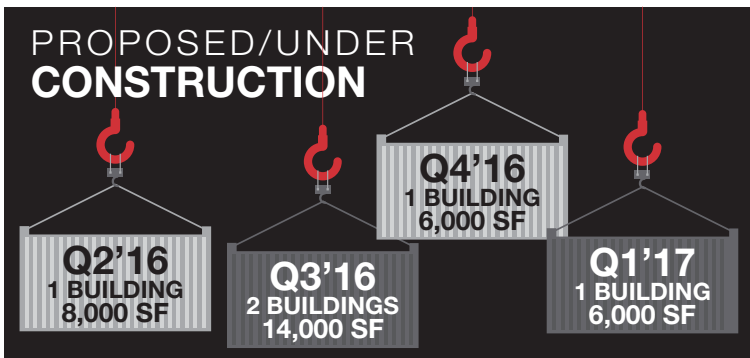
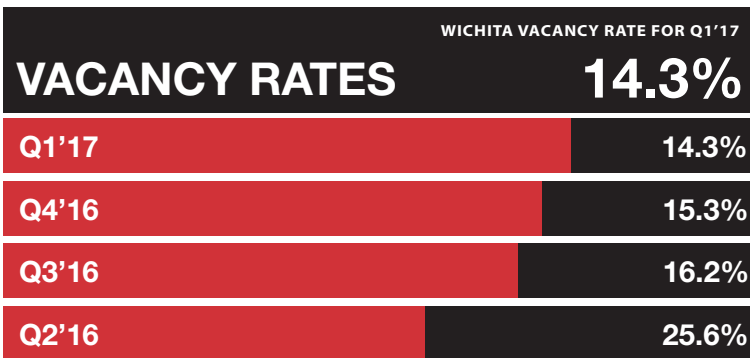
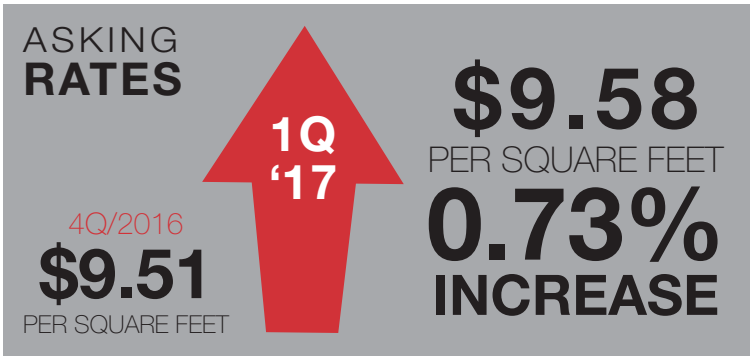


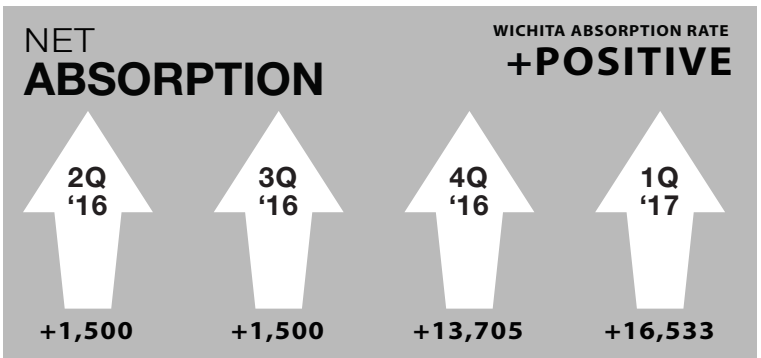
R&D/FLEX SPACE REPORT

1Q'17 WICHITA

NAIMartens



The northeast quadrant remains the strongest and most active for new flex space construction. Overall, flex space in the Wichita market has seen a limited amount of new development in the last couple of years. Warehouses and owner occupied buildings have made up most new, industrial related construction. Built in 2015/16, the Cornerstone Business Park, located just east of Rock Road on 37th Street, is the newest flex space development in the northeast section. Higher quality flex space properties have experienced positive absorption and rates up to \$10-13 NNN. Older flex space properties have asking rents in the range of \$5-7 NNN. As of now, no flex spaces are either under construction or proposed other than the Cornerstone Business Park. *Industrial flex space is generally at least 25% office space with ceiling heights in the 14-16' range and multiple tenants per building. Flex buildings are listed as a different industrial category because of their versatility. Flex spaces can generally be used for warehouse purposes, office space, showroom retail sales, manufacturing or research and development (R&D). The warehouse space is typically non-air conditioned and has office or showroom space that is air conditioned. Rental rates are generally quoted as triple net.*



NORTHEAST

44 BUILDINGS
9.1% VACANCY
\$10.18 PER SF
643,447 SF

NORTHWEST

4 BUILDINGS
26% VACANCY
\$10.58 PER SF
51,620 SF

SOUTHEAST

10 BUILDINGS
26.3% VACANCY
\$8.74 PER SF
197,769 SF

SOUTHWEST

12 BUILDINGS
11% VACANCY
\$9.93 PER SF
164,453 SF