



KC Retail Report Second Quarter, 2018

Kansas City's Vacancy Increases to 5.6% Net Absorption Negative (78,433) SF in the Quarter

The Kansas City retail market did not experience much change in market conditions in the second quarter 2018. The vacancy rate went from 5.5% in the previous quarter to 5.6% in the current quarter. Net absorption was negative (78,433) square feet, and vacant sublease space decreased by (8,121) square feet. Quoted rental rates increased from first quarter 2018 levels, ending at \$13.11 per square foot per year. A total of 5 retail buildings with 103,907 square feet of retail space were delivered to the market in the quarter, with 470,816 square feet still under construction at the end of the quarter.

Net Absorption

Retail net absorption was basically flat in Kansas City second quarter 2018, with negative (78,433) square feet absorbed in the quarter. In first quarter 2018, net absorption was positive 147,795 square feet, while in fourth quarter 2017, absorption came in at positive 474,741 square feet. In third quarter 2017, negative (782,626) square feet was absorbed in the market.

Tenants moving into large blocks of space in 2018 include: Target moving into 125,301 square feet at 5201 N Belt Hwy; Cosentino's Price Chopper moving into 55,000 square feet at 1191 NE Mcquerry Rd; and Hobby Lobby moving into 50,791 square feet at 3311 S Iowa St.

Vacancy

Kansas City's retail vacancy rate increased in the second quarter 2018, ending the quarter at 5.6%. Over the past four quarters, the market has seen an overall decrease in the vacancy rate, with the rate going from 6.3% in the third quarter 2017,

to 5.4% at the end of the fourth quarter 2017, 5.5% at the end of the first quarter 2018, to 5.6% in the current quarter.

The amount of vacant sublease space in the Kansas City market has trended up over the past four quarters. At the end of the third quarter 2017, there was 162,057 square feet of vacant sublease space. Currently, there is 183,939 square feet vacant in the market.

Largest Lease Signings

The largest lease signings occurring in 2018 included: the 165,000-square-foot-lease signed by Lowe's at 7001 W 95th St; the 38,000-square-foot-deal signed by Sunfresh at 3102 Prospect Ave; and the 25,243-square-foot-lease signed by Ross at 8440 N Madison St.

Rental Rates

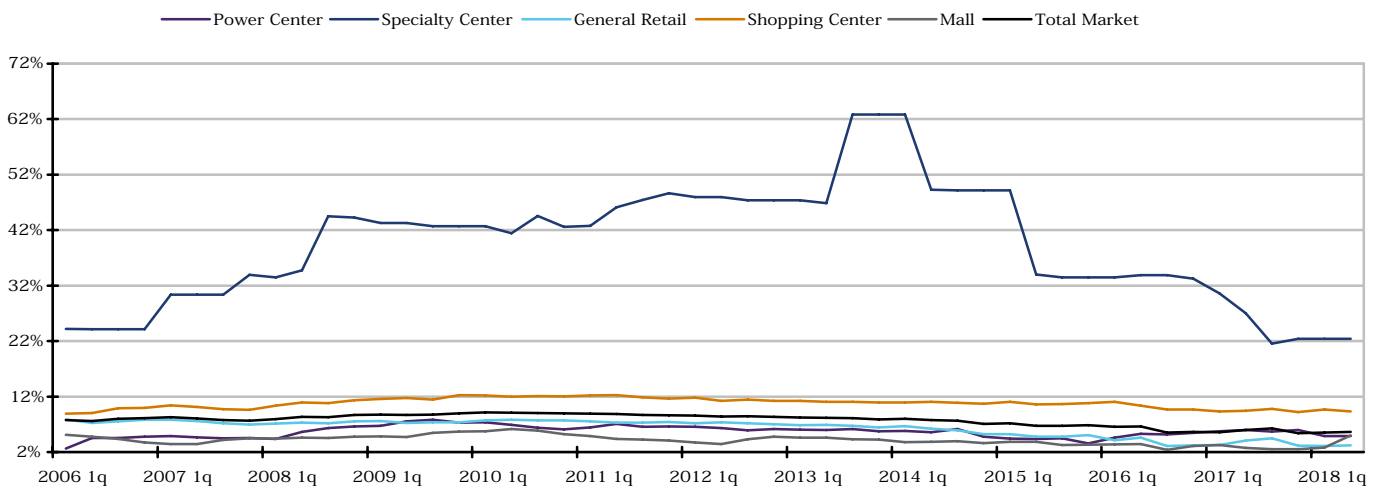
Average quoted asking rental rates in the Kansas City retail market are up over previous quarter levels, and up from their levels four quarters ago. Quoted rents ended the second quarter 2018 at \$13.11 per square foot per year. That compares to \$12.76 per square foot in the first quarter 2018, and \$12.37 per square foot at the end of the third quarter 2017. This represents a 2.7% increase in rental rates in the current quarter, and a 5.64% increase from four quarters ago.

Inventory & Construction

During the second quarter 2018, five buildings totaling 103,907 square feet were completed in the Kansas City retail market. Over the past four quarters, a total of 590,347 square feet of retail space has been built in Kansas City. In addition to the current quarter, 16 buildings with 268,168 square feet were

Vacancy Rates by Building Type

2006-2018



Source: CoStar Property®

completed in first quarter 2018, six buildings totaling 32,898 square feet completed in fourth quarter 2017, and 185,374 square feet in 14 buildings completed in third quarter 2017.

There was 470,816 square feet of retail space under construction at the end of the second quarter 2018.

Some of the notable 2018 deliveries include: Belton Gateway at 535 Markey Pky, a 75,998-square-foot facility that delivered in first quarter 2018 and is now 100% occupied, and 1191 NE Mcquerry Rd, a 60,000-square-foot building that delivered in first quarter 2018 and is now 100% occupied.

Total retail inventory in the Kansas City market area amounted to 157,986,713 square feet in 13,080 buildings and 934 centers as of the end of the second quarter 2018.

Shopping Center

The Shopping Center market in Kansas City currently consists of 888 projects with 53,339,698 square feet of retail space in 2,083 buildings. In this report the Shopping Center market is comprised of all Community Center, Neighborhood Center, and Strip Centers.

After absorbing 209,741 square feet and delivering 40,000 square feet in the current quarter, the Shopping Center sector saw the vacancy rate go from 9.7% at the end of the first quarter 2018 to 9.3% this quarter.

Over the past four quarters, the Shopping Center vacancy rate has gone from 9.8% at the end of the third quarter 2017, to 9.2% at the end of the fourth quarter 2017, to 9.7% at the end of the first quarter 2018, and finally to 9.3% at the end of the current quarter.

Rental rates ended the second quarter 2018 at \$12.70 per square foot, up from the \$12.49 they were at the end of first quarter 2018. Rental rates have trended up over the past year, going from \$11.77 per square foot a year ago to their current levels.

Net absorption in the Shopping Center sector has totaled

301,539 square feet over the past four quarters. In addition to the positive 209,741 square feet absorbed this quarter, negative (245,159) square feet was absorbed in the first quarter 2018, positive 400,432 square feet was absorbed in the fourth quarter 2017, and negative (63,475) square feet was absorbed in the third quarter 2017.

Power Centers

The Power Center average vacancy rate was 4.9% in the second quarter 2018. With negative (2,554) square feet of net absorption and no new deliveries, the vacancy rate went from 4.9% at the end of last quarter to 4.9% at the end of the second quarter.

In the first quarter 2018, Power Centers absorbed positive 144,050 square feet, delivered 19,800 square feet, and the vacancy rate went from 6.0% to 4.9% over the course of the quarter. Rental started the quarter at \$16.37 per square foot and ended the quarter at \$15.96 per square foot.

A year ago, in second quarter 2017, the vacancy rate was 6.0%. Over the past four quarters, Power Centers have absorbed a cumulative 152,287 square feet of space and delivered cumulative 23,920 square feet of space. Vacant sublease space has gone from no vacancy to 1,471 square feet over that time period, and rental rates have gone from \$17.38 to \$16.02.

At the end of the second quarter 2018, there was no space under construction in the Kansas City market. The total stock of Power Center space in Kansas City currently sits at 11,570,875 square feet in 26 centers comprised of 255 buildings.

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 second quarter 2018. There was a total of 2,571,110 square feet vacant at that time. The General Retail sector in Kansas City currently has average rental rates of \$12.84 per square foot per year. There is 252,941 square feet of space under construction in this sector, with 63,907 square feet having been completed in the second quarter. In all, there are a total of 10,457 buildings with 80,326,922 square feet of General Retail space in Kansas City.

Specialty Centers

There are currently 3 Specialty Centers in the Kansas City market, making up 697,209 square feet of retail space. In this report the Specialty Center market is comprised of Outlet Center, Airport Retail and Theme/Festival Centers.

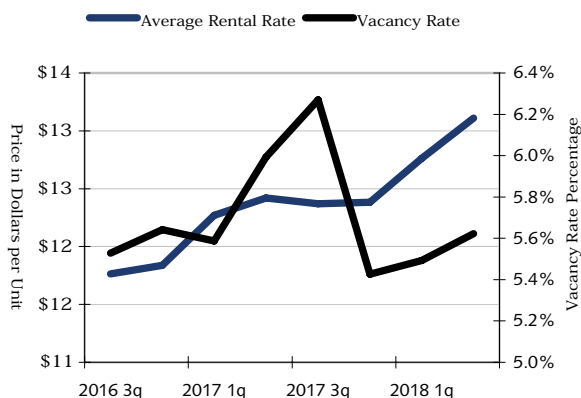
Specialty Centers in the Kansas City market have experienced no net absorption in 2018. The vacancy rate currently stands at 22.4%, and rental rates average \$7.15 per square foot.

Malls

Malls recorded net absorption of negative (268,047)

VACANCY & RENT

Past 8 Quarters



Source: CoStar Property®

square feet in the second quarter 2018. This net absorption number, combined with no new space that was built in the quarter, caused the vacancy rate to go from 2.8% a quarter ago to 5.0% at the end of the second quarter 2018. Rental rates went from \$23.73 per square foot to \$24.55 per square foot during that time. In this report the Mall market is comprised of 17 Lifestyle Center, Regional Mall and Super Regional Malls.

Sales Activity

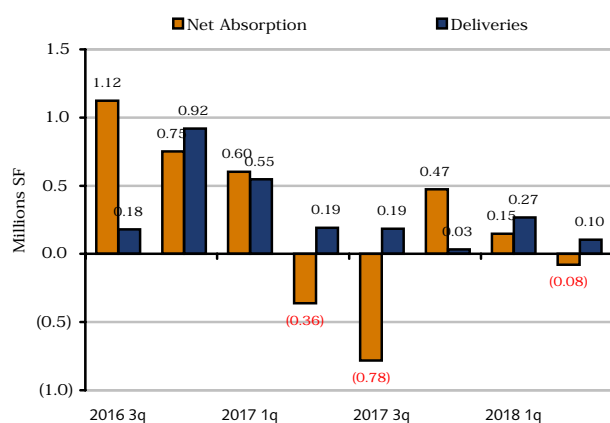
Tallying retail building sales of 15,000 square feet or larger, Kansas City retail sales figures rose during the first quarter 2018 in terms of dollar volume compared to the fourth quarter of 2017.

In the first quarter, eight retail transactions closed with a total volume of \$37,742,500. The eight buildings totaled 408,724 square feet and the average price per square foot equated to \$92.34 per square foot. That compares to six transactions totaling \$26,160,766 in the fourth quarter 2017. The total square footage in the fourth quarter was 246,502 square feet for an average price per square foot of \$106.13.

Total retail center sales activity in 2018 was up compared to 2017. In the first three months of 2018, the market saw eight retail sales transactions with a total volume of \$37,742,500. The price per square foot averaged \$92.34. In the same first three months of 2017, the market posted nine transactions with a total volume of \$32,842,207. The price per square foot averaged \$41.82.

ABSORPTION & DELIVERIES

Past 8 Quarters



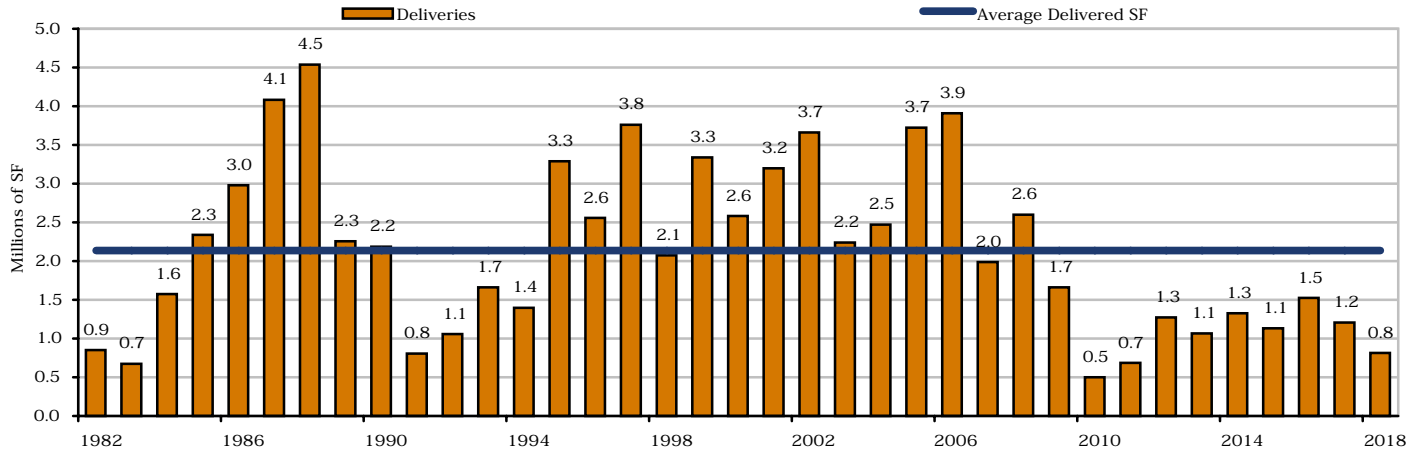
Source: CoStar Property®

Cap rates have been higher in 2018, averaging 9.98% compared to the same period in 2017 when they averaged 8.15%.

One of the largest transactions that has occurred within the last four quarters in the Kansas City market is the sale of Walmart Neighborhood Market at 5261 N Antioch Rd in Kansas City. This 41,117 square foot retail center sold for \$12,617,500, or \$306.87 per square foot. The property sold on 2/15/2018, at a 5.75% cap rate.

Reports compiled by: Andrew Desai, CoStar Research Manager.

Historical Deliveries 1982 - 2018



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

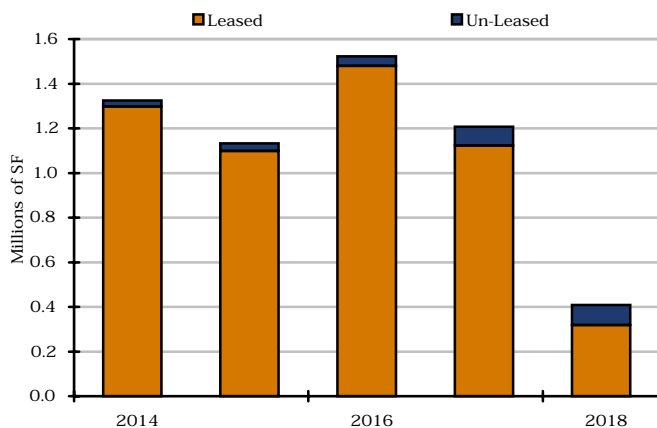
Construction Activity Markets Ranked by Under Construction Square Footage

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total GLA	Preleased SF	Preleased %	All Existing	U/C
North Johnson County	7	216,343	169,506	78.4%	16,850	30,906
North of the River	2	94,300	94,300	100.0%	14,843	47,150
Kansas City KS	1	62,000	62,000	100.0%	9,643	62,000
East Jackson County	3	29,300	22,472	76.7%	10,447	9,767
South Johnson County	4	23,232	19,392	83.5%	17,066	5,808
Southeast Jackson County	3	18,541	7,420	40.0%	12,477	6,180
Lawrence	2	15,300	9,320	60.9%	9,653	7,650
St Joseph	1	8,800	8,800	100.0%	13,493	8,800
Midtown	1	3,000	3,000	100.0%	8,884	3,000
Lafayette	0	0	0	0.0%	9,159	0
All Other	0	0	0	0.0%	10,624	0
Totals	24	470,816	396,210	84.2%	12,078	19,617

Source: CoStar Property®

Recent Deliveries

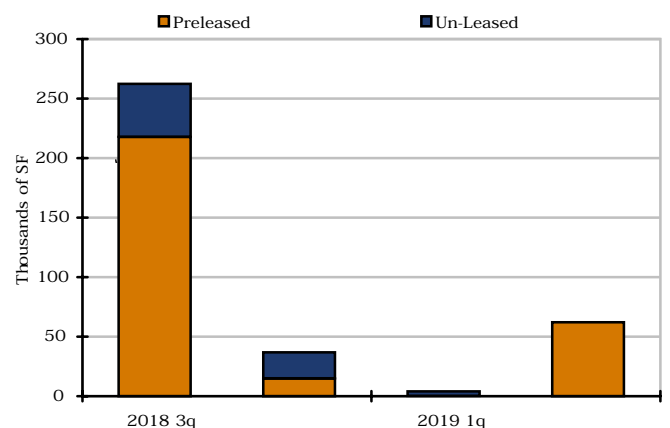
Leased & Un-Leased SF in Deliveries Since 2014



Source: CoStar Property®

Future Deliveries

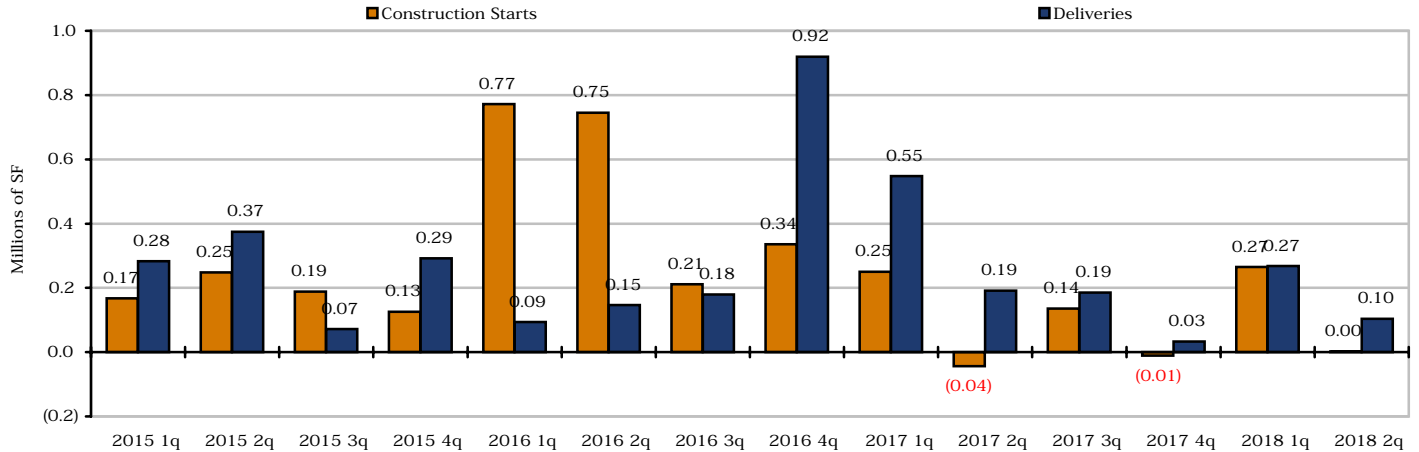
Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

Historical Construction Starts & Deliveries

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

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

Building Size	# Bldgs	GLA	SF Leased	% Leased	Avg Rate	Single-Tenant	Multi-Tenant
< 50,000 SF	21	272,105	182,401	67.0%	\$9.31	94,890	177,215
50,000 SF - 99,999 SF	2	135,998	135,998	100.0%	\$0.00	60,000	75,998
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

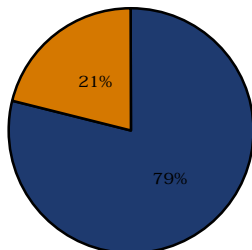
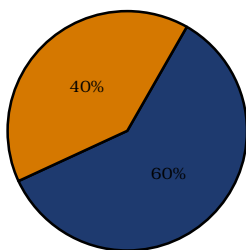
Source: CoStar Property®

Recent Development by Tenancy

Based on GLA Developed for Single & Multi Tenant Use

2018 Deliveries

Currently Under Construction



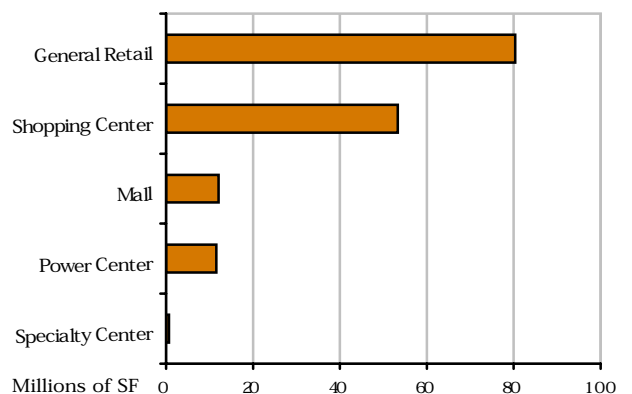
■ Multi ■ Single

■ Multi ■ Single

Source: CoStar Property®

Existing Inventory Comparison

Based on Total GLA



Source: CoStar Property®

General Retail Market Statistics

Mid-Year 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total GLA	Direct SF	Total SF	Vac %				
Atchison	75	724,552	50,868	50,868	7.0%	(14,066)	0	0	\$0.00
Cass County	428	3,186,906	37,853	80,433	2.5%	130,440	83,487	0	\$8.12
Downtown	296	2,549,004	66,056	66,056	2.6%	18,298	0	0	\$25.90
East Jackson County	1,883	11,464,235	299,303	306,581	2.7%	97,837	71,320	29,300	\$9.99
Johnson County MO	148	1,322,055	54,860	54,860	4.1%	1,000	0	0	\$58.24
Kansas City KS	859	6,077,638	67,165	67,165	1.1%	25,554	2,400	62,000	\$15.95
Lafayette	130	901,239	12,743	12,743	1.4%	(8,506)	0	0	\$3.43
Lawrence	564	4,264,054	89,803	92,028	2.2%	(19,289)	0	3,800	\$15.26
Leavenworth County	247	2,115,664	133,961	133,961	6.3%	32,244	0	0	\$11.86
Midtown	581	3,941,647	195,260	195,260	5.0%	11,875	45,000	3,000	\$11.64
North Johnson County	739	7,338,023	280,440	284,823	3.9%	(59,859)	3,147	14,268	\$17.07
North of the River	862	7,593,691	181,782	204,372	2.7%	71,342	18,500	90,000	\$11.94
Ottawa	132	1,091,206	59,331	59,331	5.4%	(12,240)	0	0	\$0.00
Outer South Kansas City	245	1,540,957	16,462	16,462	1.1%	(3,232)	0	0	\$18.00
Outlying KC MO	189	1,396,291	4,758	4,758	0.3%	26,715	25,440	0	\$10.00
South Johnson County	624	6,480,311	236,894	236,894	3.7%	(43,309)	10,587	23,232	\$13.95
South KC	620	4,054,398	170,168	170,168	4.2%	26,298	0	0	\$9.42
Southeast Jackson County	363	2,512,836	75,508	81,644	3.2%	(30,705)	0	18,541	\$21.57
St Joseph	496	4,610,888	191,974	200,231	4.3%	17,474	40,794	8,800	\$7.38
Topeka	976	7,161,327	252,472	252,472	3.5%	794	0	0	\$7.29
Totals	10,457	80,326,922	2,477,661	2,571,110	3.2%	268,665	300,675	252,941	\$12.84

Source: CoStar Property®

Mall Market Statistics

Mid-Year 2018

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
Cass County	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	2	1,124,769	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	730,635	20,125	20,125	2.8%	(10,041)	0	0	\$43.18
Lafayette	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	3,784	3,784	0.4%	0	0	0	\$0.00
North Johnson County	2	1,877,181	267,020	267,020	14.2%	(267,020)	0	180,503	\$0.00
North of the River	2	1,147,476	11,185	11,185	1.0%	1,052	0	0	\$21.98
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	3	2,031,873	37,164	37,164	1.8%	(10,845)	0	0	\$31.31
South KC	1	486,710	149,182	149,182	30.7%	(12,000)	0	0	\$14.00
Southeast Jackson County	2	1,247,142	25,476	25,476	2.0%	1,618	0	0	\$0.00
St Joseph	1	714,023	91,604	91,604	12.8%	(8,145)	0	0	\$0.00
Topeka	1	1,428,487	0	0	0.0%	0	0	0	\$0.00
Totals	17	12,052,009	605,540	605,540	5.0%	(305,381)	0	180,503	\$24.55

Source: CoStar Property®

Power Center Market Statistics

Mid-Year 2018

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
Cass County	1	367,437	4,875	4,875	1.3%	0	0	0	\$19.00
Downtown	0	0	0	0	0.0%	0	0	0	\$0.00
East Jackson County	8	3,233,540	170,130	170,130	5.3%	(2,917)	0	0	\$13.38
Johnson County MO	0	0	0	0	0.0%	0	0	0	\$0.00
Kansas City KS	1	514,105	61,097	61,097	11.9%	3,858	12,000	0	\$12.39
Lafayette	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	295,976	0	0	0.0%	875	0	0	\$54.86
North Johnson County	2	888,896	3,454	4,925	0.6%	3,518	0	0	\$19.09
North of the River	5	2,151,662	168,487	168,487	7.8%	114,616	7,800	0	\$18.12
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	4	2,037,843	86,482	86,482	4.2%	9,204	0	0	\$14.51
South KC	3	1,168,370	63,195	63,195	5.4%	13,127	0	0	\$16.36
Southeast Jackson County	0	0	0	0	0.0%	0	0	0	\$0.00
St Joseph	1	913,046	6,689	6,689	0.7%	(785)	0	0	\$22.26
Topeka	0	0	0	0	0.0%	0	0	0	\$0.00
Totals	26	11,570,875	564,409	565,880	4.9%	141,496	19,800	0	\$16.02

Source: CoStar Property®

Shopping Center Market Statistics

Mid-Year 2018

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
Cass County	32	1,958,236	110,467	110,467	5.6%	51,527	0	0	\$12.25
Downtown	4	384,038	0	0	0.0%	0	0	0	\$0.00
East Jackson County	146	7,609,393	948,812	948,812	12.5%	(22,990)	0	0	\$11.22
Johnson County MO	7	323,426	49,792	49,792	15.4%	175	0	0	\$11.73
Kansas City KS	45	2,050,804	121,462	121,462	5.9%	(546)	0	0	\$5.98
Lafayette	3	110,771	0	0	0.0%	0	0	0	\$0.00
Lawrence	43	2,049,015	99,904	101,811	5.0%	1,092	0	11,500	\$16.12
Leavenworth County	12	446,886	70,537	77,380	17.3%	(4,243)	0	0	\$13.03
Midtown	16	557,853	53,370	55,358	9.9%	11,449	0	0	\$21.90
North Johnson County	129	8,902,253	891,626	940,841	10.6%	(252,061)	0	21,572	\$14.08
North of the River	125	8,136,443	568,879	573,379	7.0%	(55,635)	11,600	4,300	\$12.29
Ottawa	1	71,748	3,278	3,278	4.6%	0	0	0	\$5.50
Outer South Kansas City	14	391,394	20,000	20,000	5.1%	(2,400)	0	0	\$8.74
Outlying KC MO	4	397,321	18,300	18,300	4.6%	3,600	0	0	\$10.42
South Johnson County	125	8,693,041	783,918	808,484	9.3%	78,079	40,000	0	\$15.79
South KC	55	2,758,074	384,789	384,789	14.0%	(7,082)	0	0	\$12.68
Southeast Jackson County	38	2,166,713	157,123	157,123	7.3%	(13,193)	0	0	\$14.36
St Joseph	27	1,372,273	74,465	74,465	5.4%	110,488	0	0	\$8.02
Topeka	59	4,887,760	537,423	537,423	11.0%	66,322	0	0	\$9.89
Totals	888	53,339,698	4,894,145	4,983,164	9.3%	(35,418)	51,600	37,372	\$12.70

Source: CoStar Property®

Specialty Center Market Statistics

Mid-Year 2018

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
Cass County	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	0	0	0	0	0.0%	0	0	0	\$0.00
Lafayette	1	297,764	154,955	154,955	52.0%	0	0	0	\$6.87
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
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	2	399,445	1,400	1,400	0.4%	0	0	0	\$18.04
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
Topeka	0	0	0	0	0.0%	0	0	0	\$0.00
Totals	3	697,209	156,355	156,355	22.4%	0	0	0	\$7.15

Source: CoStar Property®

Total Retail Market Statistics

Mid-Year 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total GLA	Direct SF	Total SF	Vac %				
Atchison	78	796,808	50,868	50,868	6.4%	(14,066)	0	0	\$0.00
Cass County	507	5,512,579	153,195	195,775	3.6%	181,967	83,487	0	\$11.10
Downtown	319	3,252,870	66,056	66,056	2.0%	18,298	0	0	\$25.90
East Jackson County	2,243	23,431,937	1,418,245	1,425,523	6.1%	71,930	71,320	29,300	\$11.20
Johnson County MO	157	1,645,481	104,652	104,652	6.4%	1,175	0	0	\$29.89
Kansas City KS	972	9,373,182	269,849	269,849	2.9%	18,825	14,400	62,000	\$9.90
Lafayette	143	1,309,774	167,698	167,698	12.8%	(8,506)	0	0	\$6.70
Lawrence	654	6,313,069	189,707	193,839	3.1%	(18,197)	0	15,300	\$15.69
Leavenworth County	264	2,562,550	204,498	211,341	8.2%	28,001	0	0	\$12.13
Midtown	646	5,739,361	252,414	254,402	4.4%	24,199	45,000	3,000	\$12.80
North Johnson County	1,128	19,006,353	1,442,540	1,497,609	7.9%	(575,422)	3,147	216,343	\$14.79
North of the River	1,282	19,029,272	930,333	957,423	5.0%	131,375	37,900	94,300	\$14.47
Ottawa	133	1,162,954	62,609	62,609	5.4%	(12,240)	0	0	\$5.50
Outer South Kansas City	263	1,932,351	36,462	36,462	1.9%	(5,632)	0	0	\$9.54
Outlying KC MO	196	1,793,612	23,058	23,058	1.3%	30,315	25,440	0	\$10.41
South Johnson County	1,151	19,642,513	1,145,858	1,170,424	6.0%	33,129	50,587	23,232	\$15.60
South KC	757	8,467,552	767,334	767,334	9.1%	20,343	0	0	\$12.61
Southeast Jackson County	475	5,926,691	258,107	264,243	4.5%	(42,280)	0	18,541	\$16.41
St Joseph	564	7,610,230	364,732	372,989	4.9%	119,032	40,794	8,800	\$7.88
Topeka	1,148	13,477,574	789,895	789,895	5.9%	67,116	0	0	\$8.77
Totals	13,080	157,986,713	8,698,110	8,882,049	5.6%	69,362	372,075	470,816	\$13.1

Source: CoStar Property®

General Retail Submarket Statistics

Mid-Year 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total GLA	Direct SF	Total SF	Vac %				
Atchison	75	724,552	50,868	50,868	7.0%	(14,066)	0	0	\$0.00
Brookside	58	264,887	11,582	11,582	4.4%	(5,670)	0	0	\$25.00
Cass County	428	3,186,906	37,853	80,433	2.5%	130,440	83,487	0	\$8.12
CBD	73	798,110	3,147	3,147	0.4%	(3,147)	0	0	\$0.00
College Blvd	75	1,144,143	70,718	70,718	6.2%	726	0	0	\$13.39
Country Club Plaza	138	817,488	40,735	40,735	5.0%	50,000	45,000	3,000	\$8.35
Crown Center	31	665,863	3,332	3,332	0.5%	0	0	0	\$0.00
Downtown Kansas KC K.	166	1,014,058	20,015	20,015	2.0%	13,817	2,400	0	\$10.64
East Jackson County	1,096	7,635,043	231,811	239,089	3.1%	111,770	63,000	26,300	\$10.04
Freight House Distri.	118	761,240	51,027	51,027	6.7%	23,795	0	0	\$18.37
I-29 Corridor	199	2,088,388	36,843	41,013	2.0%	18,694	15,000	0	\$14.43
I-35 Corridor	663	5,505,303	144,939	163,359	3.0%	52,648	3,500	90,000	\$11.67
Johnson County MO	148	1,322,055	54,860	54,860	4.1%	1,000	0	0	\$58.24
Kansas City KS	693	5,063,580	47,150	47,150	0.9%	11,737	0	62,000	\$17.94
Kansas City MO	787	3,829,192	67,492	67,492	1.8%	(13,933)	8,320	3,000	\$9.77
Lafayette County	130	901,239	12,743	12,743	1.4%	(8,506)	0	0	\$3.43
Lawrence	564	4,264,054	89,803	92,028	2.2%	(19,289)	0	3,800	\$15.26
Leavenworth County	247	2,115,664	133,961	133,961	6.3%	32,244	0	0	\$11.86
Midtown	385	2,859,272	142,943	142,943	5.0%	(32,455)	0	0	\$12.00
Northeast Johnson Co.	376	3,429,086	139,506	143,889	4.2%	(13,907)	3,147	14,268	\$18.48
Northwest Johnson Co.	363	3,908,937	140,934	140,934	3.6%	(45,952)	0	0	\$14.63
Ottawa	132	1,091,206	59,331	59,331	5.4%	(12,240)	0	0	\$0.00
Outer South Kansas C.	245	1,540,957	16,462	16,462	1.1%	(3,232)	0	0	\$18.00
Outlying KC MO	189	1,396,291	4,758	4,758	0.3%	26,715	25,440	0	\$10.00
South Johnson County	549	5,336,168	166,176	166,176	3.1%	(44,035)	10,587	23,232	\$14.21
South Kansas City MO	449	2,898,784	155,893	155,893	5.4%	9,831	0	0	\$8.03
Southeast Jackson Co.	363	2,512,836	75,508	81,644	3.2%	(30,705)	0	18,541	\$21.57
St Joseph	496	4,610,888	191,974	200,231	4.3%	17,474	40,794	8,800	\$7.38
Topeka	976	7,161,327	252,472	252,472	3.5%	794	0	0	\$7.29
Ward Parkway	171	1,155,614	14,275	14,275	1.2%	16,467	0	0	\$11.39
West Bottoms	74	323,791	8,550	8,550	2.6%	(2,350)	0	0	\$41.63
Totals	10,457	80,326,922	2,477,661	2,571,110	3.2%	268,665	300,675	252,941	\$12.84

Source: CoStar Property®

Mall Submarket Statistics

Mid-Year 2018

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
Cass County	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	9,800	9,800	1.3%	(6,000)	0	0	\$0.00
Country Club Plaza	1	943,885	3,784	3,784	0.4%	0	0	0	\$0.00
Crown Center	0	0	0	0	0.0%	0	0	0	\$0.00
Downtown Kansas KC P.	0	0	0	0	0.0%	0	0	0	\$0.00
East Jackson County	2	1,124,769	0	0	0.0%	0	0	0	\$0.00
Freight House Distri.	0	0	0	0	0.0%	0	0	0	\$0.00
I-29 Corridor	2	1,147,476	11,185	11,185	1.0%	1,052	0	0	\$21.98
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	730,635	20,125	20,125	2.8%	(10,041)	0	0	\$43.18
Kansas City MO	0	0	0	0	0.0%	0	0	0	\$0.00
Lafayette County	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 Co.	1	226,182	226,182	226,182	100.0%	(226,182)	0	180,503	\$0.00
Northwest Johnson Co.	1	1,650,999	40,838	40,838	2.5%	(40,838)	0	0	\$0.00
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	2	1,301,959	27,364	27,364	2.1%	(4,845)	0	0	\$31.31
South Kansas City MO	1	486,710	149,182	149,182	30.7%	(12,000)	0	0	\$14.00
Southeast Jackson Co.	2	1,247,142	25,476	25,476	2.0%	1,618	0	0	\$0.00
St Joseph	1	714,023	91,604	91,604	12.8%	(8,145)	0	0	\$0.00
Topeka	1	1,428,487	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	17	12,052,009	605,540	605,540	5.0%	(305,381)	0	180,503	\$24.55

Source: CoStar Property®

Power Center Submarket Statistics

Mid-Year 2018

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
Cass County	1	367,437	4,875	4,875	1.3%	0	0	0	\$19.00
CBD	0	0	0	0	0.0%	0	0	0	\$0.00
College Blvd	2	1,016,062	9,617	9,617	0.9%	3,725	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 K.	0	0	0	0	0.0%	0	0	0	\$0.00
East Jackson County	8	3,233,540	170,130	170,130	5.3%	(2,917)	0	0	\$13.38
Freight House Distri.	0	0	0	0	0.0%	0	0	0	\$0.00
I-29 Corridor	3	1,462,605	49,862	49,862	3.4%	3,105	0	0	\$19.21
I-35 Corridor	2	689,057	118,625	118,625	17.2%	111,511	7,800	0	\$18.01
Johnson County MO	0	0	0	0	0.0%	0	0	0	\$0.00
Kansas City KS	1	514,105	61,097	61,097	11.9%	3,858	12,000	0	\$12.39
Kansas City MO	0	0	0	0	0.0%	0	0	0	\$0.00
Lafayette County	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	295,976	0	0	0.0%	875	0	0	\$54.86
Northeast Johnson Co.	1	463,067	3,454	4,925	1.1%	3,518	0	0	\$28.00
Northwest Johnson Co.	1	425,829	0	0	0.0%	0	0	0	\$18.00
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	2	1,021,781	76,865	76,865	7.5%	5,479	0	0	\$12.86
South Kansas City MO	2	389,522	24,833	24,833	6.4%	0	0	0	\$11.14
Southeast Jackson Co.	0	0	0	0	0.0%	0	0	0	\$0.00
St Joseph	1	913,046	6,689	6,689	0.7%	(785)	0	0	\$22.26
Topeka	0	0	0	0	0.0%	0	0	0	\$0.00
Ward Parkway	1	778,848	38,362	38,362	4.9%	13,127	0	0	\$22.21
West Bottoms	0	0	0	0	0.0%	0	0	0	\$0.00
Totals	26	11,570,875	564,409	565,880	4.9%	141,496	19,800	0	\$16.02

Source: CoStar Property®

Shopping Center Submarket Statistics

Mid-Year 2018

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	0	0	0.0%	1,405	0	0	\$30.00
Cass County	32	1,958,236	110,467	110,467	5.6%	51,527	0	0	\$12.25
CBD	2	120,038	0	0	0.0%	0	0	0	\$0.00
College Blvd	23	1,962,104	143,973	143,973	7.3%	17,003	40,000	0	\$17.21
Country Club Plaza	3	43,139	0	0	0.0%	581	0	0	\$30.00
Crown Center	1	260,000	0	0	0.0%	0	0	0	\$0.00
Downtown Kansas KC K.	3	41,183	0	0	0.0%	0	0	0	\$0.00
East Jackson County	133	6,381,488	847,229	847,229	13.3%	31,783	0	0	\$10.93
Freight House Distri.	0	0	0	0	0.0%	0	0	0	\$0.00
I-29 Corridor	32	1,449,569	59,867	59,867	4.1%	46,516	0	0	\$13.35
I-35 Corridor	93	6,686,874	509,012	513,512	7.7%	(102,151)	11,600	4,300	\$11.96
Johnson County MO	7	323,426	49,792	49,792	15.4%	175	0	0	\$11.73
Kansas City KS	42	2,009,621	121,462	121,462	6.0%	(546)	0	0	\$5.98
Kansas City MO	13	1,227,905	101,583	101,583	8.3%	(54,773)	0	0	\$13.38
Lafayette County	3	110,771	0	0	0.0%	0	0	0	\$0.00
Lawrence	43	2,049,015	99,904	101,811	5.0%	1,092	0	11,500	\$16.12
Leavenworth County	12	446,886	70,537	77,380	17.3%	(4,243)	0	0	\$13.03
Midtown	11	380,975	53,370	55,358	14.5%	9,463	0	0	\$21.34
Northeast Johnson Co.	65	4,942,016	631,706	634,897	12.8%	(263,817)	0	21,572	\$15.65
Northwest Johnson Co.	64	3,960,237	259,920	305,944	7.7%	11,756	0	0	\$13.23
Ottawa	1	71,748	3,278	3,278	4.6%	0	0	0	\$5.50
Outer South Kansas C.	14	391,394	20,000	20,000	5.1%	(2,400)	0	0	\$8.74
Outlying KC MO	4	397,321	18,300	18,300	4.6%	3,600	0	0	\$10.42
South Johnson County	102	6,730,937	639,945	664,511	9.9%	61,076	0	0	\$15.68
South Kansas City MO	38	2,312,422	366,304	366,304	15.8%	4,645	0	0	\$12.01
Southeast Jackson Co.	38	2,166,713	157,123	157,123	7.3%	(13,193)	0	0	\$14.36
St Joseph	27	1,372,273	74,465	74,465	5.4%	110,488	0	0	\$8.02
Topeka	59	4,887,760	537,423	537,423	11.0%	66,322	0	0	\$9.89
Ward Parkway	17	445,652	18,485	18,485	4.1%	(11,727)	0	0	\$23.16
West Bottoms	1	4,000	0	0	0.0%	0	0	0	\$0.00
Totals	888	53,339,698	4,894,145	4,983,164	9.3%	(35,418)	51,600	37,372	\$12.70

Source: CoStar Property®

Specialty Center Submarket Statistics

Mid-Year 2018

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
Cass County	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 K.	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 Distri.	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	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
Lafayette County	1	297,764	154,955	154,955	52.0%	0	0	0	\$6.87
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 Co.	0	0	0	0	0.0%	0	0	0	\$0.00
Northwest Johnson Co.	0	0	0	0	0.0%	0	0	0	\$0.00
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	2	399,445	1,400	1,400	0.4%	0	0	0	\$18.04
South Kansas City MO	0	0	0	0	0.0%	0	0	0	\$0.00
Southeast Jackson Co.	0	0	0	0	0.0%	0	0	0	\$0.00
St Joseph	0	0	0	0	0.0%	0	0	0	\$0.00
Topeka	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	697,209	156,355	156,355	22.4%	0	0	0	\$7.15

Source: CoStar Property®

Total Retail Submarket Statistics

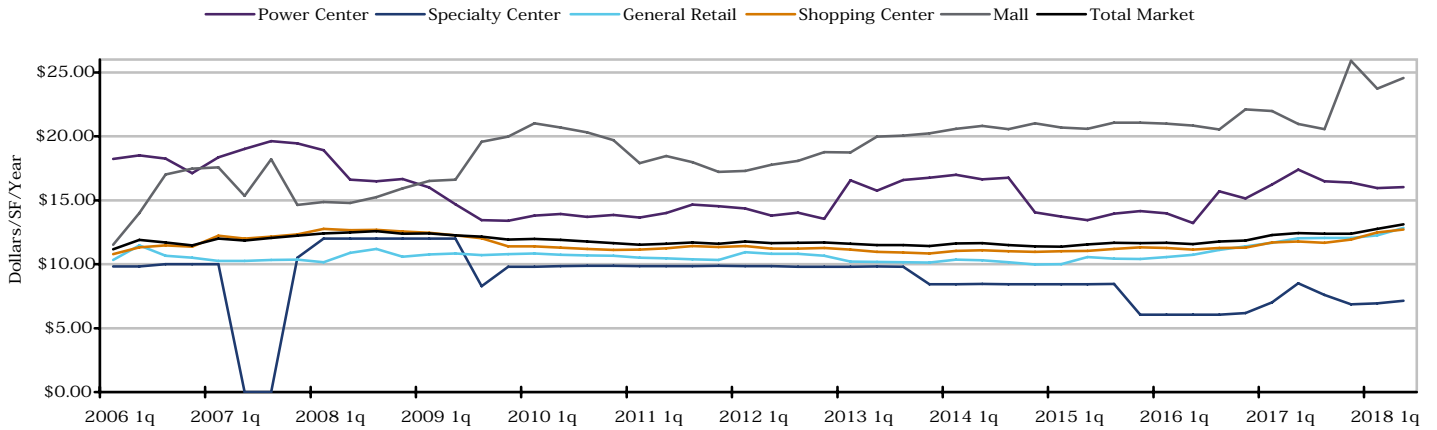
Mid-Year 2018

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total GLA	Direct SF	Total SF	Vac %				
Atchison	78	796,808	50,868	50,868	6.4%	(14,066)	0	0	\$0.00
Brookside	64	398,626	11,582	11,582	2.9%	(4,265)	0	0	\$27.00
Cass County	507	5,512,579	153,195	195,775	3.6%	181,967	83,487	0	\$11.10
CBD	94	1,237,976	3,147	3,147	0.3%	(3,147)	0	0	\$0.00
College Blvd	208	4,852,223	234,108	234,108	4.8%	15,454	40,000	0	\$16.15
Country Club Plaza	173	1,804,512	44,519	44,519	2.5%	50,581	45,000	3,000	\$8.86
Crown Center	32	925,863	3,332	3,332	0.4%	0	0	0	\$0.00
Downtown Kansas KC K.	169	1,055,241	20,015	20,015	1.9%	13,817	2,400	0	\$10.64
East Jackson County	1,431	18,374,840	1,249,170	1,256,448	6.8%	140,636	63,000	26,300	\$11.09
Freight House Distri.	118	761,240	51,027	51,027	6.7%	23,795	0	0	\$18.37
I-29 Corridor	355	6,148,038	157,757	161,927	2.6%	69,367	15,000	0	\$16.18
I-35 Corridor	927	12,881,234	772,576	795,496	6.2%	62,008	22,900	94,300	\$14.06
Johnson County MO	157	1,645,481	104,652	104,652	6.4%	1,175	0	0	\$29.89
Kansas City KS	803	8,317,941	249,834	249,834	3.0%	5,008	12,000	62,000	\$9.85
Kansas City MO	812	5,057,097	169,075	169,075	3.3%	(68,706)	8,320	3,000	\$12.00
Lafayette County	143	1,309,774	167,698	167,698	12.8%	(8,506)	0	0	\$6.70
Lawrence	654	6,313,069	189,707	193,839	3.1%	(18,197)	0	15,300	\$15.69
Leavenworth County	264	2,562,550	204,498	211,341	8.2%	28,001	0	0	\$12.13
Midtown	409	3,536,223	196,313	198,301	5.6%	(22,117)	0	0	\$13.15
Northeast Johnson Co.	569	9,060,351	1,000,848	1,009,893	11.1%	(500,388)	3,147	216,343	\$16.62
Northwest Johnson Co.	559	9,946,002	441,692	487,716	4.9%	(75,034)	0	0	\$13.55
Ottawa	133	1,162,954	62,609	62,609	5.4%	(12,240)	0	0	\$5.50
Outer South Kansas C.	263	1,932,351	36,462	36,462	1.9%	(5,632)	0	0	\$9.54
Outlying KC MO	196	1,793,612	23,058	23,058	1.3%	30,315	25,440	0	\$10.41
South Johnson County	943	14,790,290	911,750	936,316	6.3%	17,675	10,587	23,232	\$15.52
South Kansas City MO	558	6,087,438	696,212	696,212	11.4%	2,476	0	0	\$11.62
Southeast Jackson Co.	475	5,926,691	258,107	264,243	4.5%	(42,280)	0	18,541	\$16.41
St Joseph	564	7,610,230	364,732	372,989	4.9%	119,032	40,794	8,800	\$7.88
Topeka	1,148	13,477,574	789,895	789,895	5.9%	67,116	0	0	\$8.77
Ward Parkway	199	2,380,114	71,122	71,122	3.0%	17,867	0	0	\$18.24
West Bottoms	75	327,791	8,550	8,550	2.6%	(2,350)	0	0	\$41.63
Totals	13,080	157,986,713	8,698,110	8,882,049	5.6%	69,362	372,075	470,816	\$13.1

Source: CoStar Property®

Historical Rental Rates

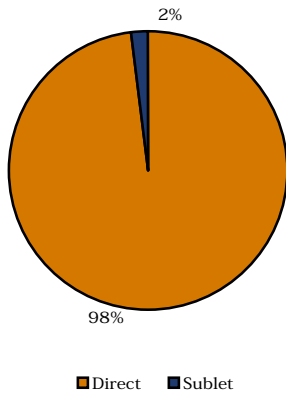
Based on NNN Rental Rates



Source: CoStar Property®

Vacancy by Available Space Type

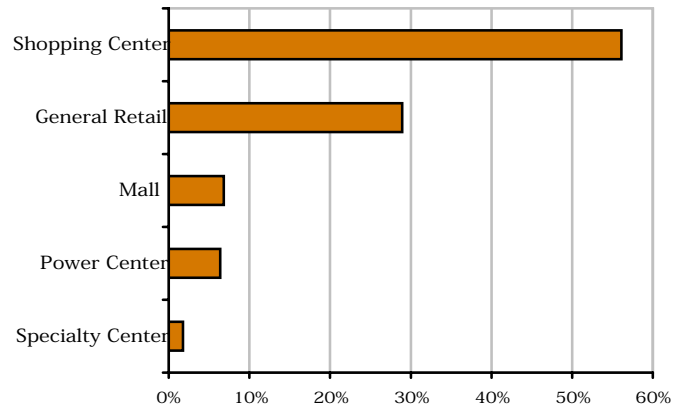
Percent of All Vacant Space in Direct vs. Sublet



Source: CoStar Property®

Vacancy by Building Type

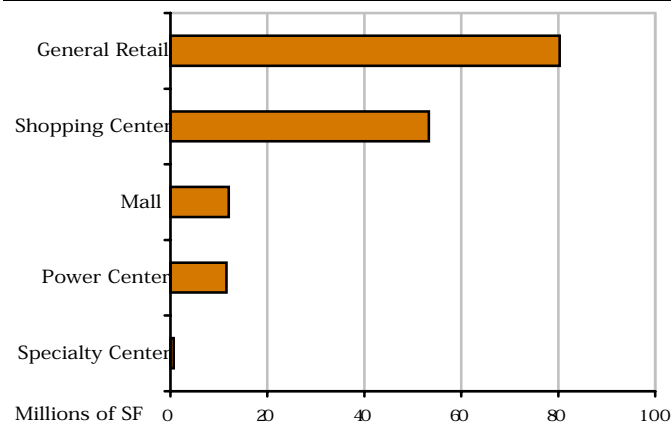
Percent of All Vacant Space by Building Type



Source: CoStar Property®

GLA By Building Type

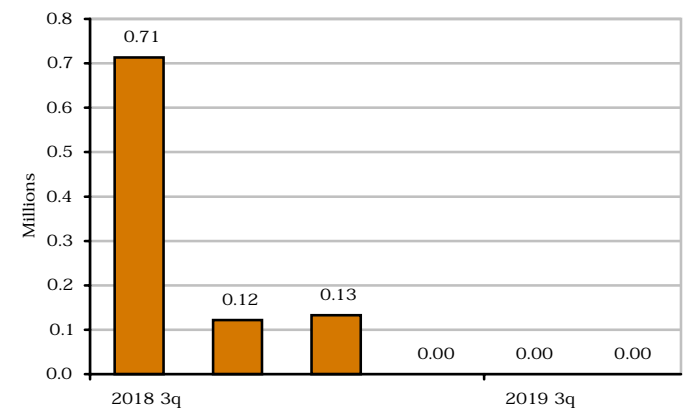
Ratio of Total GLA by Building Type



Source: CoStar Property®

Future Space Available

Space Scheduled to be Available for Occupancy*

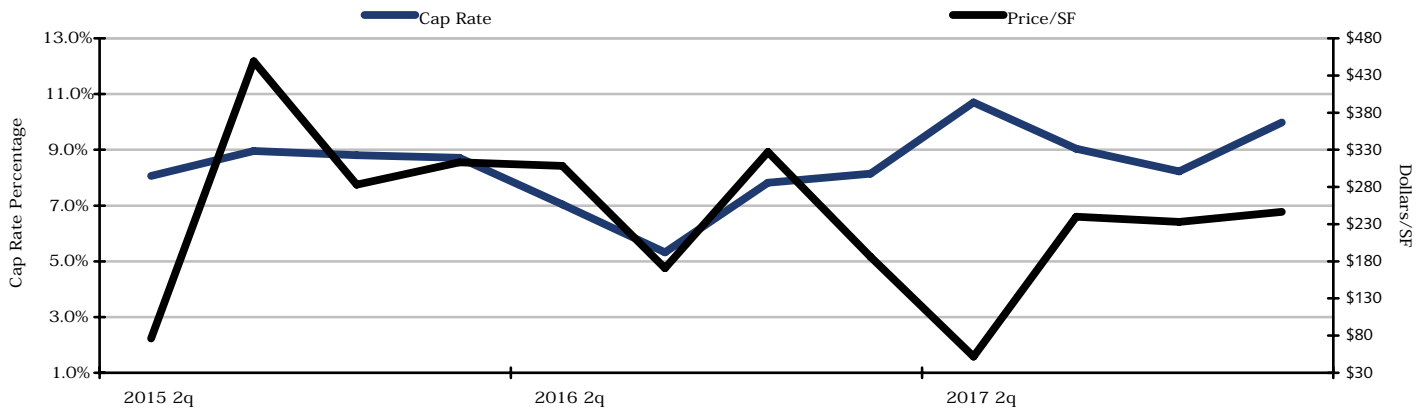


* Includes Under Construction Spaces

Source: CoStar Property®

The Optimist Sales Index

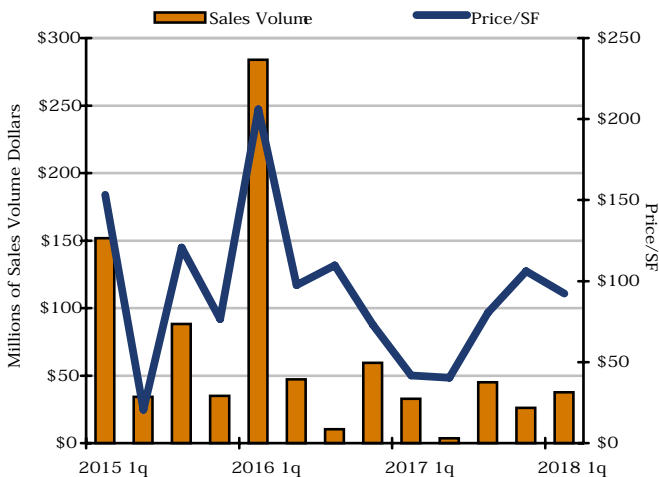
Average of Two Highest Price/SF's and Two Lowest Cap Rates



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

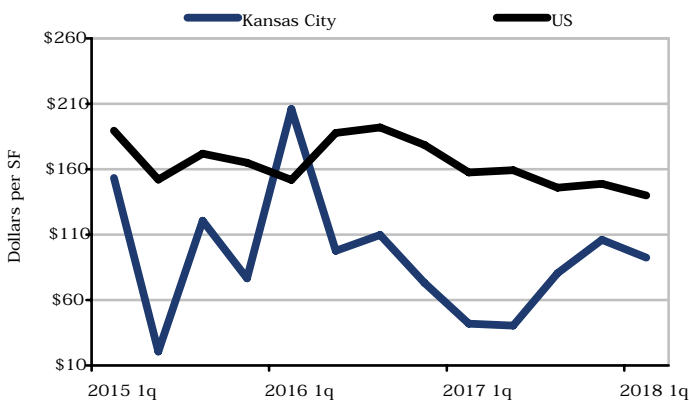
Based on Retail Building Sales From April 2017 - March 2018

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 25,000 SF	79	613,765	\$164,814,946	\$ 268.53	6.51%
25K-99K SF	17	760,881	\$70,455,266	\$ 92.60	8.54%
100K-249K SF	3	383,101	\$24,683,000	\$ 64.43	12.21%
>250K SF	-	0	\$0	\$ -	-

Source: CoStar COMPS®

U.S. Price/SF Comparison

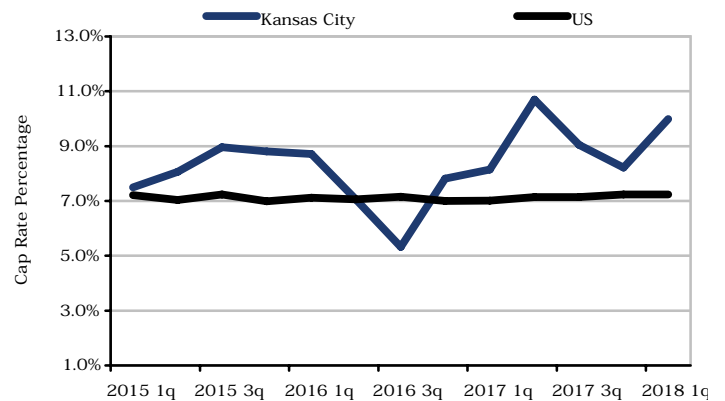
Based on Retail Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

U.S. Cap Rate Comparison

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



Source: CoStar COMPS®