

# OKC MARKET REPORT



**STATE CAPITAL  
OF OKLAHOMA**



**CITY OF OKC  
AREA SIZE**



**OKC METRO  
UNEMPLOYMENT**  
2021 Average



**OKC METRO  
POPULATION**  
2022



**BOND RATING  
OKC 2022**  
Moody's and S&P



The Edge at Midtown

**Oklahoma City is the regional leader** in oil and gas, aviation and aerospace, biotechnology, transportation and logistics, and business services. The metro is situated at the crossroads of two major interstates and Will Rogers World Airport offers nonstop service to major markets around the country.

Tinker Air Force Base is the largest single-site employer in the state. Other major employers include Paycom, Hobby Lobby, Love's Travel Stops & Country Stores, Devon Energy, Continental Resources, and American Fidelity. The energy sector remains a strong economic driver, although aerospace, biotechnology, and E-commerce account for a significant number of jobs.

Two years into the COVID-19 pandemic, the metro has weathered the initial economic downturn and job losses only to bounce back to boast record-low unemployment, increased sales tax collections, and companies that continue to move and expand. The taxpayer-funded MAPS projects continue to improve the quality of life in the city. MAPS 3 projects brought a new convention center, an urban park, downtown streetcars, and other amenities to the city's core. MAPS 4 includes projects addressing everything from new and upgraded sports and entertainment facilities to homelessness, mental health, and transit. Record low unemployment and population growth over the past decade have OKC on a positive trajectory for 2022 and beyond.

## NEWMARK ROBINSON PARK 2021 IN REVIEW



**17.5M SF**  
SOLD AND LEASED



**\$1.44B**  
TOTAL TRANSACTIONS

### NOTABLE 2021 TRANSACTIONS

- **The Edge at Midtown | Multifamily** | 1325 N Walker Ave.  
250 Units | \$55M, \$220,000 per unit
- **Baker Hughes Super Center | Industrial & Office** | 12701 N Santa Fe Ave.  
180,760 SF | 72 acres | \$43M
- **6801 S Sunnyslane Road | Industrial**  
1.1M SF | 170 acres | \$40M

## WHAT WE'RE WATCHING *OKC Office Market*

The office market will continue to struggle with uncertainty as employers and employees balance in-office time with working from home. Companies also must determine how much space is needed with some or all hybrid-working employees.

## WHAT WE'RE EXCITED ABOUT *Convergence*

\$177.5 million partnership between Robinson-Park and Gardner Tanenbaum on 2.7 acres to house state-of-the-art facilities to promote collaboration between aviation, aerospace, bioscience, and technology. The MAPS 4 Innovation Hall will further foster this collaboration in the Innovation District.



Baker Hughes Super Center



6801 S Sunnyslane Rd.



# ECONOMIC DRIVERS

## AEROSPACE

Sources: Greater OKC Chamber; Tinker AFB

### Tinker Air Force Base

- 29,605 est. total personnel  
6,286 military | 18,659 civilians | 4,660 military dependents
- Annual Federal Payroll: \$1.65 billion
- Economic Impact: \$5.96 billion

#### Tinker Economic Impact Breakdown

	Direct	Indirect
Payroll	\$1,650,214,706	\$1,781,901,839
Construction	\$158,526,487	\$143,942,050
Locally Produced Goods & Services	\$1,240,101,261	\$933,363,271
Local Purchases Produced Elsewhere	\$27,256,682	\$18,868,680
Other Spending (YTD)	\$3,320,372	\$2,687,966
<b>Total</b>	<b>\$3,079,417,508</b>	<b>\$2,880,763,806</b>
<b>Combined Economic Impact</b>	<b>\$5,960,183,314</b>	

## HEALTH CARE

INTEGRIS, SSM Health, Mercy, and others employ 82,000 workers in the region with 36 general medicine and surgical hospitals and specialty clinics.

## PROF., BUSINESS, AND FINANCIAL SVCS.

More than 125,000 employees, or 18% of the local workforce, provide business and financial services nationwide.

## BIOSCIENCE

Bioscience is booming in OKC and the sector employs 51,000 statewide providing goods, services, research, and education.

### Federal Aviation Administration, Mike Monroney Aeronautical Center

- 5,150 employees
- Operating budget: \$1.1B
- Second largest aerospace employer in the region  
*OKC has highest concentration of FAA civil servants and contractors outside of Washington, D.C.*

#### Aerospace Economic Impact

- 290+ aerospace firms in the region
- 43,250 aerospace workers
- Aerospace firms produce \$11.6 billion in goods and services locally.
- Aerospace companies hiring engineers in a variety of fields can receive a tax credit equal to 5-10% of the compensation paid to the engineer.

## ENERGY

The industry only accounts for 2% of metro employment. Devon Energy, Continental Resources, and Chesapeake Energy remain strong players. Growth in oil prices will continue to drive production and hiring this year.

## WHOLESALE AND RETAIL TRADE

At the intersection of major interstates, OKC is a trade center with monthly taxable retail sales in 2021 often beating projections and exceeding the same month from previous years.

## MANUFACTURING

More than 38,000 people are employed in manufacturing in the OKC metro. It accounts for about 5% of the metro's nonagricultural labor force.

## OKC 2020-2021 HIGHLIGHTS

- 2020 U.S. Census data showed OKC was one of only 14 cities nationwide that gained at least 100,000 people since 2010
- In 2021, yearoveryear nonfarm annual job growth in the metro was 1.7%, a gain of 10,825 jobs.
- Oklahoma City Convention Center and Omni Hotel opened
- Scissortail Park opened
- Harold Hamm and Continental Resources donate \$50M to OSU Energy Center
- The former Cox Convention Center leased to Prairie Surf Studios for television and movie production
- Arvest Bank became the anchor tenant in the 16-story former BOK building in downtown OKC
- Griffin Communications announced plans to move News9 to the Century Center, which it purchased, bringing 200 jobs downtown
- City Council voted to annex 160 acres. OKC is the eighth-largest city by land area.
- Mayor David Holt elected for a second term
- First Americans Museum opens
- Paycom signs 15 year deal for naming rights of the former Chesapeake Arena, home of the NBA's OKC Thunder

### 2022 Outlook

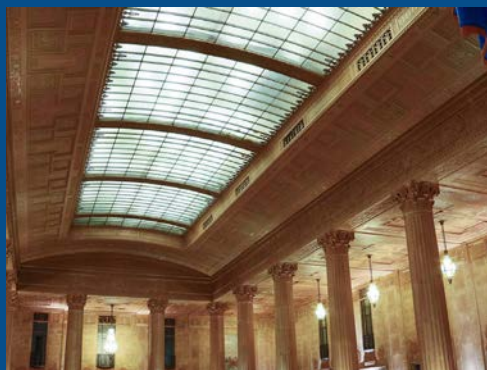
The Oklahoma City Chamber expects strong job growth to continue in 2022. Its baseline forecast scenario shows employment growing by 4.1%, or approximately 25,900 jobs by the end of the year. A solid start to the year and continued demand for labor will result in job numbers expected to exceed pre-pandemic levels.

# FEATURED DEVELOPMENTS, TAXES, MAPS 4



## Convergence

\$177.5M | State-of-the-art facilities for research and innovation and a hotel | 2024



## First National

193 apartments, 146-room Marriott Autograph and retail | March 2022



## OKANA

\$200M resort next to First Americans Museum | 2024

## MAPS 4 PROJECTS

### Parks

\$140 million will fund improvements to all of the parks in the city.

### Youth Centers

\$110 million will fund four new youth centers to provide activities and education.

### Senior Wellness Centers

\$15 million for a fifth Senior Wellness Center, and \$15 million for scholarships for low-income seniors.

### Mental Health and Addiction

\$40 million for mental health and substance abuse services.

### Family Justice Center

Operated by Palomar  
\$38 million will pay for a family justice center for victims of abuse and violence.

### Transit

\$87 million for upgrades, more buses and rapid transit lines.

### Sidewalks, Bike Lanes, Trails and Streetlights

\$87 million dedicated to bike and pedestrian roads and trails.

### Paycom Center

\$115 million for capital maintenance and improvements for tenants and fans.

### Beautification

\$30 million for beautification projects around the city.

### Homelessness

\$50 million to reduce homelessness with affordable housing options.

### Animal Shelter

\$38 million for a city animal shelter to replace the current outdated facility.

### Fairgrounds Coliseum

\$63 million to partially fund an arena that will replace the aging Jim Norick Arena.

### Diversion Hub

\$17 million to work to keep low-level offenders out of jail.

### Innovation District

\$71 million to create a hub of innovation in the OU Health Sciences area.

### Freedom Center and Clara Luper Civil Rights Center

\$25 million to renovate Freedom Center and construct center to celebrate civil rights history.

### Multipurpose Stadium

\$37 million for a multipurpose stadium to host outdoor sporting events downtown.

## CITY FINANCES

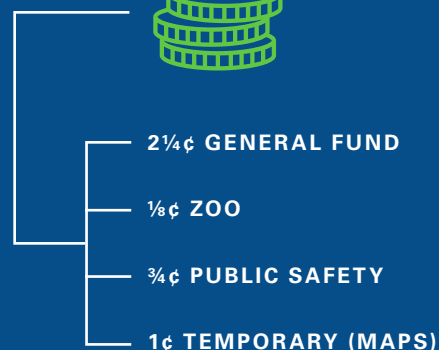
The City of Oklahoma City pays for day-to-day operations from the General Fund. The largest contributor to that fund is sales tax, followed by use tax. Sales tax is derived from retail sales, and use tax comes from goods purchased elsewhere and shipped or brought to OKC, including purchases from online retailers.

General Fund sales tax collections for Jan. 2022 were \$26.8M. That was \$4.1M or 18.3% above projections and \$4.8M or 21.8% above the same month in 2021.

### SALES TAX RATE: 8.625%

City tax rate is 4.125%, the additional 4.5% goes to state and county. A 1¢ Temporary Sales Tax is for MAPS and other municipal projects.

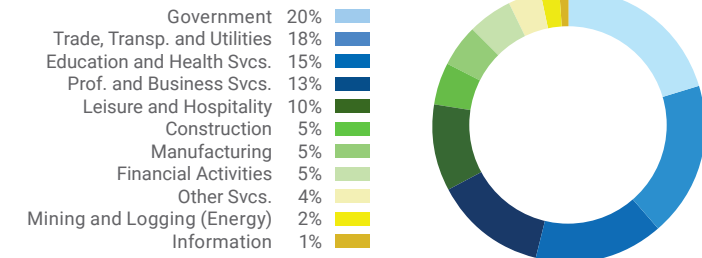
### 4.125% CITY TAX RATE BY THE CENT PER DOLLAR SPENT





# MARKET SUMMARY | 2022

## INDUSTRY DIVERSITY



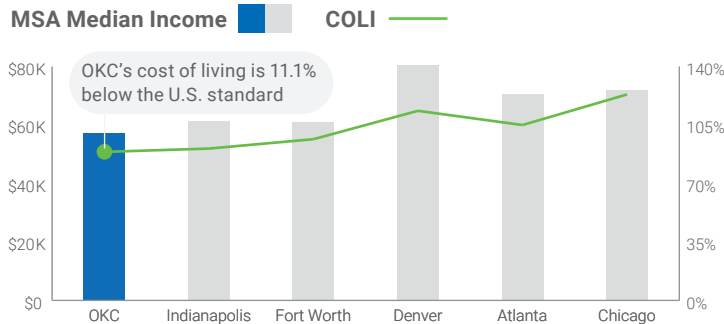
Source: US BLS

## HIGHER EDUCATION ENROLLMENT

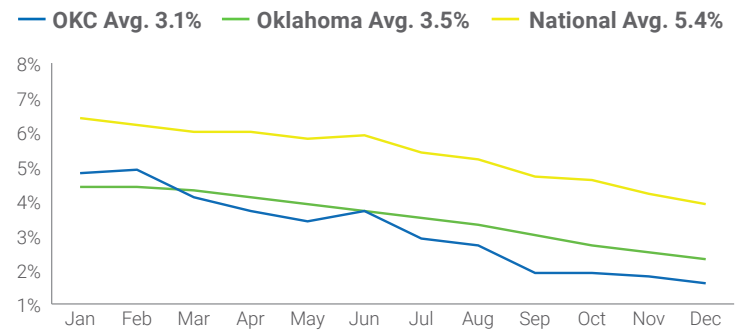
School	Fall '21	Type
University of Oklahoma, Norman OU Health Sciences Center, OKC	30,091	State four-year
Oklahoma State University Stillwater & OKC campuses	28,700	State four-year
University of Central Oklahoma, Edmond	13,250	State four-year
Oklahoma City Community College, OKC	11,346	State two-year
Rose State College, Midwest City	8,881	State two-year
Oklahoma City University, OKC	2,550	Private four-year
Oklahoma Christian University, Edmond	2,142	Private four-year

Source: Oklahoma State Regents for Higher Education

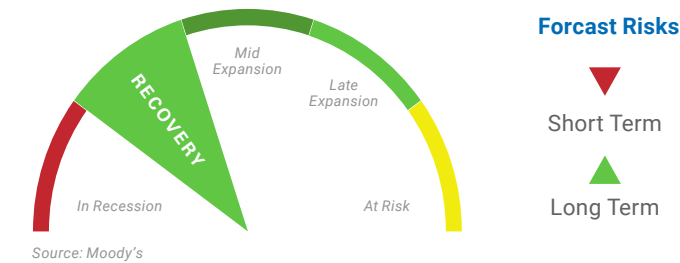
## COST OF LIVING INDEX COMPARABLES



## UNEMPLOYMENT RATES 2021



## ECONOMIC CYCLE



## NEW JOBS

Company	Industry	Jobs	Announced	Investment
Signify Health	Healthcare	200	12.7.21	25,000 SF office
Consumer Cellular	Telecom.	300	12.7.21	Office Lease
Mom's Meals	Hospitality	125-550	1.1.21	\$17M/200,000 SF
Carvana	Auto inspection	350	12.1.20	\$40M/190,000 SF
Costco	Retail	1,044	6.1.20	Office Purchase

Source: Greater OKC Chamber

## MAJOR EMPLOYERS

The largest employers in the OKC metro are the government and military, although the area has a diverse economy and is home to the headquarters of several major companies.

HQ	Employer	Employees	Sector	Ticker	Market Cap	Years in OKC
•	Hobby Lobby Stores Inc.	6,500	Retail	Private		50
	Amazon	5,000	Retail	AMZN	\$1.58T	12
	The Boeing Co.	4,200	Aerospace	BA	\$123.45B	38
•	Paycom	3,000	Technology	PAYC	\$20.95B	24
•	Devon Energy	2,500	Energy	DVN	\$35.1B	51
•	MidFirst Bank	2,500	Finance	Private		67
•	Sonic	2,460	Retail	Private		69
	Dell	2,300	Business Services	DELL	\$44.9B	18
•	American Fidelity	1,995	Finance	Private		62
•	BancFirst	1,700	Finance	BANF	\$2.49B	56
•	Love's Travel Stops & Country Stores	1,500	Retail	Private		58
•	Continental Resources	1,080	Energy	CLR	\$20.73B	10*

\* founded in Enid, OK in 1967

Source: Greater OKC Chamber | Excludes Government, Military, Higher Education, and Healthcare