landlords and distinguished institutions in and around the Kansas City area and the Midwest. Our market knowledge continues to expand as the market progresses and evolves.



## Select Market Transactions

### **Hobby Lobby**

53,450 SF GLA – SOLD FOR \$5,510,000 (\$103/SF)

Southeast Jackson County | 1015 NE Rice Road

### **Eastgate Shopping Center**

65,980 SF GLA – SOLD FOR \$4,500,000 (\$68/SF)

South Johnson County | 1209-1225 E Santa Fe Street

### **CVS Pharmacy**

12,900 SF GLA – SOLD FOR \$4,385,000 (\$340/SF)

Platte County | 8421 NW Prairie View Road

### **Shops at Eastland**

20,000 SF GLA – SOLD FOR \$4,200,000 (\$210/SF)

East Jackson County | 18931 E Valley View Parkway

### **Chase Bank**

3,300 SF GLA – SOLD FOR \$2,765,000 (\$838/SF)

North Johnson County | 9500 Mission Road

# Retail

## KANSAS CITY MARKET OVERVIEW

Kansas City continues to outperform regional and national retail benchmarks as leasing activity exceeded new deliveries by six-to-one in the past four quarters. Robust tenant demand combined with occupancy levels of 95.4% and limited new supply on the horizon for the remainder of 2026 reflect an expanding growth market. Retail investment volume for all-sized deals peaked at \$725 million over the past 12 months, a 55.5% increase year-over-year, with sustained activity in core infill areas and community shopping centers. National brands and local operators will continue to procure in-demand prime space in the Metro as the sector is expected to outperform historical fundamentals in 2026.

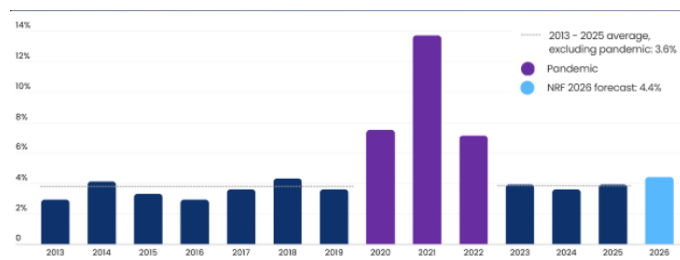
### Market News:

- A proposed \$2.3 billion mixed-use development, Pioneer Crossing, in Clay County would transform a largely undeveloped Northland site into a major retail, residential, and entertainment destination. Plans include over 1.1 MSF of retail space, positioning the project as a regional draw and highlighting continued retail expansion in underserved submarkets.
- Slick City Action Park signed a 10-year lease for 42,810 SF at the former JoAnn’s space at 11401 Metcalf Ave. in Overland Park. The indoor entertainment venue highlights growing demand for experiential, year-round attractions and adaptive reuse of vacant big-box properties in suburban retail corridors. Move-in is anticipated for August 2026.
- Kansas City-based lifestyle retailer MERSEA announced its first brick-and-mortar store at the Country Club Plaza, signaling continued interest from emerging direct-to-consumer brands in establishing physical storefronts.

The National Retail Federation (NRF) projects U.S. retail sales to grow 4.4% year-over-year in 2026, reaching approximately \$5.6 trillion, reflecting a stronger-than-average expansion compared with the pre-pandemic 10-year growth rate of roughly 3.6%. This outlook underscores continued consumer resilience as the primary driver of retail performance, with household spending expected to remain a key pillar of economic stability despite ongoing macroeconomic volatility. Retail growth is anticipated to build on a solid 2025 performance, when sales reached roughly \$5.4 trillion, supported by stable employment, wage growth, and healthy household balance sheets. While the outlook is positive, risks remain, including inflationary pressures, geopolitical uncertainty, and shifting consumer sentiment, which could influence spending patterns and prompt revisions to the forecast.

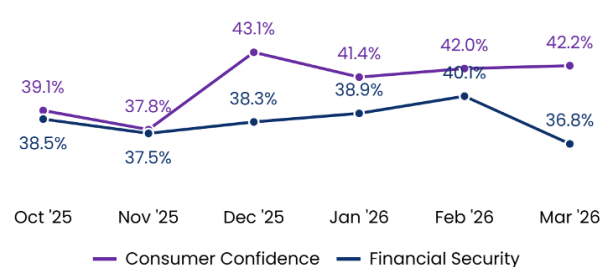
Overall, the 2026 forecast signals moderate, above-trend retail growth, reinforcing a stable national backdrop for retail demand and supporting continued expansion across both physical and omnichannel retail formats. A strong holiday shopping season propelled retailers and restaurants with better-than-expected revenues to close-out 2025.

**Historical Retail Sales – 2026 Forecast**



Source: National Retail Federation, U.S. Census Bureau, Oxford Economics.

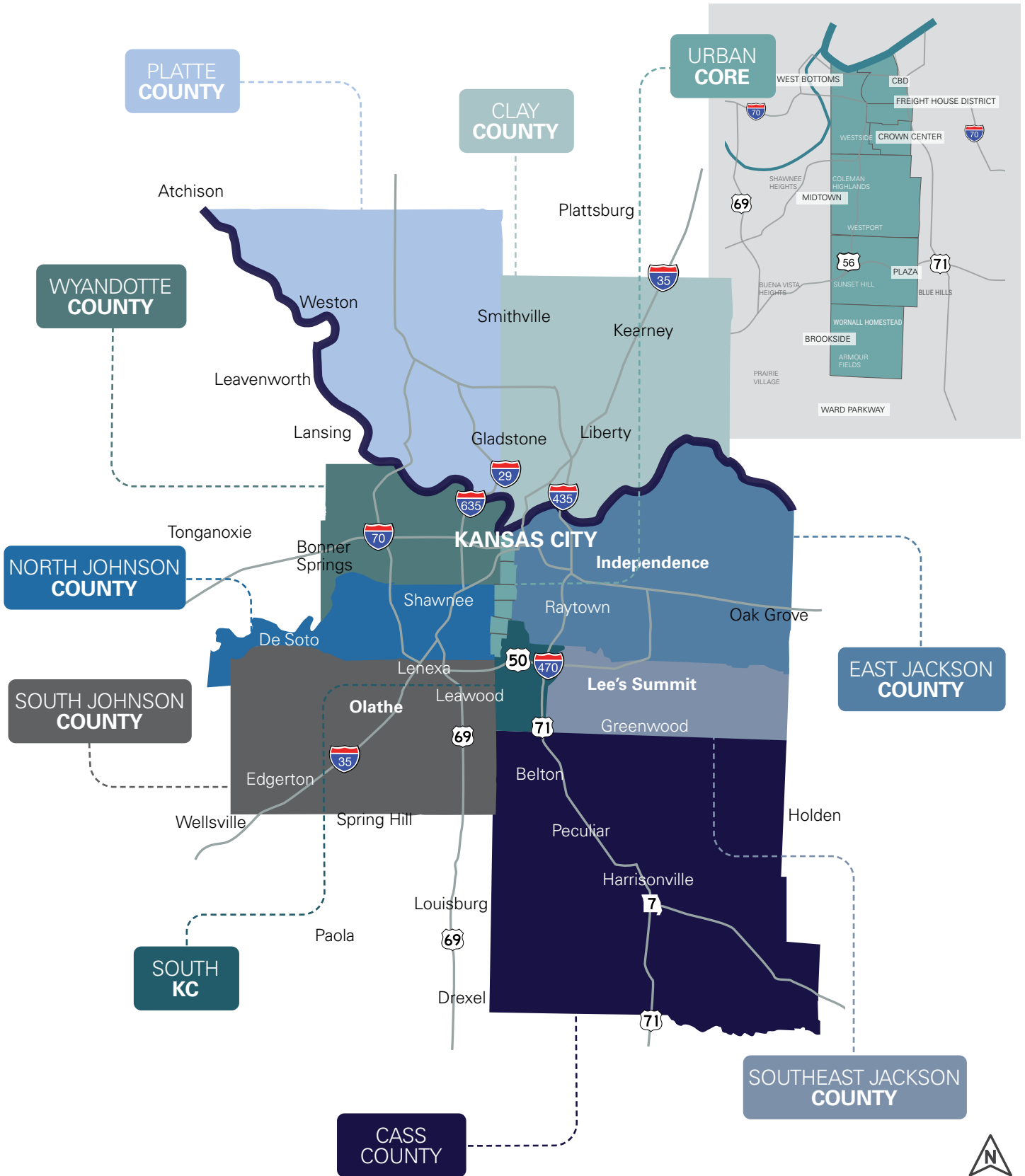
**Consumer Confidence and Financial Security**



Source: National Retail Federation, Prosper Insights & Analytics

# Submarket Maps

## DOWNTOWN & SUBURBS



This map was produced using reliable private and government sources. This information is provided without representation or warranty.

# 1Q26 Kansas City

## RETAIL MARKET STATISTICS TABLE

	Type	# of Buildings	Total Inventory (SF)	Total Vacancy Rate	Qtr Absorption (SF)	Past 4 Qtrs. Absorption (SF)	Past 4 Qtrs. Deliveries (SF)	Total Asking Rent (NNN)
CASS COUNTY	All	566	5,902,816	2.80%	-39,222	32,835	14,000	\$14.17
	Small Shop	411	1,437,441	1.50%	-3,848	16,906	5,000	\$15.73
	Big Box	155	4,465,375	3.20%	-35,374	15,929	9,000	\$13.85
CLAY COUNTY	All	1,141	14,035,820	3.10%	-87,382	-119,371	34,022	\$16.38
	Small Shop	739	2,646,143	2.10%	5,233	4,050	14,022	\$21.52
	Big Box	402	11,389,677	3.40%	-92,615	-123,421	20,000	\$15.58
EAST JACKSON COUNTY	All	2,469	24,244,508	7.30%	-167,753	-235,848	25,462	\$11.19
	Small Shop	1,829	5,927,280	3.10%	-14,870	-16,602	17,262	\$17.21
	Big Box	640	18,317,228	8.70%	-152,883	-219,246	8,200	\$10.20
KC URBAN CORE	All	983	8,538,365	5.30%	-99,826	-171,514	0	\$20.41
	Small Shop	660	2,291,090	5.10%	-13,264	-55,019	0	\$21.77
	Big Box	323	6,247,275	5.30%	-86,562	-116,495	0	\$19.55
NORTH JOHNSON COUNTY	All	1,204	18,748,300	4.30%	-56,922	-175,919	10,191	\$15.64
	Small Shop	742	2,689,512	2.70%	6,131	-9,586	1,000	\$21.45
	Big Box	462	16,058,788	4.60%	-63,053	-166,333	9,191	\$14.89
PLATTE COUNTY	All	443	6,703,607	3.70%	-22,239	46,474	14,571	\$15.82
	Small Shop	281	1,129,347	2.30%	-6,063	-4,266	5,070	\$24.09
	Big Box	162	5,574,260	4.00%	-16,176	50,740	9,501	\$14.83
SOUTH JOHNSON COUNTY	All	1,297	21,667,396	3.00%	-18,721	84,041	83,812	\$19.54
	Small Shop	720	2,640,248	2.00%	-7,952	2,353	10,596	\$27.00
	Big Box	577	19,027,148	3.20%	-10,769	81,688	73,216	\$19.00
SOUTH KC	All	569	5,880,666	5.00%	-20,100	11,266	12,234	\$13.56
	Small Shop	404	1,205,538	2.70%	0	4,350	3,725	\$17.51
	Big Box	165	4,675,128	5.70%	-20,100	6,916	8,509	\$12.26
SOUTHEAST JACKSON COUNTY	All	562	7,359,245	5.00%	-76,900	-42,027	99,867	\$20.25
	Small Shop	368	1,350,292	2.10%	-2,594	2,077	9,795	\$23.39
	Big Box	194	6,008,953	5.70%	-74,306	-44,104	90,072	\$19.72
WYANDOTTE COUNTY	All	1,043	10,553,556	4.50%	-18,121	8,606	13,000	\$10.35
	Small Shop	811	2,567,625	2.60%	5,771	4,818	13,000	\$23.16
	Big Box	232	7,985,931	5.20%	-23,892	3,788	0	\$8.46
TOTALS	All	10,277	123,634,279	4.60%	-607,186	-561,457	307,159	\$15.02
	Small Shop	6,965	23,884,516	2.80%	-31,456	-50,919	79,470	\$21.04
	Big Box	3,312	99,749,763	5.00%	-575,730	-510,538	227,689	\$13.89

**Small Shop:** Retail buildings in which GLA is 7,500 square feet or less. **Big Box:** Retail buildings in which GLA is 7,501 square feet or more.

Examination and calculation of supply and demand determinants by building size uncovered statistically significant inflection points consistently at the 7,500-square-foot building size. For this reason, the division between small-shop and big-box occurs at 7,500 square feet.

# Market Indicators

## VACANCY RATE, ASKING RENT & NET ABSORPTION

### KC URBAN CORE

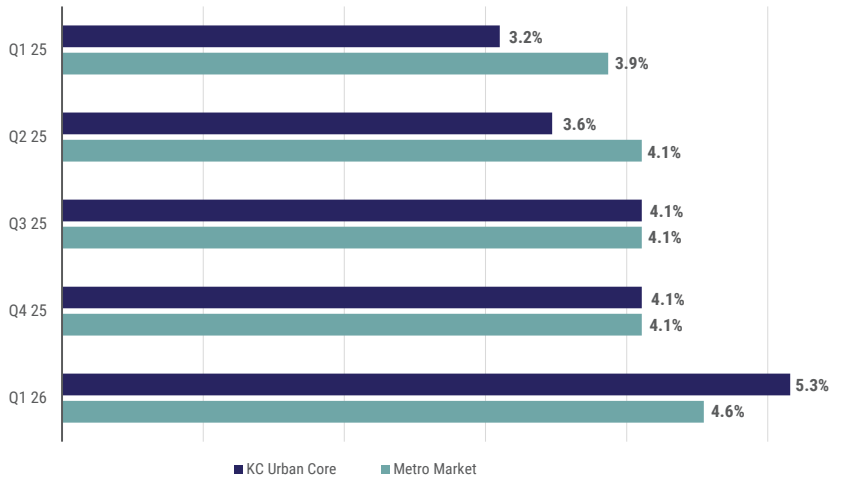
#### VACANCY RATE

The KC Urban Core vacancy rate displayed an upward trend, increasing **210 basis points** compared to the past year.

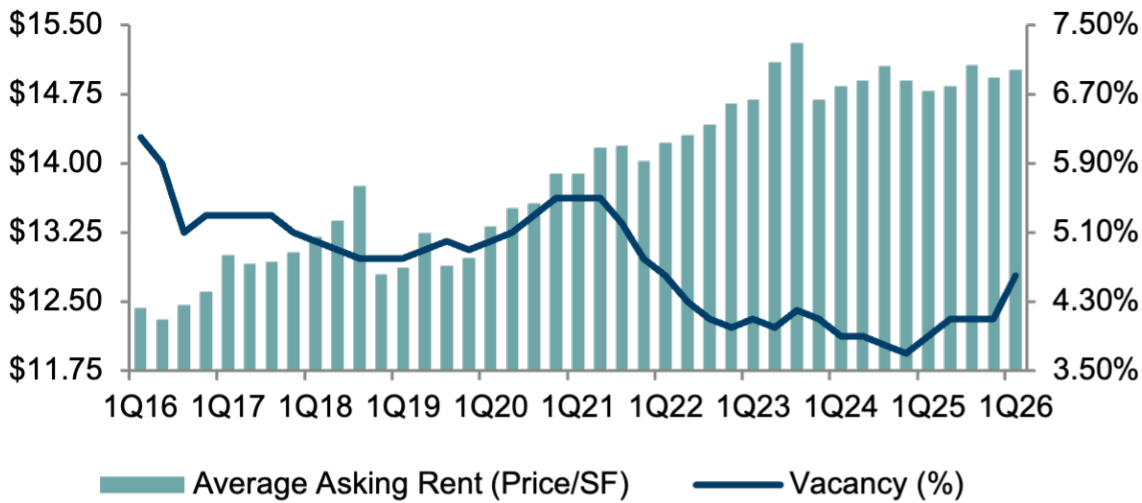
### METRO MARKET

#### VACANCY RATE

The metro market vacancy rate displayed an upward trend, increasing **70 basis points** compared to the past year.

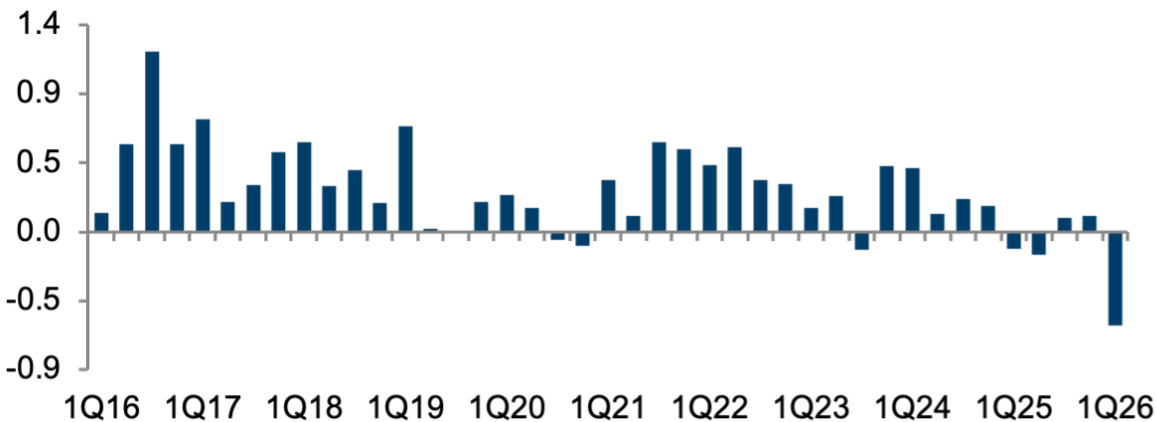


## ASKING RENT AND VACANCY



## NET ABSORPTION

SQUARE FEET, MILLIONS





# 1Q26 Kansas City

## SUBMARKET VACANCY RATE

### NORTH JOHNSON COUNTY

VACANCY RATE

Worsened by **100 basis points** compared to the past year.

4.3%

1Q26

3.3%

1Q25

North Johnson County displayed the second lowest amount of net absorption during the past four quarters.

### PLATTE COUNTY

VACANCY RATE

Improved by **50 basis points** compared to the past year.

3.7%

1Q26

4.2%

1Q25

Platte County displayed the second highest amount of net absorption during the past four quarters.

### SOUTH JOHNSON COUNTY

VACANCY RATE

Remained flat compared to the past year.

3.0%

1Q26

3.0%

1Q25

South Johnson County displayed the second lowest vacancy rate in the market.

### SOUTHEAST JACKSON COUNTY

VACANCY RATE

Worsened by **190 basis points** compared to the past year.

5.0%

1Q26

3.1%

1Q25

Southeast Jackson County displays the second highest average asking rental rate in the market.

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Kansas City, MO 64105  
816-474-2000

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We transform untapped potential into limitless opportunity.

**We don't just adapt to what our partners need—we adapt to what the future demands.**

Since our start, we've faced forward, predicting change and pioneering ideas. Almost a century later, the same strategic sense and audacious thinking still guide our approach. Today our integrated platform delivers seamlessly connected services tailored to every type of client, from owners to occupiers, investors to founders, and growing startups to leading companies.

**Tapping into smart tech and smarter people, we bring ingenuity to every exchange and transparency to every relationship.**

We think outside of boxes, buildings and business lines, delivering a global perspective and a nimble approach. From reimagining spaces to engineering solutions, we have the vision to see what's next and the tenacity to get there first.

**TERMS AND DEFINITIONS**

**Gross Leasable Area (GLA)** – Expressed in square feet. It is the total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines. It is the standard measure for determining the size of retail spaces, specifically shopping centers, where rent is calculated based on GLA occupied. There is no real difference between RBA (Rentable Building Area) and GLA except that GLA is used when referring to retail properties while RBA is used for other commercial properties.

**Vacancy Rate** – The vacancy rate is the amount of physically vacant space divided by the inventory and includes direct and sublease vacant.

**Net Absorption** – The net change in physically occupied space over a period of time.

**Average Asking Rent** – The dollar amount asked by landlords for available space expressed in dollars per square foot per year. Retail rents are expressed as triple net where all costs including, but not limited to, real estate taxes, insurance and common area maintenance are borne by the tenant on a prorata basis. The asking rent for each building in the market is weighed by the amount of available space in the building.

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