

**11.8%**

Vacancy Rate

YoY
Chg12-Mo.
Forecast**(54K)**

Net Absorption, SF

**\$18.23**

Asking Rent, PSF FSG



(Overall, All Property Classes)

**ECONOMIC INDICATORS
Q1 2023****1.9 M**Oklahoma City
Labor ForceYoY
Chg12-Mo.
Forecast**2.8%**Oklahoma City
Unemployment Rate**3.6%**U.S.
Unemployment Rate

Source: BLS

ECONOMY:

"Labor Omnia Vincit." - Oklahoma State motto. In a time where local, regional, and national economies are continuing their fight to keep afloat, Oklahoma City labors on. This isn't to say the local Oklahoma City economy has been insulated from the seen and unforeseen economic challenges that continue to arise, but this is to say that Oklahoma City does what Oklahoma City does best...Figure it out. Throughout Q2 2023, Oklahoma City job growth, unemployment rates, and population growth have all trended better than the national economy. The Devon-WPX merger, Canoo announcing Oklahoma City as their next manufacturing facility, and Paycom wrapping up construction of their expanded headquarters have all been positive indicators that, regardless of what stories make the headlines, Oklahoma City will press forward with a LABOR CONQUERS ALL mindset.

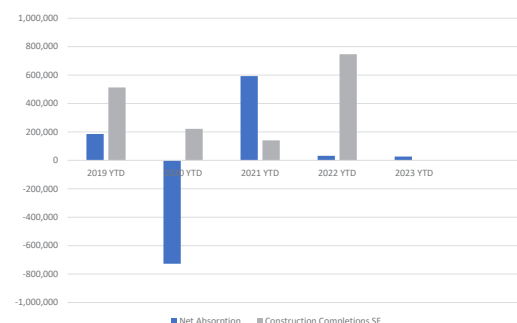
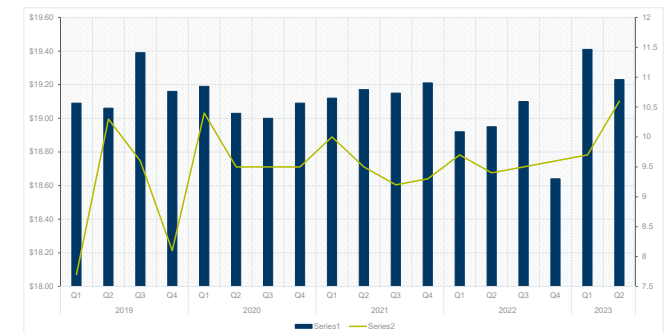
MARKET OVERVIEW:

Oklahoma City's office leasing and investment sales market, similar to our local economy, continues to find ways to stay in the fight. Net absorption saw a reversal throughout Q1 2023, seeing a positive net absorption of 30,000SF. Additionally, vacancy rates continue to positively outpace the United States office market. Consistent with most markets, rent growth continues to see a downward trend; however, a perspective we would encourage both owner-users and investors to consider is the following, "Although the utilization of office space is changing, there is still a need for it. That being said, Oklahoma City's historically lower rents when compared, provide a tremendous amount of value during these times where organizational expense sensitivities are at a peak."

Investment sales, as most would imagine, have seen a significant decline in overall volume as the interest rate environment presents significant challenges when underwriting deals. Cap rates in the Oklahoma City office market are; however, trading 3 percentage points higher than the national average, creating margin for both local and out-of-state investment groups.

OUTLOOK:

The race isn't won by the swift and the strong, but by those who can endure. Although CRE markets everywhere are feeling the pressure from a multitude of uncontrollable variables, the local CW office team feels confident that the office market will make a full and strong recovery, and the meantime are actively finding creative solutions that create value for clients and partners.

SPACE DEMAND / DELIVERIES OKC**OVERALL VACANCY & ASKING RENT OKC**

OKLAHOMA CITY

Office Q2 2023



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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	6,209,324	1,954,811	32.0%	(214,182)	(199,347)	75,845	80000	\$20.69	\$23.53
Edmond	4,279,858	290,476	7.2%	1,347	21,385	85,288	0	\$19.20	\$21.87
Midtown	5,776,607	159,890	2.8%	34,357	41,815	21,158	400000	\$16.85	\$19.35
Moore	1,768,270	128,467	7.3%	(1,140)	5,396	34,757	21,000	\$21.00	\$25.00
Norman	4,160,721	261,293	6.3%	(25,610)	(29,628)	89,696	60,535	\$18.56	\$26.00
North	11,251,152	707,717	6.3%	(35,459)	9,127	232,468	7,000	\$19.23	\$23.22
Northwest	14,678,949	2,028,025	13.8%	256,567	194,658	349,619	44,165	\$19.08	\$21.11
South	3,367,324	140,826	4.2%	(23,980)	(30,042)	36,774	17,583	\$17.59	\$22.00
West/Central	4,151,370	494,903	11.9%	(71,312)	(6,673)	206,598	25,418	\$15.94	\$19.58
SUBMARKET TOTALS	55,643,575	6,166,408	10.2%	(55,124)	12,753	1,132,203	655,701	\$18.68	\$22.41
OKLAHOMA CITY TOTALS	45,434,726	2,663,754	11.8%	(54,309)	(9,538)	922,462	574,166	\$18.23	\$21.47

Note: Data in tables is not reflective of U.S. Office Overview

KEY LEASE TRANSACTIONS Q2 2023

PROPERTY	SUBMARKET	TENANT	SF	TYPE
6300 N Classen Blvd	Northwest	Diamondback Energy	114,156	New
9400 N Broadway Ext	Northwest	Lifechurch	14,168	New
8330 N Glade Ave	Northwest	Powerline Church	13,870	New
1801 Wheeler St	South	MDM3 Fitness LLC	1,970	New
2028 E Memorial	Northwest	-	12,213	New

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q2 2023

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
1226 N Shartel Ave	Midtown	Ip Acquisitions, LLC/Rit Holdings, LLC	12,840	\$3,300,000/\$257.01
3445 W Memorial Rd	Northwest	Portland Pointe Plaza, LLC/Aryamehr Property, LLC	10,246	\$1,500,000/\$146.40
5720 NW 135th St	Northwest	MCOP, LLC/Carroll Realty, LLC	7,059	\$1,350,000/\$191.25
14512 Bogert Pky	Northwest	JRE, LLC Series E/Superior Livestock Auction, LLC	4,886	\$1,207,425/\$247.12
3020 W Hefner Rd	Northwest	Marathon Property Partners, LLC/Wfd Property, LLC	3,500	\$972.5000/\$277.86

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Barry Murphy

Tel: +1 405 821 7015

bmurphy@commercialoklahoma.com

Travis Mason

Tel: +1 405 246 0655

tmason@commercialoklahoma.com

David Meadows

Tel: +1 405 240 8757

dmeadows@commercialoklahoma.com

Micah Sherman

Tel: +1 405 488 5548

msherman@commercialoklahoma.com

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Commercial Oklahoma Office

Tel: +1 405 563 5000

www.commercialoklahoma.com

cushmanwakefield.com