

NAR Commercial Real Estate Metro Market Report | 2021.Q2

Wichita, KS

Core-Based Statistical Area Code: 48620

IV. Industrial

	Wichita, KS			U.S.			
	2021 Q2	2021 Q1	2020 Q2	2021 Q2	2021 Q1	2020 Q2	
Demand indicators							
Vacancy rate	4.2%	4.3%	4.7%	4.2%	4.3%	4.7%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	216,332	365,570	101,747	146,182,325	119,411,326	56,883,324	<i>The area has lower pace of absorption than nationally</i>
Absorption in sq.ft. over 12 months	693,199	578,614	89,568	437,432,148	348,133,148	231,052,238	
Asking rent per sq.ft.	\$5.7	\$5.6	\$5.5	\$6.5	\$6.4	\$6.1	
Asking rent growth, y/y % chg.	3.6%	2.6%	2.8%	5.2%	2.6%	2.8%	<i>Rent growth is slower than nationally</i>
Leasing activity in sq.ft.	88,928	196,407	104,000	319,474,044	296,163,970	254,024,482	<i>Leasing volume is not rising as fast than nationally</i>
Supply indicators							
Inventory in sq. ft.	59,449,970	59,324,654	59,076,454	26,553,663,022	26,461,805,496	26,166,021,757	
Net delivered over 12 months, in sq.ft.	373,516	1,007,800	799,796	385,387,457	398,260,005	382,527,483	<i>Relatively fewer units are being delivered than nationally</i>
Net delivered units, as % of inventory	0.6%	1.7%	1.4%	1.5%	1.5%	1.5%	
Under construction in sq.ft.	753,000	878,316	420,950	567,307,627	521,498,024	452,528,658	
Under construction, as % of inventory	1.3%	1.5%	0.7%	2.1%	2.0%	1.7%	<i>Construction activity is slower than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$4.1	\$4.8	\$1.2	\$27,261.9	\$21,600.7	\$13,713.9	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$29	\$54	\$21	\$61	\$56	\$54	<i>Prices are rising faster nationally</i>
Cap rate	0.0%	0.0%	0.0%	7.4%	0.0%	0.0%	<i>Cap rates are lower than nationally</i>

V. Retail

	Wichita, KS			U.S.			
	2021 Q2	2021 Q1	2020 Q2	2021 Q2	2021 Q1	2020 Q2	
Demand indicators							
Vacancy rate	5.2%	5.3%	4.7%	4.3%	4.5%	4.2%	<i>The area has a higher vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	21,745	151,063	(48,172)	26,554,046	6,829,628	(12,969,003)	<i>The area has a faster pace of absorption than nationally</i>
Absorption in sq.ft. over 12 months	(84,775)	(154,692)	283,123	12,853,280	(26,669,769)	5,842,298	
Asking rent per sq.ft.	\$12.4	\$12.4	\$12.5	\$14.5	\$14.5	\$14.3	
Asking rent growth, y/y % chg.	-0.5%	0.0%	1.3%	1.4%	1.0%	1.5%	<i>Rent growth is slower than nationally</i>
Leasing activity in sq.ft.	66,671	86,972	78,364	65,144,289	60,598,011	44,924,273	<i>Leasing volume is not rising as fast than nationally</i>
Y/Y chg. in retail trade payroll employment ('000) (as of last month of the quarter)	0.10	(1.10)	(1.10)	822.30	(1,100.50)	(245.60)	<i>The area has stronger retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	46,845,720	46,848,326	46,684,327	15,772,300,571	15,764,713,778	15,724,204,780	
Net delivered over 12 months, in sq.ft.	155,942	152,428	153,049	46,178,397	47,102,191	58,535,237	<i>Relatively more units are being delivered than nationally</i>
Net delivered units, as % of inventory	0.3%	0.3%	0.3%	0.3%	0.3%	0.4%	
Under construction in sq.ft.	27,976	47,133	141,386	55,829,483	58,628,746	71,303,691	
Under construction, as % of inventory	0.1%	0.1%	0.3%	0.4%	0.4%	0.5%	<i>Construction activity is slower than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$15.1	\$18.2	\$6.8	\$20,811.7	\$15,469.2	\$8,857.2	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$190	\$206	\$60	\$134	\$136	\$134	<i>Prices are rising faster nationally</i>
Cap rate	7.9%	6.5%	0.0%	6.6%	6.6%	6.7%	<i>Cap rates are higher than nationally</i>

VI. Hotel/Lodging

	Wichita, KS			U.S.			
	2021 Q2	2021 Q1	2020 Q2	2021 Q2	2021 Q1	2020 Q2	
Leisure and hospitality payroll workers ('000)	32.3	29.7	28.2	15,395.0	13,448.0	12,637.0	
Y/Y change ('000)	4.1	(2.6)	(6.1)	2,758.0	(2,297.0)	(4,590.0)	<i>Job creation in the leisure industry is weaker than nationally</i>
% share to nonfarm payroll employment	11.1%	10.3%	10.3%	10.5%	9.4%	9.1%	<i>The area has a larger share of leisure jobs than nationally</i>

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally. NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 46 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g., employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Sources of data used: National Association of Realtors®, CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

For information about this report, email data@nar.realtor.