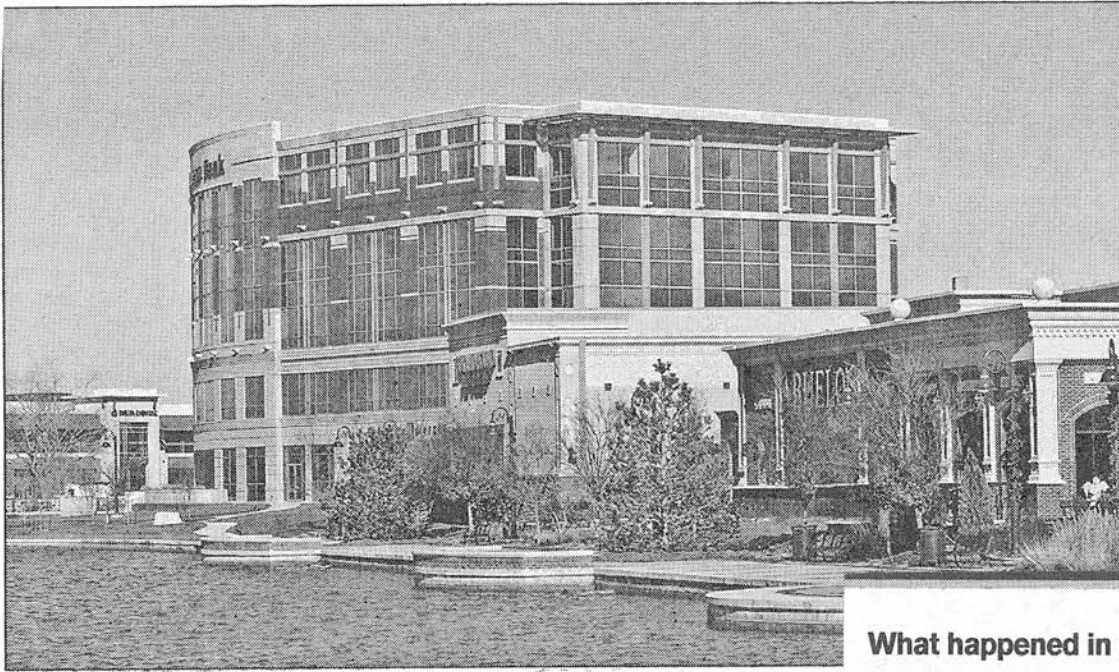


COMMERCIAL REAL ESTATE



What happened in 2006

Commercial growth was everywhere in Wichita, in downtown and fanning out in all directions. Interest in downtown buildings, kickstarted by the Minnesota Guys, continued to grow as investment money poured in from outside Kansas. Office space became a premium commodity in the Waterfront, as available space dwindled to retail only. And infrastructure work began in earnest at the downtown WaterWalk development, which may focus on office space.

Opportunities in 2007

More of the same kind of growth can be expected, fueled by outside investors intrigued by the steady yet unspectacular growth of the Wichita economy. With real estate on the coasts more volatile, investors see Wichita as a place for more consistent returns.

Downtown should be one focus of that growth, as WaterWalk begins to develop as an office, retail and residential area. Commercial development plans around the downtown arena should take shape.

The growth of the medical industry on the east and west edges of Wichita will continue, with several projects planned.

Wild West World will be another growth opportunity, with the park opening in May and several entertainment-related businesses building nearby.

Andover and Derby are two growing commercial and retail areas as well, with development surrounding several new schools in Andover and business development following population growth to Derby.

Challenges in 2007

Making Kansas a low-tax state is a goal of many Wichita-area developers, some of whom feel that city, county and state taxes are a disincentive for future growth and expansion.

Bottom line

Look for more commercial growth, fueled at least in part by outside investors.

— Bill Wilson