

# Residential Market Potential

...

## Draft Handout

...

# The City of Leawood, Kansas

Underway by:



**LandUseUSA**  
UrbanStrategies

in Collaboration with:

**olsson**<sup>®</sup>  
PLANNING & DESIGN

November 10, 2025



# Residential Market Potential

## Draft | Charrette Handout

### 135<sup>th</sup> Street Corridor | Leawood, Kansas

Introduction – Work that is underway on the City of Leawood's new Comprehensive Plan includes a Demographic Analysis, Residential Market Analysis ("housing study"), and Retail Market Analysis ("retail study"). Study results will be used to guide the future plan for the city and the 135<sup>th</sup> Street Corridor. The most salient conclusions from the market studies reports also have been extracted and assembled into "Handouts" to help facilitate stakeholder engagement, input, and discussion.

The following narrative focuses on the Residential Market Analysis and will be refined based on the results of the charrette taking place during the week of November 10, 2025. Note: the housing study also has a companion document with profiles of the target Markets for new housing (i.e., Mosaic lifestyle clusters) and related resources.

Total Market Potential – Based on the results of the Residential Market Analysis, there is a conservative market potential to build at least 785 new residential units throughout the City of Leawood each year through the year 2030. This is based on a comparison of the supply and demand data (see the Demographic Analysis), plus a study of recent migration into the city.

Potential by Tenure – The annual market potential for 785 new units throughout the city includes 510 new for-sale units, plus 275 new for-lease units. In other words, for every two new houses that are built for the buyer market, at least one new for-lease loft, townhouse, cottage, or accessory dwelling also should be built for the rental market. These estimates can be increased by about +10% under a more aggressive growth scenario.

135<sup>th</sup> Street Corridor – Among city's annual and conservative market potential of 785 new units, only 120 (about 15%) should be built within half (1/2) of a mile north or south of the 135<sup>th</sup> Street Corridor. Of those 120 new units, about 45 should be built for the buyer market and 75 should be built for renters. In other words, for every new house that is built within the corridor or study area, two new lofts or townhouses should also be built for the renter market. Under a more aggressive growth scenario, these estimates can be increased by +35% for the owner market; and +20% for the renter market.

Target Markets – The lifestyle clusters most inclined to move into the Leawood and purchase a new house or lease a new unit include "American Royalty", "Silver Sophisticates", "Kids and Cabernet", "Golf Carts and Gourmets", and "Wired for Success". Additional target markets should include "Couples with Clout", "Fast Track Couples", "Jet Set Urbanites", "Striving Singles", and "Reaping Rewards".

Optimal Building Formats – Based on the past preferences (nationwide) of target markets migrating into Leawood, all of the for-sale units should be detached houses and/or some duplexes, including formats that are similar to detached houses. In other words, they should include private yards and private attached garages. About half of the for-lease units should be cottages and apartment houses (similar to large houses but designed and built for several renter households). The other half may be a combination of lofts, walkups (four lofts on each of three levels), and townhouses.

Perspective on Density – It also is recommended that the city and its developers strive to avoid super-sized houses, lots – and prices. Attached units, cottages with shared courtyards, and smaller houses on smaller lots sometimes can conjure up perceptions of too much “density”. However, density always should be applied in combination with the preservation of open public space, recreational resources like parks with trails, and well-designed neighborhoods with quality urban design elements like two-way streets, boulevards, on-street parking, sidewalks, and tree lawns as buffers.

Owner Price Tolerances – All of these target markets have moderate-to-high incomes and can be expected to have high price tolerances. Within the half (1/2) mile study area for the 135<sup>th</sup> Street Corridor, even the most moderate of the target markets will be able to afford a \$600,000 townhouse. The midpoint price should be about \$1.2 million; and the affluent “American Royalty” households can afford high prices exceeding \$2.0 million.

Renter Price Tolerances – Also within the study area, households with relatively moderate incomes like the “Striving Singles” will tolerate median contract rents of \$1,800 or more per month. The midpoint among the target markets (namely the “Wired for Success”) will tolerate rents of at least \$3,000 per month; and the most affluent renters (“American Royalty”) will tolerate rents of \$4,000 per month or more. In general, the lowest rents of \$1,800 could be most appropriate for lofts and apartment houses; whereas the higher prices might be better suited for duplexes, townhouses, and detached cottages around shared courtyards.

Price Influences – The market potential for high prices within the city and 135<sup>th</sup> Street Corridor are shaped by a combination of factors, including:

- Existing households that recently migrated into the city have high incomes, and they do not yet include other target markets like “Striving Singles” with exceptionally high movership rates and inclinations to lease market-rate lofts in urban and mixed-use projects.
- The high median incomes also tend to overshadow the needs of other target markets with relatively moderate incomes, like “Reaping Rewards”.
- When combined with high demand, low supply among new choices tends to drive the prices upward.
- Custom-built homes are being built with large footprints (square footage) and large kitchens, plus home offices, fitness rooms, media rooms, and bonus bedrooms and bathrooms.
- Large lot sizes (in acres) can result in over-building the footprints of corresponding houses.
- Perceptions in the development community that bonus bedrooms can help intercept migrating home buyers.
- Luxury design (multi-car garages, large picture windows, ensuite bathrooms, commercial style kitchens, vaulted ceilings, etc.).
- Luxury construction materials (marble, granite, wood floors, Viking appliances, etc.).
- Labor shortages, especially among skilled tradesmen, craftsmen, and construction crews.
- Challenges with distribution networks for building materials, which could be exacerbated by international trade tariffs.
- High interest rates for construction loans and money borrowing.
- Long permit review timelines, which can prolong the expenses of holding rental equipment, paying insurance and taxes, and making loan payments.
- Costs for public infrastructure, and fees for permits and utility hook-ups.

Affordability Strategies – High housing prices are best addressed by right-sizing unit sizes in square feet and parcel sizes in acreage. Within the buyer or for-sale market, this can be translated into smaller houses, cottages, duplexes, and even urban townhouses. For the renter market, the formats could include a combination of accessory dwellings, studios, efficiencies, cottages, and lofts. To be clear, the optimal building formats or typology does not include “for-rent apartments”, but rather “for-lease homes”.

See the next page for additional perspectives on affordability, plus age-in-place and multi-generational housing strategies.

Housing Affordability – The terms of “affordable” and “workforce” housing have emerged consistently in community forums and through responses to the recent Community Questionnaire. They also have sparked a range of interpretations and concerns about their relevance to Leawood’s unique context. Since the terms can sometimes seem subjective, some definitions are warranted.

The term “Affordable” has a very specific definition when used for CDBG (Community Development Block Grants), LIHTC (low-income housing tax credits), and other programs administered by U.S. Housing and Urban Development (HUD) and state agencies. Low-to-moderate income (LMI) brackets are used to establish thresholds based a share of the Area Median Income (AMI) that HUD estimates for Johnson County, Kansas. Households earning 50% to 80% of the county’s AMI are considered low-income; households earning 30% to 50% of AMI have very low incomes; and households earning 30% of AMI have extremely low incomes.

For developers seeking to build project without relying on federal or state funding, they could consider alternative strategies and terminology, including “attainable”, “market rate”, “missing middle”, and “workforce” housing. Prices for these types of units usually and generally align with 80% to 120% of AMI. Lastly, some luxury and custom-built houses could be built with prices based 120% of AMI and higher.

| Price Point | Share of AMI |
|-------------|--------------|
| Luxury      | 120% or more |
| Tolerable   | 120% to 140% |
| Attainable  | 80% to 120%  |
| Affordable  | 80% or less  |

For developers seeking to build new units without HUD assistance, higher income brackets can be measured based on high medians for Leawood rather than the lower medians for Johnson County. This can have profound implications for local pricing strategies. For perspective, the median household income for the City of Leawood’s owner households is about \$230,000, which is almost +65% higher than the county average of \$140,000. Similarly, the median household income for the city’s renters is \$95,000, which is +35% higher than the county average of \$70,000.

Multi-Generational Housing – In other markets, there also is a growing trend of adapting existing family homes for multi-generational living. This may include converting basements and garages into “granny suites”, subdividing houses into stacked duplexes, adding accessory dwellings in the back yards and above garages, and adding studios or suites attached to the main house, and other “house hacks”.

Accessory dwellings can help accommodate the needs of aging parents, boomerang college students, siblings, and other extended family members. However, they also can be used to generate rental income for home buyers, helping them qualify (and pay) for mortgages.

Other strategies to meet the needs of the “Striving Singles” target market could include building for-lease lofts with two ensuite bedrooms separated by a shared living room and kitchen. This format can enable two unrelated roommates to share the rent and other expenses, and to live in new-builds that they might otherwise be able to afford.

Age-in-Place Housing – In the history of housing throughout the United States, the term “age-in-place” originally was intended to address the growing need for community services that enable seniors to continue living in their current homes for the remainder of their lives. Examples of community services include home maintenance, transportation, meals and prescription delivery, and nursing care and assistance with daily needs.

Today, the term “age-in-place” often is used to describe new developments targeted at adults aged 55 years and better. The goal is to motivate seniors to sell their family homes and buy or lease smaller units in the newest development. These projects often include combinations of attached building formats for independent living like apartment buildings and pinwheels of one-level patio homes. They might also include tenant contracts designed to ease the transition of seniors into adjacent assisted living facilities.

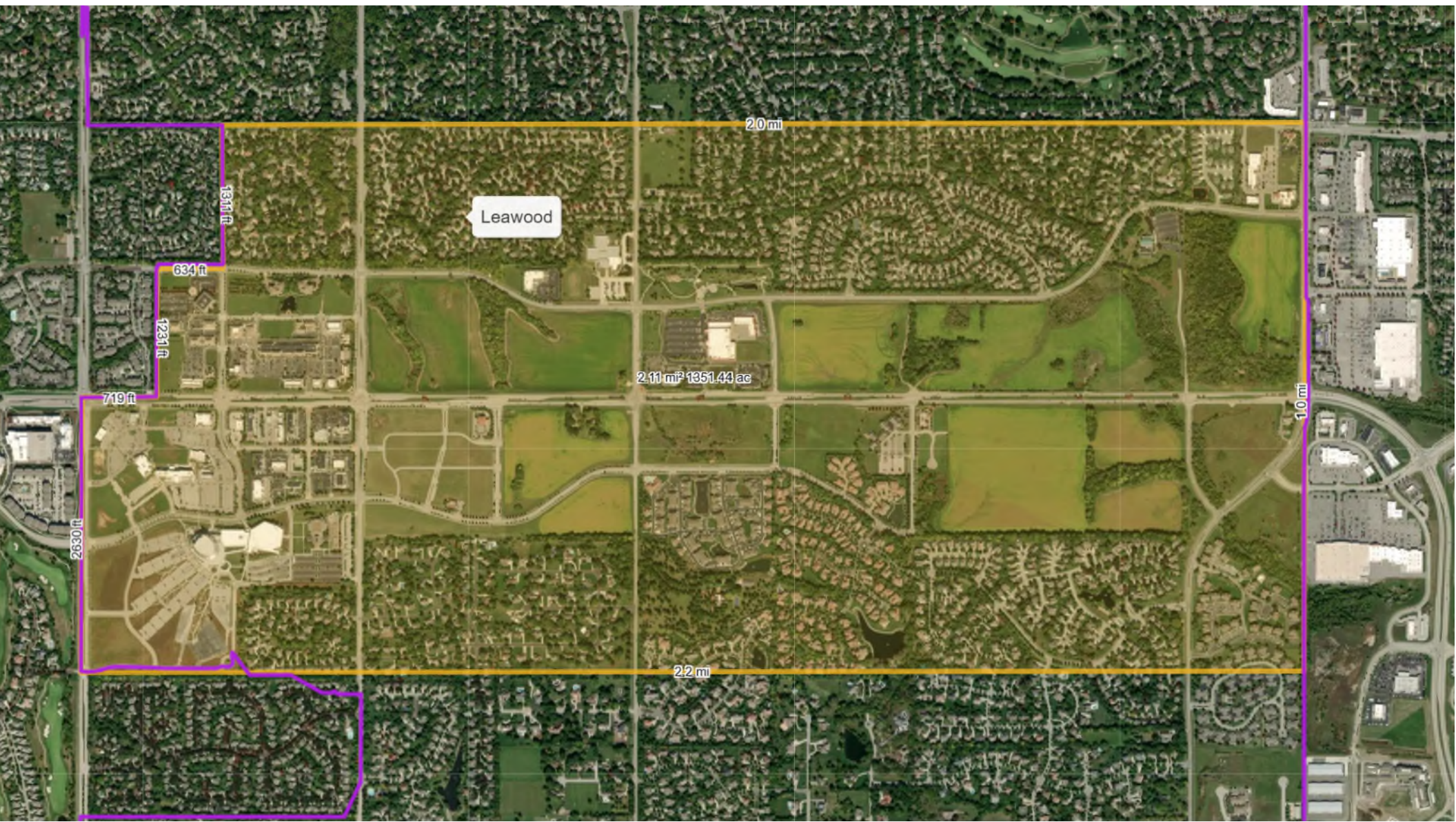
Based on nationwide trends, most households in Leawood’s “Silver Sophisticate” target market would not be inclined to choose to transition into an independent or assisted care facility. They also are unlikely to transition into townhouses, lofts, or other compact urban formats with stairs and shared corridors. They are more likely to consider smaller detached houses on smaller lots, attached duplexes, and patio homes.

For this week’s charrettes, stakeholders are encouraged to share their thoughts on these and related topics, including whether they should be addressed within the new Comprehensive Plan.

# 135th Street Corridor



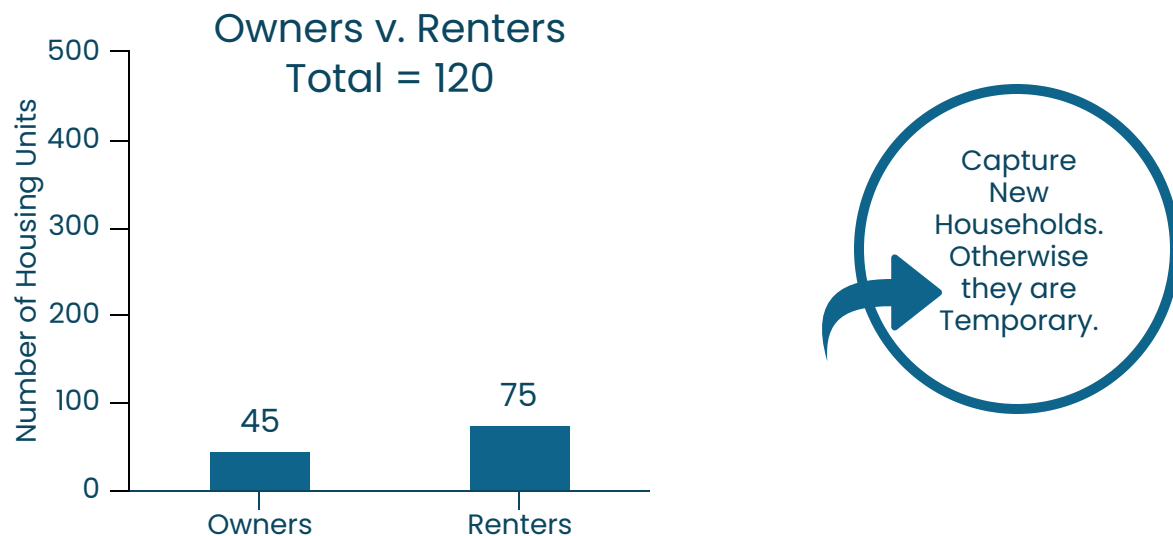
Half Mile Corridor | 135th Street  
The City of Leawood, Kansas



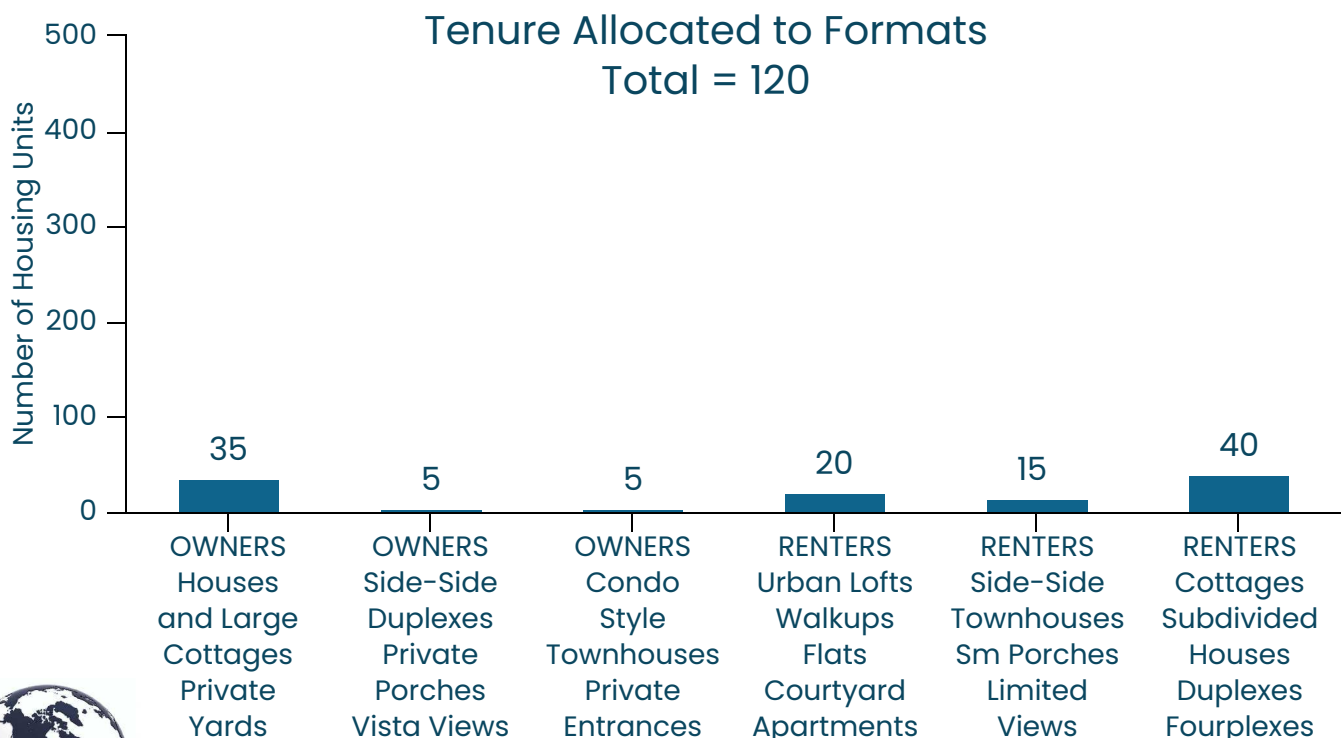


# Conservative Scenario | 135th St Corridor

## Capture with New Builds | Year 2025

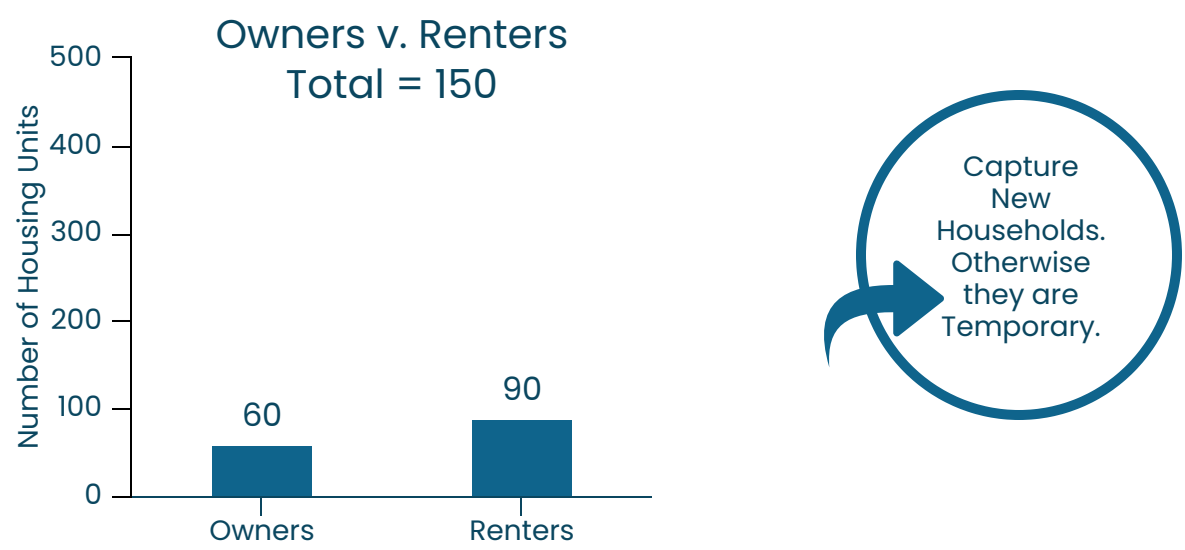


Both charts on this page represent a conservative market potential based on actual in-migration by new households only, and excluding internal movership by existing households. There is a need to CAPTURE these new households that are moving into Leawood's 135th Street Corridor by building new housing units every year. All figures are unadjusted for out-migration, current vacancies, and competitive developments that might be in the construction pipeline.

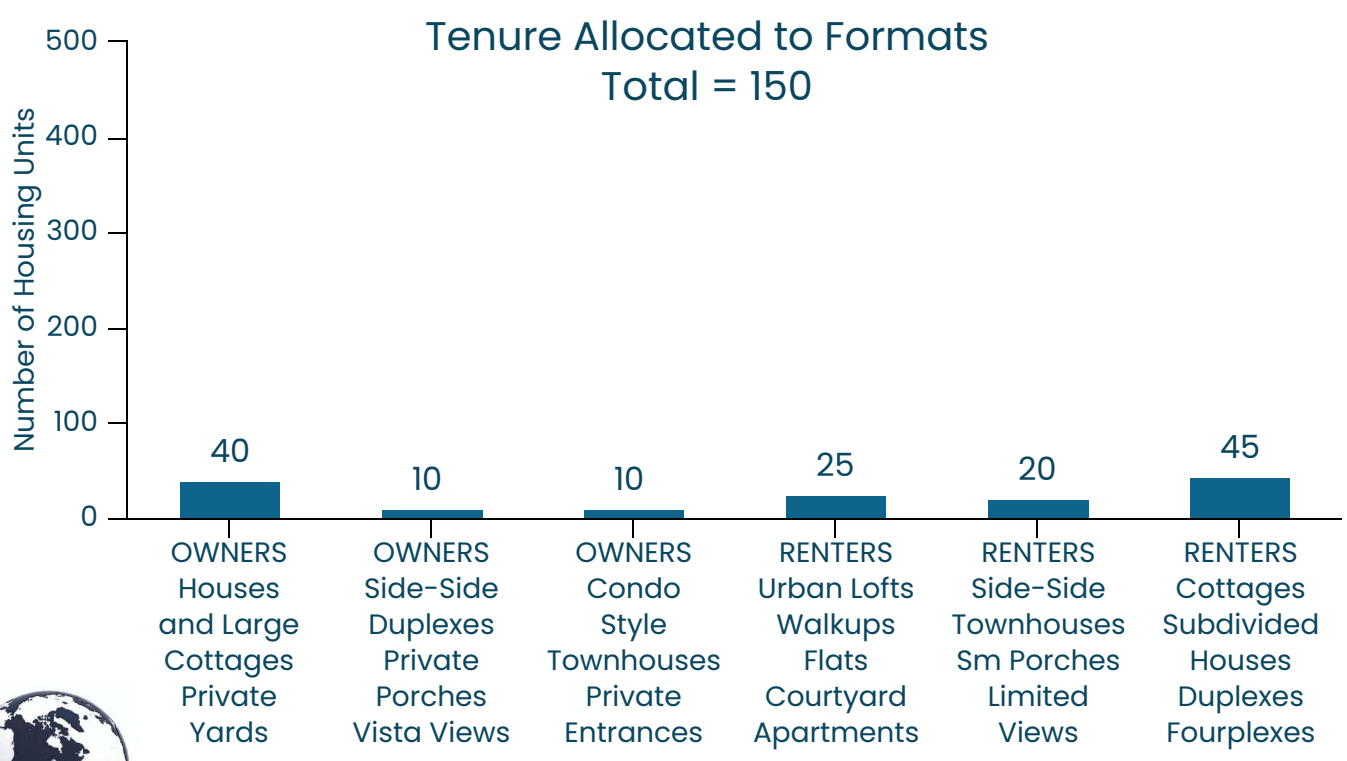


# Aggressive Scenario | 135th St Corridor

## Capture with New Builds | Year 2025



Both charts on this page represent an aggressive market potential based on accelerated in-migration by new households only, and excluding internal movership by existing households. There is a need to CAPTURE these new households that could move into Leawood's 135th Street Corridor by building new housing units every year. All figures are unadjusted for out-migration, current vacancies, and competitive developments in the construction pipeline.



Source: Target market analysis and exhibit prepared by LandUseUSA Urban Strategies in collaboration with Olsson, 2025.

# Aggressive Scenario | 135th St Corridor

## Owner Capture with New Builds | Yr 2025

|             |                                 |    |
|-------------|---------------------------------|----|
| \$2,480,000 | Platinum Prosperity   A02       |    |
| \$2,260,000 | Kids and Cabernet   A03         | 2  |
| \$2,165,000 | American Royalty   A01          | 33 |
| \$2,050,000 | Picture Perfect Families   A04  |    |
| \$1,895,000 | Couples with Clout   A05        | 1  |
| \$1,720,000 | Jet Set Urbanites   A06         |    |
| \$1,445,000 | Generational Soup   B07         |    |
| \$1,415,000 | Aging of Aquarius   C11         |    |
| \$1,365,000 | Family Fun-tastic   B09         |    |
| \$1,375,000 | Babies and Bliss   B08          |    |
| \$1,345,000 | Golf Carts, Gourmets   C12      |    |
| \$1,195,000 | Silver Sophisticates   C13      | 14 |
| \$1,105,000 | Fast Track Couples   F22        | 1  |
| \$995,000   | Full Pockets, Empty Nests   E19 |    |
| \$980,000   | Urban Edge   G25                |    |
| \$965,000   | Status Seeking Singles   G24    |    |
| \$870,000   | Birkenstocks, Beemers   H27     |    |
| \$835,000   | Wired for Success   K37         | 6  |
| \$760,000   | Destination Recreation   H29    |    |
| \$680,000   | Aging in Place   J34            |    |
| \$665,000   | Rooted Flower Power   L42       |    |
| \$625,000   | Digital Dependents   O51        |    |
| \$590,000   | Reaping Rewards   Q62           |    |
| \$590,000   | Mid-scale Medley   P56          | 2  |
| \$575,000   | Full Steam Ahead   O50          |    |
| \$535,000   | Striving Single Scene   O54     |    |
| \$515,000   | Urban Ambition   O52            |    |
| \$520,000   | Bohemian Groove   K40           |    |
| \$480,000   | Family Troopers   O55           |    |
| \$330,000   | Senior Discounts   Q65          |    |
| .           | All Other Clusters   X00        |    |

Capture 60  
New Buyer  
Households



Prices Represent  
Reasonable  
Tolerances of Owner  
Households

# Aggressive Scenario | 135th St Corridor

## Renter Capture with New Builds | Yr 2025

|         |                                 |    |
|---------|---------------------------------|----|
| \$4,075 | Platinum Prosperity   A02       |    |
| \$4,050 | Kids and Cabernet   A03         | 1  |
| \$4,025 | American Royalty   A01          | 19 |
| \$4,000 | Picture Perfect Families   A04  |    |
| \$3,975 | Couples with Clout   A05        | 1  |
| \$3,950 | Jet Set Urbanites   A06         |    |
| \$3,925 | Generational Soup   B07         |    |
| \$3,900 | Aging of Aquarius   C11         |    |
| \$3,875 | Family Fun-tastic   B09         |    |
| \$3,850 | Babies and Bliss   B08          |    |
| \$3,825 | Golf Carts, Gourmets   C12      |    |
| \$3,800 | Silver Sophisticates   C13      | 7  |
| \$3,775 | Fast Track Couples   F22        | 1  |
| \$3,750 | Full Pockets, Empty Nests   E19 |    |
| \$3,725 | Urban Edge   G25                |    |
| \$3,700 | Status Seeking Singles   G24    |    |
| \$3,375 | Birkenstocks, Beemers   H27     |    |
| \$3,225 | Wired for Success   K37         | 51 |
| \$2,900 | Destination Recreation   H29    |    |
| \$2,575 | Aging in Place   J34            |    |
| \$2,600 | Rooted Flower Power   L42       |    |
| \$2,425 | Digital Dependents   O51        |    |
| \$2,275 | Reaping Rewards   Q62           |    |
| \$2,300 | Mid-scale Medley   P56          | 1  |
| \$2,125 | Full Steam Ahead   O50          | 3  |
| \$1,950 | Striving Single Scene   O54     | 2  |
| \$1,975 | Urban Ambition   O52            |    |
| \$1,975 | Bohemian Groove   K40           |    |
| \$1,825 | Family Troopers   O55           | 3  |
| \$1,275 | Senior Discounts   Q65          |    |
| .       | All Other Clusters   X00        |    |

Capture 90  
New Renter  
Households



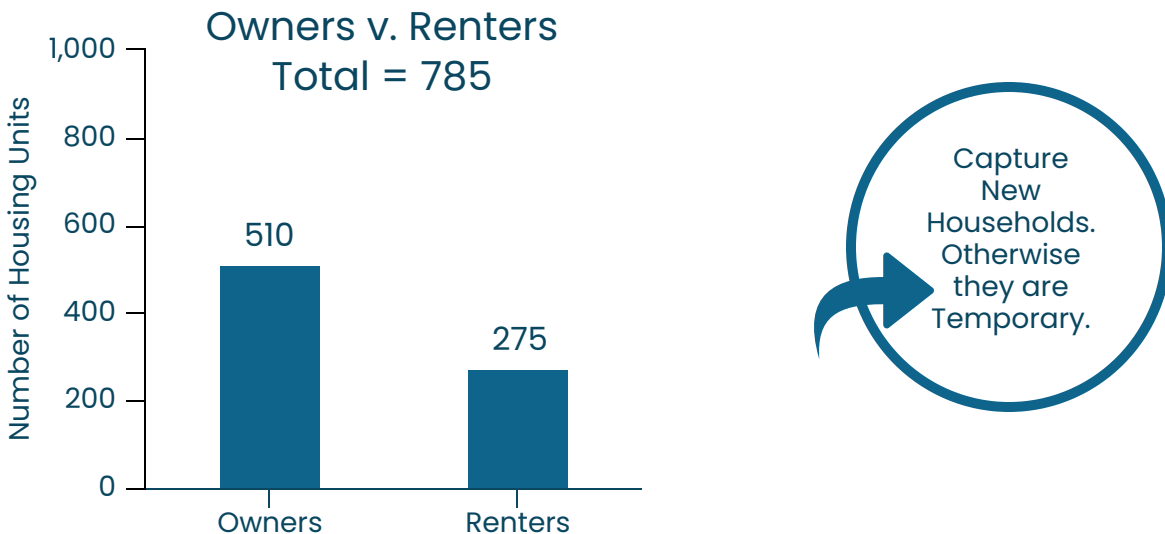
Prices Represent  
Reasonable  
Tolerances of Renter  
Households



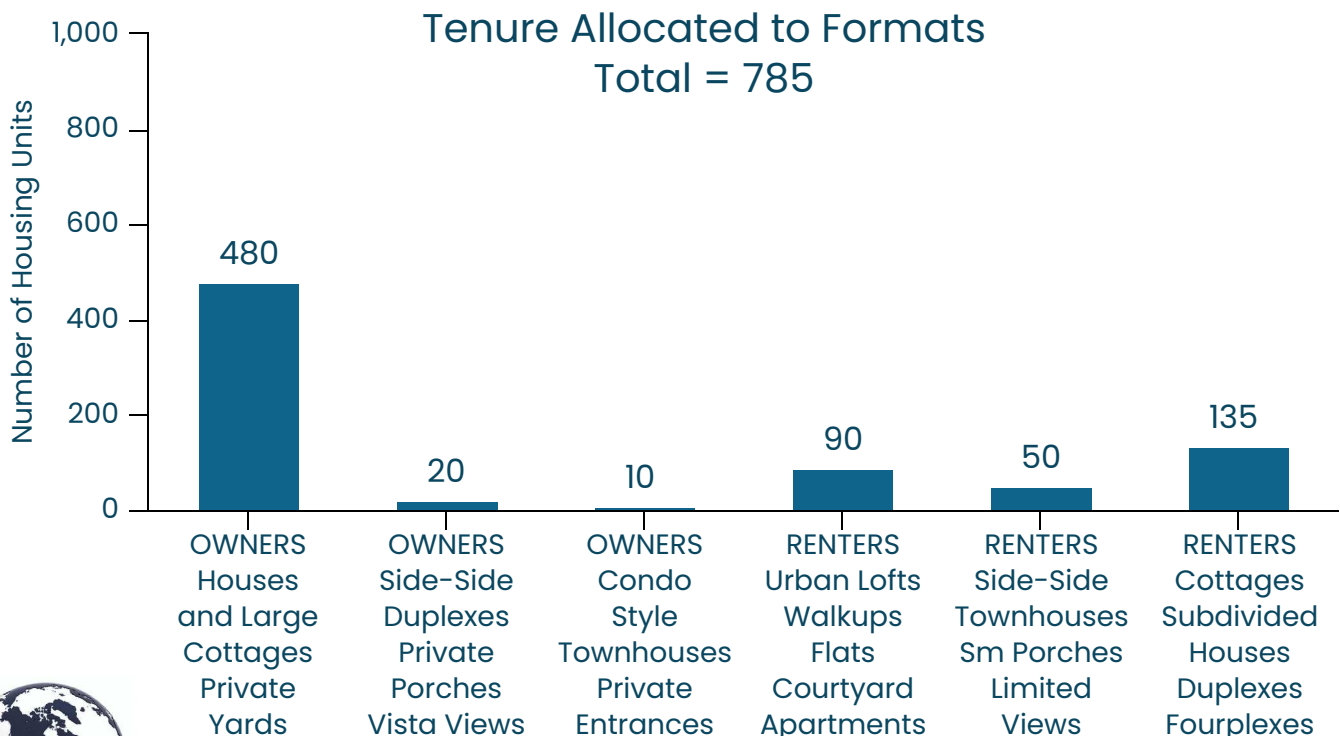
# The City of Leawood

# Conservative Scenario | City of Leawood

## Capture with New Builds | Year 2025

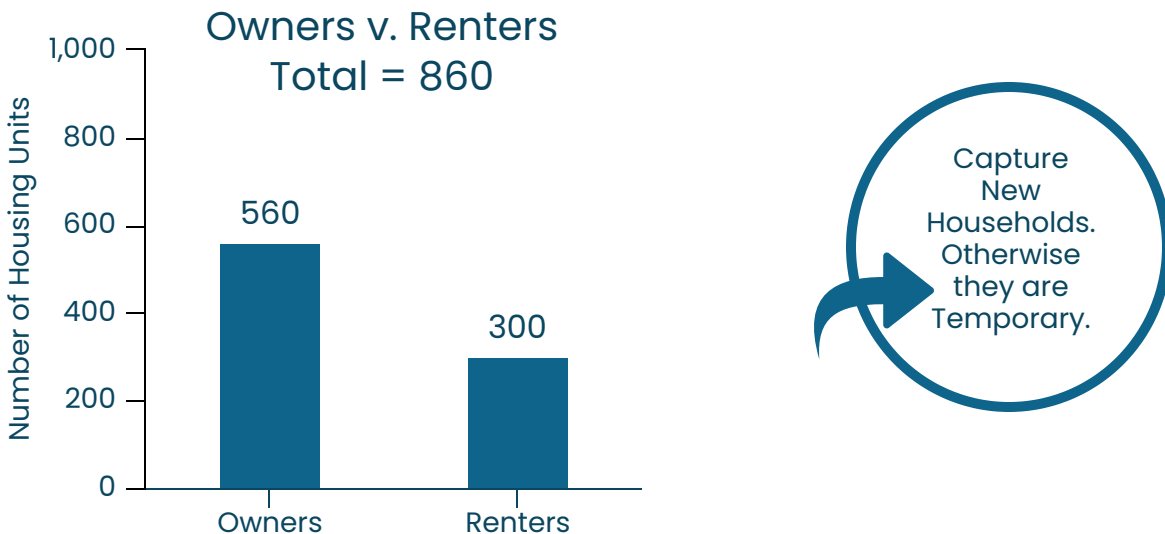


Both charts on this page represent a conservative market potential based on actual in-migration by new households only, and excluding internal movership by existing households. There is a need to CAPTURE these new households that are moving into the City of Leawood by building new housing units every year. All figures are unadjusted for out-migration, current vacancies, and competitive developments that might be in the construction pipeline.

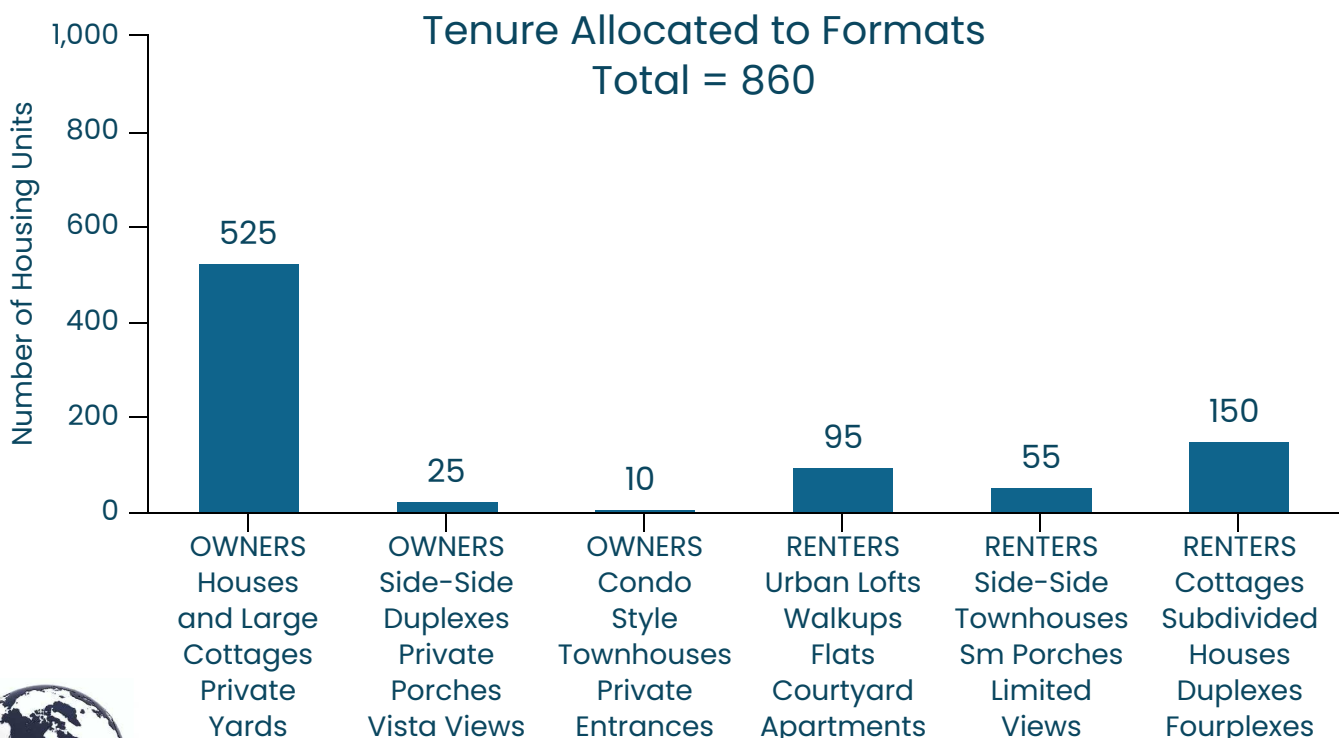


# Aggressive Scenario | City of Leawood

## Capture with New Builds | Year 2025

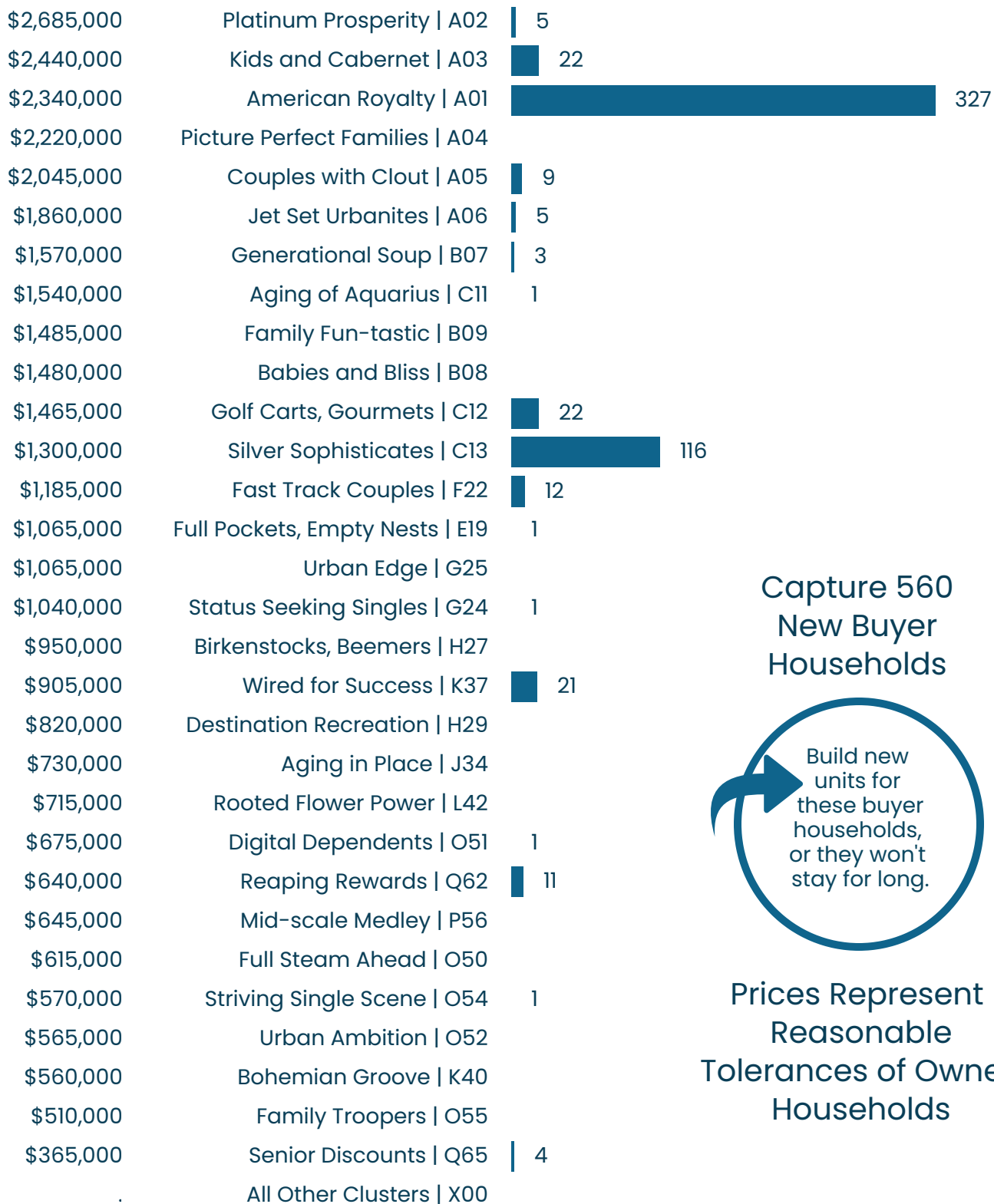


Both charts on this page represent an aggressive market potential based on accelerated in-migration by new households only, and excluding internal movership by existing households. There is a need to CAPTURE these new households that could move into the City of Leawood by building new housing units every year. All figures are unadjusted for out-migration, current vacancies, and competitive developments in the construction pipeline.



# Aggressive Scenario | City of Leawood

## Owner Capture with New Builds | Yr 2025



Capture 560  
New Buyer  
Households



Prices Represent  
Reasonable  
Tolerances of Owner  
Households

# Aggressive Scenario | City of Leawood

## Renter Capture with New Builds | Yr 2025

|         |                                 |     |
|---------|---------------------------------|-----|
| \$4,350 | Platinum Prosperity   A02       | 1   |
| \$4,325 | Kids and Cabernet   A03         | 3   |
| \$4,300 | American Royalty   A01          | 67  |
| \$4,275 | Picture Perfect Families   A04  |     |
| \$4,250 | Couples with Clout   A05        | 2   |
| \$4,225 | Jet Set Urbanites   A06         | 3   |
| \$4,200 | Generational Soup   B07         | 1   |
| \$4,175 | Aging of Aquarius   C11         |     |
| \$4,150 | Family Fun-tastic   B09         |     |
| \$4,125 | Babies and Bliss   B08          |     |
| \$4,100 | Golf Carts, Gourmets   C12      | 8   |
| \$4,075 | Silver Sophisticates   C13      | 24  |
| \$4,050 | Fast Track Couples   F22        | 3   |
| \$4,025 | Full Pockets, Empty Nests   E19 |     |
| \$4,000 | Urban Edge   G25                |     |
| \$3,975 | Status Seeking Singles   G24    | 1   |
| \$3,625 | Birkenstocks, Beemers   H27     |     |
| \$3,450 | Wired for Success   K37         | 164 |
| \$3,125 | Destination Recreation   H29    |     |
| \$2,800 | Aging in Place   J34            |     |
| \$2,750 | Rooted Flower Power   L42       |     |
| \$2,600 | Digital Dependents   O51        | 1   |
| \$2,450 | Reaping Rewards   Q62           | 3   |
| \$2,450 | Mid-scale Medley   P56          |     |
| \$2,350 | Full Steam Ahead   O50          | 3   |
| \$2,175 | Striving Single Scene   O54     | 7   |
| \$2,175 | Urban Ambition   O52            |     |
| \$2,125 | Bohemian Groove   K40           |     |
| \$1,950 | Family Troopers   O55           | 5   |
| \$1,400 | Senior Discounts   Q65          | 4   |
| .       | All Other Clusters   X00        |     |

Capture 300  
New Renter  
Households



Prices Represent  
Reasonable  
Tolerances of Renter  
Households

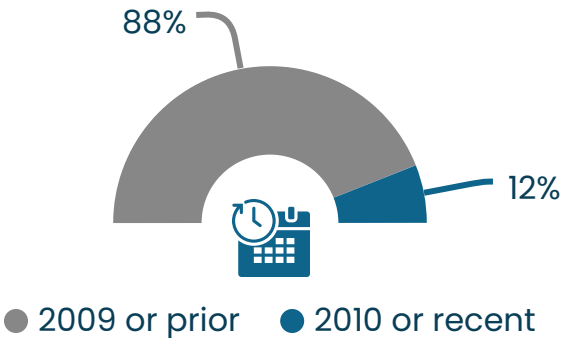


# Target Market Profiles (samples)

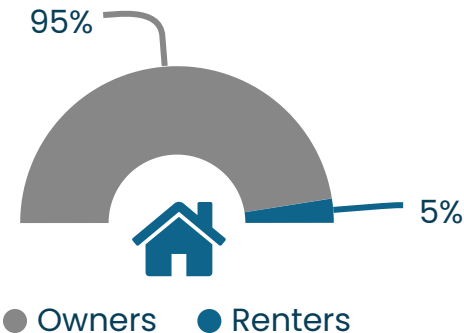
# American Royalty | A01

Lifestyles and Housing Preferences | National Averages

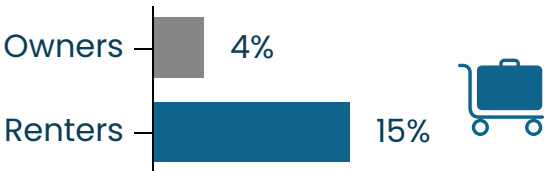
Units by Decade Built



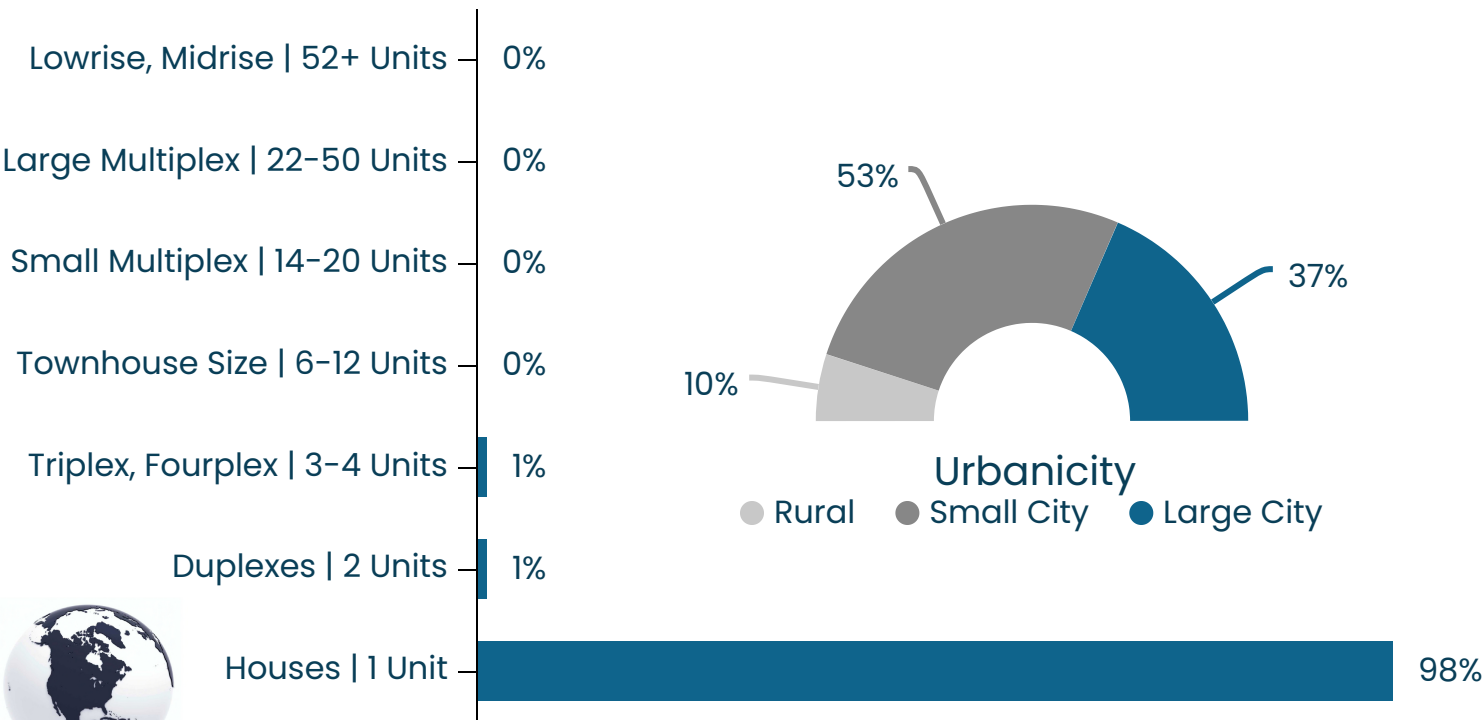
Households by Tenure



Share that Moves each Year



Inclination for Units by Building Size and Urbanicity



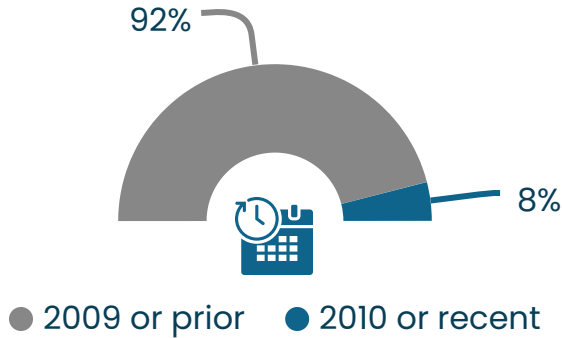
LandUseUSA  
UrbanStrategies

Source: Underlying data by Experian Decision Analytics; exhibit and analysis by LandUseUSA | Urban Strategies © 2023 with all rights reserved.

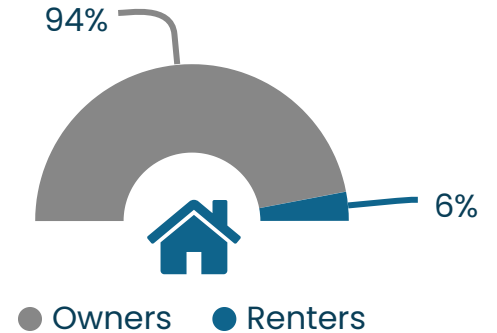
# Silver Sophisticates | C13

## Lifestyles and Housing Preferences | National Averages

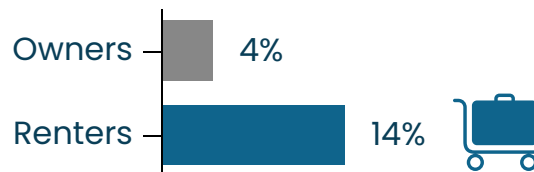
### Units by Decade Built



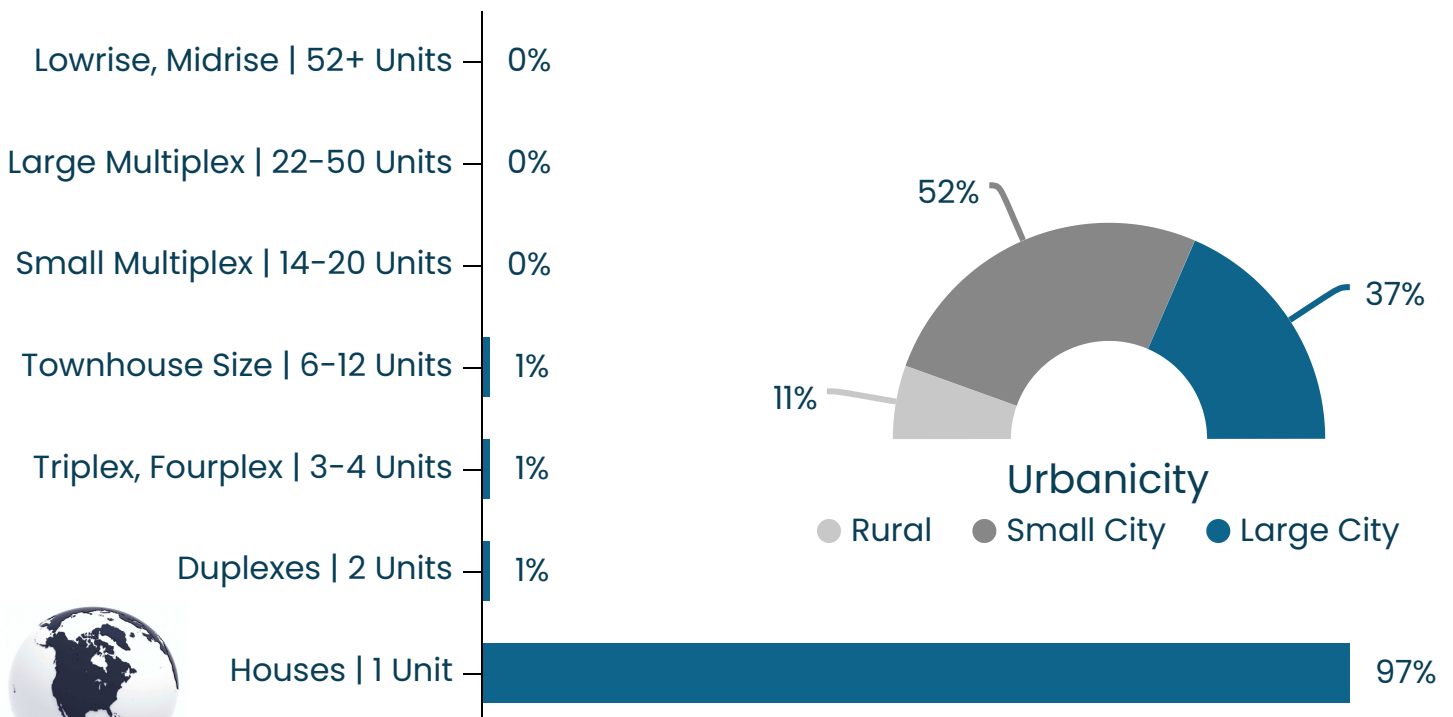
### Households by Tenure



### Share that Moves each Year



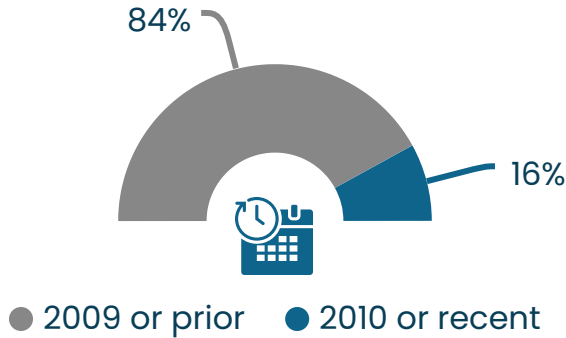
### Inclination for Units by Building Size and Urbanicity



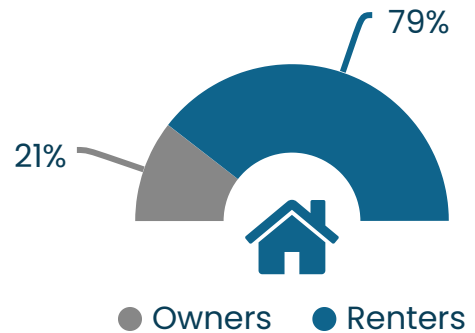
# Wired for Success | K37

## Lifestyles and Housing Preferences | National Averages

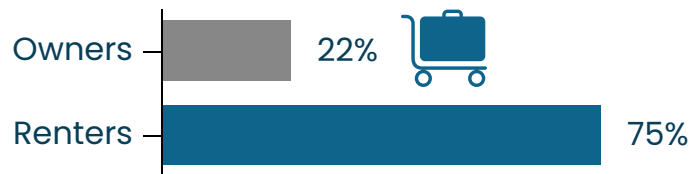
### Units by Decade Built



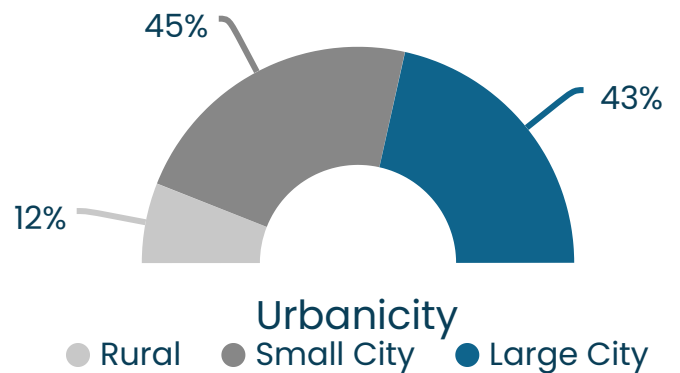
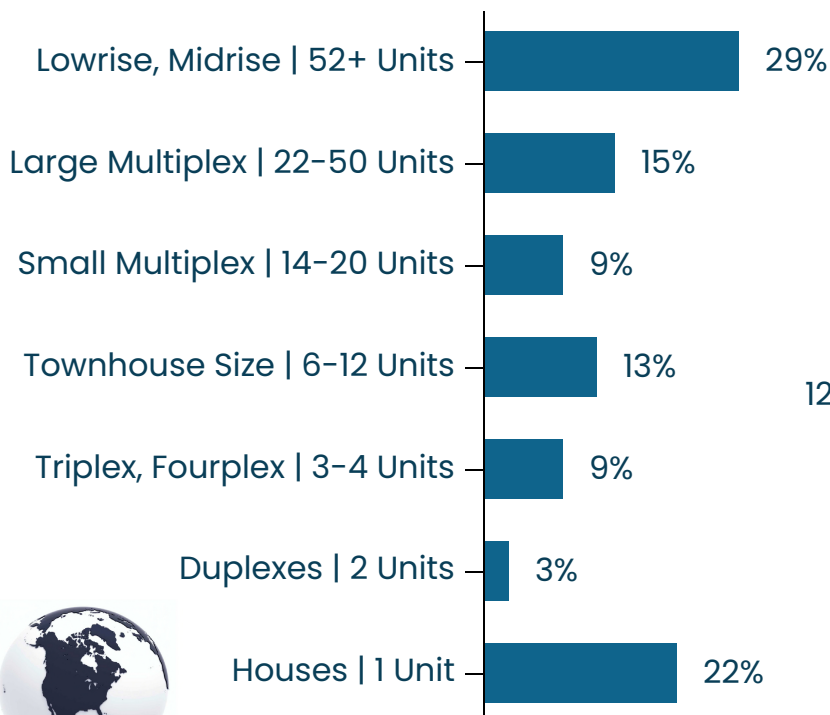
### Households by Tenure



### Share that Moves each Year



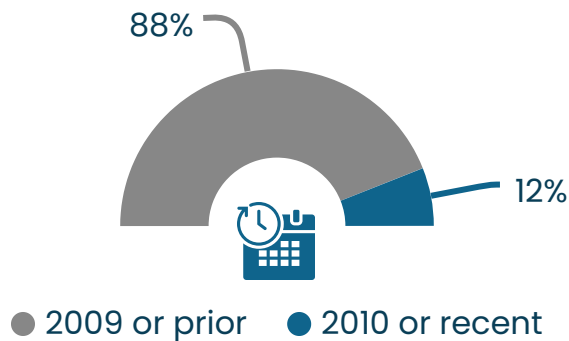
### Inclination for Units by Building Size and Urbanicity



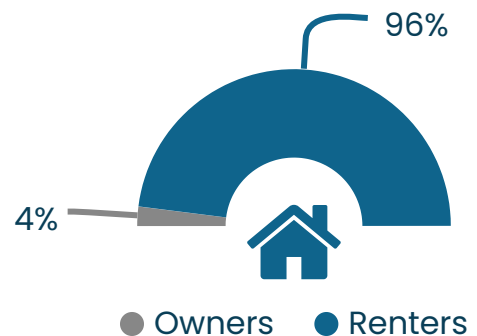
# Striving Single Scene | O54

Lifestyles and Housing Preferences | National Averages

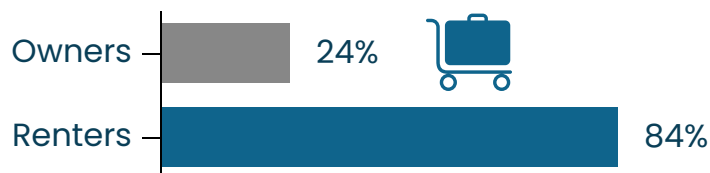
### Units by Decade Built



### Households by Tenure



### Share that Moves each Year



### Inclination for Units by Building Size and Urbanicity

