

## Office Q3 2023

	YoY Chg	12-Mo. Forecast
<b>9.6%</b> Vacancy Rate	▼	▲
<b>(214K)</b> Net Absorption, SF	▼	▼
<b>\$18.78</b> Asking Rent, PSF FSG	▲	▲

(Overall, All Property Classes)

### ECONOMIC INDICATORS Q3 2023

	YoY Chg	12-Mo. Forecast
<b>1.9 M</b> Oklahoma City Labor Force	▲	▲
<b>2.8%</b> Oklahoma City Unemployment Rate	▼	▼
<b>3.6%</b> U.S. Unemployment Rate	■	▲

Source: BLS

### ECONOMY:

Despite the ever-evolving economic challenges experienced at the local, regional, and national levels, Oklahoma City remains resolute in its commitment to finding solutions. In Q3 2023, Oklahoma City has continued to demonstrate remarkable resilience, with job growth, unemployment rates, and population expansion all showcasing strength that outpaces the broader national economic trends. New commercial real estate projects, such as The Oak and Convergence, as well as increased corporate investments, underscore the city's economic vitality. In the face of evolving headlines, Oklahoma City stands firm and persists through uncertain times.

### MARKET OVERVIEW:

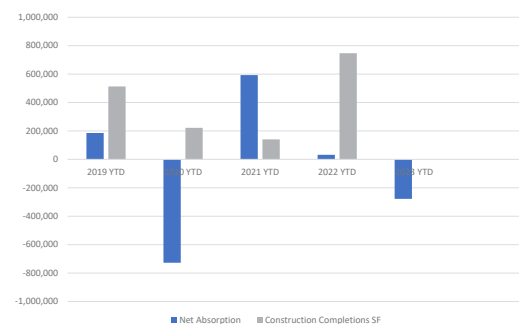
The office leasing and investment sales market in Oklahoma City continues to change despite the national economic state. An increasing influx of available space into the market is exerting downward pressure on vacancy rates which continue to outperform the US market at 9.9% in Q3. The market currently boasts a record high of 8.6 million square feet of available space. Challenges persist in the office sector as tenants persistently reevaluate their space needs on a per-employee basis. In the current office market, Oklahoma City's traditionally more affordable rental rates offer substantial value, especially in a period where organizations are particularly sensitive to controlling expenses.

As expected, investment sales continue to experience a notable decrease in total volume due to the challenges posed by the prevailing interest rate environment. However, it's worth noting that cap rates for Q3 in the Oklahoma City office market are trading 2.5% higher than the US average. This differential provides a favorable opportunity for both local and out-of-state investment groups.

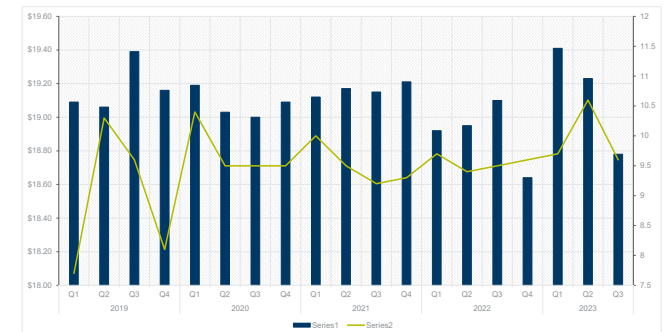
### OUTLOOK:

While commercial real estate markets globally grapple with numerous uncontrollable factors, the local CW office team maintains a strong belief that the office market will eventually rebound robustly. In the interim, they are diligently crafting innovative solutions that continue to deliver added value to their clients and partners.

### SPACE DEMAND / DELIVERIES OKC



### OVERALL VACANCY & ASKING RENT OKC



# OKLAHOMA CITY

Office Q3 2023



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	13,309,194	1,852,063	13.9%	94,326	(10,005)	149,671	80,000	\$20.94	\$23.41
Edmond	4,261,731	287,282	6.2%	464	21,849	128,812	18,394	\$18.95	\$21.65
Midtown	5,906,923	182,371	3.2%	(25,167)	14,205	25,866	400,000	\$18.45	\$19.21
Moore	1,778,270	120,802	6.8%	29,342	34,738	36,344	26,750	\$21.18	\$25.00
Norman	4,196,632	302,502	7.2%	(12,325)	(41,953)	120,360	34,745	\$18.07	\$23.08
North	11,259,235	770,309	7.1%	(51,068)	(42,541)	268,960	0	\$19.52	\$23.50
Northwest	14,657,128	2,300,565	15.8%	(256,375)	(99,497)	434,046	51,723	\$18.92	\$21.11
South	3,385,515	170,103	5.0%	(9,464)	(39,506)	41,154	11,977	\$18.78	\$22.00
West/Central	4,152,397	526,099	12.7%	(30,196)	(36,869)	208,029	25,418	\$16.09	\$33.00
<b>SUBMARKET TOTALS</b>	<b>62,907,025</b>	<b>6,512,096</b>	<b>8.7%</b>	<b>(260,463)</b>	<b>(199,579)</b>	<b>1,413,242</b>	<b>649,007</b>	<b>\$18.99</b>	<b>\$23.55</b>
<b>OKLAHOMA CITY TOTALS</b>	<b>52,670,392</b>	<b>5,801,510</b>	<b>9.6%</b>	<b>(277,944)</b>	<b>(214,213)</b>	<b>1,127,726</b>	<b>569,118</b>	<b>\$18.78</b>	<b>\$23.71</b>

## KEY LEASE TRANSACTIONS Q3 2023

PROPERTY	SUBMARKET	TENANT	SF	TYPE
5600 N May Ave	Northwest		14,144	New
415 N Broadway Ave	CBD	PEC, Inc	11,500	New
6501 N Classen Blvd	North		8,639	New
3525 NW 56th St	Northwest	Carl E Gungoll Exploration LLC	8,594	New
701 W Sheridan Ave	CBD	Kim Falk	6,656	New

## KEY SALES TRANSACTIONS Q3 2023

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
3200 Quail Springs Pky	Northwest	Quail Springs Investors LLC,/ Oklahoma City 3200 MP RK6 LLC	37,871	\$11,800,000/\$311.58
8100 S Walker Ave	South	8100 Building A LLC/ GMR Oklahoma City A LLC	42,926	\$6,750,000/\$157.25
810 NW 10th St	CBD	Choice One Real Estate Ventures II LLC/ Agree Limited Partnership	11,746	\$6,478,500/\$551.55
5925 NW 139th St	Northwest	GMR Oklahoma City LLC/ Cruse Six LLC	10,086	\$5,925,000/\$587.45
3525 NW 56th St	Northwest	One Corporate LLC/ One Corporate Plaza Partners LLC	63,565	\$4,275,000/\$67.25

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