

Office Q1 2024

	YoY Chg	12-Mo. Forecast
9.2% Vacancy Rate	▼	▼
174K Net Absorption, SF	▼	▼
\$19.15 Asking Rent, PSF FSG	▲	▲

(Over General Office Product above 10,000 SF and Classes A, B or C)

ECONOMIC INDICATORS Q1 2024

	YoY Chg	12-Mo. Forecast
2.0 M Oklahoma City Labor Force	▲	▲
2.8% Oklahoma City Unemployment Rate	▼	▼
3.8% U.S. Unemployment Rate	▲	▲

Source: BLS

ECONOMY:

Oklahoma City demonstrates its resilience in the face of evolving market challenges. In Q1 of 2024, the city maintains lower unemployment rates and higher population growth compared to the national average. However, job growth in Q4 falls below the national average. As Oklahoma City works to diversify its economy by attracting larger businesses in the technology and energy sectors, the state remains optimistic that job growth as well as other areas of the economy will recover in 2024.

MARKET OVERVIEW:

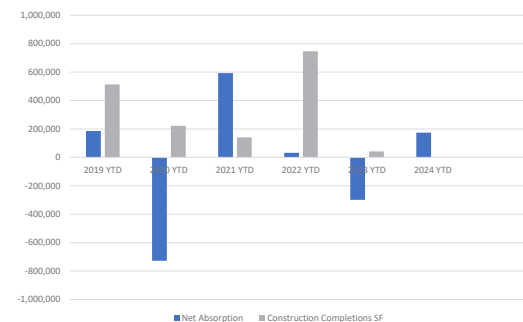
Despite market turbulence, the office market in Oklahoma City remains stable. When looking at all office classes (Medical Office, Co-Working Space, etc.) and among all office sizes, we have a vacancy rate of 9.2%. The core Oklahoma City office market* showing a vacancy rate of 25.3%*, Oklahoma City continues to outperform national rates of 26.5%*. While leasing activity gains momentum, sales activity remains stagnant due to challenging financing conditions. The leasing landscape is dominated by smaller leases as office users reassess their office utilization amid the trend of hybrid office schedules. Oklahoma City remains an appealing market for office users, offering a diverse range of spaces at affordable rental rates in comparison to national averages.

*Sample criteria: 10,000SF+; Classes A, B, & C; traditional office product

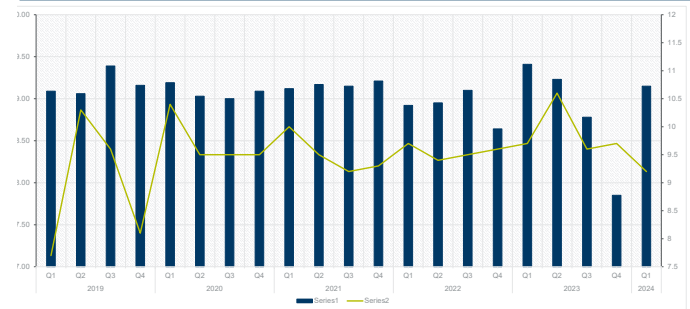
OUTLOOK:

The Cushman & Wakefield (“C&W”) office team notices a steady pattern of office tenants opting for downsizing into nicer more efficient office spaces within the city. During this transitional phase of the “return to work” for certain larger corporate office users, the C&W team anticipates a slight increase in larger office clients seeking new space in central Oklahoma City. Despite the myriad of uncontrollable factors affecting global commercial real estate markets, the local C&W office team maintains an optimistic outlook on the local office market and its future growth.

SPACE DEMAND / DELIVERIES OKC



OVERALL VACANCY & ASKING RENT OKC



OKLAHOMA CITY

Office Q1 2024



CUSHMAN &
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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	13,369,838	1,845,461	14.3%	68,772	68,772	43,003	80,000	\$21.66	\$26.11
Edmond	4,298,114	256,513	6.1%	(1,918)	(1,918)	51,152	11,953	\$18.59	\$20.93
Midtown	5,984,913	199,226	3.3%	(15,837)	(15,837)	11,954	285,804	\$18.17	\$29.79
Moore	1,799,102	159,607	9.0%	(29,151)	(29,151)	7,317	25,150	\$21.74	\$28.08
Norman	4,315,829	255,610	6.0%	3,126	3,126	46,698	10,014	\$17.17	\$23.03
North	11,310,549	704,082	6.5%	64,243	64,243	21,654	24,000	\$19.88	\$24.15
Northwest	14,798,695	2,044,634	14.1%	52,280		80,449	121,580	\$20.14	\$25.41
South	3,436,044	284,854	8.3%	(104,750)	(104,750)	17,519	0	\$18.93	\$22.00
West/Central	4,182,664	367,394	8.8%	109,144	109,144	3,400	0	\$16.14	\$33.00
SUBMARKET TOTALS	63,495,748	6,147,381	8.5%	145,909	145,909	283,146	558,501	\$19.16	\$25.83
OKLAHOMA CITY TOTALS	53,082,703	5,445,651	9.2%	173,852	173,852	177,979	511,384	\$19.15	\$26.74

Disclaimer: The information provided is sourced from CoStar Group. While we strive to ensure the accuracy and completeness of the data, we do not guarantee its correctness. Readers should consider this information as a general guide and are encouraged to conduct their own research or consult a professional before making any real estate decisions.

KEY LEASE TRANSACTIONS Q1 2024

PROPERTY	SUBMARKET	TENANT	SF	TYPE
211 N Robinson Ave	CBD	Merrill Lynch Wealth MGT	14,500	New
3503 NW 63rd St	Northwest	Unknown	13,324	New
220 SE 4th St	South	Unknown	11,150	New
101 Park Ave	CBD	Prism Bank	10,671	New
1001 W Wilshire	North	Unknown	8,860	New

KEY SALES TRANSACTIONS Q1 2024

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
14701 N Kelley Ave	Edmond	Vintage Investments, LLC/ Cooper Edmond PE Investments, LLC	68,548	\$14,459,000/\$210.93
615 S I-35 Service Rd	Moore	WD Oklahoma Portfolio, LLC/ Three Roaring Fork, LLC	18,500	\$3,700,000/\$200.00
430-440 NW 11th St	Midtown	Paixao Properties, LLC/ Midtown Brazil, LLC	15,106	\$3,000,000/\$198.60
9112 N May Ave	Northwest	Oklahoma Center For Implants & Peridontics/ Cheshire Investments, LLC	8,818	\$1,650,000/\$187.12
5710 NW 130th St	Northwest	F&F Real Estate Holdings, LLC/ PQR Properties, LLC	5,390	\$1,538,000/\$285.34

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