



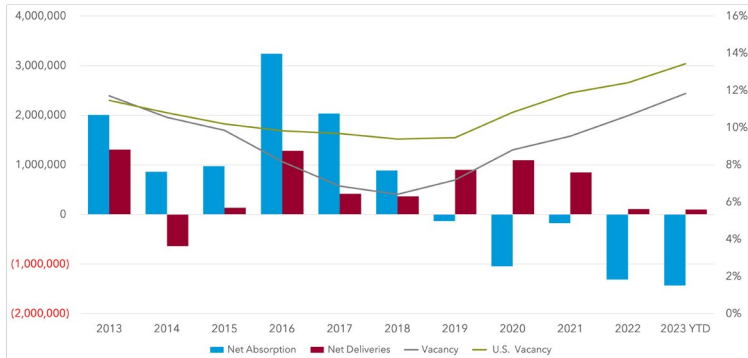
OFFICE MARKET OVERVIEW

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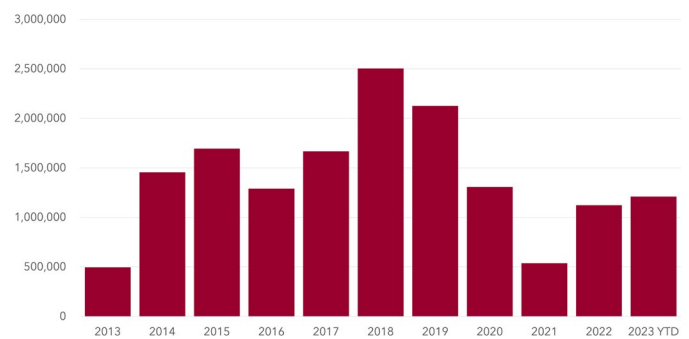
The office market in Kansas City continues to see an increase in availability as companies work to right-size their offices. There have been notably larger lease transactions in the 3rd quarter, the largest being FAA's lease of over 82,000 SF at 1100 Main Street. Rising sublease availability remains a constant topic of conversation with now over 2 million square feet available in the market. Conversions of office to multifamily is another topic that has seen marked success in some CBD properties, such as 500 E. Eighth St which is becoming 263 apartments. Asking rents for office properties continue to increase slightly this quarter, in part to counteract the steady climb of construction costs. Sales volume was significantly lower in Q3 due in part to higher availability rates across the market.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	(2,018,534.00)	(2,581,661.00)	(1,704,110.00)	(1,313,372.00)	(800,638.00)
◀ ▶ Vacancy Rate	11.8%	11.8%	11.3%	10.6%	10.1%
▲ Avg FSG Asking Rate PSF	\$21.76	\$21.71	\$21.52	\$21.45	\$21.47
▲ SF Under Construction	1,226,939	1,147,319	1,136,808	1,123,613	904,137
▲ Inventory SF	128,243,874	128,231,494	128,176,005	128,158,395	128,141,666

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4240 Blue Ridge Boulevard Kansas City, MO	101,469 SF	Undisclosed	Kassiah Skinner Platinum Realty	Class B
11225 College Boulevard Overland Park, KS	84,656 SF	\$8,000,000 \$94.50 PSF	National Cold Storage, Inc. StoneCreek Properties	Class A
221 W. Lexington Avenue Independence, MO	40,796 SF	Undisclosed	Kansas City Premium Partners LLC Country Club Homes II LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1100 Main Street Kansas City, MO	82,269 SF	Port KC	FAA	Public Administration
6330 Sprint Parkway Overland Park, KS	36,504 SF	Occidental Management	TruHome Solutions	Finance and Insurance
10801 Mastin Street Overland Park, KS	26,145 SF	Group RMC	Propio Language Services	Professional, Scientific, and Technical Services

