

THE CCIM INSTITUTE

Kansas City Chapter

KANSAS CITY'S COMMERCIAL REAL ESTATE DEALMAKERS 2026

CERTIFIED COMMERCIAL INVESTMENT MEMBERS

CCIM Kansas City President's Message for 2026

The Kansas City Chapter of Certified Commercial Investment Members is honored to once again partner with the Kansas City Business Journal to present our annual Real Estate Report. As your 2026 chapter president, I am privileged to represent an organization whose designees sit at the forefront of our region's commercial real estate community, helping clients and stakeholders navigate a market that is dynamic, data-driven, and increasingly complex.

With interest rates range-bound, capital selectively returning to the market, and occupiers rethinking how they use space, this is a year that demands informed judgment rather than simple optimism or pessimism. CCIM designees are trained for exactly this environment. Through rigorous coursework, portfolio requirements, and a commitment to ongoing education, the CCIM pin signifies a professional who can underwrite

risk, structure creative solutions, and translate market signals into clear investment decisions. For me, earning the designation was not a finish line but a foundation, and I see that same mindset reflected in our local members every day.

Our chapter continues to grow in both size and impact. We now count a robust mix of brokers, lenders, developers, engineers, attorneys, and a myriad of real estate professionals among our membership. That diversity of perspective shows up in our monthly programs, where practitioners share real-time insight on everything from capital markets and tax policy to adaptive reuse, industrial expansion, and the evolution of retail and mixed-use assets. Whether you work on the Kansas or Missouri side of the line, you will find peers here who understand your submarket, your clients, and your challenges.



BEN BOYD, CCIM
Colliers International

KC CCIM President

Education also continues to be a defining strength. In 2026 we will again host core CCIM courses locally, along with workshops on topics like market analytics, development feasibility, and advanced investment analysis. By keeping this training here in Kansas City, we lower the barrier to entry for busy professionals while reinforcing our regional bench of experts. Our aim is simple: when investors or corporate users consider placing capital in this market, they should expect to see a CCIM at the table.

None of this would be possible without the generous support of our sponsors

and partners. Their investment allows us to offer high-quality programming at accessible price points and to extend scholarships to deserving candidates. I also want to recognize our volunteer board and committee members, whose time, energy, and ideas are the engine behind every successful event.

If you are reading this insert as a long-time CCIM, thank you for the way you represent the designation in your daily practice. If you are new to our organization—or simply curious about what CCIM can do for your career—I invite you to attend an upcoming program, connect with a board member, and experience our “special sauce” firsthand: a culture that blends technical excellence with genuine collaboration. I look forward to serving you this year and to celebrating the role CCIM professionals will continue to play in shaping the future of commercial real estate in the Kansas City region.



Agency Lending in the Multifamily Space



JOHN J. SCHORGL, CCIM
Managing Director
Berkadia - Agency Lending

programs, rate buy-downs, generous interest-only, and in some cases, the ability to provide 35-year amortizations. Another competitive aspect of Fannie Mae and Freddie Mac is their ability to early rate lock. Both have programs that may allow rate lock within days of a signed application to eliminate interest rate risk in today's volatile rate environment. In most cases, the minimum DSCR is 1.25x and maximum LTV is 75%. Overall, we can expect Fannie Mae and Freddie Mac to become very competitive in pricing for stabilized or nearly stabilized.

In addition, Fannie Mae and Freddie Mac have been very active for multifamily loans in the \$1-7.5 million range. We continue to see a steady pipeline in terms of both new loan requests and signed applications. In today's environment, the Small Loan program offers a distinct advantage, such as rate lock at application in Freddie's SBL program. Both programs offer competitive interest-only, 5- to 20-year loan terms with 30-year amortizations.

The FHA/HUD 223(f) financing program has also been very active because the U.S. Department of Housing and Urban Development revised its policy and is accepting applications for refinancing newly built or substantially rehabilitated properties as soon as properties achieve the programmatic



DSCR of 1.17x for a minimum of only one full month of stabilization. The 35-year term with a 35-year amortization makes the 223(f) program a very attractive for cash-out refinances. Additionally, HUD recently announced a revised policy that allows borrowers to have distributions monthly, which were previously capped at twice per year. Lastly, FHA/HUD lowered MIP (Mortgage Insurance Premium) across the board to 25bps (formally 25-45bps) which we think will boost activity. Outpacing competitors by more than 50%, Berkadia ranked as the #1 HUD Multifamily Lender with \$1.3 billion in financing.

In 2025, Berkadia was recognized as the #1 Freddie Mac Lender by Volume, making it Freddie Mac's top partner for the 5th consecutive year, and the #4 Fannie Mae DUS Lender by Volume in 2025. On a combined basis, with both Freddie Mac and Fannie Mae ("the multifamily GSEs"), Berkadia delivered over \$17.34 billion in loans, making it the largest GSE lender in the country.

Both Fannie Mae and Freddie Mac utilized and exceeded their entire \$73 billion caps in 2025, lending \$74 billion and \$77 billion, respectively. In 2026, they are focused on meeting their new mission-driven goals, each with \$88 billion caps. New business activity in the early weeks of 2026 shows that the GSEs are competing very aggressively and we have seen pricing spread reductions which helps mitigate a volatile UST.

The liquidity that the GSEs and HUD provide to the multifamily housing market is most critical and when market demand spiked for GSE capital in 2025, Berkadia was the market's number one choice. As we head into 2026, we look forward to continuing to provide competitive financing solutions to our clients.

John J. Schorgl is a Managing Director at Berkadia based in the Kansas City office and can be reached at 913-209-9815 or john.schorgl@berkadia.com.

Contact us for your commercial real estate mortgage banking and investment sales needs.

Visit berkadia.com/kansas-city to learn more.



JOHN J. SCHORGL
Managing Director - Mortgage Banking
john.schorgl@berkadia.com
913.209.9815

BERKADIA®

**#1 GSE OVERALL LENDER
BY TOTAL VOLUME IN 2025***

BUILT FOR MULTIFAMILY.

*Based on Berkadia's total production volumes released by Fannie Mae Multifamily (\$7.04B) and Freddie Mac Multifamily (\$10.3B) for 2025.

© 2026 Berkadia Proprietary Holding LLC. Berkadia® is a trademark of Berkadia Proprietary Holding LLC. For state licensing details for the above entities, visit www.berkadia.com/licensing.

Kansas City's Apartment Market Begins to Rebalance After Supply Surge



GETTY IMAGES

After two years of elevated construction activity and a brief softening in apartment fundamentals, Kansas City's multifamily market is beginning to regain its footing. As the metro enters the 2026 spring leasing season, the relationship between new supply and renter demand is moving back toward balance — a shift that could mark an important turning point after deliveries outpaced absorption through much of 2025.

A Supply Wave That Is Finally Cresting

Kansas City's construction cycle was never as aggressive as other metros experienced, but it was still significant. The market delivered roughly 4,100 units in 2025, in line with its 10-year annual average of about 4,200 units. While that level may not appear outsized in isolation, it represented a meaningful concentration of deliveries within a short window following the pandemic-era development surge.

What stands out is how well the market absorbed that new supply. Occupancy has remained around 93.0% since late 2023, only modestly below the long-term norm. That resilience is notable given the pace of deliveries.

By comparison, several Midwest peers such as Indianapolis and Memphis ended 2025 with occupancy below 90%, which places Kansas City's relative stability into perspective.

Encouragingly, the development pipeline is beginning to thin. Roughly 3,000 units are expected to deliver in

“Investment activity across the Kansas City apartment market has remained measured but stable.”

MICHAEL SULLIVAN
MMG Real Estate Advisors

2026 — about a 30% decline from 2025 and a level below the market's long-term average. That step down should give renter demand a clearer opportunity to catch up.

Rent Growth Holds Up

Rent growth has been a relative bright spot during the supply wave. As of February 2026, Kansas City posted 1.6% annual rent growth, outperforming many Midwest peers and ranking among the top 20 large apartment markets nationally — well above the national average of roughly 0.5%.

Maintaining rent growth despite elevated deliveries speaks to the



MICHAEL SULLIVAN, CCIM
MMG Real Estate Advisors

metro's balanced supply pipeline and steady underlying household formation.

Several submarkets have led the metro's performance. The Northland and Inner Jackson County each posted gains above 3%. In the Northland, demand has been fueled by significant economic development activity, including Google's \$1 billion data center, Meta's \$800 million facility and continued expansion of the KCI 29 Logistics Park.

Inner Jackson County has benefited from limited new supply and its relative affordability near major employers such as Oracle Cerner and Research Medical Center. These localized dynamics highlight how job growth and constrained development can produce outsized rent performance.

Renter Demand Holds Firm

Absorption trends have also remained encouraging. Renters have continued to gravitate toward newer communities, with upper-tier properties absorbing 2,600 units in 2025 — broadly keeping pace with deliveries in that segment.

Concessions such as free rent and other lease incentives have helped drive that trend by narrowing the effective price gap between Class A apartments and older product, making it easier for renters to trade up.

Overall, net absorption totaled approximately 2,860 units in 2025. While that represented a step down from 2024 levels, it was still a solid outcome given the labor market softening that emerged in the back half of the year.

2026 Outlook: Healthy but Cautious

Looking ahead, the setup for 2026 appears constructive. Net absorption is expected to remain broadly in line with

2025 performance. With roughly 3,000 units projected to deliver this year, demand should track supply closely, helping keep occupancy stable.

Rent growth is forecast to remain modest early in the year before strengthening during the spring and summer leasing season as supply pressures ease and job growth stabilizes.

Investment activity across the Kansas City apartment market has remained measured but stable. While higher interest rates have slowed transaction volume nationally, the region continues to attract capital given its relatively consistent rent performance, moderate development pipeline and pricing compared with coastal markets.

From an investment perspective, Kansas City continues to benefit from its combination of economic diversification, moderate development activity and attainable housing costs — a profile that has attracted institutional capital seeking stable Midwest exposure.

Risks to Watch

The outlook is not without risks. National labor market softening could weigh on household formation and renter confidence if hiring slows. In addition, renewed geopolitical tensions and tariff discussions could contribute to higher energy costs and renewed inflation pressure, potentially complicating the path of interest rates.

Even with those uncertainties, the broader picture remains relatively encouraging. Kansas City continues to benefit from population growth, economic diversification and relatively attainable housing costs compared with many larger U.S. markets.

After navigating one of the most active construction cycles in its modern history, Kansas City's apartment market now appears to be transitioning back toward a healthier balance between supply, demand and long-term growth.

Downtown Update



GIB KERR, CCIM
Cushman & Wakefield

boutique hotel over 10–15 years.

New Downtown Apartment Towers

Beyond the riverfront and West Bottoms, a new high rise wave is emerging at the edge of the core. EPC Real Estate Group has unveiled “Encore,” a 33 story residential tower planned along Broadway between 16th and 17th Streets, across from the Kauffman Center. The first phase, estimated at \$215 million, would deliver 392 units with 481 parking spaces.

Several other projects are now leasing or nearing completion—adding nearly 1,000 new units Downtown—including 161 units at The Wade in the River Market, 193 units at Via apartments in the Freight House District, and two projects by NorthPoint Development: CORE Phase II at Berkley Riverfront (152 units) and ArriveKC (373 units) at 31st and Baltimore.

Hotel Development in and Near Downtown

With strong demand, rising occupancy rates, and increasing ADR (average daily rates), the Downtown hospitality sector is in the “expansion” stage where new supply is considered feasible. The newest addition is the 239-room AC Marriott at 906 Grand—just blocks from the T-Mobile Center and Power & Light District—which opened in 2025 after a historic redevelopment.

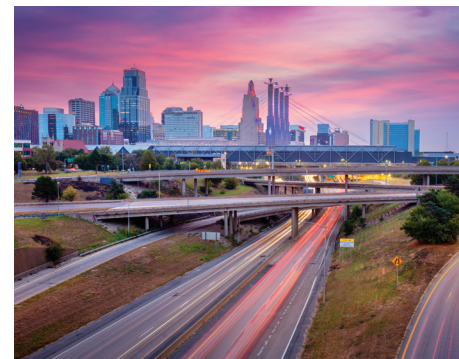
Several other major hotel flags are circling downtown, ready to pounce on sites when and if the Royals announce plans for a downtown stadium.

Public Realm: Streetcar Extension, Barney Allis Plaza and Luminary Park

The 3.5-mile extension of the streetcar to UMKC opened last fall, and the extension to Berkley Riverfront is opening this spring, connecting Kansas City's major cultural and entertainment assets from the CPKC Stadium to the Plaza.



ALL PHOTOS BY GETTY IMAGES



When it comes to Downtown, the topic on everyone's mind is baseball. Specifically, whether the Royals will build a new stadium there. It reminds me of the old saying about the weather: everyone talks about it, but no one does anything. We're all fatigued by the discussion.

But that could change any day. Maybe even by the time this goes to print. Regardless of baseball, though, Downtown Kansas City is a place that is hitting on all cylinders.

Office, Leasing, and Adaptive Reuse

Downtown's office market has moved from contraction toward equilibrium, with four consecutive quarters of positive net absorption by early 2026 and shrinking sublease space. New construction remains limited by financing costs. Landlords report demand clustering in higher quality Class A product, while older offices increasingly are candidates for conversion or mixed use redevelopment.

Marketing materials for Downtown office properties highlight proximity to the streetcar, Luminary Park, and a potential Royals site at Washington Square Park, illustrating how leasing pitches are now tightly linked to broader development and stadium discussions.

Berkley Riverfront: Stadium Anchored Multifamily

Berkley Riverfront has emerged as one of Downtown's strongest multifamily and mixed use submarkets, anchored by CPKC Stadium and the Kansas City Current. In March 2025, the team and partners broke ground on a \$1 billion, multi phase riverfront district, starting with a \$200 million phase including 429 apartments, 48,000 square feet of retail, and more than two acres of public space, with initial deliveries starting this spring.

West Bottoms: Large Scale Redevelopment

The historic West Bottoms is transitioning from an industrial district into a dense mixed use neighborhood led by SomeraRoad's roughly \$527 million, multi phase plan. That program envisions more than 1,200 apartments, about 200,000 square feet of office, 150,000 square feet of retail, and a

Additionally, two high profile civic projects—Barney Allis Plaza and Roy Blunt Luminary Park—are reshaping the Downtown landscape. Construction at Barney Allis is underway with a mid-2026 completion date. The project replaces a deteriorated parking structure with a new below grade garage and more than two acres of street level green space intended to serve conventions and everyday users.

Luminary Park—capping four city blocks over I 670 between Wyandotte and Grand—will create an urban oasis for downtown visitors in a vibrant, actively programmed setting. Modeled after Klyde Warren Park in Dallas—which spurred roughly \$7 billion of nearby development—this \$315 million project is expected to prompt significant economic activity while reconnecting the CBD to the Crossroads.

Downtown Royals Ballpark

The biggest unresolved variable in downtown's trajectory remains a new

Royals ballpark. In his February 2026 State of the City address, Mayor Quinton Lucas pledged that Kansas City “will get a deal done in 2026.” Washington Square Park near Union Station and Crown Center has emerged as a leading candidate site.

Royals chairman John Sherman has not committed to a precise timeline but has described the process as a “generational decision” involving multi jurisdictional public private negotiation, while reaffirming a desire to move the club downtown once a suitable agreement is reached. With the team's Truman Sports Complex lease expiring after the 2030 season, the 2026 deal window now frames key expectations for investors and developers betting on sites near the leading candidate locations.

2026 may be the year that the Royals elect to move Downtown. When and if this happens, it could lead to an unprecedented development boom and make Downtown Kansas City one of the greatest destinations in the county.

The Kansas City Office Market



COPAKEN BROOKS



BUCKY BROOKS, CCIM
Copaken Brooks

between winners and losers is most visible. The best Class A buildings can still perform well because they offer what office users now value most: upgraded systems, modern lobbies, strong security, and amenities that justify the commute. Downtown is also attractive for certain industries—such as law, finance, and civic-oriented organizations—that benefit from a central location, larger contiguous floor plates, and a strong corporate presence.

Commodity Class B buildings in Downtown face the steepest challenges. Hybrid work has reduced baseline demand, and older buildings can struggle to compete when tenants can sometimes lease higher-quality space with aggressive concessions (“flight-to-quality”). For many Class B owners, the path forward is either meaningful reinvestment—lobby upgrades, modernized interiors, and a strong spec suite program—or a clear value strategy aimed at cost-conscious

tenants who still want to be downtown.

The **Country Club Plaza** submarket often functions as a bridge between downtown identity and suburban convenience. The Plaza attracts tenants who want a workplace that helps with recruiting and culture but don’t necessarily want the friction of a downtown commute or the feel of a suburban office park. The Plaza’s walkable amenities and “destination” character align well with the postpandemic office’s role as a place for collaboration and social connection.

Class A Plaza buildings perform best when they pair strong finishes and tenant amenities with practical fundamentals like parking and easy access. For Class B in the Plaza, the opportunity is to compete as “B+”—boutique, refreshed, and well-managed.

Suburban Johnson County has been a relative beneficiary of hybrid work patterns. Lower commute resistance, plentiful parking, and day-to-day convenience align with flexible schedules. This submarket is often well-suited to regional headquarters, operations teams, and many professional services and healthcare-related office users.

Class A suburban buildings do well when they provide modern layouts, strong parking ratios, and campus-style amenities. Suburban Class B can also remain competitive, sometimes more so than Downtown Class B, but only when it stays modernized and reliable. A dated suburban building with weak interiors or poor building systems can still lose out—especially if nearby Class A options become more affordable through concessions.

Compared to 2019, Kansas City tenants are less focused on simply fitting a growing headcount and more focused on making the office worth the trip. That dynamic has strengthened the advantage of Class A and widened the gap for older Class B product—particularly Downtown.

The office isn’t disappearing, but it’s being redefined. Utilization is uneven throughout the week, layouts are more collaboration-heavy, and tenant expectations for quality, technology, and convenience are higher. In Kansas City, the buildings and offices that thrive are those that can deliver a compelling experience on the days it matters most—when the whole team shows up to work together.

The Kansas City office market is adapting to how hybrid work has changed when offices are used, what tenants want, and which buildings win. The market has become somewhat polarized—especially between Class A buildings that feel modern and convenient, and Class B buildings that must either reposition or compete hard on value.

Across the metro, office use tends to follow a consistent “pulse.” Tuesday through Thursday are the busiest days, while Mondays and Fridays are often noticeably lighter. That pattern matters because tenants are designing offices less around average daily attendance and more around peak collaboration days. Companies design for fewer dedicated desks than they did in 2019, but they still need enough meeting rooms, small collaboration spaces, and support areas to handle midweek surges.

This shift has changed how companies think about leasing. Tenants are less likely making commitments based on headcount assumptions that feel less predictable than they did pre-pandemic. Instead, tenants are showing increased demand for offices and buildings that can deliver a better day-to-day experience than working from home.

In the post-pandemic era, people compare the office to home. If the office isn’t clearly better for certain tasks—team collaboration, client meetings, training, mentoring, or social connection—employees are less willing to commute. As a result, the most common tenant requirements today are:

- More small conference rooms and huddle spaces
- Video-ready meeting rooms
- Better common areas, cleaner finishes, and “hospitality-style” touches
- Simple, reliable access and parking

Even where tenants shrink overall square footage, they often reallocate space from individually assigned offices or rows of desks to collaboration and meeting zones. The office is increasingly a place for “together work,” while heads-down individual work is done wherever it’s most efficient—either in the office or at home.

Downtown is where the market split

20 YEARS

of creating lasting value

lane4group.com | @lane4group



Empowering the Future

*Celebrating the
CCIM Designees
Driving Innovation
in Commercial
Real Estate*

NEWMARK
ZIMMER



Mark Long
*President and Chief
Executive Officer, Principal*



Michael VanBuskirk
*Vice Chairman,
Principal*



Chris Robertson
*Executive Managing
Director, Principal*



Nick Suarez
*Executive Managing
Director, Principal*



John Faur
Director



Bernell Rice
Director



Hugh Riley
Associate Director



Raegen Kersey
Associate

Kansas City Investment Sales Activity



CHRIS ROBERTSON, CCIM
Newmark Zimmer

The commercial real estate investment sales landscape continues to evolve significantly. As we enter 2026, there are early signs of market stabilization, with investors sidelined due to capital markets uncertainty re-entering the market seeking opportunities amid shifting economic conditions. Investment sales volume reached \$3.97 billion in 2025, the third highest total in Kansas City history, with multifamily and industrial assets combining for 67% of Metro sales volume. While 2025 volume surpassed the prior year, it remained below the 2021 and 2022 peaks.

Capital markets stability in the second half of 2025 brought a return of large transactions. Notable transactions included the 552,000 SF Town Center Plaza and Town Center Crossing sale

for \$289 million (\$523/SF), the 407-unit Union Berkley multifamily sale at \$113.5 million (\$278,870 per unit), and the 764,700 SF Inland Port XXXII sale at \$55.7 million (\$73/SF).

Industrial

Industrial investment activity saw the highest year-over-year growth, with total sales volume nearly tripling from 2024 levels to reach \$1.01 billion in 2025, at an average cap rate of 7.5% across all classes (A, B & C) with class

A institutional quality assets trading in the low to mid 6s depending on tenant credit, leaseterm, rent increases, etc. Tenant demand remains high, driven by e-commerce, food and beverage users, data center suppliers, and onshoring of manufacturing, reflected in 8.9 million SF of net absorption during the year. Speculative development activity for industrial remained limited in 2025, with 76% of the projects under construction for build-to-suit opportunities, such as the 2.35-million SF Panasonic EV battery center, 850,000 SF Precision Vehicle Holdings facility, and a 630,000 SF Amazon facility.

Retail

Retail investment activity reached \$917 million in 2025, the highest level since

2016, with an average cap rate of 6.9% across all classes (A, B & C). Strong fundamentals with vacancy rates at record lows of 3.7% and rental rates at record highs have attracted new-to-market buyers and compressed cap rates to some of the lowest levels seen in recent years. Development has centered on mixed-use projects, with several large-scale projects underway including Discovery Park in Lee's Summit, BluHawk in south Overland Park, and the next phase of the Berkley Riverfront.

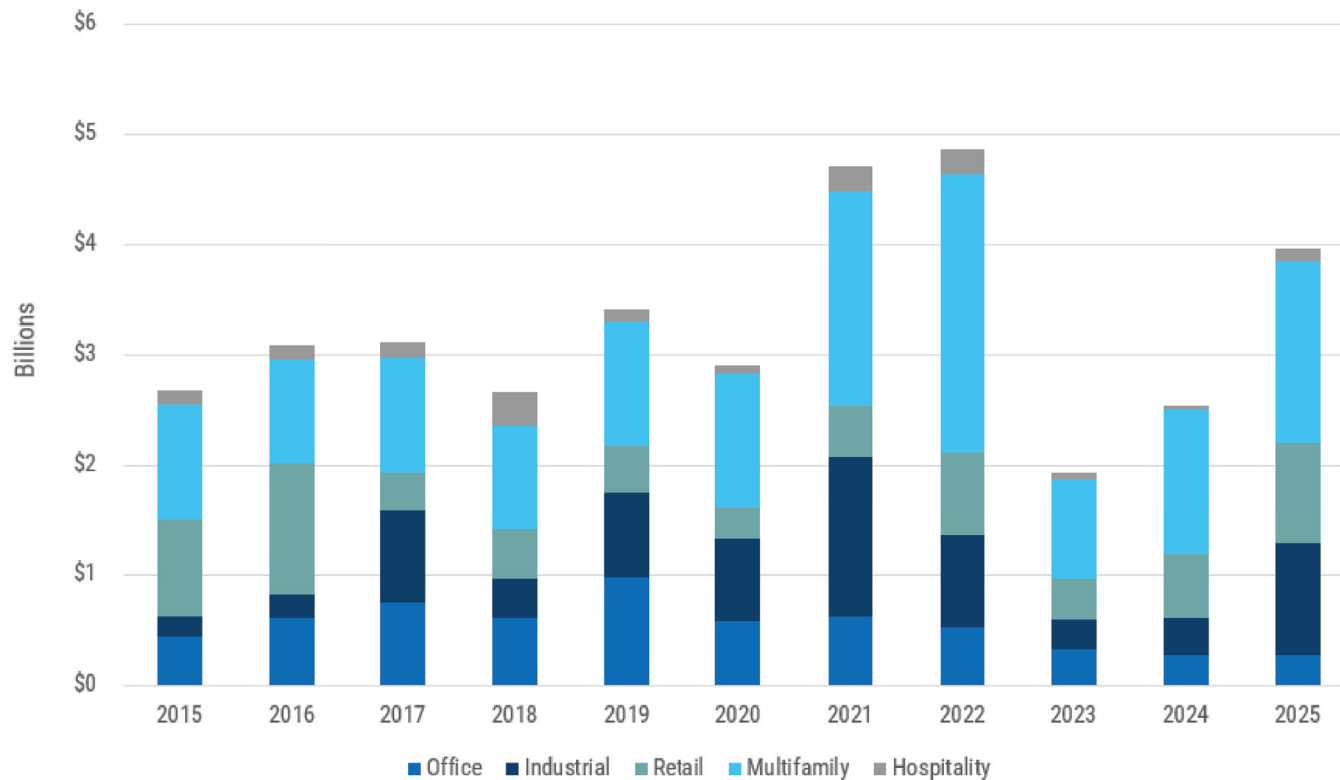
Multifamily

Multifamily investment activity was the highest at \$1.65 billion in 2025, and had the lowest average cap rate at

» Continued on next page

KANSAS CITY MARKET

Historical Annual Sales Volume By Property Type, (in billions)





GETTY IMAGES

6.0% across all classes (A, B & C) with newer vintage assets in best-in-class locations driving the most competitive pricing at or near neutral leverage and in some cases negative leverage. Investor preference has shifted toward 2000s and newer product, as older vintage assets face rising operating costs in insurance, repairs, and capital expenditures. Limited availability of newer inventory combined with high demand from new-to-market capital has created an extremely competitive market, pushing some investors toward alternative asset classes. Fundamentals remained strong with 2,851 units of positive net absorption and year-over-year asking rental rate growth of 1.7%, well above the national average of 0.3%. Supply increased with 4,114 new units delivered over the past four quarters and 5,586 units currently under development.

Office

Office investment activity totaled \$269 million in 2025, with an average cap rate of 8.1% across all classes (A, B & C) offering investors the most going in yield relative to other asset classes. Positive net absorption of 924,086 SF in

2025, little to no new speculative supply and the repositioning of obsolete office buildings into alternative uses are steadily reducing vacancy and strengthening office market fundamentals, with average asking rents expected to grow 2.5% to 3.25% by year-end 2026. Improving market conditions and compelling yields relative to alternative asset classes are pushing new buyers from other asset classes to consider well located office buildings that they historically may have overlooked.

Investment Sales in 2026

With billions of dollars of equity ready to invest, value-add opportunities, loan assumptions and other creative transactions will continue to be active this year. For stabilized properties the bid-ask gap is narrowing as buyers and sellers capitulate after years of low transaction volume and data points further support pricing expectations. Many multifamily investors have been priced out of the multifamily market and are shifting their focus to commercial assets, including office, with higher yields where they have a better opportunity to deploy capital in a less

“While cap rate compression previously drove profitability, in the current stage of the real estate cycle value creation will be by strategic capital investment, increasing net operating income through proactive leasing and management, and creative debt/equity structures.”

CHRIS ROBERTSON
Newmark Zimmer

competitive acquisition environment.

While cap rate compression previously drove profitability, in the current stage of the real estate cycle value creation will be by strategic capital investment, increasing net operating income through proactive leasing and management, and creative debt/equity structures. Kansas City will continue to offer attractive returns and a stable

environment for real estate investment compared to larger markets.

Chris Robertson, CCIM is Executive Managing Director, Principal at Newmark Zimmer where he co-leads the Midwest Capital Markets Team. Over his 12+ year career, he has completed over \$1.5B of transactions across all property types. Chris can be reached at 816-512-1014 or crobertson@nzimmer.com.

The Rise of The Machines – AI Meets Commercial Real Estate



GETTY IMAGES/ACBJ ILLUSTRATION

models can be built from raw data far more quickly, allowing professionals to focus on the assumptions and judgment calls that truly drive investment decisions.

While these workflow changes may happen behind the scenes, AI is also starting to reshape the physical assets themselves.

Smarter Buildings Across Every Asset Class

Industrial real estate may experience the most visible transformation. As logistics and manufacturing companies adopt robotics and AI-driven automation, the buildings they occupy must evolve as well. Tenants increasingly require facilities with higher power capacity, stronger connectivity, and layouts that accommodate automation and advanced inventory systems. Properties that can support these operational shifts will command a premium, while older buildings may face pressure to modernize.

Office properties face a more nuanced transition. Artificial intelligence will likely reduce demand for certain routine knowledge-work functions, which could compress office footprints for some tenants. At the same time, the demand for high-quality, well-located buildings is likely to increase. Companies are using the office more intentionally as a place for collaboration, culture, and innovation. Buildings equipped with advanced building-management systems, efficient energy usage, and flexible layouts will have a competitive advantage as tenants continue to prioritize quality over quantity.

Retail is also becoming more data driven. AI tools can analyze foot traffic, consumer spending patterns, and local demographics with remarkable precision. For landlords, that means tenant mix decisions can increasingly be guided by predictive analytics rather than intuition alone. Retailers themselves are using AI to forecast demand, optimize inventory, and refine omnichannel strategies, which will

» Continued on next page

As a product of the '80's, it's no surprise that Terminator is one of my favorite movie trilogies. For the uninitiated, the premise is that artificial intelligence firm Skynet creates robots that eventually become self-aware and wage war on humankind. Today's AI predictions tend to either fall into a similar dystopian narrative, or venture into an opposite utopian vision where our biggest problem is what to do all day while AI provides a world of plenty. While our outlook for commercial real estate is neither dramatically so boomer or doomer, its worth taking a closer look at how this disruptive technology will impact our business in the next generation.

Twenty-five years ago, commercial real estate professionals worked very differently than they do today. Deals were underwritten on printed spreadsheets, market research lived in binders, and site selection relied heavily on local knowledge and instinct.



AARON MESMER, CCIM
Block Real Estate Services

As a 19-year-old intern, my job was to bring a camera (one with actual film) to office buildings to take photos of the tenant directory and then walk the floors to catalog who was really using their space, hopefully all before the security guard could kick me out. I transferred my findings into a set of three-ring binders kept in the company library. Along came technology platforms like CoStar, LoopNet, and modern mapping tools that transformed the industry. Information became easier to access, analysis became faster, and the interns had to find something else to do. The top professionals learned to use better data to make better decisions.

Artificial intelligence represents the

ZACH GRANT
Block Real Estate Services

next step in that evolution. It will not replace the relationships, negotiation skills, or market intuition that define successful real estate professionals. But it will significantly change how buildings operate, how transactions move through the pipeline, and how quickly investors and tenants expect answers. In many ways, the most immediate impact of AI is speed.

Commercial real estate has always produced enormous amounts of information. Rent rolls, operating statements, market reports, and lease documents often fill hundreds of pages during a transaction. Historically, processing that information required long hours from brokers, attorneys, lenders, and analysts. AI tools are beginning to compress that timeline dramatically. Documents that once required days to review can now be summarized in minutes. Financial



GETTY IMAGES



GETTY IMAGES

“Despite all the attention surrounding artificial intelligence, commercial real estate is fundamentally a relationship business.”

AARON MESMER

Block Real Estate Services

continue to influence how physical stores fit into broader distribution networks.

In multifamily properties, the most practical applications of AI are operational. Predictive maintenance systems can monitor building equipment and identify problems before they become expensive failures. Leasing platforms can respond to prospective residents faster, streamline communication, and improve retention. Over time, these efficiencies can reduce operating expenses while improving the overall resident experience.

A Faster Transaction Environment

Beyond the buildings themselves, artificial intelligence will reshape how deals are executed.

Underwriting is one of the most time-intensive steps in any commercial real estate transaction. AI tools are already capable of ingesting rent rolls, operating statements, comparable sales, and market data to produce preliminary financial analyses much faster than traditional workflows allow. That does not eliminate the need for experienced professionals. Instead, it shifts their focus toward interpreting results, evaluating risk, and structuring deals that make sense for all parties involved.

Document review may see similar changes. Lease abstraction, title review, and contract analysis are tasks that historically required extensive manual effort. AI-powered systems can now identify key clauses, flag inconsistencies, and organize large volumes of documents in a fraction

of the time. For attorneys, brokers, and transaction teams, this means less time spent searching through paperwork and more time focused on negotiation and problem solving.

As these efficiencies spread, the industry will likely face broader questions about productivity and compensation. If technology reduces the time and manpower required to complete transactions, firms will need to rethink staffing models and how value is delivered to clients. The professionals who succeed will be those who use technology to enhance their expertise rather than compete with it.

The Human Advantage

Despite all the attention surrounding artificial intelligence, commercial real

estate is fundamentally a relationship business. Data can identify patterns, automate tasks, and accelerate analysis. What it cannot replicate is the experience required to navigate complex negotiations, the trust developed between long-term partners, or the local market insight that often determines whether a deal ultimately succeeds.

As Sarah Conner reminded us in Terminator, “The future is not set. There is no fate but what we make for ourselves.” In the coming years, AI will become another powerful tool in the industry’s toolkit. The winners (those who avoid “Judgement Day”) will not simply adopt the newest technology, they will use it to deliver better advice, clearer insights, and stronger outcomes for the clients and communities they serve.

CCIM THE DEALMAKERS

YOUR MOST VALUABLE PARTNER IN REAL ESTATE

CCIM Designees, Kansas City Chapter

Adam Abrams, Lane 4 Property Group
 Nathan Anderson, NAI Heartland
 Bruce Baker, Baker Realty Advisors, Inc.
 Adam Barnard, VanTrust Real Estate
 Anita Bates, Colliers International
 Doug Bates, Walker & Dunlop
 Ken Block, Block Real Estate Services, LLC
 Ben Boyd, Colliers International
 Bucky Brooks, Copaken Brooks
 James Clark, Oxford Realty LLC
 Walt Clements, Clements Realty Advisors
 Charles Connely, Lewis White Real Estate
 Center-UMKC Bloch School
 Travis Doherty, Academy Bank, NA
 Bill Early, Farha Roofing
 Aaron Elyachar, B&C Mechanical Services
 Jon England, NAI Heartland
 Bob Fagan, CBRE, Inc.
 John Faur, Newmark Zimmer

Mike Foster, Foster & Associates, Inc.
 Jeff Franklin, J.W. Franklin Co.
 Jerry Franklin, J.W. Franklin Co.
 Don Gessen, Block Real Estate Services, LLC
 Marty Gilchrist, Cushman & Wakefield
 Larry Goldman, Goldman Investment Advisors
 Puneet Gorawara, KDR Group
 Jeremy Greenamyre, Greenamyre Rentals, Inc.
 Doug Hedrick, Colliers International
 Jason Hobick, US Federal Properties Co.
 Bruce Johnson, Lee & Associates
 Jayce Keller, Peak Real Estate Partners
 Gib Kerr, Cushman & Wakefield
 Brian Lensing, Heritage Brokers & Auctioneers
 Bill Maas, Block & Company Inc Realtors
 Doug McFadden, CBRE, Inc.
 Bill McGowan, GSA
 Jayme Miller, JLL
 Holly Larrison Mills, Crossroads Real Estate Group

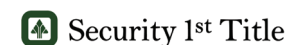
Pat Murfey, Evergreen Real Estate Services
 Paul Neal, Grindstone Industrial Properties
 Benjamin Nelson, Windfield Real Estate
 Ferd Niemann, Neilmann Law Group
 David Noon, RealPac
 Jason Nooteboom, Lane 4 Property Group
 Joe O'Neill, NAI Heartland
 Joe Orscheln, CBRE, Inc.
 Matt Pepper, Curry Real Estate Services
 Andrew Perkins, NBKC Bank
 Drew Quinn, Colliers International
 Ryan Robertshaw, The Land Source
 T. David Rogers, RE/MAX Elite, REALTORS
 John Schorgl, Berkadia
 Frank Sciara, Walker & Dunlop
 Steve Shearer, The Shearer Real Estate Co.
 Bret Sheffield, VanTrust Real Estate
 Dan Sight, Sight Commercial Realty
 Catherine Singleton, KBP Brands

Raymond Sisson, BHHS Stein and Summers Real Estate
 Tara Smiley, Drake Development
 Susan M. Smith, Susan M. Smith Advisory Services, LLC
 Ann Spencer, Jack Jordan Real Estate, LLC
 James Stacy, Stacy Company LLC
 Kate Sullinger, Enterprise Bank & Trust
 Mark Talley, NAI Heartland
 Ben Thomas, CBRE, Inc.
 Jim Tiehen, The Tiehen Group, Inc.
 Kevin Tubbesing, The Land Source
 Andrew Van Zante, Academy Bank
 Michael VanBuskirk, Newmark Zimmer
 Ralph Varnum, Varnum Armstrong Deeter, Inc.
 Sheryl Vickers, Select Sites, LLC
 Todd Welhoelter, Commercial Property Advisors
 Chris Williams, Highlands Development Group

Annual Sponsors



Event Sponsors



Member Sponsors

