



Office Q4 2022

	YoY Chg	12-Mo. Forecast
9.6% Vacancy Rate	▼	▼
32K Net Absorption, SF	▼	▼
\$18.64 Asking Rent, PSF FSG	▲	▲

(Overall, All Property Classes)

ECONOMIC INDICATORS Q4 2022

	YoY Chg	12-Mo. Forecast
1.8 M Oklahoma City Labor Force	▲	▲
3.3% Oklahoma City Unemployment Rate	▼	▼
3.7% U.S. Unemployment Rate	▼	▼

Source: BLS

ECONOMY:

Dancing in the rain will oftentimes produce a better result than waiting for the storm to pass. Amidst a national economic crisis, Oklahoma City has continued to push forward toward growth and progress. Canoo to buy a vehicle manufacturing facility, \$3.8 billion in positive economic impact from tourism, Mexican consulate to open in Oklahoma City, and over \$400,000 granted to OKC Minority Founder Accelerator are just a few notable Q4 headlines to be released. As we close out the year, Oklahomans are hopeful and excited for the years to come given the fact that a multitude of indicators are foreshadowing a prosperous future for the local Oklahoma City economy.

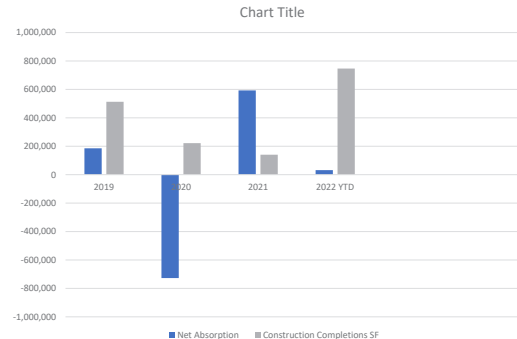
MARKET OVERVIEW:

Although certain growth metrics such as market rents, vacancy, net absorption indicate a slower Q4, the local Oklahoma City office market continues to challenge the mainstream narrative that, “office is dying a slow death.” Oklahoma City will be closing out the year a fifth consecutive quarter of positive net absorption. Market rents continue their ascension with 1.5% positive growth for Q4. New construction office commencement saw a significant decline, which sheds some light on the fact that 2nd generation office landlords are seeing some real opportunity to capitalize on both leasing and sales opportunities, as tenants transition back to working in the office and investors are seeking to place capital in stabilized assets. Notable leasing transactions for the local CW team include a landlord rep 40,000SF midtown office lease with a prominent local law firm, and a landlord rep 50,000SF suburban office lease with the State of OK. Notable sales transactions for the local CW team include a seller rep \$8.5 million sale to a local owner user group and a \$10 million sale to a local investment group. While we anticipate continued growth in office leasing, we anticipate a minor decrease in sales volume due to the current rate environment.

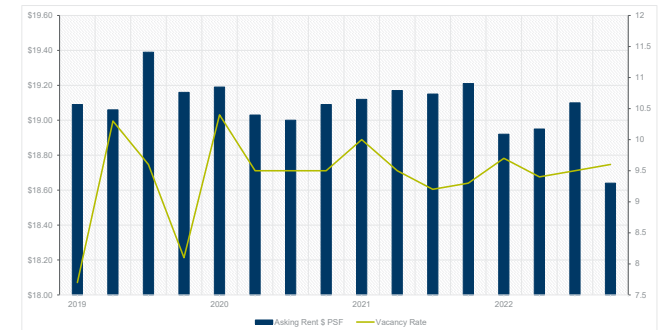
OUTLOOK:

Oklahoma City’s local CW team is sprinting toward a strong finish to the year and is expecting to carry that same momentum well into 2023, as the economy attempts to recover, the fed gets a handle on inflation, and organizations continue to make their way back to the office.

SPACE DEMAND / DELIVERIES OKC



OVERALL VACANCY & ASKING RENT OKC



OKLAHOMA CITY

Office Q4 2022



CUSHMAN &
WAKEFIELD

COMMERCIAL
OKLAHOMA

MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
CBD	13,307,470	2,114,561	14.4%	63,517	(94,040)	221,044	80,000	\$20.78	\$23.86
Edmond	4,310,367	362,716	6.6%	(11,033)	164,810	237,424	36,100	\$18.69	\$25.06
Midtown	5,792,137	273,299	3.7%	16,380	68,485	50,118	400,000	\$19.71	\$26.11
Moore	1,759,994	147,209	7.2%	(39,818)	9,966	31,939	34,113	\$18.59	\$25.37
Norman	4,087,246	340,014	5.4%	25,683	89,487	133,064	82,023	\$19.31	\$24.84
North	11,232,738	1,427,104	6.6%	15,959	93,209	333,115	31,618	\$19.73	\$26.27
Northwest	14,709,433	2,577,816	14.8%	(19,405)	(32,447)	520,649	28,947	\$18.86	\$22.63
South	3,356,362	167,438	3.6%	120	38,424	55,269	0	\$16.77	\$28.07
West/Central	4,036,201	535,187	12.3%	(8,357)	(167,970)	16,520	0	\$16.49	\$22.80
SUBMARKET TOTALS	62,591,948	7,945,344	8.3%	43,046	169,924	1,599,142	692,801	\$18.77	\$25.00
OKLAHOMA CITY TOTALS	69,692,282	8,529,854	9.6%	32,459	177,984	1,840,450	746,612	\$18.64	\$25.91

KEY LEASE TRANSACTIONS Q4 2022

PROPERTY	SUBMARKET	TENANT	SF	TYPE
7720 NW 85th St	Northwest	N/A	35,862	New
211 N Robinson Ave	CBD	Oklahoma Gas & Electric Co.	25,171	New
9400 N Broadway Ext	North	N/A	20,431	New
100 N Broadway Ave	CBD	N/A	11,974	New
9118 - 9210 S Western Ave	Moore	N/A	9,202	New

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q4 2022

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
5600 N May Ave	North	SDI-Enterprise Plaza, LLC/Enterprise Plaza, LLC	95,271	\$9,966,500/\$104.61
3401 NW 63rd St	Northwest	Prorealty Group, LLC/L2 Waterloo Investments, LLC	71,619	\$8,525,000/\$119.03
100 N Park Ave	CBD	100 Park Ave Corp/The Harlow, LLC	102,822	\$6,500,000/\$63.22
16 NE 2nd St	CBD	Robert Meinders/Clark Building, LLC	18,317	\$4,900,000/\$267.51
1141 N Robinson Ave	Midtown	1141 North, LLC/Robinson Renewal Partners, LLC	37,770	\$2,300,000/\$60.89

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