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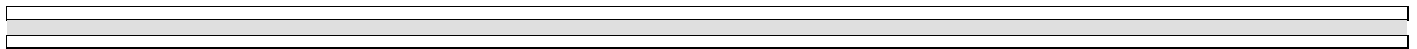
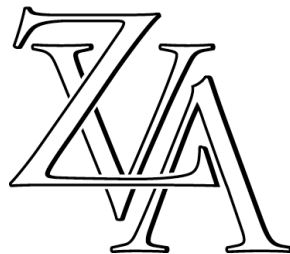
Residential Market Potential

Downtown Wichita

City of Wichita
Sedgwick County, Kansas

July, 2021

Conducted by
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Residential Market Analysis Across the Urban-to-Rural Transect

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AN UPDATE OF RESIDENTIAL MARKET POTENTIAL

Downtown Wichita
City of Wichita, Sedgwick County, Kansas

July, 2021

INTRODUCTION

Zimmerman/Volk Associates has been engaged to update the market potential and optimum market position for newly-introduced rental and for-sale housing units that could be developed within Downtown Wichita, Kansas. The original Downtown study was published in January, 2010; the first update followed in June, 2014; the second update was published in July, 2018. For the purposes of this update, the neighborhoods included within the Downtown remain the same as those outlined in 2010 and 2014, and encompass the Government Center, Renaissance Square, Old Town, the Arena Neighborhood, WaterWalk, Century II, and the West Bank—and includes portions of several others—Historic Midtown, McAdams, Central Northeast, the Douglas Design District, South Central, and Delano. Downtown Wichita covers the general area bounded by Murdock Street in the north, Washington Street in the east, Interstate 54 in the south, and Sycamore Street in the west.

The optimum market position for new housing units in Downtown Wichita has been derived from: the housing preferences, financial capacities, and lifestyle characteristics of the target households; the Downtown's location, visibility and physical attributes; the rental and for-sale housing market context in the Downtown market area; and Zimmerman/Volk Associates' extensive experience with downtown development and redevelopment.

As in previous Downtown analyses, the extent and characteristics of the potential market for new housing units that could be developed within the Downtown were identified using Zimmerman/Volk Associates' proprietary target market methodology, described in detail in the METHODOLOGY document, provided separately.

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This update re-examined the following:

- Where the potential renters and buyers of new and existing housing units in the City of Wichita are likely to move from (the draw areas);
- How many households have the potential to move to the Downtown each year (depth and breadth of the market);
- What their housing preferences are in aggregate (rental or ownership, multi-family or single-family);
- Who they are and what they are like (the target markets);
- What their current housing alternatives are (relevant rental and for-sale development);
- What are the rents and prices of new units that could be developed within the Downtown that correspond to target household financial capabilities (optimum market position); and
- How quickly the new units will lease or sell (absorption forecasts).

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CITY-WIDE AVERAGE ANNUAL MARKET POTENTIAL

An update of migration, mobility and geo-demographic characteristics of households currently living within defined draw areas is integral to the determination of the depth and breadth of the potential market for new housing units within the City of Wichita and the Downtown.

An understanding of these mobility trends, as well as the socio-economic and lifestyle characteristics of households currently living within defined draw areas, is the first step in the update. The draw areas are derived primarily through household migration analysis (using the latest taxpayer data provided by the Internal Revenue Service). To refine the draw area for the city, the IRS migration data have been supplemented by population migration and mobility data for the City of Wichita from the most recent American Community Survey.

Where are the potential renters and buyers of new and existing housing units in the City of Wichita likely to move from?

The most recent Sedgwick County migration and mobility data—from taxpayer records compiled by the Internal Revenue Service from 2013 through 2017—and the 2019 American Community Survey for the City of Wichita shows that the draw areas for new and existing housing units in the city are essentially unchanged and include the following:

- The primary draw area, covering households moving within the Wichita city limits.
- The county draw area, covering households with the potential to move to the City of Wichita from the balance of Sedgwick County.
- The regional draw area, covering households with the potential to move to the City of Wichita from Butler, Sumner, Reno and Harvey Counties.
- The national draw area, covering households with the potential to move to the City of Wichita from all other U.S. cities and counties, particularly Midwestern and Southwestern U.S. counties.

As updated from the migration and mobility analyses, then, the distribution of the draw areas as a percentage of the annual potential market for new and existing housing units in the City of Wichita each year over the next five years is shown on the table following this page:

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Average Annual Market Potential by Draw Area
City of Wichita, Sedgwick County, Kansas

City of Wichita (Primary Draw Area):	68.0%
Balance of Sedgwick County (Local Draw Area):	7.8%
Butler, Sumner, Reno, and Harvey Counties (Regional Draw Area):	4.6%
Balance of US (National Draw Area):	<u>19.6%</u>
Total:	100.0%

SOURCE: Zimmerman/Volk Associates, Inc., 2021.

As updated by the target market methodology, which accounts for household mobility within the City of Wichita, as well as migration and mobility patterns for households currently living in all other cities and counties, an annual average of 29,635 households of all incomes represent the potential market for new and existing housing units within the city each year over the next five years—an increase of nearly 5,000 households from the 24,755 households of all incomes in 2018.

Due to increases in local mobility over the past three years, the City of Wichita now accounts for 68 percent of the average annual market potential, up from 63.4 percent in 2018; the balance of Sedgwick County now represents almost eight percent of annual market potential, up from 6.5 percent. Household in-migration to Wichita from the regional draw area counties and the balance of the U.S. has declined slightly, in both share and number. The regional draw area now comprises 4.6 percent of the annual potential, down from 5.7 percent, and the national draw area has declined from a share of 24.4 percent in 2018 to 19.6 percent in 2021.

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AVERAGE ANNUAL MARKET POTENTIAL FOR DOWNTOWN WICHITA

Where are the potential renters and buyers of new and existing housing units in Downtown Wichita likely to move from?

As in the previous studies, the target market methodology identifies those households that prefer living in downtowns and walkable urban neighborhoods. After discounting for those segments of the city's potential market that have preferences for suburban and/or rural locations, and focusing on those households with annual incomes above \$35,000, the distribution of draw area market potential for new and existing units within the Downtown Wichita Study Area each year over the next five years is updated as follows:

Average Annual Market Potential by Draw Area	
DOWNTOWN WICHITA	
<i>City of Wichita, Sedgwick County, Kansas</i>	
City of Wichita (Primary Draw Area):	68.5%
Balance of Sedgwick County (Local Draw Area):	3.6%
Butler, Sumner, Reno, and Harvey Counties (Regional Draw Area):	1.9%
Balance of US (National Draw Area):	<u>26.0%</u>
Total:	100.0%

SOURCE: Zimmerman/Volk Associates, Inc., 2021.

Based on the updated target market analysis, then, an annual average of 7,140 younger singles and couples, empty nesters and retirees, and compact families with incomes over \$35,000 per year represent the annual potential market for new and existing housing units of every kind within the Downtown each year over the next five years (*see Table 1 following the text*), an annual average increase of nearly 900 households over 2018. Over the next five years, households moving from elsewhere in the city and from Sedgwick County will represent a larger proportion of market potential for housing in the Downtown—from a combined 72.1 percent in 2021 compared to 69.8 percent in 2018.

What are their housing preferences in aggregate?

The updated tenure (rental or ownership) preferences of these 7,140 draw area households indicate that preferences for new rental housing have increased significantly, rising from approximately 48.8 percent of these households in 2018 to 53.7 percent in 2021 (or from 3,048 households to 3,834 households). The remaining 46.3 percent (down from 51.2 percent in 2018) comprise the market

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for new and existing for-sale (ownership) housing units; although the share has declined, there has been a slight increase in the number of potential ownership households, from 3,202 households in 2018 to 3,306 households in 2021 and over the next five years.

The combined tenure and housing type propensities of the target 7,140 renter and owner households are outlined on the following table (*see again Table 1 following the text*):

Tenure/Housing Type Propensities Average Annual Market Potential New and Existing Housing Units Households With Annual Incomes Above \$35,000 DOWNTOWN WICHITA <i>City of Wichita, Sedgwick County, Kansas</i>		
HOUSING TYPE	NUMBER OF HOUSEHOLDS	PERCENT OF TOTAL
Multi-family for-rent (lofts/apartments, leaseholder)	3,834	53.7%
Multi-family for-sale (lofts/apartments, condo/co-op ownership)	643	9.0%
Single-family attached for-sale (townhouses/live-work, fee-simple/ condominium ownership)	834	11.7%
Single-family detached for-sale (houses, fee-simple ownership)	<u>1,829</u>	<u>25.6%</u>
Total	7,140	100.0%

SOURCE: Zimmerman/Volk Associates, Inc., 2021.

Nationally, as in Wichita, market propensities for higher-density urban housing, particularly multi-family rental, have been increasing over the past two decades. In Wichita, approximately 54 percent of the 7,140 target households comprise the market for rental dwelling units. An increasing percentage are renters by choice; many, however, would prefer to own but cannot afford the type of housing they want in neighborhoods where they would consider living. Since the Great Recession, younger people in particular have been challenged by the difficulties of finding work that pays well; some have the additional burden of significant education debt, and many lack an adequate down payment. The pandemic has only accelerated this trend.

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Excluding households with preferences for single-family houses, an annual average market potential of 5,311 households currently living in the defined draw areas represents the core market for new housing units within Downtown Wichita each year over the next five years (*see again* Table 1).

Based on the tenure and housing preferences of these 5,311 draw area households, the distribution of rental multi-family, for-sale multi-family, and for-sale single-family attached housing types is shown on the following table:

Average Annual Market Potential
 Higher-Density Housing Types
 New and Existing Housing Units
 Households With Annual Incomes Above \$35,000
 DOWNTOWN WICHITA
 City of Wichita, Sedgwick County, Kansas

HOUSING TYPE HOUSEHOLDS	
	NUMBER	PERCENT
Multi-family for-rent (lofts/apartments, leaseholder)	3,834	72.2%
Multi-family for-sale (lofts/apartments, condo/co-op ownership)	643	12.1%
Single-family attached for-sale (townhouses/live-work, fee-simple/ condominium ownership)	<u>834</u>	<u>15.7%</u>
Total	5,311	100.0%

SOURCE: Zimmerman/Volk Associates, Inc., 2021.

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TARGET MARKET ANALYSIS

Who are the households that represent the potential market for new and existing units in Downtown Wichita?

More than a decade later, the aftermath of the housing crash continues to reverberate throughout the housing market, evidenced by significant changes in market preferences from single-use subdivisions in exurban locations to mixed-use, walkable development, particularly in downtowns and in-town neighborhoods. The preference for urban living evidenced by both younger and older one- and two-person households has been a primary force in downtown redevelopment across the country, and continues despite popular press articles to the contrary that cite anecdotal pandemic-induced moves out of cities. Although this trend was notable at the onset of the pandemic, significant numbers of households who had left their neighborhoods have now returned, and as the coronavirus becomes more controlled, urban occupancies have begun to resume pre-pandemic levels. At the same time, family households in the Millennial generation have begun to purchase housing. This, in part, has contributed to rising single-family detached home sales across the country and in Wichita, reducing inventory—particularly in the walkable neighborhoods favored by younger households—and increasing pressure on home values. The resulting continued decline in housing affordability has led many buyers to compromise neighborhood preferences in their purchase decisions.

As updated by the target market analysis, the general market segments, by lifestage, that represent the potential market for new and existing housing units in Downtown Wichita are as follows (*see also Table 2 following the text*):

Annual Market Potential By Lifestage And Housing Type Households With Annual Incomes Above \$35,000 DOWNTOWN WICHITA City of Wichita, Sedgwick County, Kansas

HOUSEHOLD TYPE	PERCENT OF TOTAL	... MULTI-FAMILY ...		SINGLE-FAMILY ATTACHED
		FOR-RENT	FOR-SALE	
Empty-Nesters & Retirees	16%	11%	30%	30%
Traditional & Non-Traditional Families	8%	7%	8%	12%
Younger Singles & Couples	<u>76%</u>	<u>82%</u>	<u>62%</u>	<u>58%</u>
Total	100%	100%	100%	100%

SOURCE: Zimmerman/Volk Associates, Inc., 2021.

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Younger singles and couples now represent more than three-quarters of the market for new dwelling units in the Downtown, 76 percent compared to 74 percent in 2018. Younger households now hold a majority of each housing type—approximately 82 percent of the rental market, 62 percent of the condominium market, and 58 percent of the single-family attached (townhouse) market. These one- and two-person households range from young professionals, office and retail workers, knowledge workers, to students and other young college- and hospital-related employees.

Approximately two-thirds of the younger singles and couples that comprise the target markets for Downtown Wichita have incomes between \$35,000 and \$50,000 per year. Many of these households work in part-time or lower-paying jobs, including entry-level retail, such as store clerks, and service occupations, such as waiters and waitresses; many are students.

Over 29 percent of the households in this market segment have incomes that fall within approximately \$50,000 to \$90,000 per year. These include young artists and artisans, recent college graduates on a career path, lower-level medical personnel, and general office workers who have full-time employment.

The remaining 6.8 percent of the younger singles and couples have incomes that are above \$90,000 per year. These younger households are mid- and upper-level office workers; college and hospital affiliates; and an increasing percentage are engaged in a variety of entrepreneurial ventures.

Approximately 73.5 percent of the younger singles and couples that represent the market for new and existing housing units in the Downtown would be moving from elsewhere in the city; three percent would be moving from the balance of Sedgwick County and from the region; and approximately 23.5 percent would be moving from elsewhere in the United States.

At 16 percent of the annual potential market for new and existing housing units in the Downtown, older households (empty nesters and retirees) represent the second largest share of the market. Most of these households have adult children who no longer live in the family home; many are enthusiastic participants in community life and are still actively involved in well-paying careers in the banking, legal and medical professions. Older households now represent approximately 11 percent of the Downtown rental market, and 30 percent of both the Downtown condominium and townhouse markets.

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In this general market segment, approximately 22 percent have incomes between \$30,000 and \$50,000 per year—older singles and couples, many of whom are living on fixed incomes, mostly from social security and small pensions. Most of them are currently living in older housing, although with sufficient savings to enable them to purchase affordably-priced new housing.

Another 63 percent of the older target households have incomes between \$50,000 and \$90,000 per year. These households will often move to dwelling units that require less upkeep and maintenance expense, but if given appropriate housing options, would choose to remain in their current neighborhoods.

Older households with annual incomes above \$90,000 comprise nearly 15 percent of the target empty nester and retiree market segment. These older singles and couples are enthusiastic participants in community life, and most are still actively involved in well-paying careers in the medical, legal, and financial professions as well as academia.

More than 54 percent of the empty nesters and retirees would be moving from elsewhere within the City of Wichita; 9.8 percent would be moving from the balance of Sedgwick County; 4.3 percent currently live in one of the counties in the regional draw area; and the remaining 31.5 percent would be moving from elsewhere in the U.S.

Family-oriented households represent just eight percent of the market for new and existing dwelling units in the Downtown, down from nine percent in 2018. Households with children are now increasingly diverse and in many urban areas are largely non-traditional families. Heads of these households range from teachers, policemen, firemen, or public service employees to professionals in the financial and legal sectors.

Slightly less than 60 percent of the family-oriented households that represent the target households for Downtown housing have incomes between \$50,000 and \$75,000 per year. A significant number of the heads of household in these family groups are manufacturing and blue-collar workers; the remainder hold office jobs.

The remaining 40 percent of the traditional and non-traditional families have incomes above \$75,000 per year (of which 16 percent have annual incomes exceeding \$90,000). These households

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are, in large part, dual-income households, with medical careers, academic positions, middle- to upper-middle management jobs, and professionals in the financial and legal sectors.

Nearly 62 percent of the family households are already living in the City of Wichita; just under six percent live in the balance of Sedgwick County and the regional draw area; and just under a third would be moving from elsewhere in the U.S.

APPENDIX THREE, TARGET MARKET DESCRIPTIONS, contains detailed descriptions of each of these target market groups and is provided in a separate document. The METHODOLOGY, APPENDIX TWO AND THREE, TARGET MARKET TABLES document describes how the target market groups for the Downtown have been determined.

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THE CURRENT CONTEXT

What are their current housing alternatives?

Summary supply-side information for the Downtown Wichita market area (covering 25 multi-family rental properties) is provided in tabular form following the text: Table 3, Summary of Selected Rental Properties.

For-sale housing is rarely available in Downtown. Only two units were on the market in July, 2021: a one-bedroom/one-and-a-half bath, 1,238-square-foot condominium at the St. Francis in Downtown listed for \$250,000 (\$202 per square foot), and a one-bedroom/one-and-a-half bath, 2,138-square-foot unit at The Rumley in Old Town priced at \$299,000 (\$140 per square foot). Both units have been on the market for less than 10 weeks.

Redfin's Walk Score has been included with each property listing. Although Walk Score measures only distance, and metrics such as intersection density and block lengths to grade the walkability of a specific address or neighborhood, it has grown in importance as a value criterion. Walk Scores above 90 indicate a "Walker's Paradise," where daily errands do not require a car. Walk Scores between 70 and 90 are considered to be very walkable, where most errands can be accomplished on foot, and Walk Scores between 50 and 69 are regarded as somewhat walkable, where some errands can be accomplished on foot. Walk Scores below 50 indicate that most or almost all errands require an automobile.

The impact on housing values of walkability as calculated by Walk Score only begins to be measurable when Walk Scores reach 70 or above; and only seven of the 25 properties surveyed in and around Downtown have Walk Scores below that level. Nine of the Downtown properties have Walk Scores above 70, very walkable, and three properties have scores in the 80s—The Lux (86), 250 Douglas Place (85), and Corner 365 (84).

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—*Multi-Family Rental Properties*—

Table 3 provides detailed information on the 26 surveyed rental properties and is summarized below.

—*Studios/Lofts (12 properties)*—

- Rents for studios/lofts range between \$625 per month at The Renfro, located on East Douglas Avenue to \$1,105 per month for a one-bath loft at 250 Douglas Place on West Douglas Avenue.
- Studios/lofts contain between 352 square feet at The Renfro and 1,254 square feet at Eaton Place, also on East Douglas Avenue.
- The studio/loft rents per square foot range between \$1.00 at Pinnacle Lofts on West Central Avenue and \$2.52 at 225 Sycamore on North Sycamore Street.

—*One-Bedroom Units (26 properties)*—

- Rents for one-bedroom apartments range from \$565 per month at the Harvester Lofts on North Rock Island to \$2,239 per month for a one-bedroom unit with one-and-a-half baths at the newly-opened 225 Sycamore.
- One-bedroom units range in size from 400 square feet at Old Town Apartments on East Douglas Avenue to 1,720 square feet at a one-bedroom/one-and-a-half-bath unit at Rock Island Lofts on North Rock Island.
- One-bedroom rents per square foot range between \$0.67 at the older property, Innes Station on East First Street, to \$2.47 at 225 Sycamore.

—*Two-Bedroom Units (21 properties)*—

- Rents for two-bedroom, one-, one-and-a-half, or two-bathroom units range from \$745 per month for a two-bedroom/one-and-a-half bath apartment at Harvester Lofts, to \$2,981 per month for a two-bedroom/two-bath apartment at 225 Sycamore.
- Two-bedroom units range in size from 736 square feet for a two-bedroom/one-bath at The Renfro, to 1,905 square feet at Innes Station (two bedrooms/one bath).

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- Two-bedroom rents per square foot fall between \$0.75 at Harvester Lofts and \$2.64 at The Lux on East First Street.

—*Three-Bedroom Units (3 properties)*—

- Three-bedroom apartments are only offered at The Lux, with rental rates ranging between \$2,000 and \$2,200 per month and ReNew Wichita on East Douglas Street, with rents over \$2,800 per month. The Flats 324 also has three-bedroom units, but they are available only as nightly accommodations.
- Three-bedroom apartments at The Lux contain between 1,275 and 1,866 square feet, and between 1,307 and 1,328 square feet at ReNew Wichita.
- Three-bedroom rents per square foot range between \$1.18 and \$1.73 at The Lux, over \$2.15 at ReNew Wichita.

The newest property, 225 Sycamore located on the west side of the Arkansas River from the core Downtown in the Delano neighborhood, also has a four-bedroom/two-bath model containing 1,458 square feet, with a monthly rent of \$2,795 (\$1.92 per square foot). Nearly all of the larger properties provide a range of community amenities, typically fitness centers, clubhouses or residents' lounges, and business centers.

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OPTIMUM MARKET POSITION: DOWNTOWN WICHITA

What are the rents and prices that correspond to target household financial capabilities?

The rents and price points for the market-rate component of new rental housing units that could be developed in the Downtown are derived from the financial capabilities of those target households with annual incomes starting at \$35,000 for a single-person household, and approximately \$50,000 for households with two or more persons. For new market-rate for-sale housing units, the target households will likely have higher incomes, starting at \$50,000 for a single-person household to \$90,000 and more for households with two or more persons.

The analysis is therefore focusing on those renter households with annual incomes at or above \$35,000 and those buyer households with incomes at or above \$50,000 per year; the combined housing preferences by tenure and by income of the those target households are shown on the following table (*see also Tables 4 through 6 following the text*):

Average Annual Market Potential
 Higher-Density Housing Types
 New and Existing Housing Units
 Renter Households With Annual Incomes Above \$35,000
 Owner Households With Annual Incomes Above \$50,000

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HOUSING TYPE HOUSEHOLDS	
	NUMBER	PERCENT
Multi-family for-rent (lofts/apartments, leaseholder)	3,834	84.3%
Multi-family for-sale (lofts/apartments, condo/co-op ownership)	338	7.4%
Single-family attached for-sale (townhouses/live-work, fee-simple/ condominium ownership)	<u>379</u>	<u>8.3%</u>
Total	4,551	100.0%

SOURCE: Zimmerman/Volk Associates, Inc., 2021.

Supportable rent and price ranges have been established through income and wealth analysis as detailed on the following tables.

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—Multi-Family For-Rent Distribution by Rent Range—

An annual average of 3,834 households with incomes at or above \$35,000 per year represent the target markets for newly-constructed rental housing units within Downtown Wichita (*as shown on Table 4 following the text*). Supportable rent ranges have been calculated to require no more than 25 to 30 percent of the monthly gross incomes of those 3,834 households, yielding the distribution shown on the following table:

New Multi-Family For-Rent
Distribution by Rent Range
Households With Annual Incomes Above \$35,000
DOWNTOWN WICHITA
City of Wichita, Sedgwick County, Kansas

MONTHLY RENT RANGE	HOUSEHOLDS PER YEAR	PERCENTAGE
\$750–\$1,000	1,027	26.8%
\$1,000–\$1,250	920	24.0%
\$1,250–\$1,500	653	17.0%
\$1,500–\$1,750	580	15.1%
\$1,750–\$2,000	314	8.2%
\$2,000–\$2,250	192	5.0%
\$2,250–\$2,500	106	2.8%
\$2,500 and up	<u>42</u>	<u>1.1%</u>
Total:	3,834	100.0%

SOURCE: Zimmerman/Volk Associates, Inc., 2021.

- The largest group of target renters are younger singles and couples, at nearly 83 percent of the market for new rental units within the Downtown. Just under seven percent have careers that provide them with the financial capacity to afford rents at or above \$2,000 per month, primarily *New Power Couples* and *New Bohemians*. Another 36 percent of the younger singles and couples represent the market for units with rents between \$1,250 and \$2,000 per month—*Cosmopolitan Elite*, *The VIPs*, and the *Fast-Track Professionals*. The remaining 57.3 percent would be able to support rents between \$750 and \$1,250 per month—the *Suburban Achievers*, *Suburban Strivers*, *Small-City Singles*, and *Twentysomethings*.
- Empty nesters and retirees represent 10.6 percent of the market for new rental units within the Downtown. Just under 21 percent of the targeted empty nester and retiree market—*The One Percenters*, *Old Money*, *The Social Register*, *Small-Town Patriarchs* and *Urban*

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Establishment—have the incomes that enable them to support rents above \$2,000 per month. The majority, over 58 percent, are able to support rents between \$1,250 and \$2,000 per month—*Affluent Empty Nesters, Multi-Ethnic Empty Nesters, Cosmopolitan Couples, Pillars of the Community, New Empty Nesters, Traditional Couples, and Second-City Establishment*. The remaining 21 percent represent the market for new units with rents between \$750 and \$1,250 per month, predominantly *Mainstream Empty Nesters, Middle-American Retirees, Blue-Collar Retirees, and Middle-Class Move-Downs*.

- Traditional and non-traditional families make up the remaining 6.6 percent of the market for new rental units within the Downtown. Just over 17 percent of the family market can afford rents above \$2,000 per month (*Corporate Establishment, Nouveau Money, e-Type Families, and Button-Down Families*), and the majority, approximately two-thirds, can support rents between \$1,250 and \$2,000 per month (*Unibox Transferees, Fiber-Optic Families, Late-Nest Suburbanites, and Multi-Cultural Families*). The remaining 16.7 percent would be in the market for new units leasing for between \$750 and \$1,250 per month—*Multi-Ethnic Families and Uptown Families*.

—*Multi-Family For-Sale Distribution by Price Range*—

An annual average of 338 households with incomes above \$50,000 per year represent the target markets for newly-constructed for-sale multi-family housing units within the Downtown (*as shown on Table 5 following the text*). Supportable price points have been determined by assuming a down payment of 10 percent, an interest rate of four percent, and a monthly mortgage payment, excluding taxes and utilities, that does not exceed 25 percent of gross income for each of the 338 annual households with incomes above \$50,000 per year that represent the annual potential for-sale multi-family market, yielding the price distribution shown on the table following this page.

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July, 2021

New Multi-Family For-Sale
 Distribution by Price Range
 Households With Annual Incomes Above \$50,000
 DOWNTOWN WICHITA
 City of Wichita, Sedgwick County, Kansas

PRICE RANGE	HOUSEHOLDS PER YEAR	PERCENTAGE
\$200,000–\$250,000	57	16.8%
\$250,000–\$300,000	74	21.9%
\$300,000–\$350,000	76	22.5%
\$350,000–\$400,000	73	21.6%
\$400,000–\$450,000	29	8.6%
\$405,000–\$500,000	18	5.3%
\$500,000 and up	<u>11</u>	<u>3.3%</u>
Total:	338	100.0%

SOURCE: Zimmerman/Volk Associates, Inc., 2021.

- Empty nesters and retirees represent 46.4 percent of the market for new condominiums within the Downtown. Almost 22 percent of the empty nesters and retirees could afford new units priced over \$400,000, primarily the *One Percenters*, *Old Money*, *The Social Register*, *Small-Town Patriarchs*, and *Urban Establishment*. Another 47.8 percent would be in the market for new condominiums with base prices between \$300,000 and \$400,000, including *Affluent Empty Nesters*, *Multi-Ethnic Empty Nesters*, *Cosmopolitan Couples*, *Pillars of the Community*, and *New Empty Nesters*. The remaining 30.6 percent could only afford new condominiums priced between \$200,000 and \$300,000—*New Empty Nesters*, *Second-City Establishment*, *Mainstream Empty Nesters*, and *Middle-American Retirees*.
- Younger singles and couples comprise slightly more than 39 percent of the market for new for-sale multi-family units (condominiums) within Downtown Wichita. Just under 10 percent of the younger singles and couples, *New Power Couples* and *New Bohemians*, have the income and assets to purchase new condominiums with base prices over \$400,000. Just under 42 percent would be in the market for new units priced between \$300,000 and \$400,000 (*Cosmopolitan Elite* and the more affluent of *The VIPs*). Approximately 48.5 percent of this market segment (the somewhat less affluent of *The VIPs* and the *Fast-Track Professionals*) can only afford new condominiums with base prices between \$200,000 and \$300,000.
- Traditional and non-traditional families are the smallest market segment at 14.5 percent of the market for new condominiums in the Downtown. Over 23 percent, *Corporate*

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Establishment, Nouveau Money, e-Type Families, and Button-Down Families, have the income and assets to purchase new condominiums priced over \$400,000. Another 38.5 percent of the family households would be in the market for new condominiums with base prices between \$300,000 and \$400,000, *Unibox Transferees, Fiber Optic Families, and Late-Nest Suburbanites*. The same percentage—38.5 percent—could afford new units priced between \$200,000 and \$300,000—*Multi-Cultural Families, Multi-Ethnic Families, and Uptown Families*.

—Single-Family Attached For-Sale Distribution by Price Range—

An annual average of 379 households with incomes above \$50,000 per year represent the target markets for newly-constructed single-family attached housing units (rowhouses/townhouses) within Downtown Wichita (*as shown on Table 6 following the text*). As with the for-sale condominiums, supportable price points for the rowhouses and townhouses have been determined by assuming a down payment of 10 percent, an interest rate of four percent, and a monthly mortgage payment, excluding taxes and utilities, that does not exceed 25 percent of gross income for each of the 379 households that represent the annual potential rowhouse/townhouse market, yielding the distribution shown on the following table:

New Single-Family Attached For Sale
Distribution by Price Range
Households With Annual Incomes Above \$50,000
DOWNTOWN WICHITA
City of Wichita, Sedgwick County, Kansas

PRICE RANGE	HOUSEHOLDS PER YEAR	PERCENTAGE
\$200,000–\$250,000	61	16.1%
\$250,000–\$300,000	80	21.2%
\$300,000–\$350,000	79	20.8%
\$350,000–\$400,000	69	18.2%
\$400,000–\$450,000	46	12.1%
\$405,000–\$500,000	26	6.9%
\$500,000 and up	18	4.7%
Total:	379	100.0%

SOURCE: Zimmerman/Volk Associates, Inc., 2021.

- Again, the largest group of target buyers of rowhouses/townhouses are the empty nesters and retirees, at 46.7 percent of the market for new for-sale single-family attached units within

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Downtown Wichita. Just under 28 percent of the empty nesters and retirees represent the market for rowhouses/townhouses with base prices above \$400,000, including *The One Percenters*, *Old Money*, *The Social Register*, *Affluent Empty Nesters*, *Small-Town Patriarchs*, and *Urban Establishment*. A third—*Multi-Ethnic Empty Nesters*, *New Empty Nesters*, *Cosmopolitan Couples*, *Pillars of the Community*, and *Traditional Couples*—could afford to purchase rowhouses/townhouses with base prices ranging between \$300,000 and \$400,000. The remaining 39 percent are able to purchase units priced between \$200,000 and \$300,000—primarily the *Traditional Couples*, *Second-City Establishment*, *Mainstream Empty Nesters*, and *Middle-American Retirees*.

- At just over a 27 percent share, the next largest group of target buyers of rowhouses/townhouses in the Downtown is younger singles and couples. Just under 11 percent have the income and assets that enable them purchase new units priced above \$400,000—*New Power Couples* and *New Bohemians*. A plurality—46.6 percent—represent the market for new rowhouses/townhouses with base prices between \$300,000 and \$400,000, *Cosmopolitan Elite* and the more affluent *VIPs*. The remaining 42.7 percent of the targeted younger singles and couples market—the less affluent *VIPs* and *Fast-Track Professionals*—are able to purchase new rowhouses/townhouses with base prices between \$200,000 and \$300,000.
- Traditional and non-traditional families account for 26.1 percent of the market for new rowhouses/townhouses within the Downtown. Over 30 percent of the targeted traditional and non-traditional families market—primarily *Corporate Establishment*, *Nouveau Money*, *e-Type Families*, *Unibox Transferees*, and *Fiber-Optic Families*—have the income and assets that enable them to purchase new rowhouses/townhouses with base prices above \$400,000. More than 41 percent of the family market can afford base prices of new rowhouses/townhouses between \$300,000 and \$400,000 (*Late-Nest Suburbanites* and *Multi-Cultural Families*); and the remaining 28.3 percent can support base prices between \$200,000 and \$300,000 (*Multi-Ethnic Families*, and *Uptown Families*).

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—OPTIMUM MARKET POSITION: DOWNTOWN WICHITA—

*What are the rents and prices and unit sizes and configurations
the match target household preferences?*

As detailed in the preceding section, an annual average of 3,834 potential renters with incomes of \$35,000 or more per year, 338 potential condominium purchasers with incomes of \$50,000 or more per year, and 379 potential rowhouse/townhouse purchasers, also with incomes of \$50,000 or more per year, comprise the annual potential market for new rental and ownership housing units in Downtown Wichita over the next five years.

Realization of the full potential market potential of mixed-use development in the Downtown will depend on building a variety of unit and housing types covering a broad range of rent and price points. The target households will continue to have strong preferences for walkable neighborhoods with a variety of attractive destinations. Walk Scores registered by most of the residential properties in the Downtown show that walkability has a real impact on housing values. The increased number of residents living in additional housing units will make the Downtown even more attractive to retailers and office users.

The optimum market position for new housing in the Downtown has therefore been developed based on a variety of factors, including but not limited to:

- The tenure and housing preferences, financial capabilities, and lifestyles of the target households;
- The physical and locational characteristics of the Downtown; and
- Current market area residential market dynamics.

Based on these factors, the optimum market position for new rental and for-sale housing within Downtown Wichita is summarized on the table following this page (*see also Table 7 following the text for greater detail*).

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Optimum Market Position
 Renter Households With Annual Incomes Above \$35,000
 Buyer Households With Annual Incomes Above \$50,000
 DOWNTOWN WICHITA
 City of Wichita, Sedgwick County, Kansas

HOUSING TYPE	UNIT RENT/PRICE RANGE	UNIT SIZE RANGE	BASE RENT/PRICE PER SQ. FT.
MULTI-FAMILY FOR-RENT—84.3%			
Lofts	\$900 to \$1,700	450 to 950 sf	\$1.79 to \$2.00
Apartments	\$1,050 to \$1,800	500 to 1,000 sf	\$1.80 to \$2.10
Upscale Apartments	\$1,600 to \$3,000	700 to 1,500 sf	\$1.96 to \$2.29
MULTI-FAMILY FOR-SALE—7.4%			
Condominiums	\$200,000 to \$325,000	750 to 1,250 sf	\$260 to \$267
Upscale Condominiums	\$350,000 to \$475,000	1,200 to 1,750 sf	\$271 to \$292
SINGLE-FAMILY ATTACHED FOR-SALE—8.3%			
Rowhouses	\$295,000 to \$365,000	1,150 to 1,450 sf	\$252 to \$257
Townhouses	\$375,000 to \$500,000	1,350 to 2,000 sf	\$250 to \$278

SOURCE: Zimmerman/Volk Associates, Inc., 2021.

Based on the mix of unit types, sizes, and rents/prices outlined in the optimum market position, the weighted average rents and prices for each of the housing types are shown on the table following this page.

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Weighted Average Base Rents/Prices and Size Ranges
 Renter Households With Annual Incomes Above \$35,000
 Buyer Households With Annual Incomes Above \$50,000
 DOWNTOWN WICHITA
City of Wichita, Sedgwick County, Kansas

HOUSING TYPE	WEIGHTED AVERAGE BASE RENTS/PRICES	WEIGHTED AVERAGE UNIT SIZE	WEIGHTED AVERAGE BASE RENTS/PRICES PER SQ. FT.
MULTI-FAMILY FOR-RENT			
Lofts	\$1,230	665 sf	\$1.85 psf
Apartments	\$1,363	713 sf	\$1.91 psf
Upscale Apartments	\$1,955	940 sf	\$2.08 psf
Overall Weighted Averages:	\$1,415	734 sf	\$1.93 psf
MULTI-FAMILY FOR-SALE			
Lofts	\$253,250	960 sf	\$264 psf
Upscale Condominiums	\$394,500	1,403 sf	\$281 psf
Overall Weighted Averages:	\$309,666	1,137 sf	\$272 psf
SINGLE-FAMILY ATTACHED FOR-SALE			
Rowhouses	\$323,000	1,270 sf	\$254 psf
Townhouses	\$413,750	1,558 sf	\$266 psf
Overall Weighted Averages:	\$359,875	1,387 sf	\$259 psf

SOURCE: Zimmerman/Volk Associates, Inc., 2021.

The proposed rents and prices are in year 2021 dollars and are exclusive of location or floor premiums and consumer-added options or upgrades. Location will have a significant impact on values, bringing as much as a 10 percent premium on new properties located in the most walkable, amenity-laden areas.

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MARKET CAPTURE: DOWNTOWN WICHITA

How fast will the units lease or sell?

Based on 33 years' experience using the target market methodology in 47 states, Zimmerman/Volk Associates has developed and refined a capture rate methodology scaled to study area size and context. Zimmerman/Volk Associates has determined that, for a study area the size of Downtown Wichita, a capture rate of between 10 and 12 percent of the annual average number of potential renters and a capture rate of between 8.5 and 10 percent of the annual potential market for new multi-family for-sale and single-family attached for-sale units is supportable each year over the next five years, assuming the production of appropriately-positioned new housing.

Based on these capture rates, annual average absorption of new housing units in Downtown Wichita is forecast as follows (see again Table 7 for greater detail):

Annual Forecast Absorption			
Renter Households With Annual Incomes Above \$35,000			
Buyer Households With Annual Incomes Above \$50,000			
DOWNTOWN WICHITA			
<i>City of Wichita, Sedgwick County, Kansas</i>			
HOUSING TYPE	NUMBER OF HOUSEHOLDS	ANNUAL UNITS ABSORBED	CAPTURE RATES
Multi-family for-rent	3,834	383 - 460	10 – 12%
Multi-family for-sale	338	28 - 34	8.5 – 10%
Single-family attached for-sale	<u>379</u>	<u>32 - 38</u>	8.5 – 10%
Total	4,551	443 - 532 units	

SOURCE: Zimmerman/Volk Associates, Inc., 2021.

If new development could achieve these capture rates, between 443 and 532 new rental and for-sale housing units per year could be leased or sold in the Downtown over a five-year timeframe, or a five-year total of 2,215 to 2,660 new rental and for-sale housing units. However, new development in the Downtown since 2009 has been focused solely on new rental units, with no construction of for-sale units. In addition, the production of new rental housing has generally fallen short of the annual forecast absorption. It is possible, however, with the potential redevelopment of Century II and the area around it, new housing production will enable these forecasts.

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The impact of the Millennials on the for-sale market—both the childless one- and two-person households and those having reached full-nest lifestage—should not be ignored. The opportunity for condominiums and townhouses in Downtown Wichita continues to grow. While rental markets could be somewhat distorted by the impact of eviction moratoria, the for-sale market opportunity is clearly supported by limited supply.

New housing units, configured according to target market preferences, can not only attract new households to the Downtown and to the city, but can also provide appropriate alternatives to households that, due to a change in household composition or economic status, might otherwise have moved out.

The capture rates of the annual potential market used here fall within the target market methodology's parameters of feasibility.

NOTE: The target market capture rates of the potential purchaser or renter pool are a unique and highly-refined measure of feasibility. Target market capture rates are not equivalent to—and should not be confused with—penetration rates or traffic conversion rates.

The **target market capture rate** is derived by dividing the *annual* forecast absorption—in aggregate and by housing type—by the number of households that have the potential to purchase or rent new housing within a specified area *in a given year*.

The **penetration rate** is derived by dividing the *total* number of dwelling units planned for a property by the *total* number of draw area households, sometimes qualified by income.

The **traffic conversion rate** is derived by dividing the *total* number of buyers or renters by the *total* number of prospects that have visited a site.

Because the prospective market for a property or study area is more precisely defined using the residential target market methodology, a substantially smaller number of households are qualified; as a result, target market capture rates are higher than the more grossly-derived penetration rates. The resulting higher capture rates remain within the range of feasibility.

DOWNTOWN BUILDING AND UNIT TYPES

Building and unit types most appropriate for Downtown Wichita have not changed and include:

—MULTI-FAMILY BUILDINGS—

- Courtyard Apartment Building: In new construction, an urban-scale, pedestrian-oriented equivalent to conventional garden apartments. An urban courtyard building is at minimum three, and typically four or more stories, often combined with non-residential uses on the ground floor, or with a ground floor configured for later conversion from residential to retail use. The building should be built to the sidewalk edge and when the ground-floor serves a permanent residential use it should be elevated significantly above grade to provide privacy and a sense of security. Parking is either below grade, at grade behind or in a parking courtyard, or in an integral structure.
- Liner Building: An apartment building with apartments and/or lofts lining two to four sides of a multi-story parking structure. Units are typically served from a single-loaded corridor that often includes access to parking. Ground floors typically include a traditional apartment lobby and can also include maisonette apartments, retail or some combination of the two.
- Loft Apartment Building: Either adaptive re-use of older warehouse or manufacturing buildings or a new-construction building type inspired by those buildings. The new-construction version is usually elevator-served with double-loaded corridors.
- Mansion Apartment Building: A two- to three-story flexible-use structure with a street façade resembling a large detached or attached house (hence, “mansion”). The attached version of the mansion, typically built to a sidewalk on the front lot line, is most appropriate for downtown locations. Because of the small number of units, mansion buildings are particularly well-suited to condominium development since meeting pre-sales financing requirements is less challenging. The mansion building can also accommodate a variety of uses—from apartments, professional offices, any of these uses over ground-floor retail, a bed and breakfast inn, or a large single-family detached house—and its physical structure complements other buildings within a neighborhood.

Parking behind the mansion buildings can be either alley-loaded, or front-loaded served by shared drives. The form of the parking can be in open lots, in garages with units above, or integral to the building.

Mansion buildings should be strictly regulated in form, but flexible in use. However, flexibility in use is somewhat constrained by the handicapped accessibility regulations in both the Fair Housing Act and the Americans with Disabilities Act.

- Mixed-Use Building: A pedestrian-oriented building, either attached or free-standing, with apartments and/or offices over flexible ground floor uses that can range from retail to office to residential.
- Podium Building: A small-scale apartment building construction type with two or more stories of stick-frame residential units (lofts or apartments) built over a single level of above-grade structured parking, usually constructed with reinforced concrete. With a well-conceived street pattern, a podium building can include ground-level non-residential uses lining one or more sides of the parking deck.

—MULTI-FAMILY UNIT TYPES—

- Apartments: More conventionally-finished single-level units, typically with completely-partitioned rooms. Trim, interior doors, kitchens and baths are often fitted out with higher-end finishes and fixtures than in lofts.
- Lofts: Unit interiors typically have high ceilings, are fully finished and partitioned into individual bedrooms. Units may also contain architectural elements reminiscent of hard lofts, such as exposed ceiling beams and ductwork, concrete floors and industrial finishes, particularly if the building is an adaptive re-use of an existing industrial structure.
- Mezzanine lofts: Lofts with an additional half level, the mezzanine, that typically occur only on the uppermost full floor of a multi-family building. The main double-height space—with at least 16-foot ceilings—should have large, two-story windows. The kitchen and often a half bath are on the main level, at least one full bath is located on the mezzanine.

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—SINGLE-FAMILY ATTACHED—

- Rowhouses/Townhouses: Similar in form to a conventional suburban townhouse except that the garage—either attached or detached—is located to the rear of the unit and accessed from an alley or auto court. Unlike conventional townhouses, urban rowhouses/townhouses conform to the pattern of streets, typically with shallow front-yard setbacks. To provide privacy and a sense of security, the first floor should be elevated significantly above the sidewalk. The rowhouse, as distinct from the townhouse, typically has a uniform front façade and cornice height, and is often smaller in size.
- Duplexes: Two-unit townhouses with the garages—either attached or detached—located to the rear of the units. Like the rowhouses, urban duplexes conform to the pattern of streets, typically with shallow front-yard setbacks. In a corner location, duplex units can each front a different street.
- Live-work is a unit or building type that accommodates non-residential uses in addition to, or combined with living quarters. The typical live-work unit is a building, either attached or detached, with a principal dwelling unit that includes space that can be used as office, retail, or studio space, or as an accessory dwelling unit. Regardless of the form they take, live-work units should be flexible in order to respond to economic, social and technological changes over time and to accommodate as wide as possible a range of potential uses. The unit configuration must also comply with the requirements of the Fair Housing Amendments Act and the Americans with Disabilities Act.



Table 1

Average Annual Market Potential
 Distribution Of Annual Average Number Of Draw Area Households With The Potential
 To Move Within / To Downtown Wichita Each Year Over The Next Five Years
 Households With Incomes Of \$35,000 Or More Per Year

Downtown Wichita

City of Wichita, Sedgwick County, Kansas

*City of Wichita; Balance of Sedgwick County;
 Regional Draw Area; Balance of the U.S.
 Draw Areas*

Average Annual Number of Households
 With Potential To Rent/Purchase In The
 City of Wichita, Sedgwick County, Kansas 29,635

Average Annual Number of Target Households
 With Potential To Rent/Purchase In
 Downtown Wichita 5,311

Average Annual Market Potential

	<i>Multi- Family</i>		<i>Single- Family</i>		<u>Total</u>
			<i>.. Attached ..</i>	<i>.. Detached ..</i>	
	<u>For-Rent</u>	<u>For-Sale</u>	<u>For-Sale</u>	<u>For-Sale</u>	
Total Households:	3,834	643	834	1,829	7,140
<i>{Mix Distribution}:</i>	53.7%	9.0%	11.7%	25.6%	100.0%

**Average Annual Market Potential
 (Excluding Single-Family Detached)**

	<i>Multi- Family</i>		<i>Single- .. Family ..</i>	<u>Total</u>
			<i>.. Attached ..</i>	
	<u>For-Rent</u>	<u>For-Sale</u>	<u>For-Sale</u>	
Total Households:	3,834	643	834	5,311
<i>{Mix Distribution}:</i>	72.2%	12.1%	15.7%	100.0%

NOTE: Reference Appendix One, Tables 1 Through 11.

SOURCE: Claritas, Inc.
 Zimmerman/Volk Associates, Inc.

Table 2

Average Annual Potential Market By Lifestage And Housing Types
 Distribution Of Annual Average Number Of Draw Area Households With The Potential
 To Move Within /To Downtown Wichita Each Year Over The Next Five Years
 Households With Incomes Of \$35,000 Or More Per Year

Downtown Wichita

City of Wichita, Sedgwick County, Kansas

Number of Households:	Total	Multi- Family		Single- .. Family ..
		For-Rent	For-Sale	.. Attached .. For-Sale
	5,311	3,834	643	834
Empty Nesters & Retirees	16%	11%	30%	30%
Traditional & Non-Traditional Families	8%	7%	8%	12%
Younger Singles & Couples	76%	82%	62%	58%
	100%	100%	100%	100%

SOURCE: Claritas, Inc.
 Zimmerman/Volk Associates, Inc.

Summary of Selected Rental Properties

Downtown Wichita, Sedgwick County, Kansas

June, 2021

<i>Property (Date Opened) Address</i>	<i>Number of Units</i>	<i>Unit Type</i>	<i>Reported Unit Size</i>	<i>Reported Base Rent (2021)</i>	<i>Rent per per sf (2021)</i>	<i>Reported Base Rent (2018)</i>	<i>Rent per per sf (2018)</i>	<i>Additional Information</i>
				<i>..... Post-2018</i>				
Old Town Apts <i>618-1/2 East Douglas Avenue</i> Walk Score: 74	10	1br/1ba	400 550	\$550 \$800	to to	\$1.45 \$1.38		100% Occupancy
Spaghetti Works (2019) <i>619 East William Street</i> Walk Score: 73	41	Studio/1ba 1br/1ba 2br/2ba	445 576 641 940	\$750 \$1,100 \$1,200 \$1,495	to to to	\$1.69 \$1.91 \$1.87 \$1.59		100% Occupancy <i>Adaptive re-use.</i>
225 Sycamore (2021) <i>225 North Sycamore Street</i> Walk Score: 58	203	Studio/1ba 1br/1ba 1br/1.5ba 1br/1.5ba/office 2br/2ba 4br/2ba	448 565 651 794 834 1,097 1,153 999 1,508 1,458	\$995 \$1,423 \$1,386 \$1,964 \$1,636 \$2,239 \$1,886 \$2,239 \$1,982 \$2,981 \$2,795	to to to to to to to to to	\$2.22 \$2.52 \$2.13 \$2.47 \$1.96 \$2.04 \$1.64 \$1.94 \$1.98		Pre-leasing <i>New construction</i> <i>Smart thermostats.</i> <i>Pool w/lap lane, deck;</i> <i>indoor/outdoor lounge;</i> <i>fitness center;</i> <i>golf simulator; sauna;</i> <i>entertainment kitchen;</i> <i>bike storage; velo room;</i>

Summary of Selected Rental Properties

Downtown Wichita, Sedgwick County, Kansas

June, 2021

<i>Property (Date Opened) Address</i>	<i>Number of Units</i>	<i>Unit Type</i>	<i>Reported Unit Size</i>	<i>Reported Base Rent (2021)</i>	<i>Rent per per sf (2021)</i>	<i>Reported Base Rent (2018)</i>	<i>Rent per per sf (2018)</i>	<i>Additional Information</i>
<i>..... 2018 or Earlier</i>								
The Renfro (2012) 612 East Douglas Avenue Walk Score: 77	20	Studio/1ba	352	\$625 to	\$1.56 to	\$650	\$1.66 to	100% Occupancy Fitness Room
		1br/1ba	589	\$1,100	\$1.92		\$1.85	
		1br/1ba	549	\$825 to	\$1.31 to	\$750 to	\$1.27 to	
		2br/1ba	667	\$915	\$1.58	\$850	\$1.37	
		2br/1ba	736	\$950 to	\$1.29 to	\$925	\$1.26	
		Live-Work	962	\$1,000	\$1.36	\$950		
				\$1,050	\$1.09	\$1,000 to	\$1.28 to	
						\$1,500	\$1.49	
The Flats 324 Modern (2016) 324 North Emporia Walk Score: 62	73	Studio/1ba	450	\$650	\$1.44	\$650	\$1.44	95% Occupancy Bark park, dog wash, clubhouse, pool, fitness center.
		1br/1ba	668	\$760 to	\$1.14 to	\$700 to	\$1.05	
				\$ 1,200	\$1.80	\$750		
Pinnacle Lofts (2016) 429 West Central Avenue Walk Score: 12	70	Loft/1ba	650	\$649 to	\$1.00 to	\$795 to	\$1.16 to	94% Occupancy
				\$795	\$1.22		\$1.22	
		1br/1ba	650	\$795	\$1.22	\$795	\$1.22	
		2br/2ba	854	\$1,050	\$1.23	\$1,050	\$1.20 to	
							\$1.23	

Summary of Selected Rental Properties

Downtown Wichita, Sedgwick County, Kansas

June, 2021

<i>Property (Date Opened) Address</i>	<i>Number of Units</i>	<i>Unit Type</i>	<i>Reported Unit Size</i>	<i>Reported Base Rent (2021)</i>	<i>Rent per per sf (2021)</i>	<i>Reported Base Rent (2018)</i>	<i>Rent per per sf (2018)</i>	<i>Additional Information</i>
<i>..... 2018 or Earlier (continued)</i>								
The LUX (2014) 120 East First Street Walk Score: 86	86	Studio/1ba	369	\$650 to	\$1.58 to	\$735 to	\$1.39 to	98% Occupancy <i>LEED Silver</i> <i>Underground/Covered Parking, Rooftop Terraces, Fitness Center,</i> <i>Was "Prominence Apts" built in 50s</i>
			673	\$1,065	\$1.96	\$1,150	\$1.71	
		1br/1ba/loft	486	\$730 to	\$1.38 to			
			672	\$1,000	\$1.73			
		1br/1ba	652	\$900 to	\$1.12 to	\$940 to	\$1.01 to	
			872	\$1,250	\$1.63	\$1,250	\$1.39	
		2br/1ba	850					
			1,236					
		2br/2ba	986	\$1,650 to	\$1.31 to	\$1,150 to	\$1.07 to	
			1,356	\$2,600	\$2.64	\$1,450	\$1.32	
		3br/2ba	1,275	\$2,200	\$1.18 to	\$2,000 to	\$1.18 to	
			1,866		\$1.73	\$2,200	\$1.77	
Zelman Lofts (2011) 602 East Douglas Avenue Walk Score: 74	9	Studio/1ba	400	\$675	\$1.53 to	\$650	\$1.46 to	100% Occupancy
			462	\$715	\$1.75	\$675	\$1.63	
		1br/1ba	563	\$850	\$1.41 to	\$850	\$1.34 to	
			636	\$900	\$1.60	\$850	\$1.51	
ReNew Wichita (2016) 200 East Douglas Avenue Walk Score: 78	240	Studio/1ba	410	\$730 to	\$1.63 to	\$914 to	\$1.67 to	95% Occupancy <i>Adaptive re-use and new construction.</i> <i>Originally "The Douglas"</i>
			767	\$1,250	\$1.78	\$1,280	\$2.23	
		1br/1ba	664	\$1,195 to	\$1.80 to	\$889 to	\$2.21 to	
			900	\$1,935	\$2.15	\$1,990	\$1.34	
		1br/1.5ba	745			\$1,405 to	\$1.89 to	
			854			\$1,995	\$2.34	
		2br/2ba	913	\$1,580 to	\$1.73 to	\$1,565 to	\$1.71 to	
			1,213	\$2,605	\$2.15	\$2,655	\$2.19	
		3br/3ba	1,307			\$2,830 to	\$2.17	
			1,328			\$2,880		

SOURCE: Wichita Downtown Development Corporation;
Zimmerman/Volk Associates, Inc.

Summary of Selected Rental Properties

Downtown Wichita, Sedgwick County, Kansas

June, 2021

<i>Property (Date Opened) Address</i>	<i>Number of Units</i>	<i>Unit Type</i>	<i>Reported Unit Size</i>	<i>Reported Base Rent (2021)</i>	<i>Rent per per sf (2021)</i>	<i>Reported Base Rent (2018)</i>	<i>Rent per per sf (2018)</i>	<i>Additional Information</i>		
<i>..... 2018 or Earlier (continued)</i>										
Player Piano Lofts (2012) <i>704 East Douglas Avenue</i> Walk Score: 62	36	1br/1ba	410	\$740	to	\$1.20	to	100% Occupancy Fitness Room, Entertainment Room, W/D in each unit.		
			800	\$960	\$1.80	\$600	\$1.17			
		2br/1ba	770	\$1,170	to	\$1.45	to		\$1,175	\$1.50
			885	\$1,285	\$1.52	\$1,325	\$1.53			
Mosley Street Places (1996) <i>230 North Mosley Street</i> Walk Score: 62	24	1br/1ba	750	\$760	to	\$0.92	to	100% Occupancy		
			850	\$780	\$1.01	\$700	\$0.93			
		2br/1.5ba	960	\$980	to	\$1.02	to		\$950	\$0.99
					\$995	\$1.04				
Finn Lofts (2010) <i>430 South Commerce Street</i> Walk Score: 64	25	Studio/1ba	560	\$795	\$1.30	to	\$750	\$1.23	92% Occupancy Historic Building	
			610	\$995	\$1.42	\$995	\$1.34			
		1br/1ba	710	\$995	\$1.00	to	\$995	\$1.00		
			1,000	\$1,295	\$1.40	\$1,295	\$1.17			
			1,188	\$1,425	\$1.30	\$1,395	\$1.30			
Innes Station (1998) <i>701 East First Street</i> Walk Score: 63	80	1br/1ba	455	\$760	to	\$0.67	to	99% Occupancy Underground Parking		
			1,508	\$1,015	\$1.67	\$940	\$1.04			
		2br/1ba	975	\$1,079	to	\$0.71	to		\$975	\$0.82
			1,905	\$1,350	\$1.11	\$1,390	\$1.00			
The Flats 324 (2009) <i>324 North Emporia</i> Walk Score: 62	67	1br/1ba	710	\$865	\$0.96	to	\$775	\$1.19	97% Occupancy Bark park, dog wash, clubhouse, pool, fitness center.	
			1,172	\$1,125	\$1.22	\$1,400	\$1.46			
		2br/2ba	870	\$1,015	\$0.95	to	\$1,000	to		\$1.15
			1,400	\$1,350	\$1.17	\$1,600				
			1,890	\$1,800	to	\$0.95	to	\$1,850		\$0.98

SOURCE: Wichita Downtown Development Corporation;
Zimmerman/Volk Associates, Inc.

Summary of Selected Rental Properties

Downtown Wichita, Sedgwick County, Kansas

June, 2021

<i>Property (Date Opened) Address</i>	<i>Number of Units</i>	<i>Unit Type</i>	<i>Reported Unit Size</i>	<i>Reported Base Rent (2021)</i>	<i>Rent per per sf (2021)</i>	<i>Reported Base Rent (2018)</i>	<i>Rent per per sf (2018)</i>	<i>Additional Information</i>
<i>..... 2018 or Earlier (continued)</i>								
Broadway Autopark (2017) 303 South Broadway Walk Score: 54	44	1br/1ba	650 670	\$800 to \$890	\$1.23 to \$1.33	\$800 to \$1,000	\$1.23 to \$1.49	100% Occupancy <i>Converted parking garage.</i>
Colorado Derby Lofts (2018) 201 North Water Street Walk Score: 65	106	Studio/1ba 1br/1ba 2br/1ba 2br/2ba	475 455 1,669 810 983	\$845 \$805 to \$1,275 \$1,500 \$1,375	\$1.78 \$1.77 to \$1.77 \$1.85 \$1.40	\$820 \$780 to \$2,000 \$1,500 \$1,300 to \$1,320	\$1.73 \$1.20 to \$1.71 \$1.85 \$1.32 to \$1.34	100% Occupancy <i>Converted public school HQ.</i>
520 Commerce (2017) 520 South Commerce Street Walk Score: 59	24	1br/1ba 2br/1ba	631 848 1,227	\$875 to \$1,350 \$1,595	\$1.39 to \$1.59 \$1.30	\$950 to \$1,350 \$1,395	\$1.51 to \$1.59 \$1.14	100% Occupancy
Corner 365 (2014) 365 West First Street Walk Score: 84	36	1br/1ba 2br/2ba	700 1,000	\$915 \$1,075	\$1.31 \$1.08	\$840 \$995	\$ 1.20 \$ 1.00	94% Occupancy <i>New construction.</i>
Lofts at Old Town Square (2002) 331 North Rock Island Walk Score: 62	15	1br/1ba 2br/2.5ba	800 1,130 1,300 1,480	\$995 to \$1,395 \$1,430 to \$1,575	\$1.23 to \$1.24 \$1.06 to \$1.10	\$960 to \$1,380 \$1,350 to \$1,560	\$1.20 to \$1.22 \$1.05 to \$1.25	100% Occupancy <i>Underground Parking</i>

Summary of Selected Rental Properties

Downtown Wichita, Sedgwick County, Kansas

June, 2021

<i>Property (Date Opened) Address</i>	<i>Number of Units</i>	<i>Unit Type</i>	<i>Reported Unit Size</i>	<i>Reported Base Rent (2021)</i>	<i>Rent per per sf (2021)</i>	<i>Reported Base Rent (2018)</i>	<i>Rent per per sf (2018)</i>	<i>Additional Information</i>				
<i>..... 2018 or Earlier (continued)</i>												
River Vista (2018) <i>150 North McLean Boulevard</i> Walk Score: 55	203	1br/1ba	728	\$995	to	\$1.37	to	98% Occupancy <i>New construction.</i>				
			923	\$1,700	to	\$2.34	to		\$1,450	\$1.97		
		1br/1ba/den	728	\$1,250	to	\$1.46	to					
			923	\$1,350	to	\$1.72	to					
		2br/2ba	928	\$1,400	to	\$1.51	to		\$1,150	to	\$1.18	to
			1,040	\$1,700	to	\$1.63	to		\$3,500	to	\$3.58	to
2br/2ba (Loft)	1,047	\$1,700	to	\$1.62	to	\$1,150	to	\$1.10	to			
			1,210	\$2,350	to	\$1.94	to	\$3,500	to	\$2.89		
Eaton Place (2001) <i>517 East Douglas Avenue</i> Walk Score: 61	115	1br/1ba loft	764	\$1,000	to	\$1.12	to	\$975	to	92% Occupancy. <i>Historic Building.</i> <i>Fitness center,</i> <i>clubroom.</i>		
			1,254	\$1,400	to	\$1.31	to	\$1,300	to		\$1.28	
		1br/1ba	537	\$775	to	\$1.44	to	\$835	to		\$1.04	to
			942	\$1,000	to	\$1.06	to	\$980	to		\$1.55	to
		2br/1ba loft	1,000	\$1,300	to	\$1.30	to	\$900	to		\$1.01	to
		2br/1ba	888	\$1,300	to	\$1.24	to	\$1,100	to		\$1.05	to
	1,131	\$1,400	to	\$1.46	to	\$1,350	to	\$1.11	to			
	2br/2ba	995	\$1,200	to	\$1.09	to	\$1,100	to	\$1.23	to		
			1,285	\$1,400	to	\$1.21	to	\$1,350	to	\$1.10		
250 Douglas Place (2010) <i>250 West Douglas Avenue</i> Walk Score: 85	155	Loft/1ba	700	\$1,105	to	\$1.46	to	\$1,025	to	97% Occupancy <i>Former Holiday Inn</i> <i>Pool, club room,</i> <i>fitness center, business center,</i> <i>recreation deck.</i>		
			900	\$1,310	to	\$1.58	to	\$1,225	to		\$1.46	
		1br/1ba	613	\$885	to	\$1.41	to	\$810	to		\$1.32	to
			1,000	\$1,405	to	\$1.44	to	\$1,365	to		\$1.37	to
		1br/1.5ba	900	\$1,310	to	\$1.46	to	\$1,425	to		\$1.00	to
2br/2ba	1,432	\$1,520	to	\$1.06	to	\$1,425	to	\$1.00	to			

Summary of Selected Rental Properties

Downtown Wichita, Sedgwick County, Kansas

June, 2021

<i>Property (Date Opened) Address</i>	<i>Number of Units</i>	<i>Unit Type</i>	<i>Reported Unit Size</i>	<i>Reported Base Rent (2021)</i>	<i>Rent per per sf (2021)</i>	<i>Reported Base Rent (2018)</i>	<i>Rent per per sf (2018)</i>	<i>Additional Information</i>
<i>..... 2018 or Earlier (continued)</i>								
WaterWalk Wichita Apts (2014) <i>411 West Maple Street</i> Walk Score: 55	133	1br/1ba	550	\$1,149	\$2.09			
		3br/2ba	750	\$1,299	\$1.73			<i>New construction.</i>
		2br/2ba	950	\$1,599	\$1.68			
Commerce Street Lofts (2012) <i>414 & 416 South Commerce</i> Walk Score: 54	6	1br/2ba	1,700	\$1,300 to \$1,600	\$0.76 to \$0.94	\$1,300 \$1,600	\$ 0.76 to \$ 0.94	100% Occupancy
		2br/2ba	1,470	\$1,500	\$1.02	\$1,500	\$ 1.02	
Rock Island Lofts (2014) <i>143 N. Rock Island</i> Walk Score: 78	8	1br/1ba {Loft}	770	\$1,000 to \$1,850	\$1.30 to \$2.40	\$900 to \$1,000	\$1.17 to \$1.30	100% Occupancy
		1br/1.5ba {2-story}	1,415 1,720	\$1,750 to \$3,000	\$1.24 to \$1.74	\$1,400 to \$1,900	\$0.99 to \$1.10	
<i>..... Did not report in 2018</i>								
Harvester Lofts (1920:2004) <i>355 North Rock Island</i> Walk Score: 65	48	1br/1ba	720	\$565 to \$620	\$0.78 to \$0.86			100% Occupancy
		2br/1.5ba	1,000	\$745 to \$870	\$0.75 to \$0.87			<i>Historic Building Fitness Center</i>

**Target Groups For New Multi-Family For-Rent
Households With Incomes Of \$35,000 Or More Per Year
Downtown Wichita**

City of Wichita, Sedgwick County, Kansas

Empty Nesters & Retirees*	<i>Number of Households</i>	<i>Share of Households</i>
The One Percenters	3	0.1%
Old Money	2	0.1%
The Social Register	1	0.0%
Affluent Empty Nesters	3	0.1%
Small-Town Patriarchs	10	0.3%
Urban Establishment	32	0.8%
Multi-Ethnic Empty Nesters	9	0.2%
New Empty Nesters	12	0.3%
Cosmopolitan Couples	44	1.1%
Pillars of the Community	8	0.2%
Traditional Couples	8	0.2%
Second-City Establishment	10	0.3%
Mainstream Empty Nesters	97	2.5%
Middle-American Retirees	78	2.0%
Blue-Collar Retirees	71	1.9%
Middle-Class Move=Downs	18	0.5%
Subtotal:	406	10.6%
Traditional & Non-Traditional Families†		
Corporate Establishment	4	0.1%
Nouveau Money	7	0.2%
e-Type Families	3	0.1%
Button-Down Families	13	0.3%
Unibox Transferees	14	0.4%
Fiber-Optic Families	3	0.1%
Late-Nest Suburbanites	57	1.5%
Multi-Cultural Families	4	0.1%
Multi-Ethnic Families	35	0.9%
Uptown Families	112	2.9%
Subtotal:	252	6.6%

* Primarily one- and two-person households

† Primarily three- to five-person households.

SOURCE: Claritas, Inc.;
Zimmerman/Volk Associates, Inc.

**Target Groups For New Multi-Family For-Rent
Households With Incomes Of \$35,000 Or More Per Year
Downtown Wichita**

City of Wichita, Sedgwick County, Kansas

Younger Singles & Couples*	<i>Number of Households</i>	<i>Share of Households</i>
New Power Couples	12	0.3%
New Bohemians	178	4.6%
Cosmopolitan Elite	10	0.3%
The VIPs	343	8.9%
Fast-Track Professionals	447	11.7%
Suburban Achievers	256	6.7%
Suburban Strivers	842	22.0%
Small-City Singles	747	19.5%
Twentysomethings	341	8.9%
Subtotal:	3,176	82.8%
Total Households:	3,834	100.0%

* Primarily one- and two-person households

SOURCE: Claritas, Inc.;
Zimmerman/Volk Associates, Inc.

**Target Groups For New Multi-Family For-Sale
Households With Incomes Of \$50,000 Or More Per Year
Downtown Wichita**

City of Wichita, Sedgwick County, Kansas

Empty Nesters & Retirees*	<i>Number of Households</i>	<i>Share of Households</i>
The One Percenters	6	1.8%
Old Money	3	0.9%
The Social Register	1	0.3%
Affluent Empty Nesters	5	1.5%
Small-Town Patriarchs	10	3.0%
Urban Establishment	8	2.4%
Multi-Ethnic Empty Nesters	5	1.5%
New Empty Nesters	13	3.8%
Cosmopolitan Couples	3	0.9%
Pillars of the Community	8	2.4%
Traditional Couples	2	0.6%
Second-City Establishment	13	3.8%
Mainstream Empty Nesters	41	12.1%
Middle-American Retirees	39	11.5%
Subtotal:	157	46.4%
Traditional & Non-Traditional Families†		
Corporate Establishment	1	0.3%
Nouveau Money	2	0.6%
e-Type Families	1	0.3%
Button-Down Families	2	0.6%
Unibox Transferees	4	1.2%
Fiber-Optic Families	1	0.3%
Late-Nest Suburbanites	17	5.0%
Multi-Cultural Families	1	0.3%
Multi-Ethnic Families	3	0.9%
Uptown Families	17	5.0%
Subtotal:	49	14.5%

* Primarily one- and two-person households

† Primarily three- to five-person households.

SOURCE: Claritas, Inc.;
Zimmerman/Volk Associates, Inc.

**Target Groups For New Multi-Family For-Sale
Households With Incomes Of \$50,000 Or More Per Year**

Downtown Wichita

City of Wichita, Sedgwick County, Kansas

Younger Singles & Couples*		
New Power Couples	6	1.8%
New Bohemians	20	5.9%
Cosmopolitan Elite	5	1.5%
The VIPs	71	21.0%
Fast-Track Professionals	30	8.9%
	<hr/>	
Subtotal:	132	39.1%
Total Households:	338	100.0%

* Primarily one- and two-person households

SOURCE: Claritas, Inc.;
Zimmerman/Volk Associates, Inc.

**Target Groups For New Single-Family Attached For-Sale
Households With Incomes Of \$50,000 Or More Per Year
Downtown Wichita**

City of Wichita, Sedgwick County, Kansas

Empty Nesters & Retirees*	<i>Number of Households</i>	<i>Share of Households</i>
The One Percenters	8	2.1%
Old Money	3	0.8%
The Social Register	1	0.3%
Affluent Empty Nesters	7	1.8%
Small-Town Patriarchs	12	3.2%
Urban Establishment	5	1.3%
Multi-Ethnic Empty Nesters	5	1.3%
New Empty Nesters	15	4.0%
Cosmopolitan Couples	2	0.5%
Pillars of the Community	10	2.6%
Traditional Couples	4	1.1%
Second-City Establishment	5	1.3%
Mainstream Empty Nesters	56	14.8%
Middle-American Retirees	44	11.6%
Subtotal:	177	46.7%
Traditional & Non-Traditional Families†		
Corporate Establishment	2	0.5%
Nouveau Money	4	1.1%
e-Type Families	2	0.5%
Button-Down Families	8	2.1%
Unibox Transferees	7	1.8%
Fiber-Optic Families	8	2.1%
Late-Nest Suburbanites	29	7.7%
Multi-Cultural Families	2	0.5%
Multi-Ethnic Families	8	2.1%
Uptown Families	29	7.7%
Subtotal:	99	26.1%

* Primarily one- and two-person households

† Primarily three- to five-person households.

SOURCE: Claritas, Inc.;
Zimmerman/Volk Associates, Inc.

**Target Groups For New Single-Family Attached For-Sale
Households With Incomes Of \$50,000 Or More Per Year**

Downtown Wichita

City of Wichita, Sedgwick County, Kansas

Younger Singles & Couples*		
New Power Couples	7	1.8%
New Bohemians	9	2.4%
Cosmopolitan Elite	8	2.1%
The VIPs	63	16.6%
Fast-Track Professionals	16	4.2%
	<hr/>	
Subtotal:	103	27.2%
Total Households:	379	100.0%

* Primarily one- and two-person households

SOURCE: Claritas, Inc.;
Zimmerman/Volk Associates, Inc.

Optimum Market Position
 Renter Households With Incomes Over \$35,000 Per Year
 Buyer Households With Incomes Over \$50,000 Per Year
Downtown Wichita
City of Wichita, Sedgwick County, Kansas
July, 2021

<u>Households Share Number</u>	<u>Housing Preference</u>	<u>Unit Configuration</u>	<u>Unit Mix</u>	<u>Base Rent/Price</u>	<u>Unit Size</u>	<u>Rent/Price Per Sq. Ft.</u>	<u>Annual Units Absorbed</u>
<u>84.3%</u>	Multi-Family For-Rent						<u>383 to 460</u>
1,750	Lofts	Studio/1ba	30%	\$900	450	\$2.00	175 to 210
		1br/1ba	30%	\$1,100	600	\$1.83	
		2br/1ba	20%	\$1,450	800	\$1.81	
		2br/2ba	20%	\$1,700	950	\$1.79	
		Weighted averages:		\$1,230	665	\$1.85	
1,350	Apartments	Studio/1ba	35%	\$1,050	500	\$2.10	135 to 162
		1br/1ba	25%	\$1,250	650	\$1.92	
		2br/1ba	25%	\$1,650	900	\$1.83	
		2br/2ba	15%	\$1,800	1,000	\$1.80	
		Weighted averages:		\$1,363	713	\$1.91	
734	Upscale Apartments	1br/1ba	35%	\$1,600	700	\$2.29	73 to 88
		1br/1ba/den	25%	\$1,750	850	\$2.06	
		2br/2ba	20%	\$2,200	1,100	\$2.00	
		2br/2ba/den	15%	\$2,450	1,250	\$1.96	
		3br/2.5ba PH	5%	\$3,000	1,500	\$2.00	
		Weighted averages:		\$1,955	940	\$2.08	
<u>3,834</u>	households	Overall Weighted Averages:		\$1,415	734	\$1.93	

NOTE: Base rents/prices in year 2021 dollars and exclude floor and view premiums, options and upgrades.

SOURCE: Zimmerman/Volk Associates, Inc.

Optimum Market Position
 Renter Households With Incomes Over \$35,000 Per Year
 Buyer Households With Incomes Over 650,000 Per Year
Downtown Wichita
City of Wichita, Sedgwick County, Kansas
July, 2021

<u>Households Share Number</u>	<u>Housing Preference</u>	<u>Unit Configuration</u>	<u>Unit Mix</u>	<u>Base Rent/Price</u>	<u>Unit Size</u>	<u>Rent/Price Per Sq. Ft.</u>	<u>Annual Units Absorbed</u>
<u>7.4%</u>	Multi-Family For-Sale						<u>28 to 34</u>
203	Condominiums	1br/1ba	25%	\$200,000	750	\$267	17 to 20
		1br/1ba/den	30%	\$225,000	850	\$265	
		2br/2ba	30%	\$290,000	1,100	\$264	
		2br/2ba/den	15%	\$325,000	1,250	\$260	
		Weighted averages:		\$253,250	960	\$264	
135	Upscale Condominiums	2br/2ba	30%	\$350,000	1,200	\$292	11 to 14
		2br/2.5ba	35%	\$395,000	1,400	\$282	
		3br/2ba	30%	\$425,000	1,550	\$274	
		3br/2.5ba PH	5%	\$475,000	1,750	\$271	
		Weighted averages:		\$394,500	1,403	\$281	
<u>338</u>	households	Overall Weighted Averages:		\$309,666	1,137	\$272	

NOTE: Base rents/prices in year 2021 dollars and exclude floor and view premiums, options and upgrades.

SOURCE: Zimmerman/Volk Associates, Inc.

Optimum Market Position
 Renter Households With Incomes Over \$35,000 Per Year
 Buyer Households With Incomes Over \$50,000 Per Year
Downtown Wichita
 City of Wichita, Sedgwick County, Kansas
July, 2021

<u>Households Share Number</u>	<u>Housing Preference</u>	<u>Unit Configuration</u>	<u>Unit Mix</u>	<u>Base Rent/Price</u>	<u>Unit Size</u>	<u>Rent/Price Per Sq. Ft.</u>	<u>Annual Units Absorbed</u>
<u>8.3%</u>	Single-Family Attached For-Sale						<u>32 to 38</u>
225	Rowhouses	2br/2.5ba	60%	\$295,000	1,150	\$257	19 to 23
		3br/2.5ba	40%	\$365,000	1,450	\$252	
		Weighted averages:		\$323,000	1,270	\$254	
154	Townhouses	2br/2.5ba/den	45%	\$375,000	1,350	\$278	13 to 15
		3br/2.5ba	30%	\$400,000	1,500	\$267	
		3br/3.5ba	25%	\$500,000	2,000	\$250	
		Weighted averages:		\$413,750	1,558	\$266	
<u>379</u>	households	Overall Weighted Averages:		\$359,875	1,387	\$259	
<u>100.0%</u>							
4,551	Total Households						<u>443 to 532</u> per year

NOTE: Base rents/prices in year 2021 dollars and exclude floor and view premiums, options and upgrades.

SOURCE: Zimmerman/Volk Associates, Inc.



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Residential Market Analysis Across the Urban-to-Rural Transect

ASSUMPTIONS AND LIMITATIONS—

Every effort has been made to insure the accuracy of the data contained within this analysis. Demographic and economic estimates and projections have been obtained from government agencies at the national, state, and county levels. Market information has been obtained from sources presumed to be reliable, including developers, owners, and/or sales agents. However, this information cannot be warranted by Zimmerman/Volk Associates, Inc. While the proprietary residential target market methodology™ employed in this analysis allows for a margin of error in base data, it is assumed that the market data and government estimates and projections are substantially accurate.

Absorption scenarios are based upon the assumption that a normal economic environment will prevail in a relatively steady state during development of the subject property. Absorption paces are likely to be slower during recessionary periods and faster during periods of recovery and high growth. Absorption scenarios are also predicated on the assumption that the product recommendations will be implemented generally as outlined in this report and that the developer will apply high-caliber design, construction, marketing, and management techniques to the development of the property.

Recommendations are subject to compliance with all applicable regulations. Relevant accounting, tax, and legal matters should be substantiated by appropriate counsel.





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Residential Market Analysis Across the Urban-to-Rural Transect

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