



KC Retail Report Third Quarter, 2018

Kansas City's Vacancy Decreases to 5.3% Net Absorption Positive 227,404 SF in the Quarter

The Kansas City retail market experienced a slight improvement in market conditions in the third quarter 2018. The vacancy rate went from 5.5% in the previous quarter to 5.3% in the current quarter. Net absorption was positive 227,404 square feet, and vacant sublease space decreased by 1,875 square feet. Quoted rental rates increased from second quarter 2018 levels, ending at \$13.55 per square foot per year. A total of 6 retail buildings with 40,245 square feet of retail space were delivered to the market in the quarter, with 424,450 square feet still under construction at the end of the quarter.

Net Absorption

Retail net absorption was slightly positive in Kansas City third quarter 2018, with positive 227,404 square feet absorbed in the quarter. In second quarter 2018, net absorption was negative 3,325 square feet, while in first quarter 2018, absorption came in at positive 263,281 square feet. In fourth quarter 2017, positive 496,160 square feet was absorbed in the market.

Tenants moving into large blocks of space in 2018 include: Sunfresh moving into 38,000 square feet in 3102 Prospect Ave; and American Freightways Inc. moving into 25,392 square feet in 2110 S M-291 Hwy.

Vacancy

Kansas City's retail vacancy rate decreased in the third quarter 2018, ending the quarter at 5.3%. Over the past four quarters, the market has seen an overall decrease in the vacancy rate, with the rate going from 5.4% in the fourth

quarter 2017, to 5.4% at the end of the first quarter 2018, 5.5% at the end of the second quarter 2018, to 5.3% 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 fourth quarter 2017, there were 169,992 square feet of vacant sublease space. Currently, there are 182,064 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 25,392-square-foot-lease signed by American Freightways Inc at 2110 S M-291 Hwy.

Rental Rates

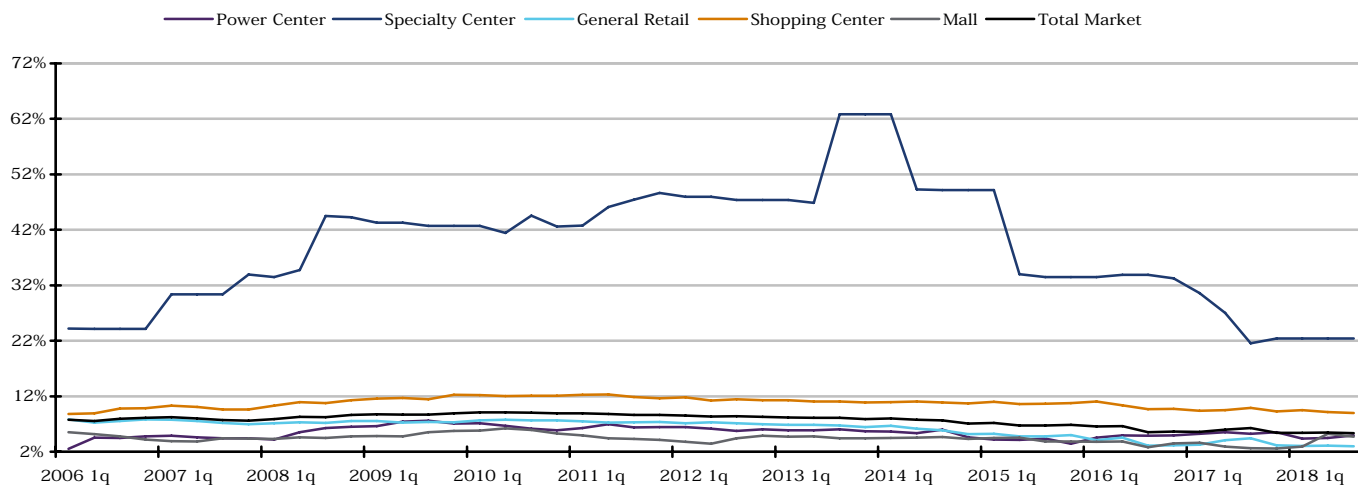
Average quoted asking rental rates in the Kansas City retail market are up over previous quarter levels, and up from their levels four quarters ago. Quoted rents ended the third quarter 2018 at \$13.55 per square foot per year. That compares to \$13.08 per square foot in the second quarter 2018, and \$12.38 per square foot at the end of the fourth quarter 2017. This represents a 3.6% increase in rental rates in the current quarter, and an 8.63% increase from four quarters ago.

Inventory & Construction

During the third quarter 2018, six buildings totaling 40,245 square feet were completed in the Kansas City retail market. Over the past four quarters, a total of 468,711 square feet of retail space has been built in Kansas City. In addition to the

Vacancy Rates by Building Type

2006-2018



Source: CoStar Property®

current quarter, six buildings with 112,907 square feet were completed in second quarter 2018, 16 buildings totaling 268,168 square feet completed in first quarter 2018, and 47,391 square feet in seven buildings completed in fourth quarter 2017.

There were 424,450 square feet of retail space under construction at the end of the third quarter 2018.

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

Total retail inventory in the Kansas City market area amounted to 158,984,201 square feet in 13,130 buildings and 928 centers as of the end of the third quarter 2018.

Shopping Center

The Shopping Center market in Kansas City currently consists of 882 projects with 53,400,682 square feet of retail space in 2,093 buildings. In this report the Shopping Center market is comprised of all Community Center, Neighborhood Center, and Strip Centers.

After absorbing 98,030 square feet and delivering 7,850 square feet in the current quarter, the Shopping Center sector saw the vacancy rate go from 9.2% at the end of the second quarter 2018 to 9.0% this quarter.

Over the past four quarters, the Shopping Center vacancy rate has gone from 9.3% at the end of the fourth quarter 2017, to 9.5% at the end of the first quarter 2018, to 9.2% at the end of the second quarter 2018, and finally to 9.0% at the end of the current quarter.

Rental rates ended the third quarter 2018 at \$13.22 per square foot, up from the \$12.69 they were at the end of second quarter 2018. Rental rates have trended up over the past year, going from \$11.68 per square foot a year ago to their current levels.

Net absorption in the Shopping Center sector has totaled 606,999 square feet over the past four quarters. In addition to the positive 98,030 square feet absorbed this quarter, positive 213,934 square feet was absorbed in the second quarter 2018, negative 117,411 square feet was absorbed in the first quarter 2018, and positive 412,446 square feet was absorbed in the fourth quarter 2017.

Power Centers

The Power Center average vacancy rate was 4.9% in the third quarter 2018. With negative 52,680 square feet of net absorption and no new deliveries, the vacancy rate went from 4.5% at the end of last quarter to 4.9% at the end of the third quarter.

In the second quarter 2018, Power Centers absorbed negative 10,058 square feet, delivered no new space, and the vacancy rate went from 4.4% to 4.5% over the course of the quarter. Rental started the quarter at \$16.23 per square foot and ended the quarter at \$16.30 per square foot.

A year ago, in third quarter 2017, the vacancy rate was 5.2%. Over the past four quarters, Power Centers have absorbed a cumulative 52,374 square feet of space and delivered cumulative 19,800 square feet of space. Vacant sublease space has gone from 0 square feet to 1,471 square feet over that time period, and rental rates have gone from \$16.49 to \$15.79.

At the end of the third 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 11,442,153 square feet in 26 centers comprised of 246 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 3.0% at the end of third quarter 2018. There was a total of 2,410,301 square feet vacant at that time. The General Retail sector in Kansas City currently has average rental rates of \$13.01 per square foot per year. There are 210,425 square feet of space under construction in this sector, with 32,395 square feet having been completed in the third quarter. In all, there are a total of 10,504 buildings with 81,376,048 square feet of General Retail space in Kansas City.

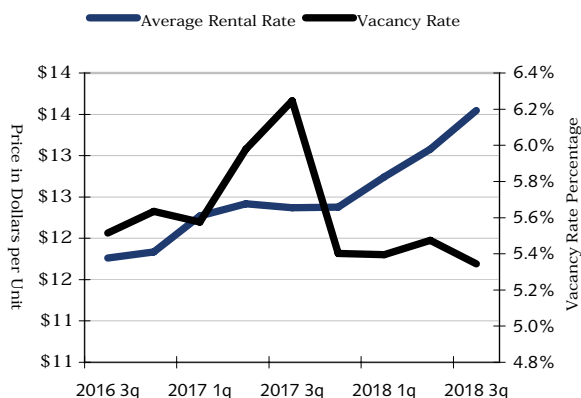
Specialty Centers

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 \$6.95 per square foot.

VACANCY & RENT

Past 9 Quarters



Source: CoStar Property®

Malls

Malls recorded net absorption of positive 63,151 square feet in the third quarter 2018. This net absorption number, combined with no new space that was built in the quarter, caused the vacancy rate to go from 5.2% a quarter ago to 4.7% at the end of the third quarter 2018. Rental rates went from \$24.55 per square foot to \$25.37 per square foot during that time. In this report the Mall market is comprised of 17 Lifestyle Centers, Regional Mall and Super Regional Malls.

Sales Activity

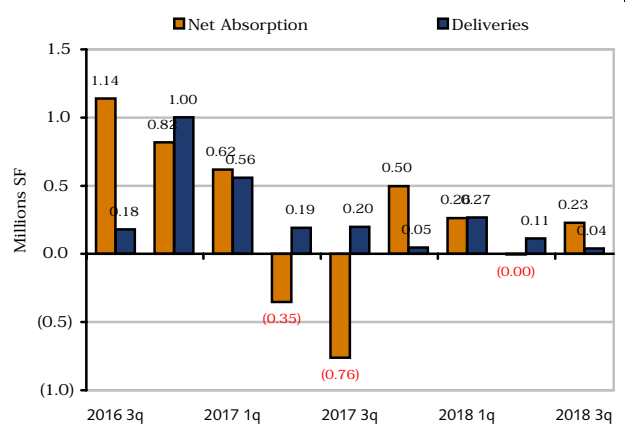
Tallying retail building sales of 15,000 square feet or larger, Kansas City retail sales figures fell during the second quarter 2018 in terms of dollar volume compared to the first quarter of 2018.

In the second quarter, six retail transactions closed with a total volume of \$28,384,000. The six buildings totaled 303,511 square feet and the average price per square foot equated to \$93.52 per square foot. That compares to eight transactions totaling \$37,742,500 in the first quarter 2018. The total square footage in the first quarter was 408,724 square feet for an average price per square foot of \$92.34.

Total retail center sales activity in 2018 was up compared to 2017. In the first six months of 2018, the market saw 14 retail sales transactions with a total volume of \$66,126,500. The price per square foot averaged \$92.84. In the same first six months of 2017, the market posted 12 transactions with a total volume of \$36,492,207. The price per square foot averaged \$41.68.

ABSORPTION & DELIVERIES

Past 9 Quarters



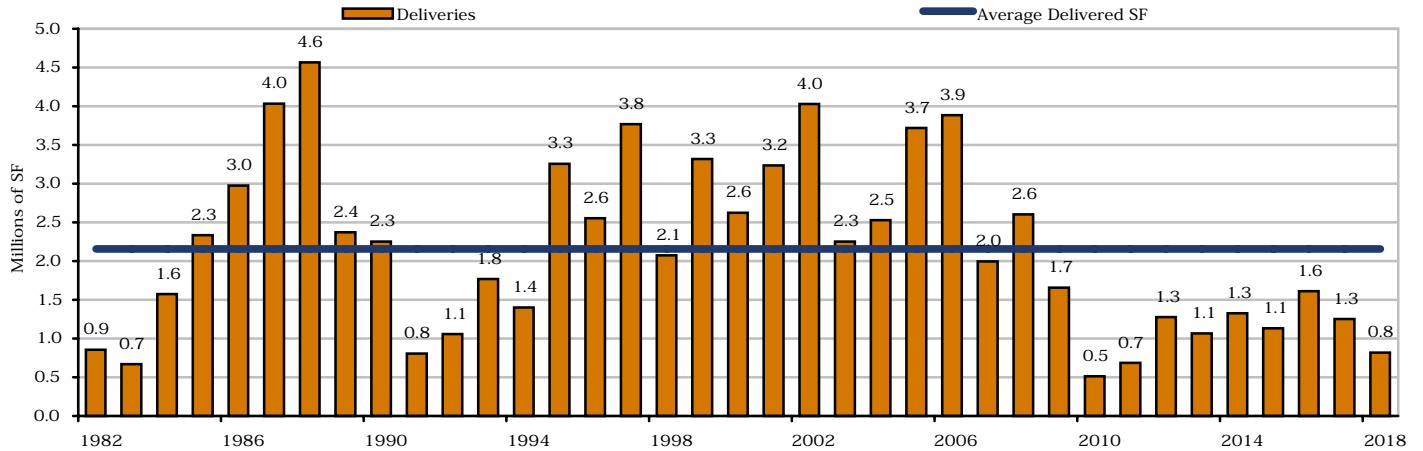
Source: CoStar Property®

Cap rates have been lower in 2018, averaging 9.02% compared to the same period in 2017 when they averaged 9.43%.

One of the largest transactions that has occurred within the last four quarters in the Kansas City market is the sale of 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: Lauren Chesley, CoStar Research Manager and CoStar's Kansas City Research Team.

Historical Deliveries 1982 - 2018



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

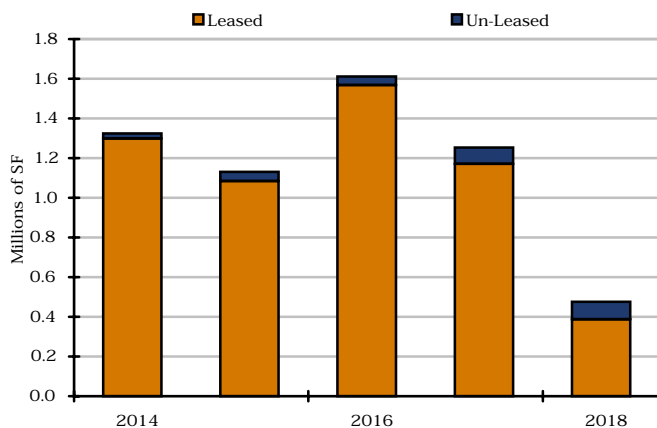
Construction Activity Markets Ranked by Under Construction Square Footage

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total GLA	Preleased SF	Preleased %	All Existing	U/C
North Johnson County	9	222,793	180,090	80.8%	16,841	24,755
North of the River	1	90,000	90,000	100.0%	14,689	90,000
Kansas City KS	1	62,000	62,000	100.0%	9,587	62,000
East Jackson County	4	28,300	18,872	66.7%	10,475	7,075
Lawrence	1	11,500	5,520	48.0%	9,674	11,500
South Johnson County	1	6,857	3,017	44.0%	17,107	6,857
Midtown	1	3,000	3,000	100.0%	8,879	3,000
Lafayette	0	0	0	0.0%	9,036	0
South KC	0	0	0	0.0%	11,681	0
Leavenworth County	0	0	0	0.0%	9,706	0
All Other	0	0	0	0.0%	11,272	0
Totals	18	424,450	362,499	85.4%	12,108	23,581

Source: CoStar Property®

Recent Deliveries

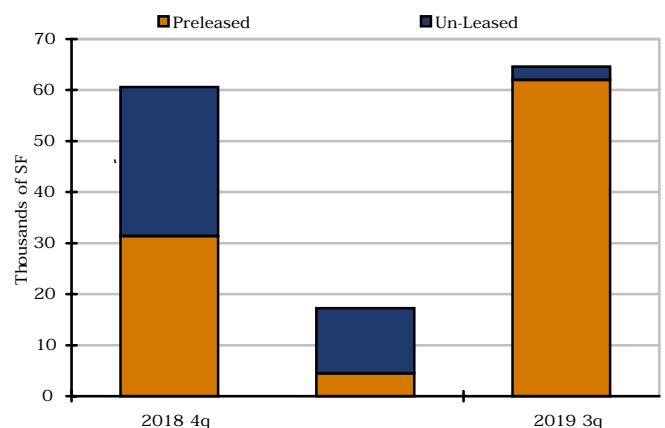
Leased & Un-Leased SF in Deliveries Since 2014



Source: CoStar Property®

Future Deliveries

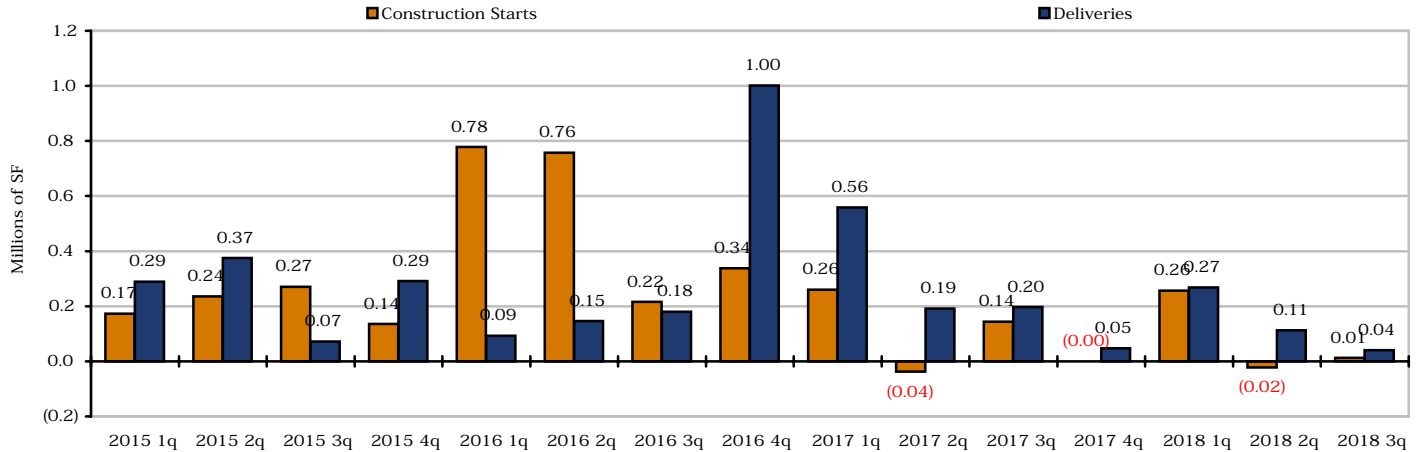
Preleased & Un-Leased SF in Properties Scheduled to Deliver



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	30	339,096	251,402	74.1%	\$9.36	94,890	244,206
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

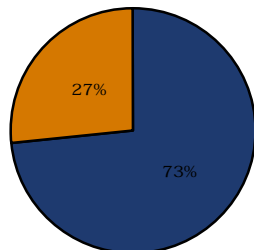
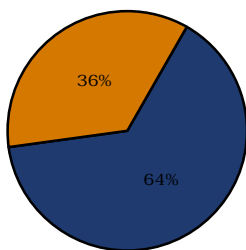
Source: CoStar Property®

Recent Development by Tenancy

Based on GLA Developed for Single & Multi Tenant Use

2018 Deliveries

Currently Under Construction



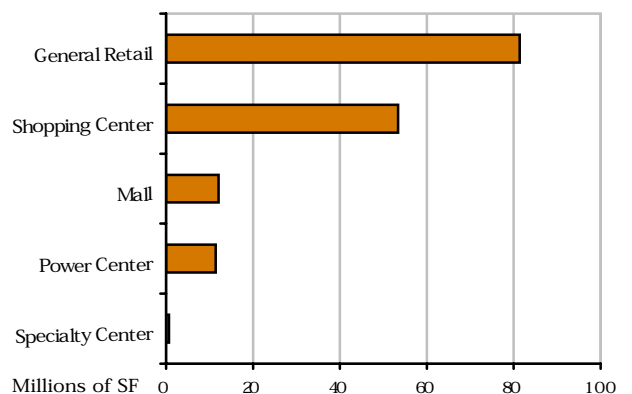
■ Multi ■ Single

■ Multi ■ Single

Source: CoStar Property®

Existing Inventory Comparison

Based on Total GLA



Source: CoStar Property®

General Retail Market Statistics

Third Quarter 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	37,546	37,546	5.2%	(744)	0	0	\$0.00
Cass County	428	3,186,906	42,854	85,434	2.7%	125,439	83,487	0	\$6.82
Downtown	296	2,555,224	54,901	55,751	2.2%	34,203	0	0	\$26.05
East Jackson County	1,889	11,572,701	260,217	267,495	2.3%	150,737	88,920	28,300	\$10.57
Johnson County MO	149	1,331,201	54,860	54,860	4.1%	10,146	0	0	\$35.07
Kansas City KS	863	6,101,427	68,032	68,032	1.1%	24,607	2,400	62,000	\$18.78
Lafayette	131	892,613	12,743	12,743	1.4%	(8,506)	0	0	\$3.43
Lawrence	565	4,293,467	95,446	95,446	2.2%	(22,707)	0	0	\$15.09
Leavenworth County	247	2,115,452	130,062	130,062	6.1%	36,143	0	0	\$12.63
Midtown	581	3,937,852	173,141	173,141	4.4%	33,994	45,000	3,000	\$13.00
North Johnson County	741	7,392,562	237,983	242,366	3.3%	(52,685)	3,147	20,268	\$16.62
North of the River	869	7,737,024	160,289	182,879	2.4%	93,835	18,500	90,000	\$12.21
Ottawa	132	1,092,905	32,456	32,456	3.0%	14,635	0	0	\$0.00
Outer South Kansas City	247	1,542,283	27,952	27,952	1.8%	(14,722)	0	0	\$18.00
Outlying KC MO	190	1,400,691	4,758	4,758	0.3%	26,715	25,440	0	\$10.00
South Johnson County	629	6,505,186	249,860	249,860	3.8%	(32,137)	26,962	6,857	\$14.21
South KC	623	4,471,449	162,356	162,356	3.6%	34,860	0	0	\$9.77
Southeast Jackson County	364	2,519,224	68,597	74,733	3.0%	(16,374)	7,420	0	\$20.49
St Joseph	506	4,810,969	178,199	186,456	3.9%	43,349	40,794	0	\$8.05
Topeka	979	7,192,360	265,975	265,975	3.7%	(14,912)	0	0	\$6.77
Totals	10,504	81,376,048	2,318,227	2,410,301	3.0%	465,876	342,070	210,425	\$13.01

Source: CoStar Property®

Mall Market Statistics

Third Quarter 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	18,112	18,112	2.5%	(8,028)	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	250,438	250,438	13.3%	(250,438)	0	180,503	\$0.00
North of the River	2	1,116,297	24,875	24,875	2.2%	(3,518)	0	0	\$21.94
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	2,062,673	38,000	38,000	1.8%	(11,181)	0	0	\$30.84
South KC	1	486,710	110,899	110,899	22.8%	26,283	0	0	\$14.00
Southeast Jackson County	2	1,263,621	28,473	28,473	2.3%	(1,379)	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	12,068,109	566,185	566,185	4.7%	(256,406)	0	180,503	\$25.37

Source: CoStar Property®

Power Center Market Statistics

Third Quarter 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	3,234,740	182,764	182,764	5.7%	(15,551)	0	0	\$13.07
Johnson County MO	0	0	0	0	0.0%	0	0	0	\$0.00
Kansas City KS	1	514,105	58,297	58,297	11.3%	6,658	12,000	0	\$11.30
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	9,477	10,948	1.2%	(2,505)	0	0	\$22.37
North of the River	5	2,151,662	212,930	212,930	9.9%	70,173	7,800	0	\$18.14
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	1,907,921	32,856	32,856	1.7%	2,725	0	0	\$16.27
South KC	3	1,168,370	54,575	54,575	4.7%	21,747	0	0	\$11.97
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	11,442,153	562,463	563,934	4.9%	83,337	19,800	0	\$15.79

Source: CoStar Property®

Shopping Center Market Statistics

Third Quarter 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	112,591	112,591	5.7%	49,403	0	0	\$12.79
Downtown	4	384,038	0	0	0.0%	0	0	0	\$0.00
East Jackson County	146	7,636,912	832,753	836,753	11.0%	88,569	0	0	\$11.54
Johnson County MO	7	320,540	32,665	32,665	10.2%	17,302	0	0	\$11.73
Kansas City KS	44	2,001,324	145,511	145,511	7.3%	(24,595)	0	0	\$15.47
Lafayette	3	110,771	0	0	0.0%	0	0	0	\$0.00
Lawrence	43	2,052,565	109,926	111,833	5.4%	1,130	3,550	11,500	\$15.76
Leavenworth County	12	446,886	70,537	77,380	17.3%	(4,243)	0	0	\$13.03
Midtown	16	557,853	50,022	52,010	9.3%	14,797	0	0	\$19.14
North Johnson County	126	8,821,339	635,026	684,241	7.8%	(31,832)	0	22,022	\$13.81
North of the River	124	7,913,931	566,062	566,062	7.2%	(44,018)	15,900	0	\$12.19
Ottawa	1	71,748	3,278	3,278	4.6%	0	0	0	\$5.50
Outer South Kansas City	14	391,394	21,200	21,200	5.4%	(3,600)	0	0	\$8.11
Outlying KC MO	4	397,321	18,300	18,300	4.6%	3,600	0	0	\$8.00
South Johnson County	126	8,952,196	710,428	734,994	8.2%	216,940	40,000	0	\$15.72
South KC	53	2,727,517	431,293	431,293	15.8%	(54,336)	0	0	\$13.10
Southeast Jackson County	38	2,160,750	200,519	200,519	9.3%	(56,589)	0	0	\$14.91
St Joseph	27	1,427,539	77,762	77,762	5.4%	112,391	0	0	\$8.39
Topeka	59	4,995,566	694,111	694,111	13.9%	(90,366)	0	0	\$10.13
Totals	882	53,400,682	4,711,984	4,800,503	9.0%	194,553	59,450	33,522	\$13.22

Source: CoStar Property®

Specialty Center Market Statistics

Third Quarter 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	\$6.00
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
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	\$6.95

Source: CoStar Property®

Total Retail Market Statistics

Third Quarter 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	37,546	37,546	4.7%	(744)	0	0	\$0.00
Cass County	507	5,512,579	160,320	202,900	3.7%	174,842	83,487	0	\$10.89
Downtown	319	3,259,090	54,901	55,751	1.7%	34,203	0	0	\$26.05
East Jackson County	2,250	23,569,122	1,275,734	1,287,012	5.5%	223,755	88,920	28,300	\$11.51
Johnson County MO	158	1,651,741	87,525	87,525	5.3%	27,448	0	0	\$24.65
Kansas City KS	975	9,347,491	289,952	289,952	3.1%	(1,358)	14,400	62,000	\$15.65
Lafayette	144	1,301,148	167,698	167,698	12.9%	(8,506)	0	0	\$5.62
Lawrence	656	6,346,032	205,372	207,279	3.3%	(21,577)	3,550	11,500	\$15.40
Leavenworth County	264	2,562,338	200,599	207,442	8.1%	31,900	0	0	\$12.73
Midtown	646	5,735,566	226,947	228,935	4.0%	49,666	45,000	3,000	\$14.31
North Johnson County	1,127	18,979,978	1,132,924	1,187,993	6.3%	(337,460)	3,147	222,793	\$14.36
North of the River	1,288	18,918,914	964,156	986,746	5.2%	116,472	42,200	90,000	\$14.60
Ottawa	133	1,164,653	35,734	35,734	3.1%	14,635	0	0	\$5.50
Outer South Kansas City	265	1,933,677	49,152	49,152	2.5%	(18,322)	0	0	\$9.08
Outlying KC MO	197	1,798,012	23,058	23,058	1.3%	30,315	25,440	0	\$8.12
South Johnson County	1,159	19,827,421	1,032,544	1,057,110	5.3%	176,347	66,962	6,857	\$15.91
South KC	758	8,854,046	759,123	759,123	8.6%	28,554	0	0	\$12.43
Southeast Jackson County	476	5,943,595	297,589	303,725	5.1%	(74,342)	7,420	0	\$15.95
St Joseph	579	7,865,577	354,254	362,511	4.6%	146,810	40,794	0	\$8.43
Topeka	1,151	13,616,413	960,086	960,086	7.1%	(105,278)	0	0	\$8.85
Totals	13,130	158,984,201	8,315,214	8,497,278	5.3%	487,360	421,320	424,450	\$13.55

Source: CoStar Property®

General Retail Submarket Statistics

Third Quarter 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	37,546	37,546	5.2%	(744)	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	42,854	85,434	2.7%	125,439	83,487	0	\$6.82
CBD	73	798,110	9,547	10,397	1.3%	(10,397)	0	0	\$0.00
College Blvd	75	1,144,205	82,137	82,137	7.2%	(10,693)	0	0	\$14.15
Country Club Plaza	138	817,488	20,735	20,735	2.5%	70,000	45,000	3,000	\$8.35
Crown Center	31	653,363	11,089	11,089	1.7%	(7,757)	0	0	\$0.00
Downtown Kansas KC K.	167	1,013,978	20,015	20,015	2.0%	13,737	2,400	0	\$11.70
East Jackson County	1,100	7,750,248	193,188	200,466	2.6%	163,707	80,600	22,700	\$11.06
Freight House Distri.	118	779,960	31,565	31,565	4.0%	48,857	0	0	\$18.48
I-29 Corridor	202	2,117,140	41,068	45,238	2.1%	14,469	15,000	0	\$13.81
I-35 Corridor	667	5,619,884	119,221	137,641	2.4%	79,366	3,500	90,000	\$11.98
Johnson County MO	149	1,331,201	54,860	54,860	4.1%	10,146	0	0	\$35.07
Kansas City KS	696	5,087,449	48,017	48,017	0.9%	10,870	0	62,000	\$20.84
Kansas City MO	789	3,822,453	67,029	67,029	1.8%	(12,970)	8,320	5,600	\$9.26
Lafayette County	131	892,613	12,743	12,743	1.4%	(8,506)	0	0	\$3.43
Lawrence	565	4,293,467	95,446	95,446	2.2%	(22,707)	0	0	\$15.09
Leavenworth County	247	2,115,452	130,062	130,062	6.1%	36,143	0	0	\$12.63
Midtown	385	2,855,477	140,824	140,824	4.9%	(30,336)	0	0	\$13.86
Northeast Johnson Co.	379	3,554,423	136,998	141,381	4.0%	(46,682)	3,147	20,268	\$17.91
Northwest Johnson Co.	362	3,838,139	100,985	100,985	2.6%	(6,003)	0	0	\$14.45
Ottawa	132	1,092,905	32,456	32,456	3.0%	14,635	0	0	\$0.00
Outer South Kansas C.	247	1,542,283	27,952	27,952	1.8%	(14,722)	0	0	\$18.00
Outlying KC MO	190	1,400,691	4,758	4,758	0.3%	26,715	25,440	0	\$10.00
South Johnson County	554	5,360,981	167,723	167,723	3.1%	(21,444)	26,962	6,857	\$14.24
South Kansas City MO	450	3,294,255	139,061	139,061	4.2%	27,413	0	0	\$7.51
Southeast Jackson Co.	364	2,519,224	68,597	74,733	3.0%	(16,374)	7,420	0	\$20.49
St Joseph	506	4,810,969	178,199	186,456	3.9%	43,349	40,794	0	\$8.05
Topeka	979	7,192,360	265,975	265,975	3.7%	(14,912)	0	0	\$6.77
Ward Parkway	173	1,177,194	23,295	23,295	2.0%	7,447	0	0	\$12.75
West Bottoms	74	323,791	2,700	2,700	0.8%	3,500	0	0	\$41.63
Totals	10,504	81,376,048	2,318,227	2,410,301	3.0%	465,876	342,070	210,425	\$13.01

Source: CoStar Property®

Mall Submarket Statistics

Third Quarter 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	730,414	0	0	0.0%	3,800	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 K.	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	1,116,297	24,875	24,875	2.2%	(3,518)	0	0	\$21.94
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	18,112	18,112	2.5%	(8,028)	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	24,256	24,256	1.5%	(24,256)	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	1,332,259	38,000	38,000	2.9%	(14,981)	0	0	\$30.84
South Kansas City MO	1	486,710	110,899	110,899	22.8%	26,283	0	0	\$14.00
Southeast Jackson Co.	2	1,263,621	28,473	28,473	2.3%	(1,379)	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	12,068,109	566,185	566,185	4.7%	(256,406)	0	180,503	\$25.37

Source: CoStar Property®

Power Center Submarket Statistics

Third Quarter 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	1,128,060	9,617	9,617	0.9%	3,725	0	0	\$23.60
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	3,234,740	182,764	182,764	5.7%	(15,551)	0	0	\$13.07
Freight House Distri.	0	0	0	0	0.0%	0	0	0	\$0.00
I-29 Corridor	3	1,462,605	52,978	52,978	3.6%	(11)	0	0	\$19.18
I-35 Corridor	2	689,057	159,952	159,952	23.2%	70,184	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	58,297	58,297	11.3%	6,658	12,000	0	\$11.30
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	6,023	6,023	1.4%	(6,023)	0	0	\$21.00
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	779,861	23,239	23,239	3.0%	(1,000)	0	0	\$14.70
South Kansas City MO	2	389,522	16,833	16,833	4.3%	8,000	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	37,742	37,742	4.8%	13,747	0	0	\$12.38
West Bottoms	0	0	0	0	0.0%	0	0	0	\$0.00
Totals	26	11,442,153	562,463	563,934	4.9%	83,337	19,800	0	\$15.79

Source: CoStar Property®

Shopping Center Submarket Statistics

Third Quarter 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	\$0.00
Cass County	32	1,958,236	112,591	112,591	5.7%	49,403	0	0	\$12.79
CBD	2	120,038	0	0	0.0%	0	0	0	\$0.00
College Blvd	23	1,962,183	157,464	157,464	8.0%	3,512	40,000	0	\$17.43
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	6,409,007	771,470	775,470	12.1%	103,042	0	0	\$11.30
Freight House Distri.	0	0	0	0	0.0%	0	0	0	\$0.00
I-29 Corridor	32	1,451,184	127,775	127,775	8.8%	(21,392)	0	0	\$12.91
I-35 Corridor	92	6,462,747	438,287	438,287	6.8%	(22,626)	15,900	0	\$12.01
Johnson County MO	7	320,540	32,665	32,665	10.2%	17,302	0	0	\$11.73
Kansas City KS	41	1,960,141	145,511	145,511	7.4%	(24,595)	0	0	\$15.47
Kansas City MO	13	1,227,905	61,283	61,283	5.0%	(14,473)	0	0	\$13.38
Lafayette County	3	110,771	0	0	0.0%	0	0	0	\$0.00
Lawrence	43	2,052,565	109,926	111,833	5.4%	1,130	3,550	11,500	\$15.76
Leavenworth County	12	446,886	70,537	77,380	17.3%	(4,243)	0	0	\$13.03
Midtown	11	380,975	50,022	52,010	13.7%	12,811	0	0	\$18.93
Northeast Johnson Co.	63	4,793,893	389,185	392,376	8.2%	(57,667)	0	21,572	\$14.40
Northwest Johnson Co.	63	4,027,446	245,841	291,865	7.2%	25,835	0	450	\$13.29
Ottawa	1	71,748	3,278	3,278	4.6%	0	0	0	\$5.50
Outer South Kansas C.	14	391,394	21,200	21,200	5.4%	(3,600)	0	0	\$8.11
Outlying KC MO	4	397,321	18,300	18,300	4.6%	3,600	0	0	\$8.00
South Johnson County	103	6,990,013	552,964	577,530	8.3%	213,428	0	0	\$15.54
South Kansas City MO	37	2,297,865	411,008	411,008	17.9%	(40,809)	0	0	\$12.41
Southeast Jackson Co.	38	2,160,750	200,519	200,519	9.3%	(56,589)	0	0	\$14.91
St Joseph	27	1,427,539	77,762	77,762	5.4%	112,391	0	0	\$8.39
Topeka	59	4,995,566	694,111	694,111	13.9%	(90,366)	0	0	\$10.13
Ward Parkway	16	429,652	20,285	20,285	4.7%	(13,527)	0	0	\$20.86
West Bottoms	1	4,000	0	0	0.0%	0	0	0	\$0.00
Totals	882	53,400,682	4,711,984	4,800,503	9.0%	194,553	59,450	33,522	\$13.22

Source: CoStar Property®

Specialty Center Submarket Statistics

Third Quarter 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	\$6.00
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.	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	\$6.95

Source: CoStar Property®

Total Retail Submarket Statistics

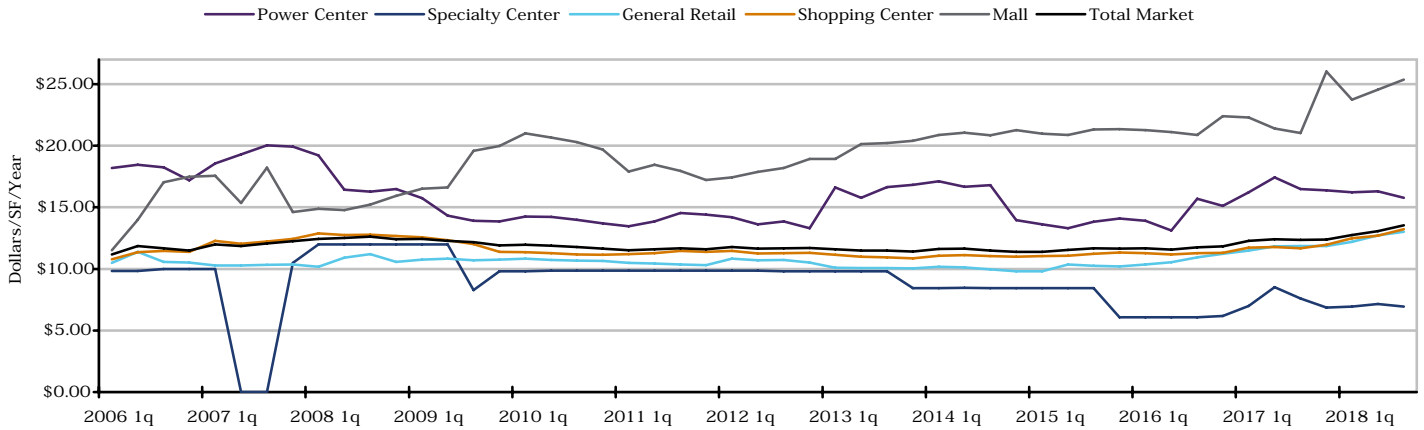
Third Quarter 2018

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	37,546	37,546	4.7%	(744)	0	0	\$0.00
Brookside	64	398,626	11,582	11,582	2.9%	(4,265)	0	0	\$25.00
Cass County	507	5,512,579	160,320	202,900	3.7%	174,842	83,487	0	\$10.89
CBD	94	1,237,976	9,547	10,397	0.8%	(10,397)	0	0	\$0.00
College Blvd	208	4,964,862	249,218	249,218	5.0%	344	40,000	0	\$16.30
Country Club Plaza	173	1,804,512	24,519	24,519	1.4%	70,581	45,000	3,000	\$8.86
Crown Center	32	913,363	11,089	11,089	1.2%	(7,757)	0	0	\$0.00
Downtown Kansas KC K.	170	1,055,161	20,015	20,015	1.9%	13,737	2,400	0	\$11.70
East Jackson County	1,436	18,518,764	1,147,422	1,158,700	6.3%	251,198	80,600	22,700	\$11.51
Freight House Distri.	118	779,960	31,565	31,565	4.0%	48,857	0	0	\$18.48
I-29 Corridor	358	6,147,226	246,696	250,866	4.1%	(10,452)	15,000	0	\$16.20
I-35 Corridor	930	12,771,688	717,460	735,880	5.8%	126,924	27,200	90,000	\$14.22
Johnson County MO	158	1,651,741	87,525	87,525	5.3%	27,448	0	0	\$24.65
Kansas City KS	805	8,292,330	269,937	269,937	3.3%	(15,095)	12,000	62,000	\$15.80
Kansas City MO	814	5,050,358	128,312	128,312	2.5%	(27,443)	8,320	5,600	\$11.54
Lafayette County	144	1,301,148	167,698	167,698	12.9%	(8,506)	0	0	\$5.62
Lawrence	656	6,346,032	205,372	207,279	3.3%	(21,577)	3,550	11,500	\$15.40
Leavenworth County	264	2,562,338	200,599	207,442	8.1%	31,900	0	0	\$12.73
Midtown	409	3,532,428	190,846	192,834	5.5%	(16,650)	0	0	\$15.15
Northeast Johnson Co.	568	9,037,565	755,819	764,864	8.5%	(327,013)	3,147	222,343	\$15.19
Northwest Johnson Co.	559	9,942,413	377,105	423,129	4.3%	(10,447)	0	450	\$13.55
Ottawa	133	1,164,653	35,734	35,734	3.1%	14,635	0	0	\$5.50
Outer South Kansas C.	265	1,933,677	49,152	49,152	2.5%	(18,322)	0	0	\$9.08
Outlying KC MO	197	1,798,012	23,058	23,058	1.3%	30,315	25,440	0	\$8.12
South Johnson County	951	14,862,559	783,326	807,892	5.4%	176,003	26,962	6,857	\$15.84
South Kansas City MO	558	6,468,352	677,801	677,801	10.5%	20,887	0	0	\$11.82
Southeast Jackson Co.	476	5,943,595	297,589	303,725	5.1%	(74,342)	7,420	0	\$15.95
St Joseph	579	7,865,577	354,254	362,511	4.6%	146,810	40,794	0	\$8.43
Topeka	1,151	13,616,413	960,086	960,086	7.1%	(105,278)	0	0	\$8.85
Ward Parkway	200	2,385,694	81,322	81,322	3.4%	7,667	0	0	\$14.62
West Bottoms	75	327,791	2,700	2,700	0.8%	3,500	0	0	\$41.63
Totals	13,130	158,984,201	8,315,214	8,497,278	5.3%	487,360	421,320	424,450	\$13.55

Source: CoStar Property®

Historical Rental Rates

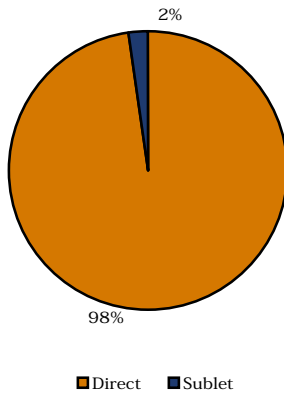
Based on NNN Rental Rates



Source: CoStar Property®

Vacancy by Available Space Type

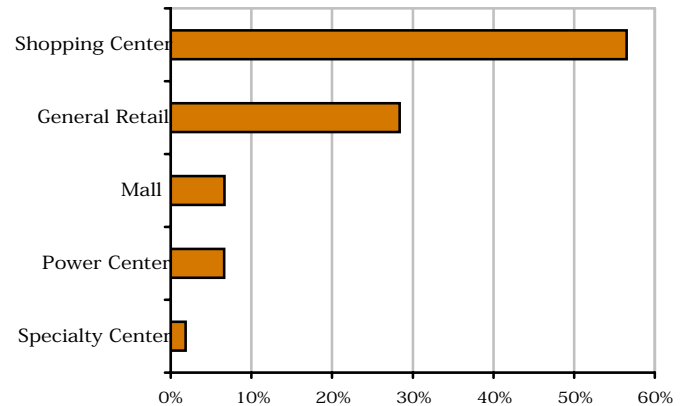
Percent of All Vacant Space in Direct vs. Sublet



Source: CoStar Property®

Vacancy by Building Type

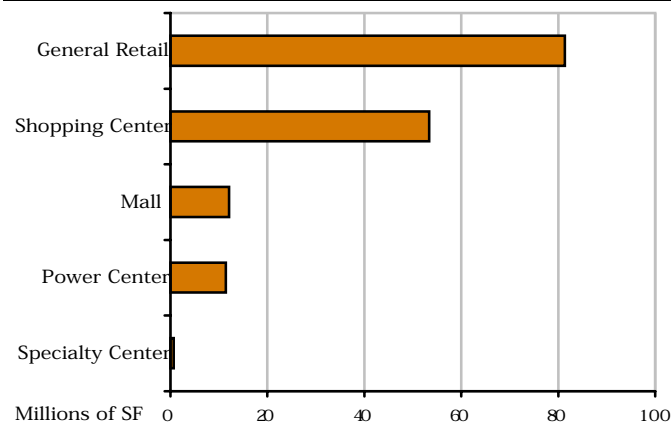
Percent of All Vacant Space by Building Type



Source: CoStar Property®

GLA By Building Type

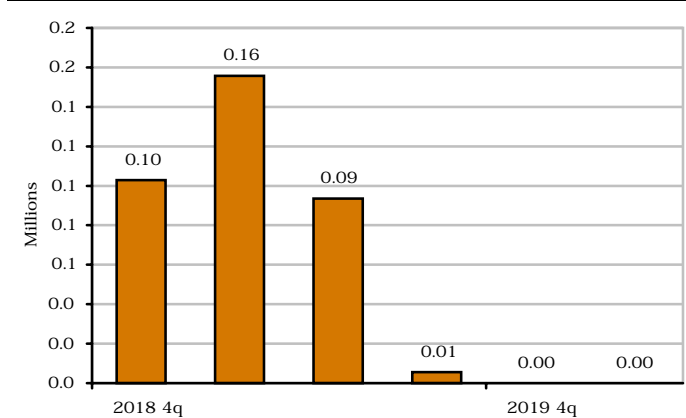
Ratio of Total GLA by Building Type



Source: CoStar Property®

Future Space Available

Space Scheduled to be Available for Occupancy*

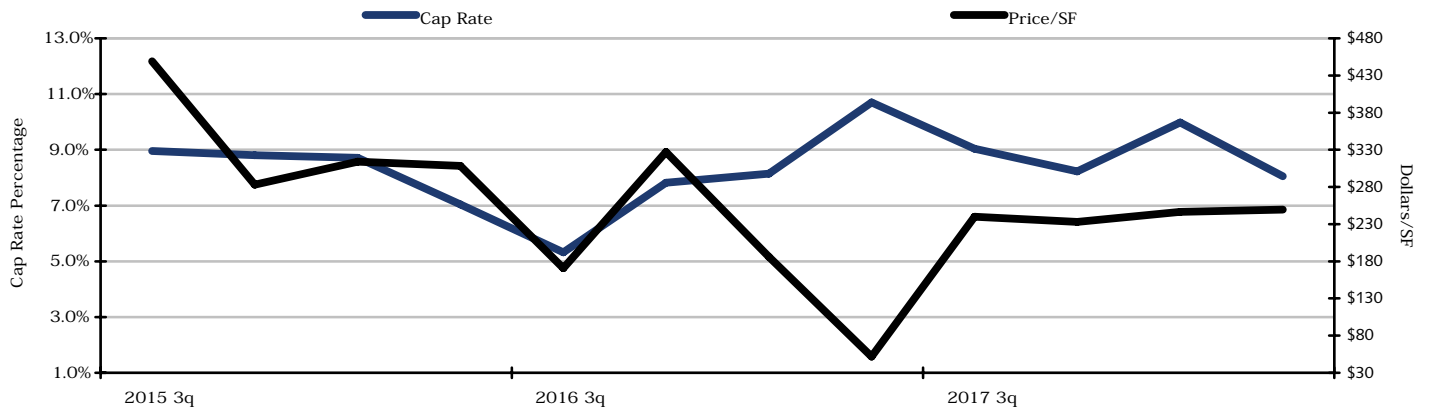


* Includes Under Construction Spaces

Source: CoStar Property®

The Optimist Sales Index

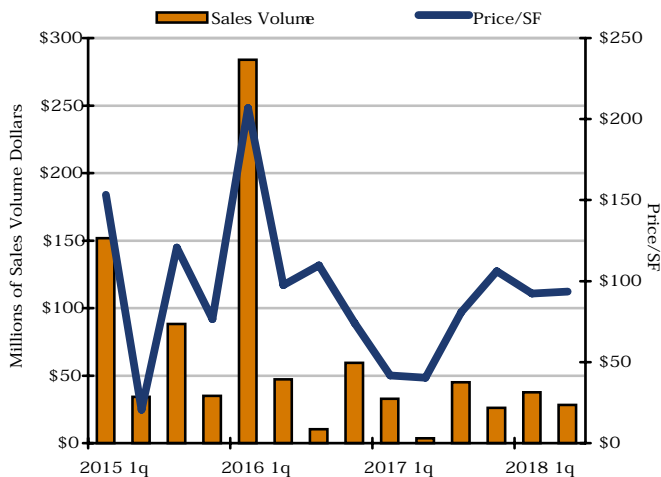
Average of Two Highest Price/SF's and Two Lowest Cap Rates



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

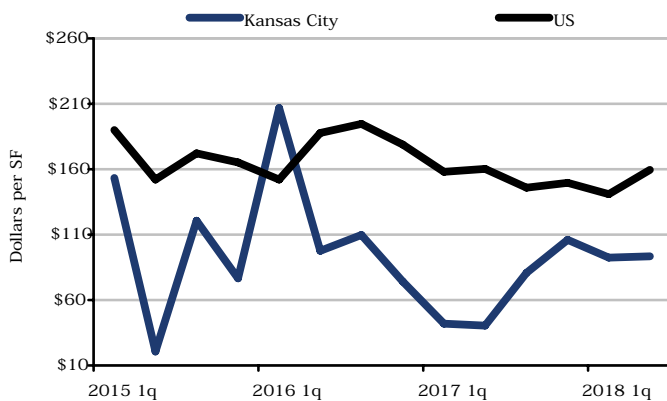
Based on Retail Building Sales From July 2017 - June 2018

Bldg Size	#	RBA	\$ Volume	Price/SF	Cap Rate
< 25,000 SF	81	624,417	\$150,815,635	\$ 241.53	6.68%
25K-99K SF	19	955,161	\$88,829,266	\$ 93.00	8.25%
100K-249K SF	3	382,269	\$24,683,000	\$ 64.57	12.21%
>250K SF	-	0	\$0	\$ -	-

Source: CoStar COMPS®

U.S. Price/SF Comparison

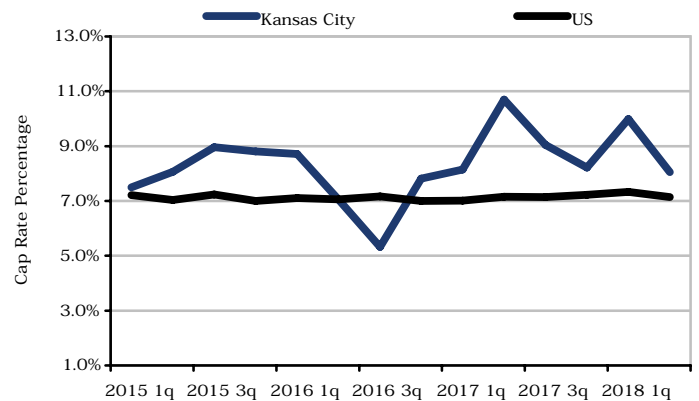
Based on Retail Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

U.S. Cap Rate Comparison

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



Source: CoStar COMPS®