



KC Retail Report Fourth Quarter, 2017

Kansas City's Vacancy Decreases to 5.3% Net Absorption Positive 123,900 SF in the Quarter

The Kansas City retail market experienced a moderate improvement in market conditions in the fourth quarter 2017. The vacancy rate went from 6.1% in the previous quarter to 5.3% in the current quarter. Net absorption was positive 123,900 square feet, and vacant sublease space decreased by 34,645 square feet. Quoted rental rates increased from third quarter 2017 levels, ending at \$12.97 per square foot per year. A total of 3 retail buildings with 20,331 square feet of retail space were delivered to the market in the quarter, with 370,614 square feet still under construction at the end of the quarter.

Net Absorption

Retail net absorption was slightly positive in Kansas City fourth quarter 2017, with positive 123,900 square feet absorbed in the quarter. In third quarter 2017, net absorption was negative 799,060 square feet, while in second quarter 2017, absorption came in at negative 424,197 square feet. In first quarter 2017, positive 590,484 square feet was absorbed in the market.

Tenants moving out of large blocks of space in 2017 include: Sears closing its' 209,201 square feet store at 9701 Metcalf Ave; Sears closing its' 142,616 square feet store at 5415 NE Antioch Rd; and Kmart closing its' 131,677 square feet store at 4023 S Noland Rd.

Tenants moving into large blocks of space in 2017 include: Price Chopper moving into 84,500 square feet at 1100 S Hwy 7; Floor & Decor moving into 81,322 square feet at 9495 W 75th St; and Discount Groceries & More moving into 69,000 square feet at 1300-13830 S US 71 Hwy.

Vacancy

Kansas City's retail vacancy rate decreased in the fourth quarter 2017, ending the quarter at 5.3%. Over the past four quarters, the market has seen an overall no change in the vacancy rate, with the rate going from 5.3% in the first quarter 2017, to 5.8% at the end of the second quarter 2017, 6.1% at the end of the third quarter 2017, to 5.3% in the current quarter.

The amount of vacant sublease space in the Kansas City market has trended down over the past four quarters. At the end of the first quarter 2017, there were 149,163 square feet of vacant sublease space. Currently, there are 128,002 square feet vacant in the market.

Largest Lease Signings

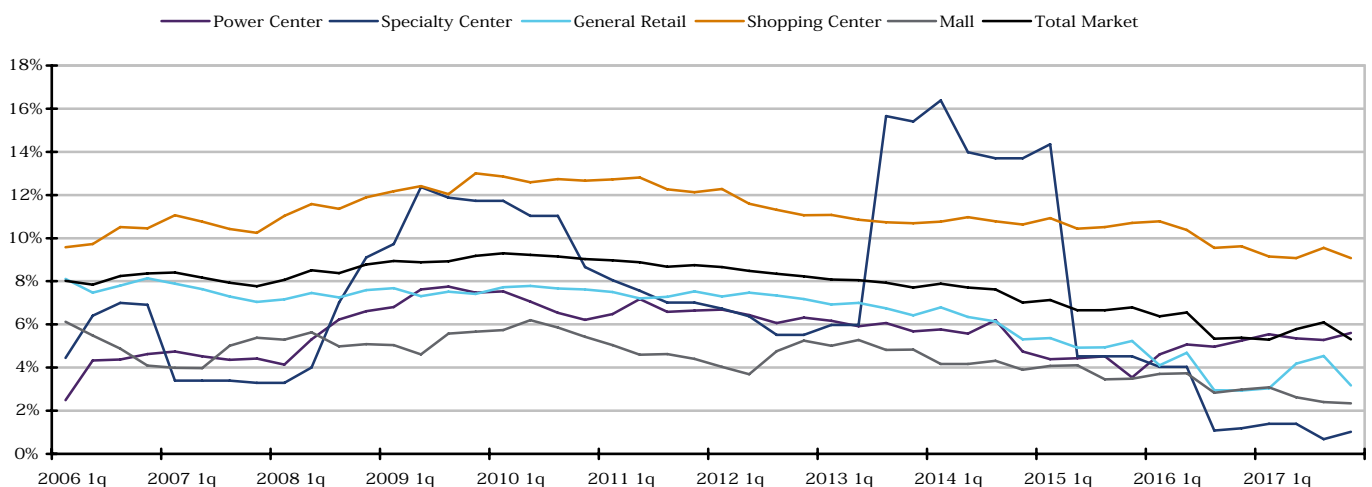
The largest lease signings occurring in 2017 included: the 81,322-square-foot-lease signed by Floor & Decor at 9495 W 75th St; the 69,000-square-foot-deal signed by Discount Groceries and More at Grandview Crossings; and the 42,500-square-foot-lease signed by Hillcrest Thrift Shop at Picture Hills Shopping Center.

Rental Rates

Average quoted asking rental rates in the Kansas City retail market are up over previous quarter levels, and unchanged from their levels four quarters ago. Quoted rents ended the fourth quarter 2017 at \$12.97 per square foot per year. That compares to \$12.86 per square foot in the third quarter 2017, and \$12.97 per square foot at the end of the first quarter 2017. This represents a 0.9% increase in rental rates in the current

Vacancy Rates by Building Type

2006-2017



Source: CoStar Property®

quarter, and no change from four quarters ago.

Inventory & Construction

During the fourth quarter 2017, three buildings totaling 20,331 square feet were completed in the Kansas City retail market. Over the past four quarters, a total of 902,741 square feet of retail space has been built in Kansas City. In addition to the current quarter, 14 buildings with 183,760 square feet were completed in third quarter 2017, 13 buildings totaling 177,811 square feet completed in second quarter 2017, and 520,839 square feet in 19 buildings completed in first quarter 2017.

There were 370,614 square feet of retail space under construction at the end of the fourth quarter 2017.

Some of the notable 2017 deliveries include: 8901 Green Hills Rd, a 202,948-square-foot facility that delivered in first quarter 2017 and is now 100% occupied by Menards, and 1100 S Hwy 7, a 95,000-square-foot building that delivered in third quarter 2017 and is now 100% occupied by Price Chopper.

Total retail inventory in the Kansas City market area amounted to 133,004,904 square feet in 10,717 buildings and 823 centers as of the end of the fourth quarter 2017.

Shopping Center

The Shopping Center market in Kansas City currently consists of 780 projects with 45,520,388 square feet of retail space in 1,835 buildings. In this report the Shopping Center market is comprised of all Community Center, Neighborhood Center, and Strip Centers.

After absorbing 221,511 square feet and delivering no new space in the current quarter, the Shopping Center sector saw the vacancy rate go from 9.6% at the end of the third quarter 2017 to 9.1% this quarter.

Over the past four quarters, the Shopping Center vacancy rate has gone from 9.2% at the end of the first quarter 2017, to 9.1% at the end of the second quarter 2017, to 9.6% at the end of the third quarter 2017, and finally to 9.1% at the end of

the current quarter.

Rental rates ended the fourth quarter 2017 at \$12.45 per square foot, up from the \$12.02 they were at the end of third quarter 2017. Rental rates have trended up over the past year, going from \$11.82 per square foot a year ago to their current levels.

Net absorption in the Shopping Center sector has totaled 563,030 square feet over the past four quarters. In addition to the positive 221,511 square feet absorbed this quarter, negative (95,838) square feet was absorbed in the third quarter 2017, positive 55,022 square feet was absorbed in the second quarter 2017, and positive 382,335 square feet was absorbed in the first quarter 2017.

Power Centers

The Power Center average vacancy rate was 5.6% in the fourth quarter 2017. With negative (34,963) square feet of net absorption and no new deliveries, the vacancy rate went from 5.3% at the end of last quarter to 5.6% at the end of the fourth quarter.

In the third quarter 2017, Power Centers absorbed positive 8,324 square feet, delivered no new space, and the vacancy rate went from 5.4% to 5.3% over the course of the quarter. Rental started the quarter at \$17.37 per square foot and ended the quarter at \$16.46 per square foot.

A year ago, in fourth quarter 2016, the vacancy rate was 5.3%. Over the past four quarters, Power Centers have absorbed a cumulative negative 7,992 square feet of space and delivered cumulative 31,000 square feet of space. Vacant sublease space has gone from 52,770 square feet to no space available over that time period, and rental rates have gone from \$15.11 to \$16.35.

At the end of the fourth quarter 2017, there were 29,800 square feet under construction in the Kansas City market. The total stock of Power Center space in Kansas City currently sits at 10,922,313 square feet in 24 centers comprised of 224 buildings.

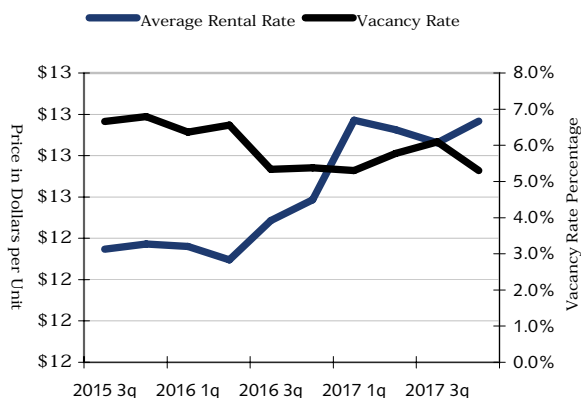
A total of 29,800 square feet of space was under construction at the end of the fourth quarter 2017.

General Retail Properties

The General Retail sector of the market, which includes all freestanding retail buildings, except those contained within a center, reported a vacancy rate of 3.2% at the end of fourth quarter 2017. There was a total of 2,052,532 square feet vacant at that time. The General Retail sector in Kansas City currently has average rental rates of \$12.26 per square foot per year. There are 263,781 square feet of space under construction in this sector, with 20,331 square feet having been completed in the fourth quarter. In all, there are a total of 8,374 buildings with 64,619,643 square feet of General Retail space in Kansas City.

VACANCY & RENT

Past 10 Quarters



Source: CoStar Property®

Specialty Centers

There are currently three Specialty Centers in the Kansas City market, making up 1,119,659 square feet of retail space. In this report the Specialty Center market is comprised of Outlet Center, Airport Retail and Theme/Festival Centers.

Specialty Centers in the Kansas City market have experienced positive 46,738 square feet of net absorption in 2017. The vacancy rate currently stands at 1%, and rental rates average \$21.96 per square foot.

Malls

Malls recorded net absorption of positive 5,673 square feet in the fourth quarter 2017. This net absorption number, combined with no new space that was built in the quarter, caused the vacancy rate to go from 2.4% a quarter ago to 2.3% at the end of the fourth quarter 2017. Rental rates went from \$20.21 per square foot to \$24.98 per square foot during that time. In this report the Mall market is comprised of 16 Lifestyle Center, Regional Mall and Super Regional Malls.

Sales Activity

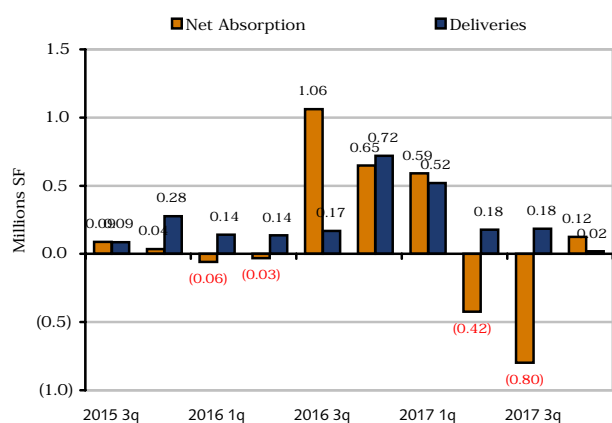
Tallying retail building sales of 15,000 square feet or larger, Kansas City retail sales figures rose during the third quarter 2017 in terms of dollar volume compared to the second quarter of 2017.

In the third quarter, six retail transactions closed with a total volume of \$29,025,000. The six buildings totaled 376,467 square feet and the average price per square foot equated to \$77.10 per square foot. That compares to two transactions totaling \$2,375,000 in the second quarter 2017. The total square footage in the second quarter was 60,600 square feet for an average price per square foot of \$39.19.

Total retail center sales activity in 2017 was down compared to 2016. In the first nine months of 2017, the market saw 17 retail sales transactions with a total volume of \$64,242,207.

ABSORPTION & DELIVERIES

Past 10 Quarters



Source: CoStar Property®

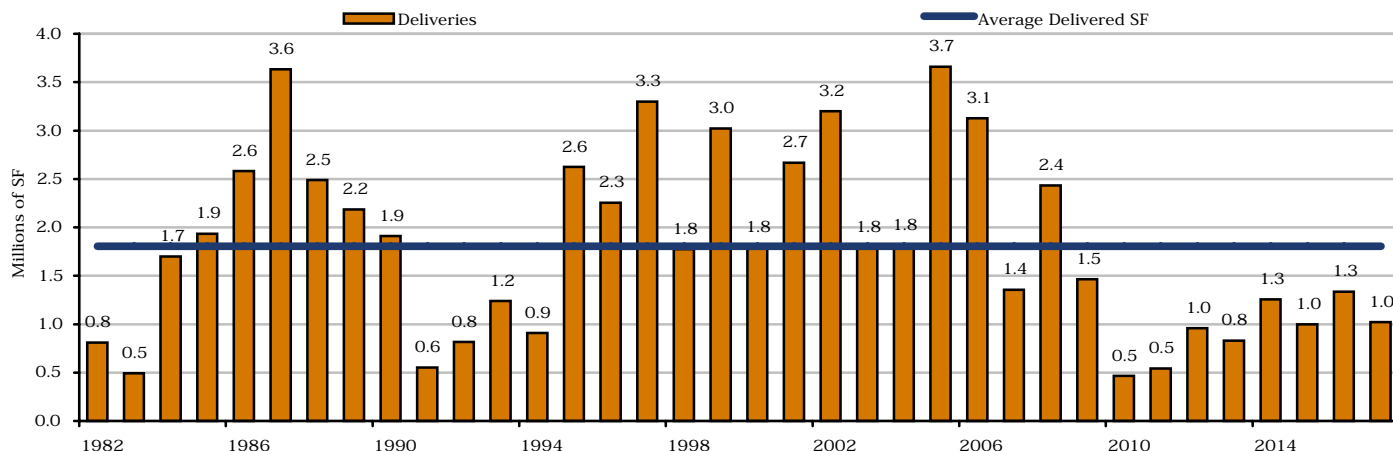
The price per square foot averaged \$52.55. In the same first nine months of 2016, the market posted 29 transactions with a total volume of \$341,605,179. The price per square foot averaged \$174.74.

Cap rates have been higher in 2017, averaging 9.12% compared to the same period in 2016 when they averaged 7.03%.

One of the largest transactions that has occurred within the last four quarters in the Kansas City market is the sale of 13601-13657 Washington St in Kansas City. This 161,910 square foot retail center sold for \$11,600,000, or \$71.64 per square foot. The property sold on 10/28/2016, at a 10.00% cap rate.

Reports compiled by: Emily Thompson, CoStar Research Manager.

Historical Deliveries 1982 - 2017



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

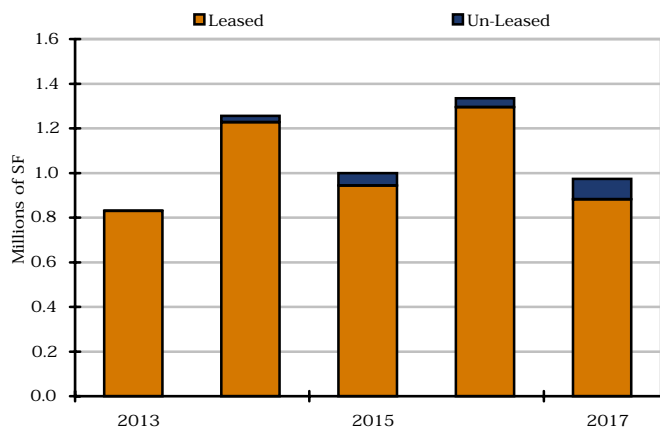
Construction Activity Markets Ranked by Under Construction Square Footage

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total GLA	Preleased SF	Preleased %	All Existing	U/C
North of the River	6	166,833	153,496	92.0%	14,887	27,805
Kansas City KS	3	84,000	62,000	73.8%	9,687	28,000
Midtown	1	45,000	45,000	100.0%	8,919	45,000
St Joseph	1	33,294	0	0.0%	13,791	33,294
Lawrence	1	11,500	5,520	48.0%	9,590	11,500
South Johnson County	2	10,640	10,640	100.0%	17,005	5,320
East Jackson County	2	10,200	990	9.7%	10,529	5,100
North Johnson County	2	9,147	3,447	37.7%	16,833	4,573
Johnson County MO	0	0	0	0.0%	10,628	0
Ottawa	0	0	0	0.0%	9,146	0
All Other	0	0	0	0.0%	11,074	0
Totals	18	370,614	281,093	75.8%	12,411	20,590

Source: CoStar Property®

Recent Deliveries

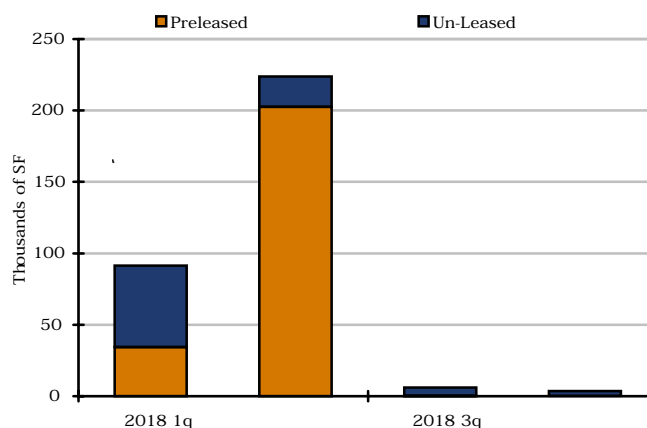
Leased & Un-Leased SF in Deliveries Since 2013



Source: CoStar Property®

Future Deliveries

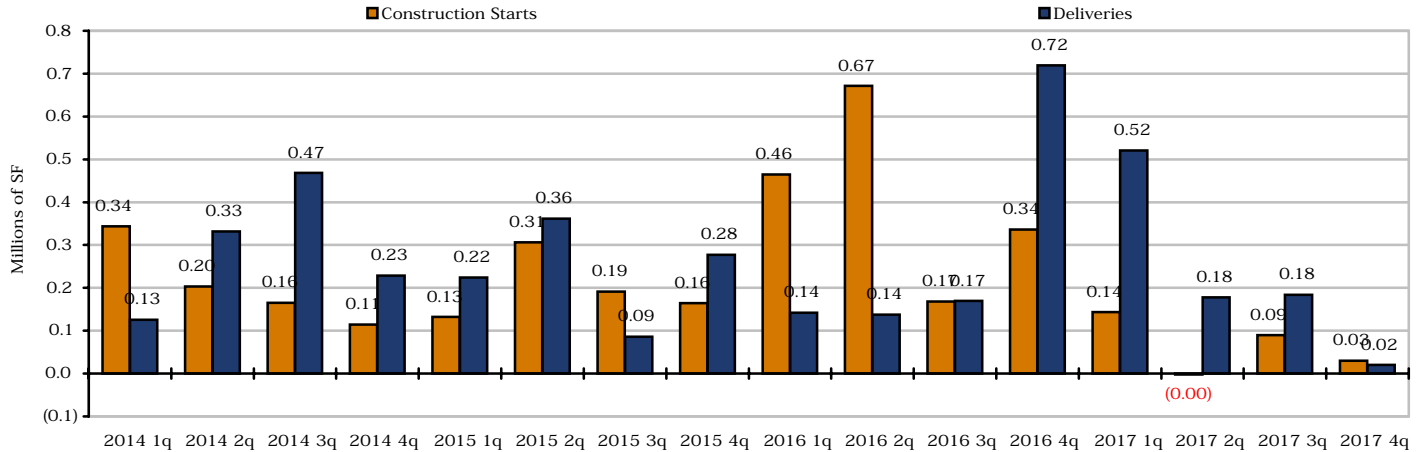
Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

Historical Construction Starts & Deliveries

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

Recent Deliveries by Project Size of Year-to-Date Development

Building Size	# Bldgs	GLA	SF Leased	% Leased	Avg Rate	Single-Tenant	Multi-Tenant
< 50,000 SF	54	584,061	522,422	89.4%	\$23.45	178,096	405,965
50,000 SF - 99,999 SF	2	187,000	156,640	83.8%	\$20.91	0	187,000
100,000 SF - 249,999 SF	1	202,948	202,948	100.0%	\$0.00	0	202,948
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

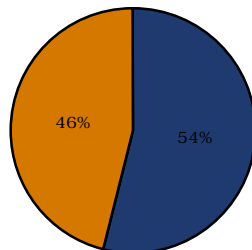
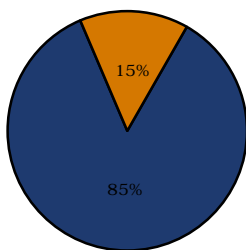
Source: CoStar Property®

Recent Development by Tenancy

Based on GLA Developed for Single & Multi Tenant Use

2017 Deliveries

Currently Under Construction



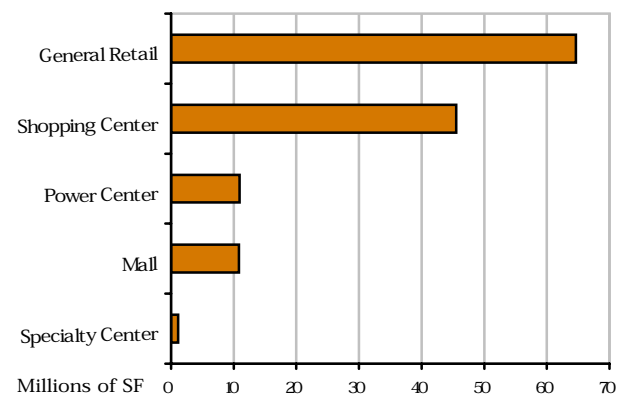
■ Multi ■ Single

■ Multi ■ Single

Source: CoStar Property®

Existing Inventory Comparison

Based on Total GLA



Source: CoStar Property®

General Retail Market Statistics

Year-End 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total GLA	Direct SF	Total SF	Vac %				
Atchison	74	722,006	36,802	36,802	5.1%	7,561	0	0	\$0.00
Downtown	297	2,528,458	76,438	76,438	3.0%	409	0	0	\$18.35
East Jackson County	1,867	11,392,250	361,203	361,203	3.2%	42,488	36,434	10,200	\$9.94
Johnson County MO	143	1,319,144	49,860	49,860	3.8%	10,751	12,911	0	\$14.08
Kansas City KS	845	5,941,859	90,319	90,319	1.5%	5,639	8,320	62,000	\$14.93
Lawrence	563	4,223,177	65,053	70,953	1.7%	(31,157)	0	0	\$14.92
Leavenworth County	241	1,994,066	159,518	159,518	8.0%	(134,808)	0	0	\$11.59
Midtown	577	3,914,714	153,176	153,176	3.9%	(66,428)	0	45,000	\$10.80
North Johnson County	732	7,268,998	219,687	219,687	3.0%	(303,176)	31,803	9,147	\$17.02
North of the River	844	7,376,730	230,958	250,548	3.4%	(776,137)	281,470	101,500	\$11.72
Ottawa	123	1,062,378	44,291	44,291	4.2%	(31,841)	0	0	\$6.57
South Johnson County	610	6,230,617	166,890	166,890	2.7%	879	35,532	2,640	\$15.28
South KC	609	3,725,254	130,232	136,232	3.7%	14,515	9,100	0	\$12.21
Southeast Jackson County	363	2,516,561	44,803	50,939	2.0%	7,378	9,130	0	\$20.48
St Joseph	486	4,403,431	175,019	185,676	4.2%	4,119	0	33,294	\$7.45
Totals	8,374	64,619,643	2,004,249	2,052,532	3.2%	(1,249,808)	424,700	263,781	\$12.26

Source: CoStar Property®

Mall Market Statistics

Year-End 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %				
Atchison	0	0	0	0	0.0%	0	0	0	\$0.00
Downtown	1	319,828	0	0	0.0%	0	0	0	\$0.00
East Jackson County	3	2,078,988	22,589	22,589	1.1%	13,260	4,120	0	\$0.00
Johnson County MO	0	0	0	0	0.0%	0	0	0	\$0.00
Kansas City KS	0	0	0	0	0.0%	0	0	0	\$0.00
Lawrence	0	0	0	0	0.0%	0	0	0	\$0.00
Leavenworth County	0	0	0	0	0.0%	0	0	0	\$0.00
Midtown	1	943,885	10,784	10,784	1.1%	(10,784)	0	0	\$0.00
North Johnson County	2	1,876,251	0	0	0.0%	0	0	0	\$0.00
North of the River	2	1,147,476	12,237	12,237	1.1%	(4,791)	0	0	\$21.44
Ottawa	0	0	0	0	0.0%	0	0	0	\$0.00
South Johnson County	3	2,024,052	59,059	59,059	2.9%	152,368	29,000	0	\$29.00
South KC	1	471,256	38,283	38,283	8.1%	20,000	8,000	0	\$0.00
Southeast Jackson County	2	1,247,142	27,094	27,094	2.2%	31,803	25,360	0	\$0.00
St Joseph	1	714,023	83,459	83,459	11.7%	(62,697)	0	0	\$15.00
Totals	16	10,822,901	253,505	253,505	2.3%	139,159	66,480	0	\$24.98

Source: CoStar Property®

Power Center Market Statistics

Year-End 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %				
Atchison	0	0	0	0	0.0%	0	0	0	\$0.00
Downtown	0	0	0	0	0.0%	0	0	0	\$0.00
East Jackson County	7	2,436,505	96,996	96,996	4.0%	(2,373)	0	0	\$12.92
Johnson County MO	0	0	0	0	0.0%	0	0	0	\$0.00
Kansas City KS	1	495,323	52,955	52,955	10.7%	(185)	0	22,000	\$12.39
Lawrence	0	0	0	0	0.0%	0	0	0	\$0.00
Leavenworth County	0	0	0	0	0.0%	0	0	0	\$0.00
Midtown	1	296,301	875	875	0.3%	(875)	0	0	\$54.86
North Johnson County	2	888,896	8,443	8,443	0.9%	3,305	0	0	\$15.00
North of the River	5	2,143,862	301,328	301,328	14.1%	(15,013)	0	7,800	\$18.13
Ottawa	0	0	0	0	0.0%	0	0	0	\$0.00
South Johnson County	4	2,036,343	68,876	68,876	3.4%	(2,704)	0	0	\$18.80
South KC	3	1,508,455	77,022	77,022	5.1%	9,053	31,000	0	\$15.77
Southeast Jackson County	0	0	0	0	0.0%	0	0	0	\$0.00
St Joseph	1	1,116,628	4,904	4,904	0.4%	800	0	0	\$23.13
Totals	24	10,922,313	611,399	611,399	5.6%	(7,992)	31,000	29,800	\$16.35

Source: CoStar Property®

Shopping Center Market Statistics

Year-End 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %				
Atchison	3	72,256	0	0	0.0%	0	0	0	\$0.00
Downtown	4	384,038	0	0	0.0%	9,168	0	0	\$0.00
East Jackson County	148	7,560,305	924,868	924,868	12.2%	(133,451)	95,000	0	\$11.71
Johnson County MO	5	275,076	36,667	36,667	13.3%	(7,306)	0	0	\$12.52
Kansas City KS	46	2,151,599	120,916	120,916	5.6%	26,884	0	0	\$6.72
Lawrence	43	2,039,107	99,376	101,283	5.0%	(1,007)	17,998	11,500	\$14.08
Leavenworth County	13	460,110	75,172	75,172	16.3%	(37,825)	0	0	\$12.78
Midtown	16	562,078	64,819	66,807	11.9%	(2,387)	0	0	\$22.73
North Johnson County	129	8,869,226	645,275	691,299	7.8%	428,383	18,724	0	\$12.51
North of the River	125	8,044,956	479,892	509,692	6.3%	228,021	42,287	57,533	\$12.10
Ottawa	1	71,748	3,278	3,278	4.6%	(3,278)	0	0	\$5.50
South Johnson County	127	8,712,348	839,348	839,348	9.6%	67,402	158,125	8,000	\$15.39
South KC	55	2,758,474	383,988	383,988	13.9%	61,461	2,927	0	\$11.93
Southeast Jackson County	38	2,166,713	189,211	189,211	8.7%	17,525	0	0	\$14.30
St Joseph	27	1,392,354	184,953	184,953	13.3%	(90,560)	0	0	\$8.39
Totals	780	45,520,388	4,047,763	4,127,482	9.1%	563,030	335,061	77,033	\$12.45

Source: CoStar Property®

Specialty Center Market Statistics

Year-End 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %				
Atchison	0	0	0	0	0.0%	0	0	0	\$0.00
Downtown	0	0	0	0	0.0%	0	0	0	\$0.00
East Jackson County	0	0	0	0	0.0%	0	0	0	\$0.00
Johnson County MO	0	0	0	0	0.0%	0	0	0	\$0.00
Kansas City KS	1	720,214	10,084	10,084	1.4%	(5,153)	0	0	\$43.18
Lawrence	0	0	0	0	0.0%	0	0	0	\$0.00
Leavenworth County	0	0	0	0	0.0%	0	0	0	\$0.00
Midtown	0	0	0	0	0.0%	0	0	0	\$0.00
North Johnson County	0	0	0	0	0.0%	0	0	0	\$0.00
North of the River	0	0	0	0	0.0%	0	0	0	\$0.00
Ottawa	0	0	0	0	0.0%	0	0	0	\$0.00
South Johnson County	2	399,445	1,400	1,400	0.4%	51,891	45,500	0	\$11.81
South KC	0	0	0	0	0.0%	0	0	0	\$0.00
Southeast Jackson County	0	0	0	0	0.0%	0	0	0	\$0.00
St Joseph	0	0	0	0	0.0%	0	0	0	\$0.00
Totals	3	1,119,659	11,484	11,484	1.0%	46,738	45,500	0	\$21.96

Source: CoStar Property®

Total Retail Market Statistics

Year-End 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total GLA	Direct SF	Total SF	Vac %				
Atchison	77	794,262	36,802	36,802	4.6%	7,561	0	0	\$0.00
Downtown	320	3,232,324	76,438	76,438	2.4%	9,577	0	0	\$18.35
East Jackson County	2,229	23,468,048	1,405,656	1,405,656	6.0%	(80,076)	135,554	10,200	\$11.38
Johnson County MO	150	1,594,220	86,527	86,527	5.4%	3,445	12,911	0	\$13.16
Kansas City KS	961	9,308,995	274,274	274,274	2.9%	27,185	8,320	84,000	\$9.62
Lawrence	653	6,262,284	164,429	172,236	2.8%	(32,164)	17,998	11,500	\$14.45
Leavenworth County	259	2,454,176	234,690	234,690	9.6%	(172,633)	0	0	\$11.91
Midtown	641	5,716,978	229,654	231,642	4.1%	(80,474)	0	45,000	\$12.12
North Johnson County	1,123	18,903,371	873,405	919,429	4.9%	128,512	50,527	9,147	\$13.13
North of the River	1,257	18,713,024	1,024,415	1,073,805	5.7%	(567,920)	323,757	166,833	\$14.07
Ottawa	124	1,134,126	47,569	47,569	4.2%	(35,119)	0	0	\$5.99
South Johnson County	1,141	19,402,805	1,135,573	1,135,573	5.9%	269,836	268,157	10,640	\$16.18
South KC	754	8,463,439	629,525	635,525	7.5%	105,029	51,027	0	\$12.48
Southeast Jackson County	475	5,930,416	261,108	267,244	4.5%	56,706	34,490	0	\$15.85
St Joseph	553	7,626,436	448,335	458,992	6.0%	(148,338)	0	33,294	\$8.18
Totals	10,717	133,004,904	6,928,400	7,056,402	5.3%	(508,873)	902,741	370,614	\$12.97

Source: CoStar Property®

General Retail Submarket Statistics

Year-End 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total GLA	Direct SF	Total SF	Vac %				
Atchison	74	722,006	36,802	36,802	5.1%	7,561	0	0	\$0.00
Brookside	57	258,057	5,412	5,412	2.1%	(1,200)	0	0	\$25.00
CBD	74	811,750	4,000	4,000	0.5%	4,850	0	0	\$15.00
College Blvd	75	1,144,143	71,444	71,444	6.2%	(37,812)	15,532	0	\$15.50
Country Club Plaza	137	773,577	48,035	48,035	6.2%	(39,770)	0	45,000	\$8.35
Crown Center	30	645,863	3,332	3,332	0.5%	(132)	0	0	\$0.00
Downtown Kansas KC KS	166	1,014,058	31,432	31,432	3.1%	1,484	0	0	\$9.06
East Jackson County	1,081	7,473,530	282,056	282,056	3.8%	23,565	36,434	10,200	\$9.74
Freight House District	118	748,676	62,906	62,906	8.4%	(909)	0	0	\$18.65
I-29 Corridor	191	1,992,799	42,571	46,741	2.3%	233,765	265,678	11,500	\$15.76
I-35 Corridor	653	5,383,931	188,387	203,807	3.8%	(1,009,902)	15,792	90,000	\$11.14
Johnson County MO	143	1,319,144	49,860	49,860	3.8%	10,751	12,911	0	\$14.08
Kansas City KS	679	4,927,801	58,887	58,887	1.2%	4,155	8,320	62,000	\$16.41
Kansas City MO	786	3,918,720	79,147	79,147	2.0%	18,923	0	0	\$10.81
Lawrence	563	4,223,177	65,053	70,953	1.7%	(31,157)	0	0	\$14.92
Leavenworth County	241	1,994,066	159,518	159,518	8.0%	(134,808)	0	0	\$11.59
Midtown	383	2,883,080	99,729	99,729	3.5%	(25,458)	0	0	\$11.05
Northeast Johnson County	369	3,414,173	120,205	120,205	3.5%	(288,081)	13,438	9,147	\$19.60
Northwest Johnson County	363	3,854,825	99,482	99,482	2.6%	(15,095)	18,365	0	\$13.83
Ottawa	123	1,062,378	44,291	44,291	4.2%	(31,841)	0	0	\$6.57
South Johnson County	535	5,086,474	95,446	95,446	1.9%	38,691	20,000	2,640	\$15.19
South Kansas City MO	437	2,544,440	59,079	59,079	2.3%	20,067	9,100	0	\$12.51
Southeast Jackson County	363	2,516,561	44,803	50,939	2.0%	7,378	9,130	0	\$20.48
St Joseph	486	4,403,431	175,019	185,676	4.2%	4,119	0	33,294	\$7.45
Ward Parkway	172	1,180,814	71,153	77,153	6.5%	(5,552)	0	0	\$11.87
West Bottoms	75	322,169	6,200	6,200	1.9%	(3,400)	0	0	\$0.00
Totals	8,374	64,619,643	2,004,249	2,052,532	3.2%	(1,249,808)	424,700	263,781	\$12.26

Source: CoStar Property®

Mall Submarket Statistics

Year-End 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %				
Atchison	0	0	0	0	0.0%	0	0	0	\$0.00
Brookside	0	0	0	0	0.0%	0	0	0	\$0.00
CBD	1	319,828	0	0	0.0%	0	0	0	\$0.00
College Blvd	1	729,914	3,800	3,800	0.5%	10,485	0	0	\$29.00
Country Club Plaza	1	943,885	10,784	10,784	1.1%	(10,784)	0	0	\$0.00
Crown Center	0	0	0	0	0.0%	0	0	0	\$0.00
Downtown Kansas KC KS	0	0	0	0	0.0%	0	0	0	\$0.00
East Jackson County	3	2,078,988	22,589	22,589	1.1%	13,260	4,120	0	\$0.00
Freight House District	0	0	0	0	0.0%	0	0	0	\$0.00
I-29 Corridor	2	1,147,476	12,237	12,237	1.1%	(4,791)	0	0	\$21.44
I-35 Corridor	0	0	0	0	0.0%	0	0	0	\$0.00
Johnson County MO	0	0	0	0	0.0%	0	0	0	\$0.00
Kansas City KS	0	0	0	0	0.0%	0	0	0	\$0.00
Kansas City MO	0	0	0	0	0.0%	0	0	0	\$0.00
Lawrence	0	0	0	0	0.0%	0	0	0	\$0.00
Leavenworth County	0	0	0	0	0.0%	0	0	0	\$0.00
Midtown	0	0	0	0	0.0%	0	0	0	\$0.00
Northeast Johnson County	1	225,252	0	0	0.0%	0	0	0	\$0.00
Northwest Johnson County	1	1,650,999	0	0	0.0%	0	0	0	\$0.00
Ottawa	0	0	0	0	0.0%	0	0	0	\$0.00
South Johnson County	2	1,294,138	55,259	55,259	4.3%	141,883	29,000	0	\$29.00
South Kansas City MO	1	471,256	38,283	38,283	8.1%	20,000	8,000	0	\$0.00
Southeast Jackson County	2	1,247,142	27,094	27,094	2.2%	31,803	25,360	0	\$0.00
St Joseph	1	714,023	83,459	83,459	11.7%	(62,697)	0	0	\$15.00
Ward Parkway	0	0	0	0	0.0%	0	0	0	\$0.00
West Bottoms	0	0	0	0	0.0%	0	0	0	\$0.00
Totals	16	10,822,901	253,505	253,505	2.3%	139,159	66,480	0	\$24.98

Source: CoStar Property®

Power Center Submarket Statistics

Year-End 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %				
Atchison	0	0	0	0	0.0%	0	0	0	\$0.00
Brookside	0	0	0	0	0.0%	0	0	0	\$0.00
CBD	0	0	0	0	0.0%	0	0	0	\$0.00
College Blvd	2	1,014,562	13,342	13,342	1.3%	1,383	0	0	\$22.20
Country Club Plaza	0	0	0	0	0.0%	0	0	0	\$0.00
Crown Center	0	0	0	0	0.0%	0	0	0	\$0.00
Downtown Kansas KC KS	0	0	0	0	0.0%	0	0	0	\$0.00
East Jackson County	7	2,436,505	96,996	96,996	4.0%	(2,373)	0	0	\$12.92
Freight House District	0	0	0	0	0.0%	0	0	0	\$0.00
I-29 Corridor	3	1,462,605	52,967	52,967	3.6%	22,297	0	0	\$19.18
I-35 Corridor	2	681,257	248,361	248,361	36.5%	(37,310)	0	7,800	\$18.01
Johnson County MO	0	0	0	0	0.0%	0	0	0	\$0.00
Kansas City KS	1	495,323	52,955	52,955	10.7%	(185)	0	22,000	\$12.39
Kansas City MO	0	0	0	0	0.0%	0	0	0	\$0.00
Lawrence	0	0	0	0	0.0%	0	0	0	\$0.00
Leavenworth County	0	0	0	0	0.0%	0	0	0	\$0.00
Midtown	1	296,301	875	875	0.3%	(875)	0	0	\$54.86
Northeast Johnson County	1	463,067	8,443	8,443	1.8%	(695)	0	0	\$0.00
Northwest Johnson County	1	425,829	0	0	0.0%	4,000	0	0	\$15.00
Ottawa	0	0	0	0	0.0%	0	0	0	\$0.00
South Johnson County	2	1,021,781	55,534	55,534	5.4%	(4,087)	0	0	\$16.98
South Kansas City MO	2	729,607	25,533	25,533	3.5%	(700)	0	0	\$11.68
Southeast Jackson County	0	0	0	0	0.0%	0	0	0	\$0.00
St Joseph	1	1,116,628	4,904	4,904	0.4%	800	0	0	\$23.13
Ward Parkway	1	778,848	51,489	51,489	6.6%	9,753	31,000	0	\$18.02
West Bottoms	0	0	0	0	0.0%	0	0	0	\$0.00
Totals	24	10,922,313	611,399	611,399	5.6%	(7,992)	31,000	29,800	\$16.35

Source: CoStar Property®

Shopping Center Submarket Statistics

Year-End 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %				
Atchison	3	72,256	0	0	0.0%	0	0	0	\$0.00
Brookside	2	133,739	1,405	1,405	1.1%	(1,246)	0	0	\$30.00
CBD	2	120,038	0	0	0.0%	1,997	0	0	\$0.00
College Blvd	23	1,922,104	110,892	110,892	5.8%	(13,518)	0	0	\$13.99
Country Club Plaza	3	43,139	581	581	1.3%	(581)	0	0	\$30.00
Crown Center	1	260,000	0	0	0.0%	7,171	0	0	\$0.00
Downtown Kansas KC KS	3	41,183	0	0	0.0%	0	0	0	\$0.00
East Jackson County	135	6,426,640	878,058	878,058	13.7%	(151,910)	95,000	0	\$11.52
Freight House District	0	0	0	0	0.0%	0	0	0	\$0.00
I-29 Corridor	32	1,439,235	109,581	109,581	7.6%	8,901	0	0	\$11.93
I-35 Corridor	93	6,605,721	370,311	400,111	6.1%	219,120	42,287	57,533	\$12.16
Johnson County MO	5	275,076	36,667	36,667	13.3%	(7,306)	0	0	\$12.52
Kansas City KS	43	2,110,416	120,916	120,916	5.7%	26,884	0	0	\$6.72
Kansas City MO	13	1,133,665	46,810	46,810	4.1%	18,459	0	0	\$13.39
Lawrence	43	2,039,107	99,376	101,283	5.0%	(1,007)	17,998	11,500	\$14.08
Leavenworth County	13	460,110	75,172	75,172	16.3%	(37,825)	0	0	\$12.78
Midtown	11	385,200	62,833	64,821	16.8%	(560)	0	0	\$22.21
Northeast Johnson County	65	4,950,866	357,853	357,853	7.2%	293,008	1,985	0	\$14.26
Northwest Johnson County	64	3,918,360	287,422	333,446	8.5%	135,375	16,739	0	\$11.84
Ottawa	1	71,748	3,278	3,278	4.6%	(3,278)	0	0	\$5.50
South Johnson County	104	6,790,244	728,456	728,456	10.7%	80,920	158,125	8,000	\$15.56
South Kansas City MO	38	2,312,822	377,230	377,230	16.3%	56,223	2,927	0	\$11.67
Southeast Jackson County	38	2,166,713	189,211	189,211	8.7%	17,525	0	0	\$14.30
St Joseph	27	1,392,354	184,953	184,953	13.3%	(90,560)	0	0	\$8.39
Ward Parkway	17	445,652	6,758	6,758	1.5%	5,238	0	0	\$17.54
West Bottoms	1	4,000	0	0	0.0%	0	0	0	\$0.00
Totals	780	45,520,388	4,047,763	4,127,482	9.1%	563,030	335,061	77,033	\$12.45

Source: CoStar Property®

Specialty Center Submarket Statistics

Year-End 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Ctrs	Total GLA	Direct SF	Total SF	Vac %				
Atchison	0	0	0	0	0.0%	0	0	0	\$0.00
Brookside	0	0	0	0	0.0%	0	0	0	\$0.00
CBD	0	0	0	0	0.0%	0	0	0	\$0.00
College Blvd	0	0	0	0	0.0%	0	0	0	\$0.00
Country Club Plaza	0	0	0	0	0.0%	0	0	0	\$0.00
Crown Center	0	0	0	0	0.0%	0	0	0	\$0.00
Downtown Kansas KC KS	0	0	0	0	0.0%	0	0	0	\$0.00
East Jackson County	0	0	0	0	0.0%	0	0	0	\$0.00
Freight House District	0	0	0	0	0.0%	0	0	0	\$0.00
I-29 Corridor	0	0	0	0	0.0%	0	0	0	\$0.00
I-35 Corridor	0	0	0	0	0.0%	0	0	0	\$0.00
Johnson County MO	0	0	0	0	0.0%	0	0	0	\$0.00
Kansas City KS	1	720,214	10,084	10,084	1.4%	(5,153)	0	0	\$43.18
Kansas City MO	0	0	0	0	0.0%	0	0	0	\$0.00
Lawrence	0	0	0	0	0.0%	0	0	0	\$0.00
Leavenworth County	0	0	0	0	0.0%	0	0	0	\$0.00
Midtown	0	0	0	0	0.0%	0	0	0	\$0.00
Northeast Johnson County	0	0	0	0	0.0%	0	0	0	\$0.00
Northwest Johnson County	0	0	0	0	0.0%	0	0	0	\$0.00
Ottawa	0	0	0	0	0.0%	0	0	0	\$0.00
South Johnson County	2	399,445	1,400	1,400	0.4%	51,891	45,500	0	\$11.81
South Kansas City MO	0	0	0	0	0.0%	0	0	0	\$0.00
Southeast Jackson County	0	0	0	0	0.0%	0	0	0	\$0.00
St Joseph	0	0	0	0	0.0%	0	0	0	\$0.00
Ward Parkway	0	0	0	0	0.0%	0	0	0	\$0.00
West Bottoms	0	0	0	0	0.0%	0	0	0	\$0.00
Totals	3	1,119,659	11,484	11,484	1.0%	46,738	45,500	0	\$21.96

Source: CoStar Property®

Total Retail Submarket Statistics

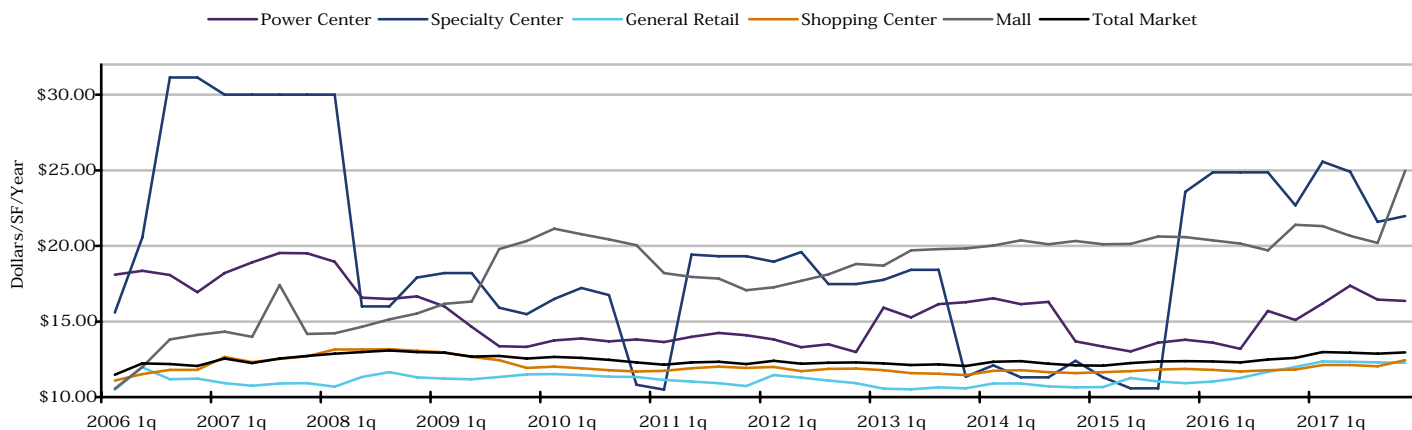
Year-End 2017

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total GLA	Direct SF	Total SF	Vac %				
Atchison	77	794,262	36,802	36,802	4.6%	7,561	0	0	\$0.00
Brookside	63	391,796	6,817	6,817	1.7%	(2,446)	0	0	\$27.00
CBD	95	1,251,616	4,000	4,000	0.3%	6,847	0	0	\$15.00
College Blvd	207	4,810,723	199,478	199,478	4.1%	(39,462)	15,532	0	\$15.86
Country Club Plaza	172	1,760,601	59,400	59,400	3.4%	(51,135)	0	45,000	\$8.86
Crown Center	31	905,863	3,332	3,332	0.4%	7,039	0	0	\$0.00
Downtown Kansas KC KS	169	1,055,241	31,432	31,432	3.0%	1,484	0	0	\$9.06
East Jackson County	1,420	18,415,663	1,279,699	1,279,699	6.9%	(117,458)	135,554	10,200	\$11.27
Freight House District	118	748,676	62,906	62,906	8.4%	(909)	0	0	\$18.65
I-29 Corridor	347	6,042,115	217,356	221,526	3.7%	260,172	265,678	11,500	\$14.72
I-35 Corridor	910	12,670,909	807,059	852,279	6.7%	(828,092)	58,079	155,333	\$13.91
Johnson County MO	150	1,594,220	86,527	86,527	5.4%	3,445	12,911	0	\$13.16
Kansas City KS	792	8,253,754	242,842	242,842	2.9%	25,701	8,320	84,000	\$9.65
Kansas City MO	809	5,052,385	125,957	125,957	2.5%	37,382	0	0	\$12.26
Lawrence	653	6,262,284	164,429	172,236	2.8%	(32,164)	17,998	11,500	\$14.45
Leavenworth County	259	2,454,176	234,690	234,690	9.6%	(172,633)	0	0	\$11.91
Midtown	406	3,564,581	163,437	165,425	4.6%	(26,893)	0	0	\$12.40
Northeast Johnson County	563	9,053,358	486,501	486,501	5.4%	4,232	15,423	9,147	\$15.52
Northwest Johnson County	560	9,850,013	386,904	432,928	4.4%	124,280	35,104	0	\$12.04
Ottawa	124	1,134,126	47,569	47,569	4.2%	(35,119)	0	0	\$5.99
South Johnson County	934	14,592,082	936,095	936,095	6.4%	309,298	252,625	10,640	\$16.24
South Kansas City MO	554	6,058,125	500,125	500,125	8.3%	95,590	20,027	0	\$11.74
Southeast Jackson County	475	5,930,416	261,108	267,244	4.5%	56,706	34,490	0	\$15.85
St Joseph	553	7,626,436	448,335	458,992	6.0%	(148,338)	0	33,294	\$8.18
Ward Parkway	200	2,405,314	129,400	135,400	5.6%	9,439	31,000	0	\$15.78
West Bottoms	76	326,169	6,200	6,200	1.9%	(3,400)	0	0	\$0.00
Totals	10,717	133,004,904	6,928,400	7,056,402	5.3%	(508,873)	902,741	370,614	\$12.97

Source: CoStar Property®

Historical Rental Rates

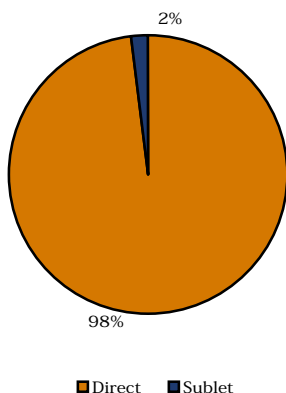
Based on NNN Rental Rates



Source: CoStar Property®

Vacancy by Available Space Type

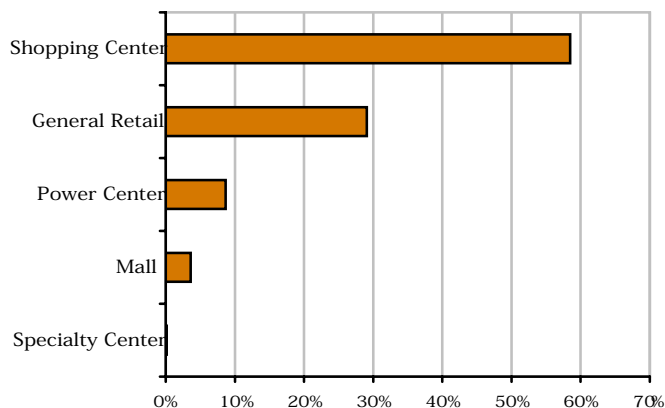
Percent of All Vacant Space in Direct vs. Sublet



Source: CoStar Property®

Vacancy by Building Type

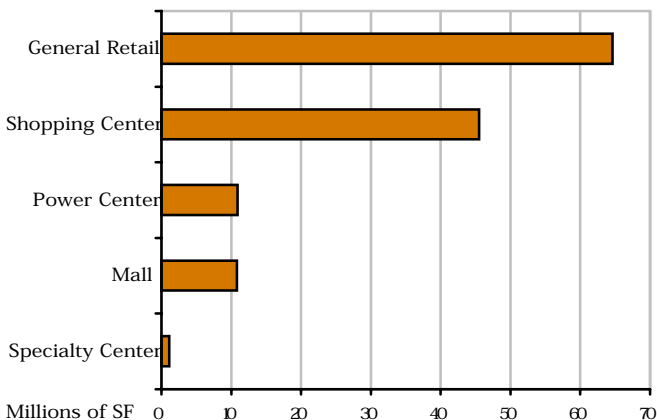
Percent of All Vacant Space by Building Type



Source: CoStar Property®

GLA By Building Type

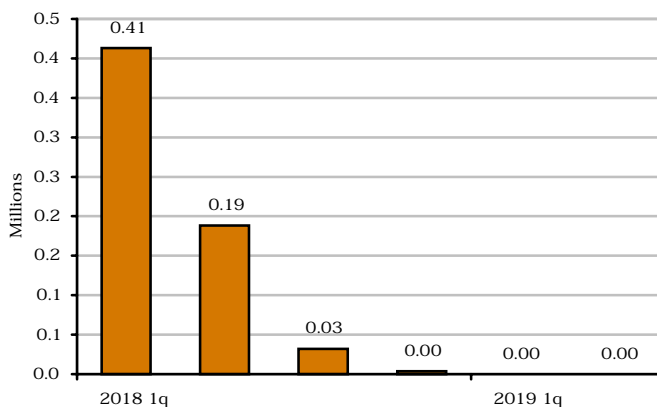
Ratio of Total GLA by Building Type



Source: CoStar Property®

Future Space Available

Space Scheduled to be Available for Occupancy*

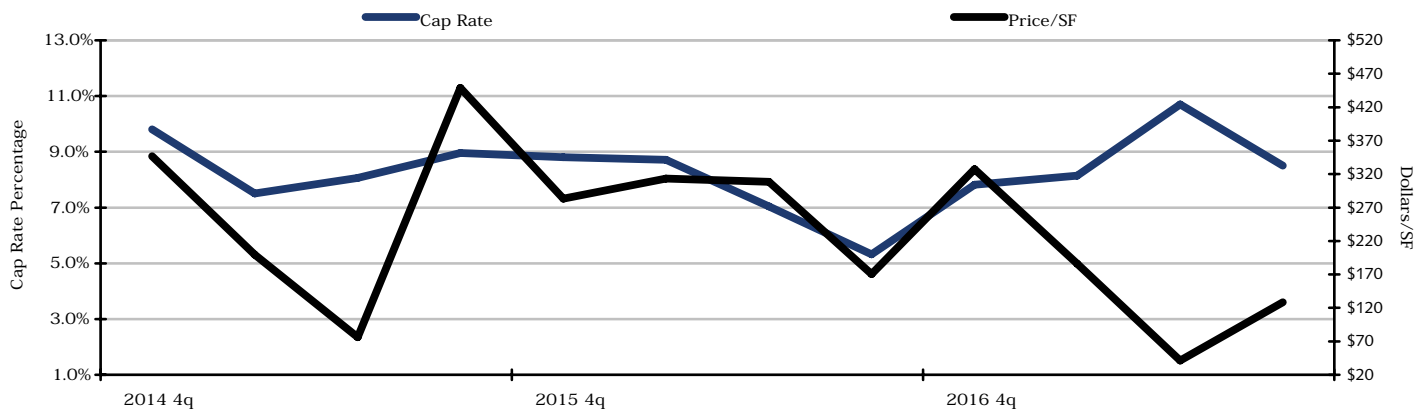


* Includes Under Construction Spaces

Source: CoStar Property®

The Optimist Sales Index

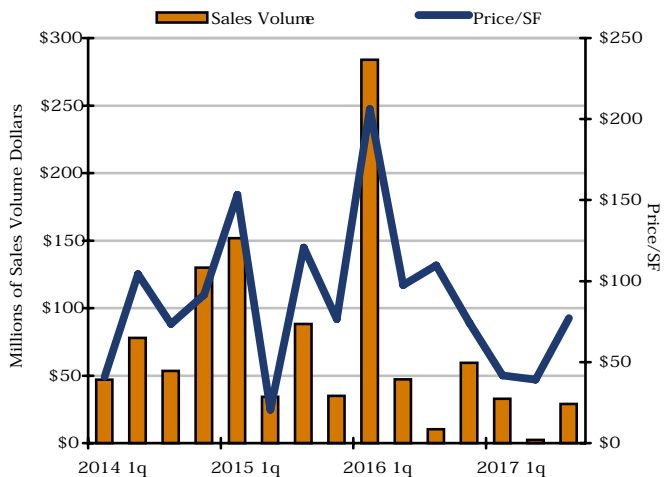
Average of Two Highest Price/SF's and Two Lowest Cap Rates



Source: CoStar COMPS®

Sales Volume & Price

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



Source: CoStar COMPS®

Sales Analysis by Building Size

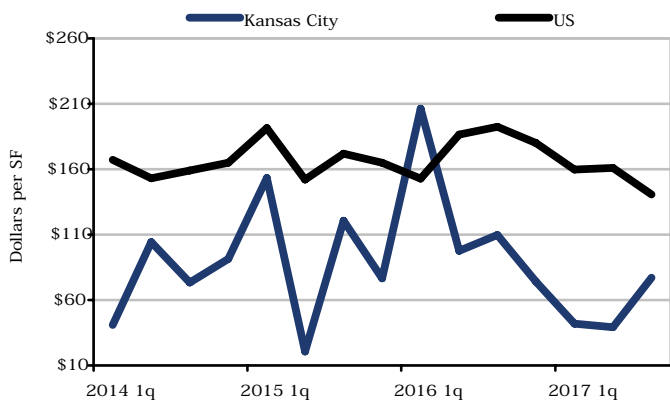
Based on Retail Building Sales From Oct. 2016 - Sept. 2017

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 25,000 SF	74	657,673	\$159,285,959	\$ 242.20	6.41%
25K-99K SF	14	621,175	\$48,949,650	\$ 78.80	8.60%
100K-249K SF	8	1,265,361	\$53,810,000	\$ 42.53	9.50%
>250K SF	-	0	\$0	\$ -	-

Source: CoStar COMPS®

U.S. Price/SF Comparison

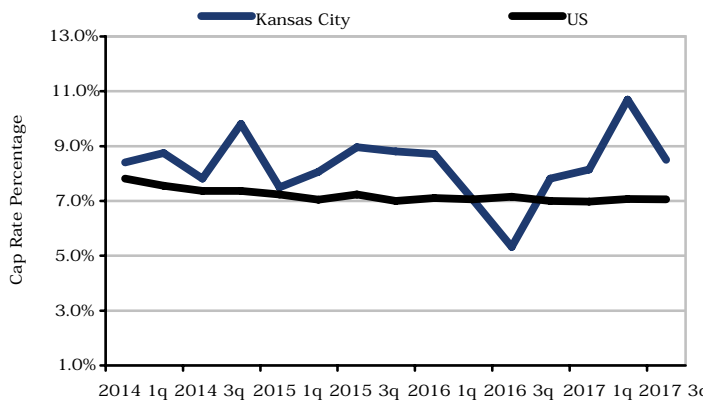
Based on Retail Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

U.S. Cap Rate Comparison

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



Source: CoStar COMPS®