



Notable National & Regional Office Trends

- B and C class office buildings being converted to alternate uses





B and C class office buildings being converted to alternate uses



150 N Main Sale

6230 East Central Avenue
Wichita, KS 67208
Phone (316) 684 - 1082

Kelsey H
Normal Sale

Ace Rewards number: 19284278218

AUTOMOTIVE BRASS KEY 2.99 tx

501883

MP LITHIUM GREASE 16 5.59 tx

079700113167 (080349)

MISC MERCHANDISE ACQ 0.59 tx

000098

OR

SUBTOTAL

TAX



150 N Main Sale

2019 Q3 OFFICE

Submarket	# of Records/ Bldgs	Inventory Square Feet	Vacant Square Feet	Vacancy Rate	Occupied Square Feet	Net Absorption	Weighted Average Rate
CBD							
Class A	9	1,406,418	186,882	13.3%	1,219,536	14,121	\$ 16.35
Class B	75	2,153,882	352,701	16.4%	1,801,181	(24,795)	\$ 12.32
CBD Totals:	84	3,560,300	539,583	15.2%	3,020,717	(10,674)	\$ 13.74
Proposed		149,562					
Under Construction		60,000					
Proposed/UC Total		209,562					

CBD Vacancy

Occupancy and Asking Rates



- Garvey Center still is almost 100% leased.





Suhda Subtraction

Finney Office Building	200,000
Sutton Place	95,000
Broadway Plaza	58,000
Henry's Building	40,000
221 S Topeka	6,500
Total Square Footage	399,500



Suhda Subtraction



CBD Class A Vacancy
Vacant Class A space will require significant improvements



The Densification of Office Space Using Open Office Space.

Tenants reducing expenses by becoming more efficient



Open Office

The Experience

- Tenant Amenities
- Recruitment and retention of employees
- HR involved in the office selection





Amenities



Amenities

Shared Space/ Co-working space





Wework Plano Texas

An architectural rendering of a modern commercial building complex at night. The building features a mix of brick and white panels, with large glass windows and doors. A rooftop patio with a thatched roof and outdoor seating is visible. The ground floor has large glass storefronts, some with signage like 'City Eat', 'Her Bnial', 'Brew Station', and 'MARTIN PRINGLE'. The building is surrounded by a paved plaza with people walking, a green lawn area, and a street with cars. The scene is illuminated by streetlights and building lights.

Martin Pringle relocation

CBD tenant paying new construction rental rates

Downtown's first crane in 25 years
Bravely Onward !

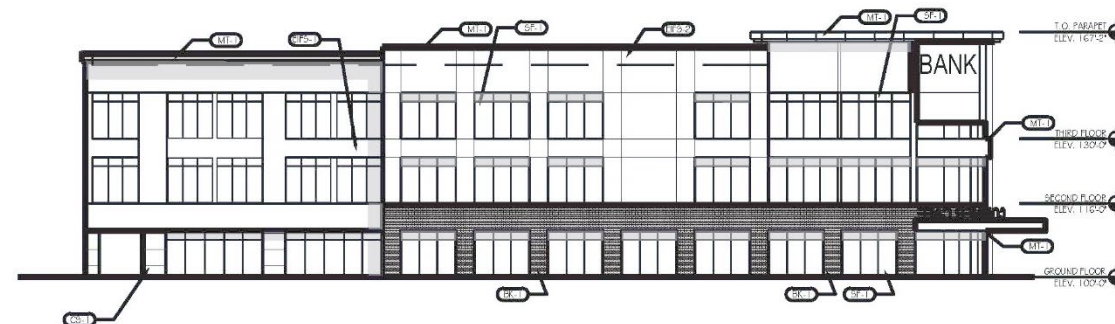
Fidelity
BANK





\$51,000,000.00

“This project is being led by the bank’s Office of Culture and Talent, a division focused on attracting and retaining a talented workforce through developing and celebrating our unique culture. Every decision made concerning this development will be vetted through the lens of Fidelity team members and influenced by their input”

A presentation slide for 'Delano Development'. The background is a dark gray architectural rendering of a multi-story building complex. The title 'Delano Development' is centered in a large, white, sans-serif font, with a thin white horizontal line underneath it. In the bottom right corner, there is a white rectangular box containing the 'NAI' logo in red and black, followed by the word 'Marter' in black. The overall aesthetic is professional and modern.

Delano Development

NAI Marter



Ice House Development



Tenants relocating to the core area

- IMA Financial Group
- Meritrust Credit Union, \$4 million invested in CBD
- Tenants willing to pay new construction prices in Downtown



Notable Office Sales Transactions Thorn





Notable Sale Transactions River Park Place 727 N Waco



Notable Sale Transactions

- Wilson Estates Office Park WoodSpring Building 56,000 SF



Northeast vacancy and asked rates

Northeast								
Class A	58	1,416,044	141,904	10.0%	1,274,140	5,770	\$	20.37
Class B	95	1,726,631	276,719	16.0%	1,449,912	(46,125)	\$	14.76
Northeast Totals:	153	3,142,675	418,623	13.3%	2,724,052	(40,355)	\$	16.70
Proposed		30,800						
Under Construction		0						
Proposed/UC Total		30,800						



Notable Lease Transactions



- Corporate Hills / 101 S Webb converted to medical office space
- Berkshire Hathaway HomeServices PenFed Realty moving to Waterfront 18,000 SF



Two Types of Tenants

- The 1st- Concerned with employee attraction and retention

The 2nd “Not So Much”





- The CBD population due to multifamily conversions is at the tipping point for increase in downtown retail and services
- Employers are relocating to the CBD to recruit young talent



Thank you!