



# KC Office Report First Quarter, 2018

## Kansas City's Vacancy Decreases to 7.2% Net Absorption Positive 141,047 SF in the Quarter

The Kansas City Office market ended the first quarter 2018 with a vacancy rate of 7.2%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 141,047 square feet in the first quarter. Vacant sublease space increased in the quarter, ending the quarter at 501,936 square feet. Rental rates ended the first quarter at \$19.17, an increase over the previous quarter. A total of one building delivered to the market in the quarter totaling 40,000 square feet, with 747,647 square feet still under construction at the end of the quarter.

### Absorption

Net absorption for the overall Kansas City office market was positive 141,047 square feet in the first quarter 2018. That compares to negative (64,602) square feet in the fourth quarter 2017, positive 15,503 square feet in the third quarter 2017, and positive 802,387 square feet in the second quarter 2017.

Tenants moving out of large blocks of space in 2018 include: FEMA moving out of 77,037 square feet at 9221 Ward Pky; Spring Venture Group moving out of 59,719 square feet at 2301 Mcgee St; and Terracon moving out of 40,000 square feet at 18001 W 106th St.

Tenants moving into large blocks of space in 2018 include: Kiewit Energy Group moving out of 86,895 square feet at 8950 Renner Blvd; Terracon moving into 65,000 square feet at 10841 S Ridgeview Rd; and Essence of Australia moving into 59,642 square feet at 15500 W 113th St.

The Class-A office market recorded net absorption of positive 114,292 square feet in the first quarter 2018, compared to negative (95,681) square feet in the fourth quarter 2017,

positive 230,431 in the third quarter 2017, and positive 581,767 in the second quarter 2017.

The Class-B office market recorded net absorption of negative (194,646) square feet in the first quarter 2018, compared to negative (7,905) square feet in the fourth quarter 2017, negative (226,622) in the third quarter 2017, and positive 215,047 in the second quarter 2017.

The Class-C office market recorded net absorption of positive 221,401 square feet in the first quarter 2018 compared to positive 38,984 square feet in the fourth quarter 2017, positive 11,694 in the third quarter 2017, and positive 5,573 in the second quarter 2017.

Net absorption for Kansas City's central business district was negative (185,925) square feet in the first quarter 2018. That compares to positive 12,526 square feet in the fourth quarter 2017, negative (201,077) in the third quarter 2017, and positive 161,397 in the second quarter 2017.

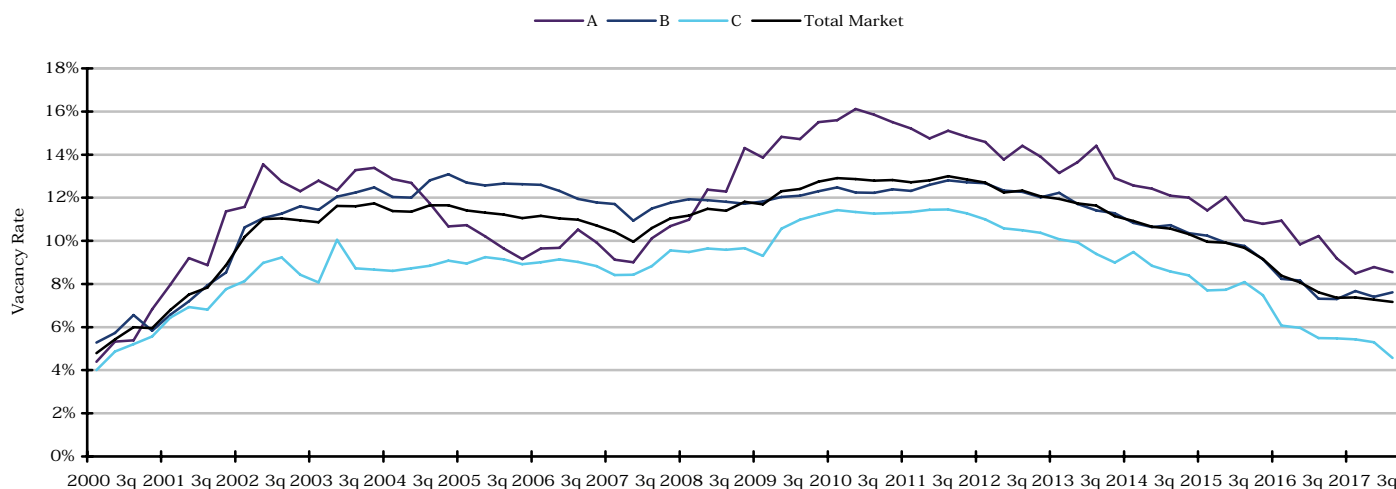
Net absorption for the suburban markets was positive 326,972 square feet in the first quarter 2018. That compares to negative (77,128) square feet in fourth quarter 2017, positive 216,580 in the third quarter 2017, and positive 640,990 in the second quarter 2017.

### Vacancy

The office vacancy rate in the Kansas City market area decreased to 7.2% at the end of the first quarter 2018. The vacancy rate was 7.3% at the end of the fourth quarter 2017, 7.4% at the end of the third quarter 2017, and 7.4% at the end of the second quarter 2017.

Class-A projects reported a vacancy rate of 8.5% at the

## Vacancy Rates by Class 2000-2018



Source: CoStar Property®

end of the first quarter 2018, 8.8% at the end of the fourth quarter 2017, 8.5% at the end of the third quarter 2017, and 9.2% at the end of the second quarter 2017.

Class-B projects reported a vacancy rate of 7.6% at the end of the first quarter 2018, 7.4% at the end of the fourth quarter 2017, 7.7% at the end of the third quarter 2017, and 7.3% at the end of the second quarter 2017.

Class-C projects reported a vacancy rate of 4.6% at the end of the first quarter 2018, 5.3% at the end of fourth quarter 2017, 5.4% at the end of the third quarter 2017, and 5.5% at the end of the second quarter 2017.

The overall vacancy rate in Kansas City's central business district at the end of the first quarter 2018 increased to 8.7%. The vacancy rate was 7.6% at the end of the fourth quarter 2017, 8.9% at the end of the third quarter 2017, and 7.8% at the end of the second quarter 2017.

The vacancy rate in the suburban markets decreased to 7.0% in the first quarter 2018. The vacancy rate was 7.2% at the end of the third and fourth quarter 2017, and 7.3% at the end of the second quarter 2017.

### Largest Lease Signings

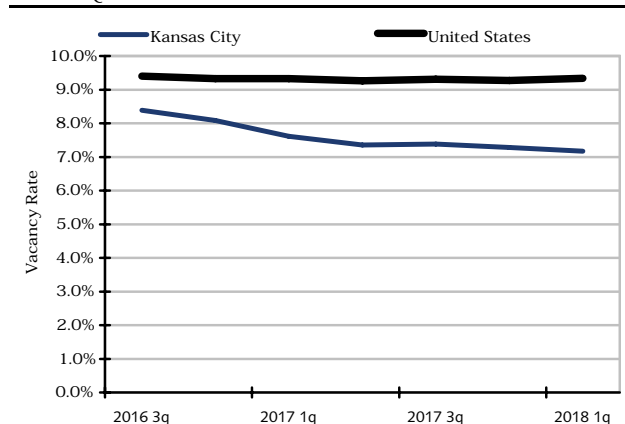
The largest lease signings occurring in 2018 included: the 176,838-square-foot renewal signed by Quintiles Transnational Corp. at 6700 W 115th St; the 104,923-square-foot lease signed by KU Healthcare Systems at 11300 Corporate Ave; and the 60,000-square-foot deal signed by Mediware Information Systems, Inc. at College Blvd – Office X at CityPlace.

### Sublease Vacancy

The amount of vacant sublease space in the Kansas City market increased to 501,936 square feet by the end of the first quarter 2018, from 475,665 square feet at the end of the fourth quarter 2017. There was 390,531 square feet vacant at the end of the third quarter 2017 and 501,945 square feet at the end of the second quarter 2017.

## U.S. Vacancy Comparison

Past 7 Quarters



Source: CoStar Property®

Kansas City's Class-A projects reported vacant sublease space of 292,987 square feet at the end of first quarter 2018, up from the 247,822 square feet reported at the end of the fourth quarter 2017. There were 187,750 square feet of sublease space vacant at the end of the third quarter 2017, and 313,990 square feet at the end of the second quarter 2017.

Class-B projects reported vacant sublease space of 205,217 square feet at the end of the first quarter 2018, down from the 219,167 square feet reported at the end of the fourth quarter 2017. At the end of the third quarter 2017 there were 188,435 square feet, and at the end of the second quarter 2017 there were 184,873 square feet vacant.

Class-C projects reported decreased vacant sublease space from the fourth quarter 2017 to the first quarter 2018. Sublease vacancy went from 8,676 square feet to 3,732 square feet during that time. There was 14,346 square feet at the end of the third quarter 2017, and 3,082 square feet at the end of the second quarter 2017.

Sublease vacancy in Kansas City's central business district stood at 87,574 square feet at the end of the first quarter 2018. It was 51,924 square feet at the end of the fourth quarter 2017, 17,500 square feet at the end of the third quarter 2017, and 20,677 square feet at the end of the second quarter 2017.

Sublease vacancy in the suburban markets ended the first quarter 2018 at 414,362 square feet. At the end of the fourth quarter 2017 sublease vacancy was 423,741 square feet, was 373,031 square feet at the end of the third quarter 2017, and was 481,268 square feet at the end of the second quarter 2017.

### Rental Rates

The average quoted asking rental rate for available office space, all classes, was \$19.17 per square foot per year at the end of the first quarter 2018 in the Kansas City market area. This represented a 1.4% increase in quoted rental rates from the end of the fourth quarter 2017, when rents were reported at \$18.90 per square foot.

The average quoted rate within the Class-A sector was \$22.87 at the end of the first quarter 2018, while Class-B rates stood at \$18.27, and Class-C rates at \$14.65. At the end of the fourth quarter 2017, Class-A rates were \$22.34 per square foot, Class-B rates were \$18.00, and Class-C rates were \$14.35.

The average quoted asking rental rate in Kansas City's CBD was \$18.83 at the end of the first quarter 2018, and \$19.21 in the suburban markets. In the fourth quarter 2017, quoted rates were \$18.54 in the CBD and \$18.95 in the suburbs.

### Deliveries and Construction

During the first quarter 2018, one building totaling 40,000 square feet were completed in the Kansas City market area. This compares to 0 buildings totaling 0 square feet that were completed in the fourth quarter 2017, five buildings totaling

74,716 square feet completed in the third quarter 2017, and 491,034 square feet in eight buildings completed in the second quarter 2017.

There were 747,647 square feet of office space under construction at the end of the first quarter 2018.

The largest deliveries in 2018 have been 10841 S Ridgeview Rd, a 65,000-square-foot facility that delivered in first quarter 2018 and is now 100% occupied by Terracon and 1601 N 98th St, a 40,000-square-foot facility that delivered in first quarter 2018 and is now 50% occupied by Overland Park Regional Medical Center.

The largest projects underway at the end of first quarter 2018 were Overland One, a 121,615-square-foot building with 100% of its space pre-leased to Creative Planning, and the Cerner Corp Innovations Campus on Rock Creek Pky, a 96,745-square-foot facility that is 100% pre-leased to Cerner Corporation.

### Inventory

Total office inventory in the Kansas City market area amounted to 138,441,569 square feet in 6,013 buildings as of the end of the first quarter 2018. The Class-A office sector consisted of 33,196,895 square feet in 196 projects. There were 2,532 Class-B buildings totaling 75,211,820 square feet, and the Class-C sector consisted of 30,032,854 square feet in 3,285 buildings. Within the Office market there were 359 owner-occupied buildings accounting for 18,106,411 square feet of office space.

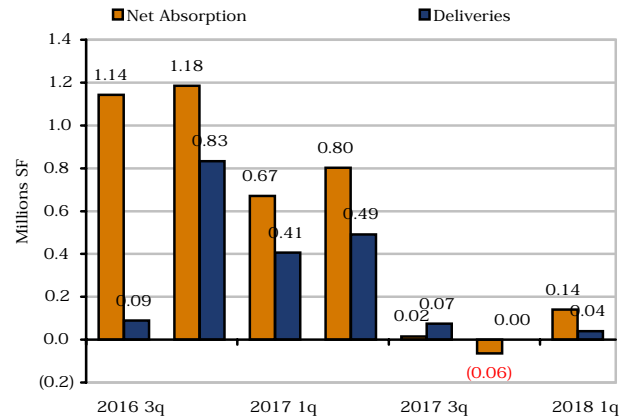
### Sales Activity

Tallying office building sales of 15,000 square feet or larger, Kansas City office sales figures rose during the fourth quarter 2017 in terms of dollar volume compared to the third quarter of 2017.

In the fourth quarter, nine office transactions closed with a total volume of \$71,444,034. The nine buildings totaled 668,334 square feet and the average price per square foot equated to \$106.90 per square foot. That compares to five transactions totaling \$51,158,344 in the third quarter 2017. The

## Absorption & Deliveries

Past 7 Quarters



Source: CoStar Property®

total square footage in the third quarter was 328,774 square feet for an average price per square foot of \$155.60.

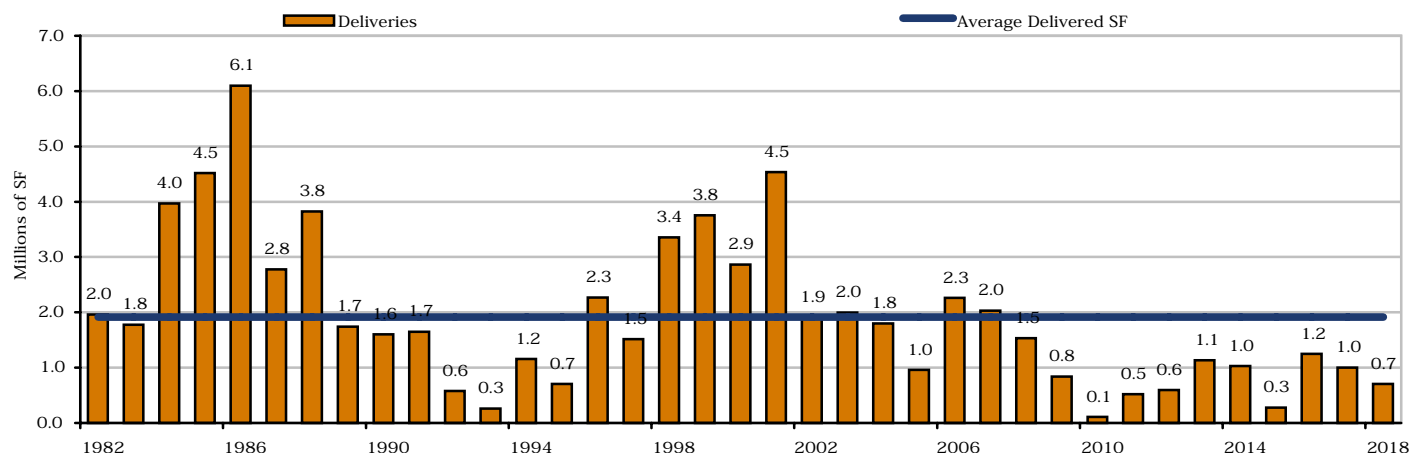
Total office building sales activity in 2017 was down compared to 2016. In the twelve months of 2017, the market saw 30 office sales transactions with a total volume of \$268,597,868. The price per square foot averaged \$141.20. In the same twelve months of 2016, the market posted 43 transactions with a total volume of \$342,406,722. The price per square foot averaged \$79.85.

Cap rates have been higher in 2017, averaging 8.31% compared to the same period in 2016 when they averaged 8.08%.

One of the largest transactions that has occurred within the last four quarters in the Kansas City market is the sale of 6700 Q 115th St in Kansas City. This 239,366-square-foot office building sold for \$44,600,000, or \$186.33 per square foot. The property sold on 1/3/2018, at a 9.40% cap rate.

Reports compiled by: Emily Thompson, CoStar Research Manager.

## Historical Deliveries 1982 - 2018



Source: CoStar Property® \* Future deliveries based on current under construction buildings.

## CONSTRUCTION ACTIVITY Markets Ranked by Under Construction Square Footage

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
South Johnson County	7	419,208	341,558	81.5%	34,269	59,887
North of the River	4	190,286	177,556	93.3%	19,820	47,571
North Johnson County	2	94,557	5,692	6.0%	18,943	47,278
Downtown	1	23,596	5,663	24.0%	65,172	23,596
South KC	1	20,000	20,000	100.0%	35,611	20,000
Lafayette	0	0	0	0.0%	3,893	0
Lawrence	0	0	0	0.0%	11,184	0
Atchison	0	0	0	0.0%	8,686	0
Topeka	0	0	0	0.0%	19,836	0
Leavenworth County	0	0	0	0.0%	12,477	0
All Other	0	0	0	0.0%	14,449	0
<b>Totals</b>	<b>15</b>	<b>747,647</b>	<b>550,469</b>	<b>73.6%</b>	<b>23,024</b>	<b>49,843</b>

Source: CoStar Property®

## Recent Deliveries

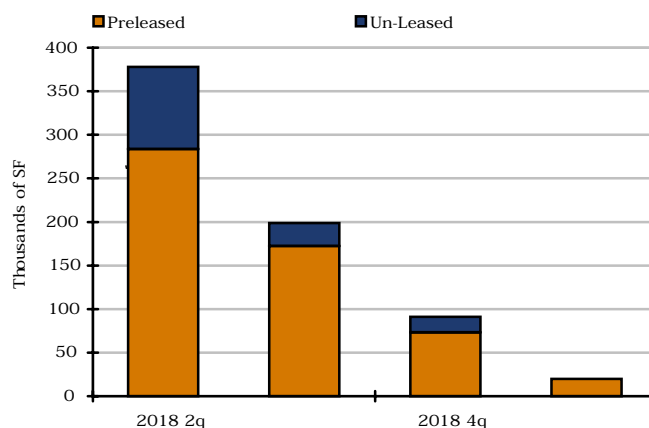
Leased & Un-Leased SF in Deliveries Since 2014



Source: CoStar Property®

## Future Deliveries

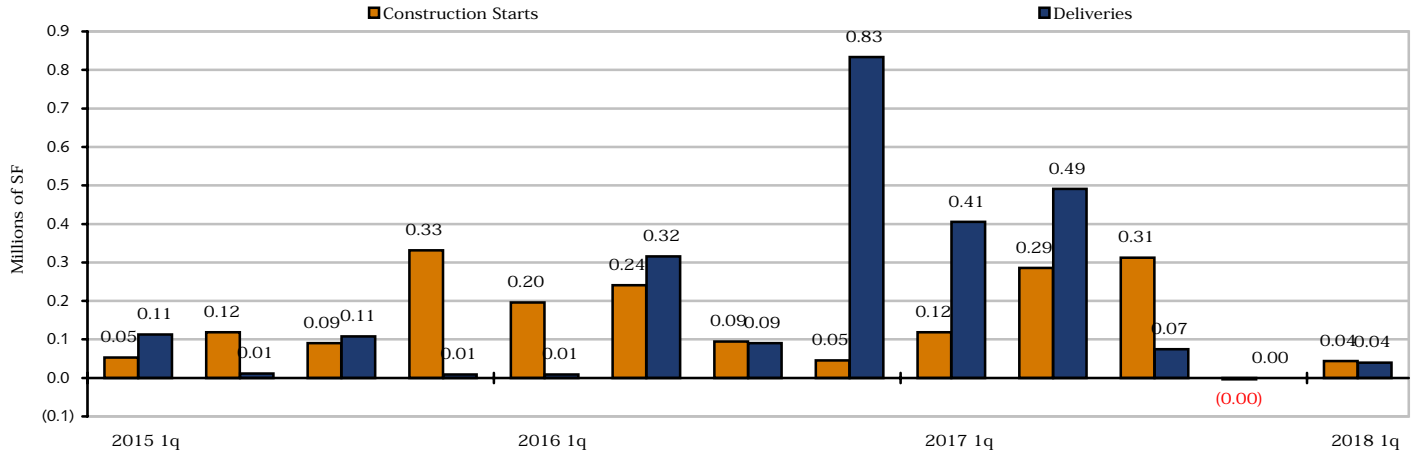
Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

## Historical Construction Starts & Deliveries

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

## RECENT DELIVERIES BY PROJECT SIZE Breakdown of Year-to-Date Development Based on RBA of Project

Building Size	# Bldgs	RBA	SF Leased	% Leased	Avg Rate	Single-Tenant	Multi-Tenant
< 50,000 SF	1	40,000	20,000	50.0%	\$27.41	0	40,000
50,000 SF - 99,999 SF	0	0	0	0.0%	\$0.00	0	0
100,000 SF - 249,999 SF	0	0	0	0.0%	\$0.00	0	0
250,000 SF - 499,999 SF	0	0	0	0.0%	\$0.00	0	0
>= 500,000 SF	0	0	0	0.0%	\$0.00	0	0

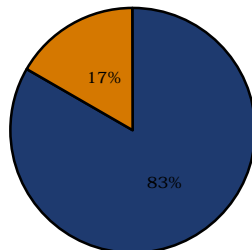
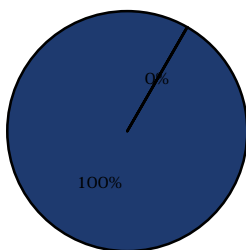
Source: CoStar Property®

## Recent Development by Tenancy

Based on RBA Developed for Single & Multi Tenant Use

2018 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

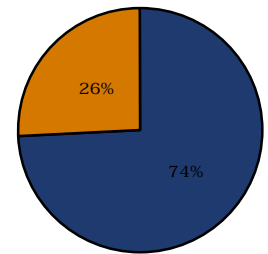
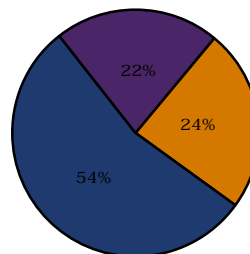
Source: CoStar Property®

## Existing Inventory Comparison

Based on Total RBA

By Class

By Space Type



■ Class A ■ Class B ■ Class C

■ Multi ■ Single

Source: CoStar Property®

## Select Top Under Construction Properties

Based on Project Square Footage

### 1. I-435 & Nall Ave - Overland One

Submarket: **South Johnson County**  
 RBA: **121,615**  
 # Floors: **5**  
 Class: **A**  
 Preleased: **100%**  
 Quoted Rate: **\$24.58**  
 Grnd Brk Date: **Third Quarter 2017**  
 Deliv Date: **Third Quarter 2018**  
 Leasing Co: **Colliers International**  
 Developer: **VanTrust Real Estate LLC**  
 Architect: **N/A**

### 2. Rock Creek Pky - Cerner Corp Campus

Submarket: **North of the River**  
 RBA: **96,745**  
 # Floors: **2**  
 Class: **B**  
 Preleased: **100%**  
 Quoted Rate: **N/A**  
 Grnd Brk Date: **Second Quarter 2017**  
 Deliv Date: **Second Quarter 2018**  
 Leasing Co: **Cerner Corporation**  
 Developer: **N/A**  
 Architect: **N/A**

### 3. 5100 W 110th St

Submarket: **South Johnson County**  
 RBA: **77,985**  
 # Floors: **3**  
 Class: **A**  
 Preleased: **34%**  
 Quoted Rate: **Negotiable**  
 Grnd Brk Date: **First Quarter 2017**  
 Deliv Date: **Second Quarter 2018**  
 Leasing Co: **Block Real Estate Services**  
 Developer: **Titan Construction**  
 Architect: **N/A**

### 4. I-435 & Nall Ave - Overland Two

Submarket: **South Johnson County**  
 RBA: **77,000**  
 # Floors: **3**  
 Class: **A**  
 Preleased: **66%**  
 Quoted Rate: **Negotiable**  
 Grnd Brk Date: **Third Quarter 2017**  
 Deliv Date: **Third Quarter 2018**  
 Leasing Co: **Colliers International**  
 Developer: **VanTrust Real Estate LLC**  
 Architect: **N/A**

### 5. 1903 Victory Dr

Submarket: **North of the River**  
 RBA: **73,000**  
 # Floors: **1**  
 Class: **B**  
 Preleased: **100%**  
 Quoted Rate: **N/A**  
 Grnd Brk Date: **Third Quarter 2017**  
 Deliv Date: **Second Quarter 2018**  
 Leasing Co: **City Of Liberty Missouri**  
 Developer: **N/A**  
 Architect: **N/A**

### 6. City Center Dr & Scarborough S

Submarket: **North Johnson County**  
 RBA: **60,000**  
 # Floors: **3**  
 Class: **A**  
 Preleased: **2%**  
 Quoted Rate: **Negotiable**  
 Grnd Brk Date: **Third Quarter 2017**  
 Deliv Date: **Second Quarter 2019**  
 Leasing Co: **Copaken Brooks**  
 Developer: **Copaken Brooks**  
 Architect: **N/A**

### 7. W 135th St - Colonial Village Lot 1 Bldg A

Submarket: **South Johnson County**  
 RBA: **39,900**  
 # Floors: **2**  
 Class: **B**  
 Preleased: **100%**  
 Quoted Rate: **N/A**  
 Grnd Brk Date: **Second Quarter 2017**  
 Deliv Date: **Fourth Quarter 2018**  
 Leasing Co: **Scenic Development LLC**  
 Developer: **Scenic Development LLC**  
 Architect: **N/A**

### 8. 10900 Shawnee Mission Pky

Submarket: **North Johnson County**  
 RBA: **34,557**  
 # Floors: **3**  
 Class: **B**  
 Preleased: **13%**  
 Quoted Rate: **\$24.69**  
 Grnd Brk Date: **Third Quarter 2016**  
 Deliv Date: **Second Quarter 2018**  
 Leasing Co: **Evergreen Real Estate Services**  
 Developer: **N/A**  
 Architect: **N/A**

### 9. W 135th St Colonial Village Lot 3 Bldg C

Submarket: **South Johnson County**  
 RBA: **27,708**  
 # Floors: **2**  
 Class: **B**  
 Preleased: **100%**  
 Quoted Rate: **N/A**  
 Grnd Brk Date: **Second Quarter 2017**  
 Deliv Date: **Fourth Quarter 2018**  
 Leasing Co: **Scenic Development LLC**  
 Developer: **Scenic Development LLC**  
 Architect: **N/A**

### 10. 1881 Main St - Corrigan Station II

Submarket: **Downtown**  
 RBA: **23,596**  
 # Floors: **3**  
 Class: **B**  
 Preleased: **24%**  
 Quoted Rate: **\$35.00**  
 Grnd Brk Date: **First Quarter 2018**  
 Deliv Date: **Fourth Quarter 2018**  
 Leasing Co: **Copaken Brooks**  
 Developer: **N/A**  
 Architect: **N/A**

### 11. 13333 Holmes Rd

Submarket: **South KC**  
 RBA: **20,000**  
 # Floors: **2**  
 Class: **A**  
 Preleased: **100%**  
 Quoted Rate: **N/A**  
 Grnd Brk Date: **First Quarter 2018**  
 Deliv Date: **First Quarter 2019**  
 Leasing Co: **FishTech**  
 Developer: **N/A**  
 Architect: **N/A**

### 12. 1425 Swift St

Submarket: **North of the River**  
 RBA: **15,941**  
 # Floors: **2**  
 Class: **B**  
 Preleased: **49%**  
 Quoted Rate: **Negotiable**  
 Grnd Brk Date: **Second Quarter 2017**  
 Deliv Date: **Second Quarter 2018**  
 Leasing Co: **NorthPoint Development**  
 Developer: **N/A**  
 Architect: **N/A**

### 13. 13425 S Blackbob Rd

Submarket: **South Johnson County**  
 RBA: **10,000**  
 # Floors: **1**  
 Class: **B**  
 Preleased: **100%**  
 Quoted Rate: **N/A**  
 Grnd Brk Date: **First Quarter 2017**  
 Deliv Date: **Second Quarter 2018**  
 Leasing Co: **Saint Luke's Health System**  
 Developer: **Embree Construction**  
 Architect: **N/A**

### Class A Market Statistics

First Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Atchison	0	0	0	0	0.0%	0	0	0	\$0.00
Cass County	0	0	0	0	0.0%	0	0	0	\$0.00
Downtown	29	8,782,488	1,147,891	1,290,816	14.7%	(118,883)	0	0	\$20.56
East Jackson County	6	378,372	21,709	21,709	5.7%	(6,220)	0	0	\$25.10
Johnson County MO	0	0	0	0	0.0%	0	0	0	\$0.00
Kansas City KS	6	1,101,979	20,000	20,000	1.8%	229,600	40,000	0	\$27.41
Lafayette	0	0	0	0	0.0%	0	0	0	\$0.00
Lawrence	2	64,432	2,884	2,884	4.5%	0	0	0	\$20.00
Leavenworth County	0	0	0	0	0.0%	0	0	0	\$0.00
Midtown	17	3,487,718	116,183	147,627	4.2%	3,293	0	0	\$23.15
North Johnson County	22	2,370,378	91,824	91,824	3.9%	97,869	0	60,000	\$28.92
North of the River	10	1,223,052	230,349	230,349	18.8%	1,550	0	0	\$20.92
Ottawa	0	0	0	0	0.0%	0	0	0	\$0.00
Outer South Kansas City	0	0	0	0	0.0%	0	0	0	\$0.00
Outlying KC MO	0	0	0	0	0.0%	0	0	0	\$0.00
South Johnson County	81	11,401,407	819,367	937,985	8.2%	(92,917)	0	276,600	\$23.20
South KC	18	3,870,071	87,949	87,949	2.3%	0	0	20,000	\$19.50
Southeast Jackson County	3	128,104	5,321	5,321	4.2%	0	0	0	\$20.50
St Joseph	1	363,961	0	0	0.0%	0	0	0	\$0.00
Topeka	1	24,933	0	0	0.0%	0	0	0	\$0.00
<b>Totals</b>	<b>196</b>	<b>33,196,895</b>	<b>2,543,477</b>	<b>2,836,464</b>	<b>8.5%</b>	<b>114,292</b>	<b>40,000</b>	<b>356,600</b>	<b>\$22.87</b>

Source: CoStar Property®

### Class B Market Statistics

First Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Atchison	5	64,101	0	0	0.0%	0	0	0	\$0.00
Cass County	58	501,602	28,307	28,307	5.6%	846	0	0	\$20.76
Downtown	201	13,974,043	822,417	886,542	6.3%	(186,748)	0	23,596	\$18.37
East Jackson County	283	5,395,318	258,076	279,698	5.2%	10,404	0	0	\$16.11
Johnson County MO	18	113,323	5,900	5,900	5.2%	(4,800)	0	0	\$14.96
Kansas City KS	80	2,106,591	102,370	103,002	4.9%	23,771	0	0	\$16.15
Lafayette	11	60,896	4,000	4,000	6.6%	0	0	0	\$16.91
Lawrence	80	1,374,495	132,769	132,769	9.7%	14,118	0	0	\$19.51
Leavenworth County	30	642,450	62,504	62,504	9.7%	28,000	0	0	\$17.00
Midtown	146	4,347,600	162,561	162,561	3.7%	(13,055)	0	0	\$21.01
North Johnson County	281	7,586,717	608,764	624,161	8.2%	(94,065)	0	34,557	\$19.97
North of the River	293	7,914,227	1,004,214	1,042,190	13.2%	(22,227)	0	190,286	\$15.95
Ottawa	9	55,591	0	0	0.0%	0	0	0	\$0.00
Outer South Kansas City	27	229,102	13,915	13,915	6.1%	(2,300)	0	0	\$12.22
Outlying KC MO	10	62,679	0	0	0.0%	0	0	0	\$12.23
South Johnson County	476	15,116,818	1,294,204	1,338,098	8.9%	88,332	0	142,608	\$20.85
South KC	104	4,424,102	478,053	499,624	11.3%	(25,771)	0	0	\$18.14
Southeast Jackson County	107	2,221,982	168,349	168,349	7.6%	2,988	0	0	\$18.67
St Joseph	86	1,274,520	121,790	121,790	9.6%	1,718	0	0	\$13.76
Topeka	227	7,745,663	247,277	247,277	3.2%	(15,857)	0	0	\$14.20
<b>Totals</b>	<b>2,532</b>	<b>75,211,820</b>	<b>5,515,470</b>	<b>5,720,687</b>	<b>7.6%</b>	<b>(194,646)</b>	<b>0</b>	<b>391,047</b>	<b>\$18.27</b>

Source: CoStar Property®



### Class C Market Statistics

First Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Atchison	12	83,562	4,800	4,800	5.7%	0	0	0	\$0.00
Cass County	67	224,745	9,209	9,209	4.1%	390	0	0	\$11.61
Downtown	195	4,941,582	142,370	144,620	2.9%	131,143	0	0	\$17.33
East Jackson County	492	4,073,156	176,002	176,002	4.3%	79,062	0	0	\$12.53
Johnson County MO	31	125,479	2,000	2,000	1.6%	0	0	0	\$0.00
Kansas City KS	197	1,825,879	107,588	107,588	5.9%	(2,050)	0	0	\$13.74
Lafayette	24	75,374	0	0	0.0%	1,800	0	0	\$0.00
Lawrence	188	1,580,803	50,444	51,276	3.2%	(18,329)	0	0	\$16.02
Leavenworth County	41	243,410	20,276	20,276	8.3%	6,075	0	0	\$10.57
Midtown	264	2,668,669	126,849	126,849	4.8%	17,205	0	0	\$14.57
North Johnson County	368	2,753,632	167,006	167,656	6.1%	14,075	0	0	\$15.19
North of the River	269	2,199,870	132,555	132,555	6.0%	10,195	0	0	\$14.50
Ottawa	23	114,922	0	0	0.0%	0	0	0	\$0.00
Outer South Kansas City	34	153,680	4,700	4,700	3.1%	(870)	0	0	\$12.14
Outlying KC MO	42	178,928	0	0	0.0%	0	0	0	\$14.33
South Johnson County	299	2,815,973	205,527	205,527	7.3%	(19,425)	0	0	\$17.46
South KC	138	964,752	41,313	41,313	4.3%	4,760	0	0	\$13.69
Southeast Jackson County	146	744,708	27,956	27,956	3.8%	(7,822)	0	0	\$14.98
St Joseph	138	1,223,470	75,374	75,374	6.2%	6,325	0	0	\$12.24
Topeka	317	3,040,260	73,397	73,397	2.4%	(1,133)	0	0	\$14.06
<b>Totals</b>	<b>3,285</b>	<b>30,032,854</b>	<b>1,367,366</b>	<b>1,371,098</b>	<b>4.6%</b>	<b>221,401</b>	<b>0</b>	<b>0</b>	<b>\$14.65</b>

Source: CoStar Property®

### Total Office Market Statistics

First Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Atchison	17	147,663	4,800	4,800	3.3%	0	0	0	\$0.00
Cass County	125	726,347	37,516	37,516	5.2%	1,236	0	0	\$18.63
Downtown	425	27,698,113	2,112,678	2,321,978	8.4%	(174,488)	0	23,596	\$19.34
East Jackson County	781	9,846,846	455,787	477,409	4.8%	83,246	0	0	\$16.31
Johnson County MO	49	238,802	7,900	7,900	3.3%	(4,800)	0	0	\$14.96
Kansas City KS	283	5,034,449	229,958	230,590	4.6%	251,321	40,000	0	\$15.85
Lafayette	35	136,270	4,000	4,000	2.9%	1,800	0	0	\$16.91
Lawrence	270	3,019,730	186,097	186,929	6.2%	(4,211)	0	0	\$18.20
Leavenworth County	71	885,860	82,780	82,780	9.3%	34,075	0	0	\$15.99
Midtown	427	10,503,987	405,593	437,037	4.2%	7,443	0	0	\$20.00
North Johnson County	671	12,710,727	867,594	883,641	7.0%	17,879	0	94,557	\$22.38
North of the River	572	11,337,149	1,367,118	1,405,094	12.4%	(10,482)	0	190,286	\$16.60
Ottawa	32	170,513	0	0	0.0%	0	0	0	\$0.00
Outer South Kansas City	61	382,782	18,615	18,615	4.9%	(3,170)	0	0	\$12.19
Outlying KC MO	52	241,607	0	0	0.0%	0	0	0	\$13.18
South Johnson County	856	29,334,198	2,319,098	2,481,610	8.5%	(24,010)	0	419,208	\$21.79
South KC	260	9,258,925	607,315	628,886	6.8%	(21,011)	0	20,000	\$18.00
Southeast Jackson County	256	3,094,794	201,626	201,626	6.5%	(4,834)	0	0	\$18.19
St Joseph	225	2,861,951	197,164	197,164	6.9%	8,043	0	0	\$13.04
Topeka	545	10,810,856	320,674	320,674	3.0%	(16,990)	0	0	\$14.15
<b>Totals</b>	<b>6,013</b>	<b>138,441,569</b>	<b>9,426,313</b>	<b>9,928,249</b>	<b>7.2%</b>	<b>141,047</b>	<b>40,000</b>	<b>747,647</b>	<b>\$19.17</b>

Source: CoStar Property®

### Class A Submarket Statistics

First Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Atchison	0	0	0	0	0.0%	0	0	0	\$0.00
Brookside	1	58,194	0	0	0.0%	0	0	0	\$0.00
Cass County	0	0	0	0	0.0%	0	0	0	\$0.00
CBD	16	5,557,431	763,956	801,405	14.4%	(12,728)	0	0	\$20.56
College Blvd	68	10,176,338	660,271	778,889	7.7%	(46,256)	0	276,600	\$23.28
Country Club Plaza	15	2,865,214	116,183	147,627	5.2%	3,293	0	0	\$23.15
Crown Center	9	2,849,300	377,394	482,870	16.9%	(124,445)	0	0	\$20.36
Downtown Kansas KC K.	2	301,979	0	0	0.0%	209,600	0	0	\$0.00
East Jackson County	3	257,822	21,709	21,709	8.4%	(6,220)	0	0	\$22.03
Freight House Distri.	3	223,757	6,541	6,541	2.9%	18,290	0	0	\$27.02
I-29 Corridor	2	290,300	199,538	199,538	68.7%	1	0	0	\$18.50
I-35 Corridor	8	932,752	30,811	30,811	3.3%	1,549	0	0	\$27.28
Johnson County MO	0	0	0	0	0.0%	0	0	0	\$0.00
Kansas City KS	4	800,000	20,000	20,000	2.5%	20,000	40,000	0	\$27.41
Kansas City MO	3	120,550	0	0	0.0%	0	0	0	\$26.09
Lafayette County	0	0	0	0	0.0%	0	0	0	\$0.00
Lawrence	2	64,432	2,884	2,884	4.5%	0	0	0	\$20.00
Leavenworth County	0	0	0	0	0.0%	0	0	0	\$0.00
Midtown	1	564,310	0	0	0.0%	0	0	0	\$0.00
Northeast Johnson Co.	10	1,159,488	45,051	45,051	3.9%	9,301	0	0	\$33.46
Northwest Johnson Co.	12	1,210,890	46,773	46,773	3.9%	88,568	0	60,000	\$28.22
Ottawa	0	0	0	0	0.0%	0	0	0	\$0.00
Outer South Kansas C.	0	0	0	0	0.0%	0	0	0	\$0.00
Outlying KC MO	0	0	0	0	0.0%	0	0	0	\$0.00
South Johnson County	13	1,225,069	159,096	159,096	13.0%	(46,661)	0	0	\$22.38
South Kansas City MO	9	1,963,396	0	0	0.0%	0	0	20,000	\$0.00
Southeast Jackson Co.	3	128,104	5,321	5,321	4.2%	0	0	0	\$20.50
St Joseph	1	363,961	0	0	0.0%	0	0	0	\$0.00
Topeka	1	24,933	0	0	0.0%	0	0	0	\$0.00
Ward Parkway	9	1,906,675	87,949	87,949	4.6%	0	0	0	\$19.50
West Bottoms	1	152,000	0	0	0.0%	0	0	0	\$0.00
<b>Totals</b>	<b>196</b>	<b>33,196,895</b>	<b>2,543,477</b>	<b>2,836,464</b>	<b>8.5%</b>	<b>114,292</b>	<b>40,000</b>	<b>356,600</b>	<b>\$22.87</b>

Source: CoStar Property®

### Class B Submarket Statistics

First Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Atchison	5	64,101	0	0	0.0%	0	0	0	\$0.00
Brookside	5	25,064	0	0	0.0%	0	0	0	\$0.00
Cass County	58	501,602	28,307	28,307	5.6%	846	0	0	\$20.76
CBD	105	9,039,291	572,890	623,015	6.9%	(187,146)	0	0	\$17.43
College Blvd	227	8,964,510	884,582	918,948	10.3%	86,396	0	0	\$21.06
Country Club Plaza	57	2,001,767	62,311	62,311	3.1%	5,287	0	0	\$26.23
Crown Center	25	2,403,003	126,154	126,154	5.2%	(970)	0	0	\$19.99
Downtown Kansas KC K.	26	889,451	55,152	55,784	6.3%	3,892	0	0	\$15.04
East Jackson County	227	3,460,810	224,233	245,855	7.1%	(5,687)	0	0	\$15.92
Freight House Distri.	49	1,356,308	84,701	84,701	6.2%	(14,914)	0	23,596	\$19.55
I-29 Corridor	94	3,125,265	575,932	600,640	19.2%	(6,245)	0	4,600	\$15.25
I-35 Corridor	199	4,788,962	428,282	441,550	9.2%	(15,982)	0	185,686	\$16.96
Johnson County MO	18	113,323	5,900	5,900	5.2%	(4,800)	0	0	\$14.96
Kansas City KS	54	1,217,140	47,218	47,218	3.9%	19,879	0	0	\$17.66
Kansas City MO	56	1,934,508	33,843	33,843	1.7%	16,091	0	0	\$19.01
Lafayette County	11	60,896	4,000	4,000	6.6%	0	0	0	\$16.91
Lawrence	80	1,374,495	132,769	132,769	9.7%	14,118	0	0	\$19.51
Leavenworth County	30	642,450	62,504	62,504	9.7%	28,000	0	0	\$17.00
Midtown	84	2,320,769	100,250	100,250	4.3%	(18,342)	0	0	\$16.49
Northeast Johnson Co.	168	5,154,377	496,199	501,747	9.7%	(83,024)	0	0	\$19.52
Northwest Johnson Co.	113	2,432,340	112,565	122,414	5.0%	(11,041)	0	34,557	\$21.07
Ottawa	9	55,591	0	0	0.0%	0	0	0	\$0.00
Outer South Kansas C.	27	229,102	13,915	13,915	6.1%	(2,300)	0	0	\$12.22
Outlying KC MO	10	62,679	0	0	0.0%	0	0	0	\$12.23
South Johnson County	249	6,152,308	409,622	419,150	6.8%	1,936	0	142,608	\$20.29
South Kansas City MO	61	2,813,252	263,475	272,695	9.7%	(14,198)	0	0	\$18.90
Southeast Jackson Co.	107	2,221,982	168,349	168,349	7.6%	2,988	0	0	\$18.67
St Joseph	86	1,274,520	121,790	121,790	9.6%	1,718	0	0	\$13.76
Topeka	227	7,745,663	247,277	247,277	3.2%	(15,857)	0	0	\$14.20
Ward Parkway	43	1,610,850	214,578	226,929	14.1%	(11,573)	0	0	\$17.43
West Bottoms	22	1,175,441	38,672	52,672	4.5%	16,282	0	0	\$17.52
<b>Totals</b>	<b>2,532</b>	<b>75,211,820</b>	<b>5,515,470</b>	<b>5,720,687</b>	<b>7.6%</b>	<b>(194,646)</b>	<b>0</b>	<b>391,047</b>	<b>\$18.27</b>

Source: CoStar Property®

### Class C Submarket Statistics

First Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Atchison	12	83,562	4,800	4,800	5.7%	0	0	0	\$0.00
Brookside	31	427,338	40,267	40,267	9.4%	3,990	0	0	\$14.65
Cass County	67	224,745	9,209	9,209	4.1%	390	0	0	\$11.61
CBD	66	2,716,698	80,212	80,212	3.0%	13,949	0	0	\$16.62
College Blvd	80	1,418,529	121,092	121,092	8.5%	(21,152)	0	0	\$18.01
Country Club Plaza	48	297,986	10,477	10,477	3.5%	910	0	0	\$19.04
Crown Center	31	900,323	1,708	1,708	0.2%	90,600	0	0	\$0.00
Downtown Kansas KC K.	40	596,896	73,633	73,633	12.3%	0	0	0	\$13.79
East Jackson County	343	2,395,494	145,077	145,077	6.1%	31,900	0	0	\$13.31
Freight House Distri.	63	817,791	27,450	29,700	3.6%	23,594	0	0	\$17.79
I-29 Corridor	47	297,391	3,012	3,012	1.0%	0	0	0	\$13.45
I-35 Corridor	222	1,902,479	129,543	129,543	6.8%	10,195	0	0	\$14.58
Johnson County MO	31	125,479	2,000	2,000	1.6%	0	0	0	\$0.00
Kansas City KS	157	1,228,983	33,955	33,955	2.8%	(2,050)	0	0	\$13.68
Kansas City MO	149	1,677,662	30,925	30,925	1.8%	47,162	0	0	\$9.58
Lafayette County	24	75,374	0	0	0.0%	1,800	0	0	\$0.00
Lawrence	188	1,580,803	50,444	51,276	3.2%	(18,329)	0	0	\$16.02
Leavenworth County	41	243,410	20,276	20,276	8.3%	6,075	0	0	\$10.57
Midtown	185	1,943,345	76,105	76,105	3.9%	12,305	0	0	\$13.94
Northeast Johnson Co.	237	1,897,663	104,464	105,114	5.5%	16,103	0	0	\$16.68
Northwest Johnson Co.	131	855,969	62,542	62,542	7.3%	(2,028)	0	0	\$12.64
Ottawa	23	114,922	0	0	0.0%	0	0	0	\$0.00
Outer South Kansas C.	34	153,680	4,700	4,700	3.1%	(870)	0	0	\$12.14
Outlying KC MO	42	178,928	0	0	0.0%	0	0	0	\$14.33
South Johnson County	219	1,397,444	84,435	84,435	6.0%	1,727	0	0	\$16.90
South Kansas City MO	93	722,867	12,593	12,593	1.7%	1,480	0	0	\$13.23
Southeast Jackson Co.	146	744,708	27,956	27,956	3.8%	(7,822)	0	0	\$14.98
St Joseph	138	1,223,470	75,374	75,374	6.2%	6,325	0	0	\$12.24
Topeka	317	3,040,260	73,397	73,397	2.4%	(1,133)	0	0	\$14.06
Ward Parkway	45	241,885	28,720	28,720	11.9%	3,280	0	0	\$16.86
West Bottoms	35	506,770	33,000	33,000	6.5%	3,000	0	0	\$17.64
<b>Totals</b>	<b>3,285</b>	<b>30,032,854</b>	<b>1,367,366</b>	<b>1,371,098</b>	<b>4.6%</b>	<b>221,401</b>	<b>0</b>	<b>0</b>	<b>\$14.65</b>

Source: CoStar Property®

### Total Office Submarket Statistics

First Quarter 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Atchison	17	147,663	4,800	4,800	3.3%	0	0	0	\$0.00
Brookside	37	510,596	40,267	40,267	7.9%	3,990	0	0	\$14.65
Cass County	125	726,347	37,516	37,516	5.2%	1,236	0	0	\$18.63
CBD	187	17,313,420	1,417,058	1,504,632	8.7%	(185,925)	0	0	\$18.83
College Blvd	375	20,559,377	1,665,945	1,818,929	8.8%	18,988	0	276,600	\$22.15
Country Club Plaza	120	5,164,967	188,971	220,415	4.3%	9,490	0	0	\$24.15
Crown Center	65	6,152,626	505,256	610,732	9.9%	(34,815)	0	0	\$20.21
Downtown Kansas KC K.	68	1,788,326	128,785	129,417	7.2%	213,492	0	0	\$14.48
East Jackson County	573	6,114,126	391,019	412,641	6.7%	19,993	0	0	\$15.54
Freight House Distri.	115	2,397,856	118,692	120,942	5.0%	26,970	0	23,596	\$19.74
I-29 Corridor	143	3,712,956	778,482	803,190	21.6%	(6,244)	0	4,600	\$15.91
I-35 Corridor	429	7,624,193	588,636	601,904	7.9%	(4,238)	0	185,686	\$17.48
Johnson County MO	49	238,802	7,900	7,900	3.3%	(4,800)	0	0	\$14.96
Kansas City KS	215	3,246,123	101,173	101,173	3.1%	37,829	40,000	0	\$17.19
Kansas City MO	208	3,732,720	64,768	64,768	1.7%	63,253	0	0	\$19.93
Lafayette County	35	136,270	4,000	4,000	2.9%	1,800	0	0	\$16.91
Lawrence	270	3,019,730	186,097	186,929	6.2%	(4,211)	0	0	\$18.20
Leavenworth County	71	885,860	82,780	82,780	9.3%	34,075	0	0	\$15.99
Midtown	270	4,828,424	176,355	176,355	3.7%	(6,037)	0	0	\$15.59
Northeast Johnson Co.	415	8,211,528	645,714	651,912	7.9%	(57,620)	0	0	\$20.34
Northwest Johnson Co.	256	4,499,199	221,880	231,729	5.2%	75,499	0	94,557	\$24.56
Ottawa	32	170,513	0	0	0.0%	0	0	0	\$0.00
Outer South Kansas C.	61	382,782	18,615	18,615	4.9%	(3,170)	0	0	\$12.19
Outlying KC MO	52	241,607	0	0	0.0%	0	0	0	\$13.18
South Johnson County	481	8,774,821	653,153	662,681	7.6%	(42,998)	0	142,608	\$20.30
South Kansas City MO	163	5,499,515	276,068	285,288	5.2%	(12,718)	0	20,000	\$18.37
Southeast Jackson Co.	256	3,094,794	201,626	201,626	6.5%	(4,834)	0	0	\$18.19
St Joseph	225	2,861,951	197,164	197,164	6.9%	8,043	0	0	\$13.04
Topeka	545	10,810,856	320,674	320,674	3.0%	(16,990)	0	0	\$14.15
Ward Parkway	97	3,759,410	331,247	343,598	9.1%	(8,293)	0	0	\$17.67
West Bottoms	58	1,834,211	71,672	85,672	4.7%	19,282	0	0	\$17.55
<b>Totals</b>	<b>6,013</b>	<b>138,441,569</b>	<b>9,426,313</b>	<b>9,928,249</b>	<b>7.2%</b>	<b>141,047</b>	<b>40,000</b>	<b>747,647</b>	<b>\$19.17</b>

Source: CoStar Property®

### Class A Market Statistics

First Quarter 2018

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2018 1q	196	33,196,895	2,543,477	2,836,464	8.5%	114,292	1	40,000	5	356,600	\$22.87
2017 4q	195	33,156,895	2,662,934	2,910,756	8.8%	(95,681)	0	0	5	376,600	\$22.34
2017 3q	195	33,156,895	2,627,325	2,815,075	8.5%	230,431	0	0	5	376,600	\$22.10
2017 2q	195	33,156,895	2,731,516	3,045,506	9.2%	581,767	4	264,695	2	117,985	\$21.87
2017 1q	191	32,892,200	3,016,003	3,362,578	10.2%	154,142	3	312,463	5	342,680	\$21.68
2016	188	32,579,737	2,889,189	3,204,257	9.8%	1,784,638	5	1,215,000	7	577,158	\$21.56
2015	183	31,364,737	3,471,087	3,773,895	12.0%	205,167	2	94,924	7	1,470,000	\$21.01
2014	181	31,269,813	3,616,277	3,884,138	12.4%	1,136,249	4	870,000	5	1,209,924	\$20.06
2013	177	30,399,813	4,084,551	4,150,387	13.7%	954,460	5	1,064,720	4	870,000	\$19.97
2012	172	29,335,093	3,968,916	4,040,127	13.8%	587,194	1	352,099	6	1,465,720	\$19.78
2011	171	28,982,994	4,156,094	4,275,222	14.8%	509,430	2	99,207	1	352,099	\$20.17
2010	168	28,844,787	4,323,453	4,646,445	16.1%	(368,425)	0	0	1	48,268	\$21.05
2009	168	28,844,787	3,939,062	4,278,020	14.8%	(168,877)	5	614,940	0	0	\$20.77
2008	163	28,229,847	3,251,434	3,494,203	12.4%	(125,123)	6	477,189	5	614,940	\$21.25
2007	155	27,319,661	2,316,721	2,458,894	9.0%	1,042,285	4	344,947	10	1,184,125	\$21.57
2006	149	26,368,404	2,172,059	2,549,922	9.7%	996,947	5	876,605	6	933,283	\$19.15

Source: CoStar Property®

### Class B Market Statistics

First Quarter 2018

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2018 1q	2,532	75,211,820	5,515,470	5,720,687	7.6%	(194,646)	0	0	10	391,047	\$18.27
2017 4q	2,532	75,241,355	5,350,899	5,570,066	7.4%	(7,905)	0	0	9	367,451	\$18.00
2017 3q	2,532	75,464,492	5,596,863	5,785,298	7.7%	(226,622)	5	74,716	9	370,731	\$17.79
2017 2q	2,526	75,416,771	5,326,082	5,510,955	7.3%	215,047	4	226,339	15	391,652	\$17.80
2017 1q	2,522	75,190,432	5,348,161	5,499,663	7.3%	490,257	4	93,353	14	372,697	\$17.55
2016	2,520	75,354,387	6,057,494	6,153,875	8.2%	1,338,124	5	33,104	14	425,624	\$17.45
2015	2,516	75,324,783	7,350,037	7,462,395	9.9%	670,541	11	146,623	5	204,483	\$16.93
2014	2,504	75,194,096	7,907,741	8,002,249	10.6%	634,145	7	161,332	8	112,704	\$16.42
2013	2,501	75,381,070	8,674,767	8,823,368	11.7%	503,489	5	57,017	8	221,020	\$16.17
2012	2,496	75,341,434	9,077,830	9,287,221	12.3%	319,418	5	216,932	8	178,836	\$16.38
2011	2,492	75,213,076	9,345,496	9,478,281	12.6%	59,071	6	251,293	4	150,026	\$16.51
2010	2,480	74,833,168	9,034,639	9,157,444	12.2%	(65,219)	7	73,831	10	359,422	\$17.00
2009	2,470	74,732,012	8,849,297	8,991,069	12.0%	78,909	10	176,808	11	210,082	\$17.07
2008	2,456	74,524,632	8,753,123	8,862,598	11.9%	(189,614)	30	400,710	12	305,781	\$16.85
2007	2,415	73,941,362	7,952,947	8,089,714	10.9%	1,878,766	34	549,841	36	531,544	\$16.34
2006	2,361	72,956,584	8,759,742	8,983,702	12.3%	1,223,254	45	677,536	51	998,379	\$16.15

Source: CoStar Property®

### Total Office Market Statistics

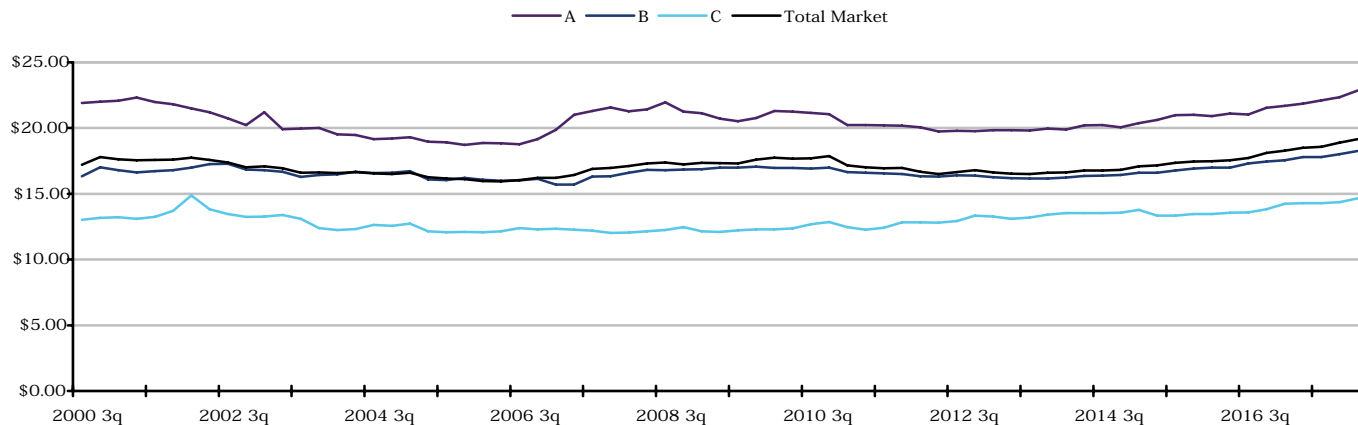
First Quarter 2018

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2018 1q	6,013	138,441,569	9,426,313	9,928,249	7.2%	141,047	1	40,000	15	747,647	\$19.17
2017 4q	6,012	138,431,104	9,597,656	10,073,321	7.3%	(64,602)	0	0	14	744,051	\$18.90
2017 3q	6,012	138,654,241	9,841,325	10,231,856	7.4%	15,503	5	74,716	14	747,331	\$18.57
2017 2q	6,007	138,607,480	9,698,653	10,200,598	7.4%	802,387	8	491,034	17	509,637	\$18.51
2017 1q	5,999	138,116,446	10,011,624	10,511,951	7.6%	670,253	7	405,816	19	715,377	\$18.29
2016	5,997	138,091,042	10,741,401	11,156,800	8.1%	3,635,854	10	1,248,104	21	1,002,782	\$18.11
2015	5,989	136,866,538	13,131,734	13,568,150	9.9%	1,210,616	13	241,547	12	1,674,483	\$17.46
2014	5,975	136,640,927	14,168,436	14,553,155	10.7%	1,919,570	11	1,031,332	13	1,322,628	\$16.83
2013	5,972	136,157,777	15,740,788	15,989,575	11.7%	1,668,385	10	1,121,737	12	1,091,020	\$16.59
2012	5,961	135,039,421	16,222,472	16,539,604	12.2%	1,160,652	6	569,031	15	1,658,556	\$16.79
2011	5,958	134,568,334	16,946,782	17,229,169	12.8%	537,481	8	350,500	6	515,365	\$16.96
2010	5,943	134,050,219	16,766,614	17,248,535	12.9%	(661,910)	7	73,831	11	407,690	\$17.87
2009	5,930	133,938,313	15,866,219	16,474,719	12.3%	(352,618)	15	791,748	14	220,832	\$17.61
2008	5,908	133,099,488	14,810,666	15,283,276	11.5%	(669,984)	39	903,589	17	920,721	\$17.23
2007	5,856	131,592,831	12,823,099	13,106,635	10.0%	3,217,465	41	914,456	49	1,741,359	\$16.96
2006	5,787	129,564,814	13,677,864	14,296,083	11.0%	2,281,759	52	1,567,983	65	1,993,165	\$16.21

Source: CoStar Property®

## Historical Rental Rates

Based on Full-Service Equivalent Rental Rates



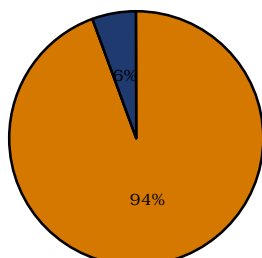
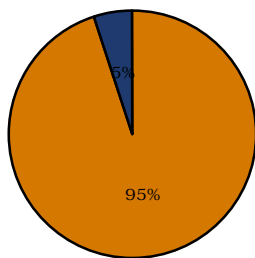
Source: CoStar Property®

## Vacancy by Available Space Type

Percent of All Vacant Space in Direct vs. Sublet

Kansas City

United States



■ Direct ■ Sublet

■ Direct ■ Sublet

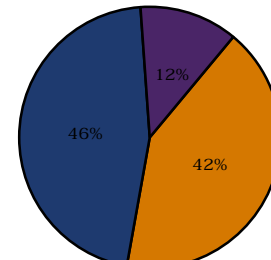
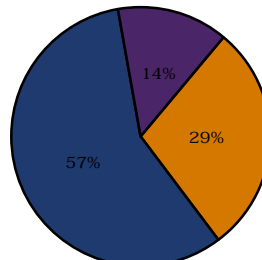
Source: CoStar Property®

## Vacancy by Class

Percent of All Vacant Space by Class

Kansas City

United States



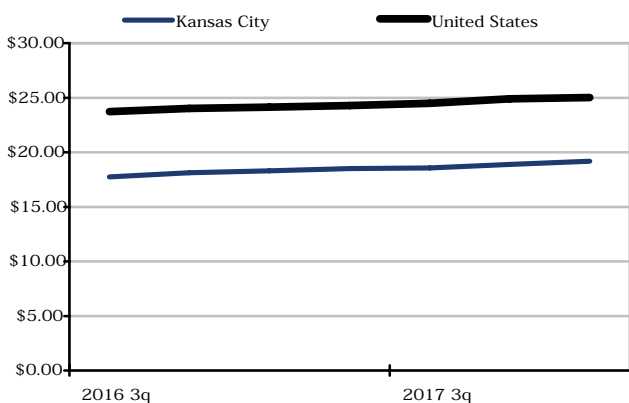
■ Class A ■ Class B ■ Class C

■ Class A ■ Class B ■ Class C

Source: CoStar Property®

## U.S. Rental Rate Comparison

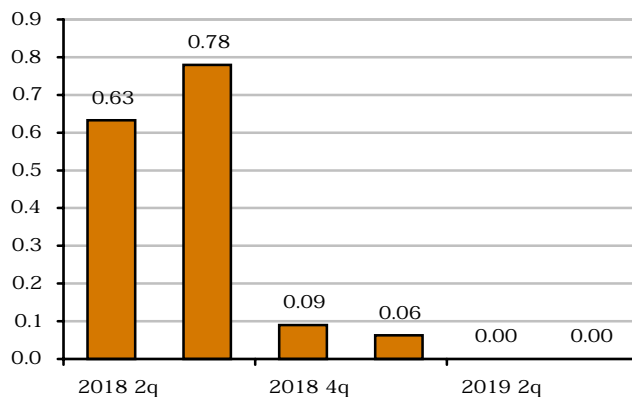
Based on Full-Service Equivalent Rental Rates



Source: CoStar Property®

## Future Space Available

Space Scheduled to be Available for Occupancy\*

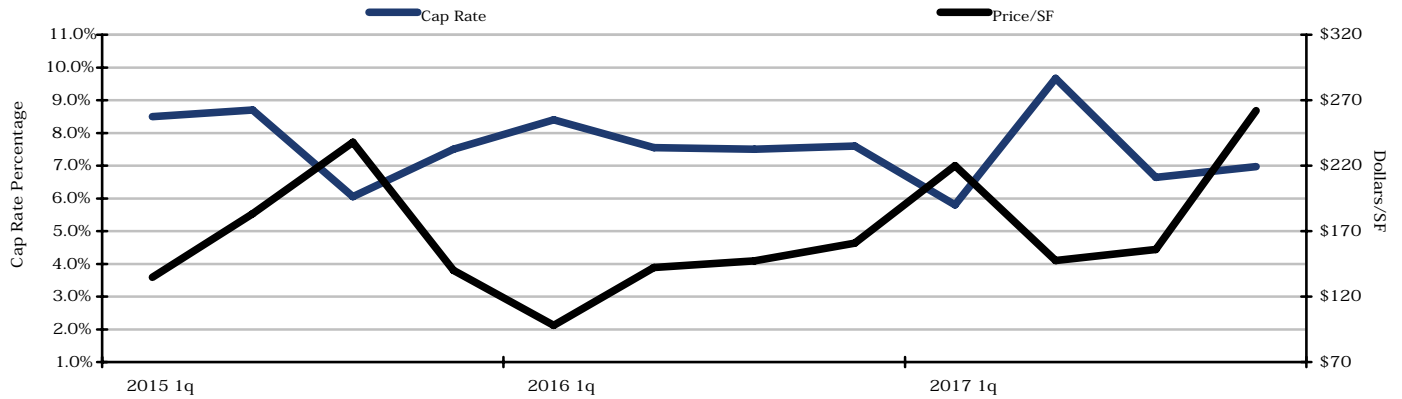


\* Includes Under Construction Spaces

Source: CoStar Property®

## The Optimist Sales Index

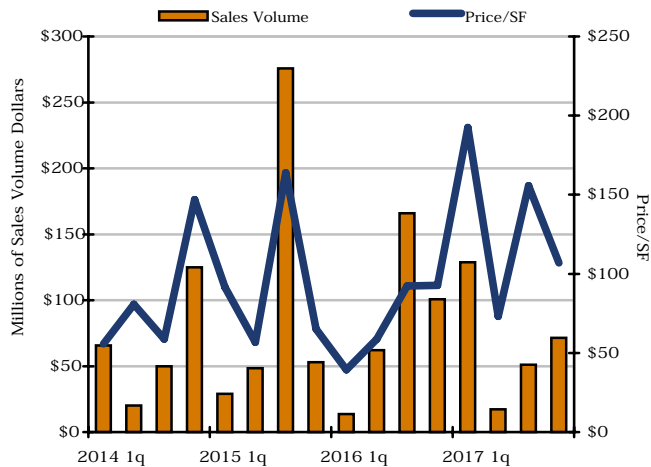
Average of Two Highest Price/SF's and Two Lowest Cap Rates Per Quarter



Source: CoStar COMPS®

## Sales Volume & Price

Based on Office Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

## Sales Analysis by Building Size

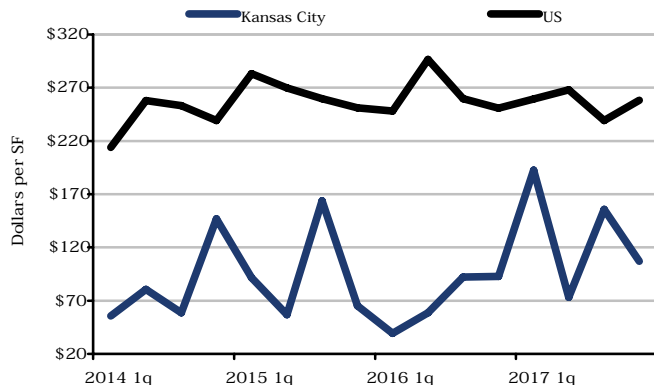
Based on Office Building Sales From Jan. 2017 - Dec. 2017

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 50,000 SF	35	704,312	\$101,936,968	\$ 144.73	9.16%
50K-249K SF	11	1,345,865	\$208,404,150	\$ 154.85	7.62%
250K-499K SF	-	-	-	\$ -	-
>500K SF	-	-	-	\$ -	-

Source: CoStar COMPS®

## U.S. Price/SF Comparison

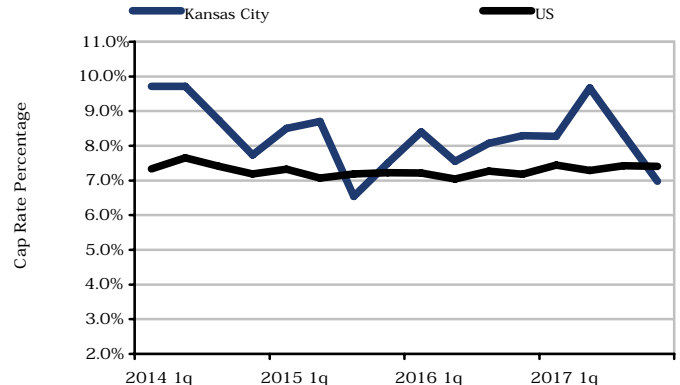
Based on Office Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

## U.S. Cap Rate Comparison

Based on Office Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®