

TULSA OFFICE MARKET PLAYBOOK

AUGUST 2021

26,035,993 SF

Office 10,000+ SF
Excludes: Med., Gov., Edu., Single
Tenant Owner-Occupied

17.1%

Vacancy Rate
A: 23.0% | B: 19.5%

444,883 SF

Under Construction/
Planned

100K+ SF | 3
50K-99K SF | 2
20K-49K SF | 6

Contiguous Space
Available

CLASS A | \$20.12
CLASS B | \$16.18

Avg. Asking Price
for New Leases

MARKET INSIGHT

The Tulsa office market saw a slight uptick in new sales and leasing activity during the month of August. Leading the way was the sale of Executive Center II at 7134 S Yale Ave. The 9-story, 112,000 square foot office tower was purchased by a local buyer for \$9,100,000 in early August. This is the latest sale in what has been a strong year for one of Tulsa's largest office submarkets. Fueled largely by activity in the CBD and South Tulsa submarkets, the Tulsa market has recorded \$109.1 million in office property sales so far in 2021. With several other notable properties currently on the market, this is something we will be keeping our eyes on in the months ahead.

The healthcare and medical office footprint continues to grow on the south side of the metro, following the recent announcement of a new medical office development in Broken Arrow. Initial plans call for 60,000 square feet of Class A medical office space at 4700 S. Elm Place in Broken Arrow. The project is expected to be complete in 2022. This will compliment the \$250 million expansion of Saint Francis Hospital's south campus announced earlier this summer. Demand for quality medical office space in South Tulsa has been on the rise in recent years due to sustained population growth in suburbs such as Jenks, Bixby, and Broken Arrow.

RECENT HEADLINES

\$19 Million Medical Campus Planned in Broken Arrow

The new complex will feature new anti-bacterial building technologies in order to provide a safe working environment for physicians and other medical professionals.

[Tulsa World](#)

Office Building in South Tulsa Changes Ownership

Executive Center II recently traded hands in a transaction between local investors.

[Tulsa World](#)

Booming Downtown: Investment More than 800M in Last 5 Years Alone, City Says

The downtown development pipeline remains full, with a number of notable office, multi-family, and mixed-use projects underway.

[Tulsa World](#)

Jobless Claims Decline to Lowest Level Since Pandemic Began

Preliminary numbers from the Bureau of Labor Statistics indicate the unemployment rate for the Tulsa metro has returned to pre-pandemic levels

[Bureau of Labor Statistics \(BLS\)](#)

CONSTRUCTION & DEVELOPMENT

UC: Under Construction | P: Planned



222 N. Detroit Ave (Image: Costar)



Vast Bank



Pearl Ridge South (Image: Costar)

Status	Market	Property	Address	Year Built	Class	RSF	Tenants	Owner
UC	CBD	222 N Detroit (WPX)	222 N Detroit Ave.	2022	A	260,283	TBD	WPX Energy
P	CBD	Santa Fe Square	2nd & Elgin Ave.	TBD	A	151,200	TBD	Nelson and Stowe Development
P	East	Pearl Ridge South	827 S Peoria Ave.	2022	A	30,000	Noria Corp.	Noria Corporation, Inc.
UC	CBD	USA BMX Headquarters	118 N Lansing Ave.	2021	A	25,000	BMX USA	BMX/City of Tulsa
Totals						466,483		

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NOTABLE LEASES/RENEWALS

CBD/Sub	Property Name	Tenant	SF	Class	New/Renewal	Date
CBD	Vast Bank Building	GableGotwals Law Firm	42,511	A	New Lease	April-21
CBD	First Place Tower	Conner & Winters Law Firm	34,573	A	New Lease	Jan-21
Sub	One Warren Place	Garver Engineers	22,963	A	New Lease	Mar-21
Sub	Two Warren Place	Stan Johnson Company	22,379	A	Renewal	Aug-21
CBD	Kennedy Building	CPRP Energy	16,019	A-	Sublease	Nov-20
CBD	110 W 7th	US Attorneys	10,186	A	Expansion	Feb-21
CBD	Kennedy Building	USSF Mortgage	8,010	A-	Sublease	Feb-21
Sub	Kensington Business Center	Rovi Products, LLC	28,979	B	Renewal	Aug-21
Sub	BOK Place at Southern Hills	Bank of Oklahoma	23,956	B+	Renewal	Mar-21
Sub	BOK Place at Southern Hills	Home Depot USA, Inc.	15,575	B+	Renewal	Aug-20
CBD	314 E 3rd St	Meridian Media	12,964	B	New Lease	May-21

HIGHLIGHTED MAX CONTIGUOUS AVAILABLE

Submarket	Property Address	Property Name	Year Built	Class	RBA	% Leased	Max Contig. Avail.	Rent/SF/Yr
CBD	222 N Detroit Ave.	222 N Detroit	2022	A	260,284	0.00	241,452	Undisclosed
Sub	8200 S Unit Dr.	Unit Corporation HQ	2016	A	196,000	100.0	132,300	\$24.00
CBD	202 S Cheyenne Ave.	One Place Tower	2013	A	328,543	95.0	84,000	\$19.00
CBD	1 W 3rd St.	Williams Center Tower I	1981	A	302,654	100.0	37,204	\$17.50
CBD	401 S Boston Ave.	Mid-Continent Tower	1918	A	379,532	70.7	27,225	\$17.00 - \$18.50
South	6100 S Yale Ave.	One Warren Place	1983	A	456,600	75.1	24,336	\$25.50
CBD	1 Williams Center	BOK Tower	1974	A	1,507,844	99.5	23,341	\$19.00
South	5100-5132 E Skelly Dr.	Meridian Tower	1982	A	217,219	90.4	21,323	\$21.50
CBD	110 W 7th St. S	110 West 7th Building	1971	A	521,000	84.5	14,177	\$18.00
CBD	501-521 S Boston Ave.	Philcade	1925	B	452,705	66.1	142,127	\$14.50 - \$15.00
CBD	320 S Boston Ave.	320 South Boston Building	1917	B	398,370	71.7	63,652	\$16.00
South	7130 S Lewis Ave.	Kensington Office Tower I	1983	B	206,345	53.3	38,831	\$14.00 - \$16.00
East	4500 S Garnett Rd.	4500 Exchange Tower	1981	B	163,497	93.0	15,354	\$14.50
South	7633 E 63rd Pl.	One Memorial Place	1981	B	90,643	59.0	14,031	\$15.00 - 15.50

MARKET SUMMARY

Submarket	Buildings	RBA	Direct Vacancy	Vacancy (%)	YTD Absorption	Avg. Asking Rent
CBD	61	9,792,661	1,419,935	14.5%	-213,200	\$17.45
South	134	7,331,087	1,642,163	22.4%	-38,450	\$17.52
Midtown	58	3,652,008	495,893	13.6%	-28,952	\$17.21
East	31	3,628,031	620,393	17.1%	16,105	\$15.15
Medical	58	3,012,651	427,796	14.2%	30,550	\$17.80
North	11	1,065,901	304,847	28.6%	-16,572	\$14.95
Broken Arrow	22	566,305	45,488	8.3%	4,651	\$16.40
Total	375	29,048,644	4,956,515	17.1%	-245,868	\$17.04



Rick Guild



Dillon Argo



Amity McCabe



Brad Rice