



OFFICE MARKET OVERVIEW

OKLAHOMA CITY | 2023

NEWMARK
ROBINSON PARK



OKLAHO



MACITY

OKC OFFICE MARKET OVERVIEW

OVERALL MARKET 4

- Overall Office Summary
- Market Summary
- Under Renovation
- Market Vacancy
- Market Asking Rents

DOWNTOWN 9

- Prominent Industries
- Driving Development
- Asking Rents
- Contiguous Space Availability
- Notable Occupiers
- Completed Leasing Transactions
- Sales Volume

MIDTOWN 13

- Prominent Industries
- Driving Development
- Asking Rents
- Contiguous Space Availability
- Notable Occupiers
- Completed Leasing Transactions
- Sales Volume

NORTH 17

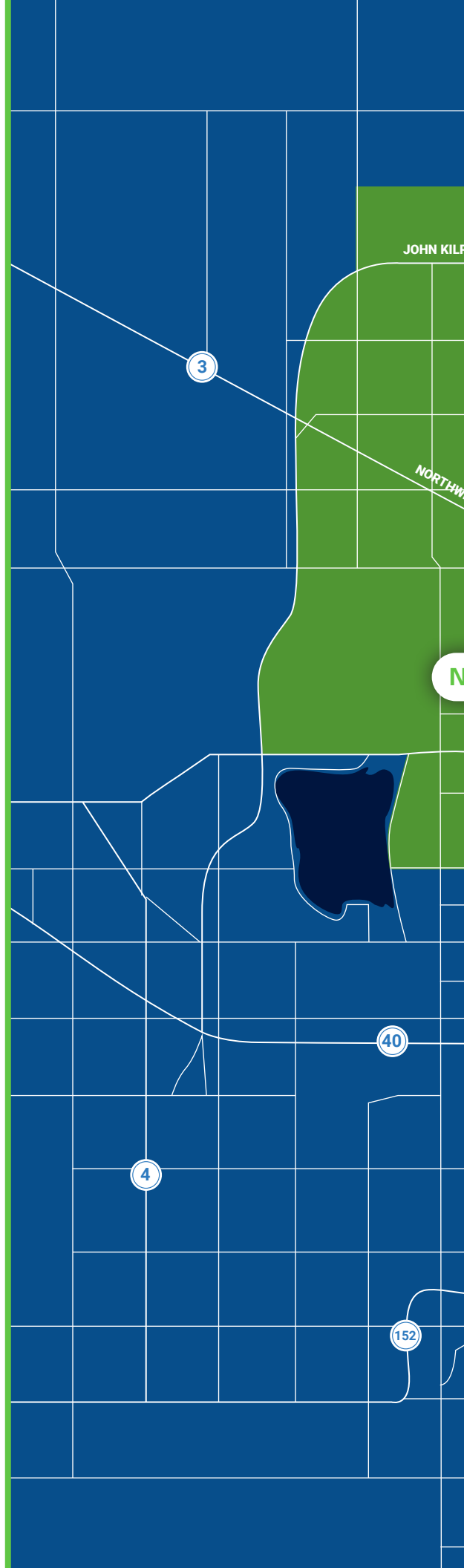
- Prominent Industries
- Driving Development
- Asking Rents
- Contiguous Space Availability
- Notable Occupiers
- Completed Leasing Transactions
- Sales Volume

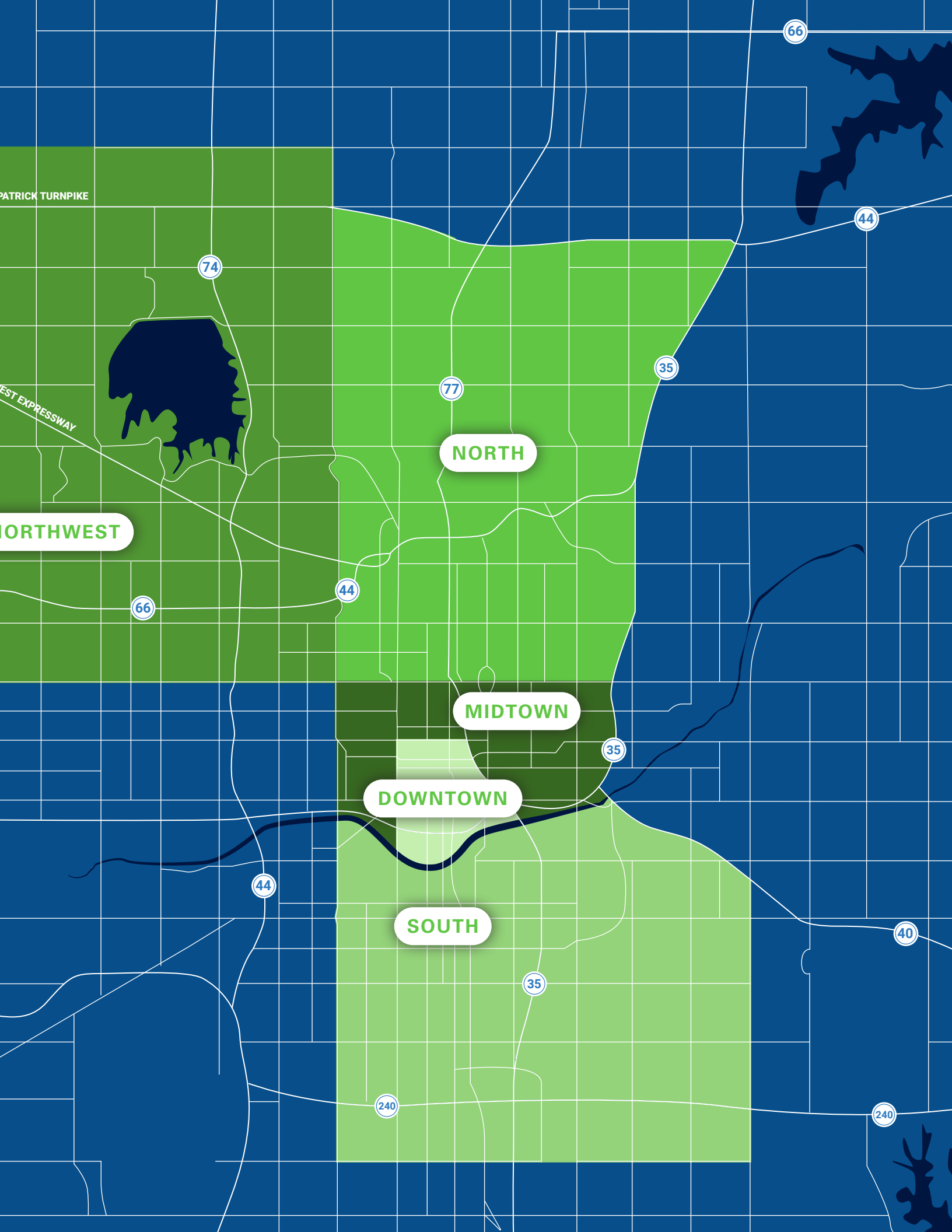
NORTHWEST 21

- Prominent Industries
- Driving Development
- Asking Rents
- Contiguous Space Availability
- Notable Occupiers
- Completed Leasing Transactions
- Sales Volume

SOUTH 25

- Prominent Industries
- Driving Development
- Asking Rents
- Contiguous Space Availability
- Notable Occupiers
- Completed Leasing Transactions
- Sales Volume





PATRICK TURNPIKE

EST EXPRESSWAY

NORTHWEST

NORTH

MIDTOWN

DOWNTOWN

SOUTH

74

77

35

66

44

66

44

35

44

40

35

240

240

OVERALL MARKET ANALYSIS

INVENTORY SF

18,457,739 SF
TOTAL SF

6,057,515 SF
CLASS A

9,533,132 SF
CLASS B

2,867,092 SF
CLASS C

HIGHLIGHTS

-147,093 SF
EOY 2022
ABSORPTION

28.8%
VACANCY
RATE

414,100 SF
UNDER
CONSTRUCTION

128,000 SF
PLANNED

The Oklahoma City office market has found itself in a tango between supply and demand in this real estate cycle. When 2022 began, Oklahoma City was still shaking off the after-effects of the COVID-19 pandemic on the local office market. In January 2022, the unemployment rate for the Oklahoma City Metro was 2.8%, a significant improvement over the 5.0% unemployment rate from January of 2021. As 2022 came to a close, unemployment had fallen to an even lower rate of 2.4% according to preliminary data from the Bureau of Labor Statistics (one of the lowest in the country for cities with over 1 million people). While this did not necessarily produce immediate gains in the office market, life returned to the central business district and the rest of Oklahoma City's busiest office corridors.

Unequivocally, this cycle has brought both expansion and compression. Office-using employment in the Oklahoma City Metro posted mixed signals in 2022. According to the Bureau of Labor Statistics (BLS), the Professional & Business Services sector added 4,400 jobs in 2022, while job growth in the Financial Activities sector remained relatively flat. The Mining & Logging sector (which includes the energy industry) added an additional 1,200 jobs. These figures highlight the economic crosswinds that are currently in play for industries that are traditional occupiers of office space in Oklahoma City.

The Oklahoma City office market continued to grapple with inflated vacancy rates and negative net absorption in 2022. Though a few submarkets did register positive absorption for the first time since the onset of the COVID-19 pandemic, there remains considerable room for improvement as far as leasing activity is concerned. Asking rates largely

remained stable throughout 2022, while the overall vacancy rate rose slightly from 28.5% to 28.8%. Despite several notable deals that took place over the course of 2022, large blocks of vacant space continue to pose a challenge for occupancy rates throughout the city. There is also a lingering concern that national companies with large office footprints could vacate or downsize as they continue to weigh their post-pandemic real estate strategies, which would add additional space to an already over-supplied market. Sales activity, on the other hand, had another strong year in 2022. The office sales volume for 2022 surpassed \$250 million for the third year in a row.

Despite the mixed economic signals currently being displayed by the national economy, Oklahoma City continues to grow at a dynamic pace. Development activity has shifted from strictly office or retail complexes to mixed-use developments with large success. In tandem with the creation of the Innovation District is the development of Convergence, a mixed-use project that will include 218,000 square feet of research labs, office space, retail amenities, and a new hotel. Developed by Robinson Park Investments and Gardner Tanenbaum Holdings, the \$177.5 million project aims to create an environment that will support Oklahoma's key industries, including aviation, aerospace, bioscience, and energy.

Oklahoma City also expanded the local hospitality industry in 2022. In April, the First National Center reopened to considerable fanfare following a seven-year, \$287 million renovation. The building now operates as a full-scale Marriot hotel and apartment building with a variety of ground floor retail and dining options. First National Center has already become a marquee gathering place for locals and visitors downtown.

MARKET SUMMARY

Submarket	RBA	Vacant SF	Vacancy (%)	Asking Rent	Absorption
CBD	5,949,581	2,566,056	31.0%	\$20.58	-40,642
Midtown	1,567,167	447,705	28.6%	\$17.65	16,876
North	2,886,936	993,105	34.4%	\$18.20	-152,363
Northwest	6,335,210	1,574,771	24.9%	\$18.40	30,292
South	1,718,845	443,998	25.8%	\$17.92	1,176
Total	18,457,739	6,025,635	28.8%	\$18.83	-147,103

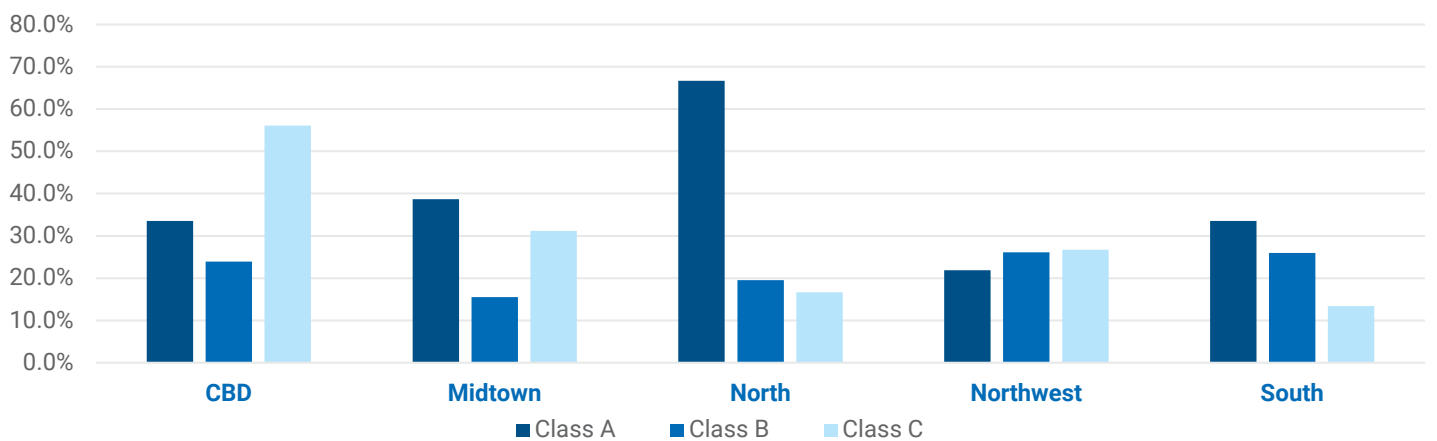
UNDER CONSTRUCTION | RENOVATION | PLANNED

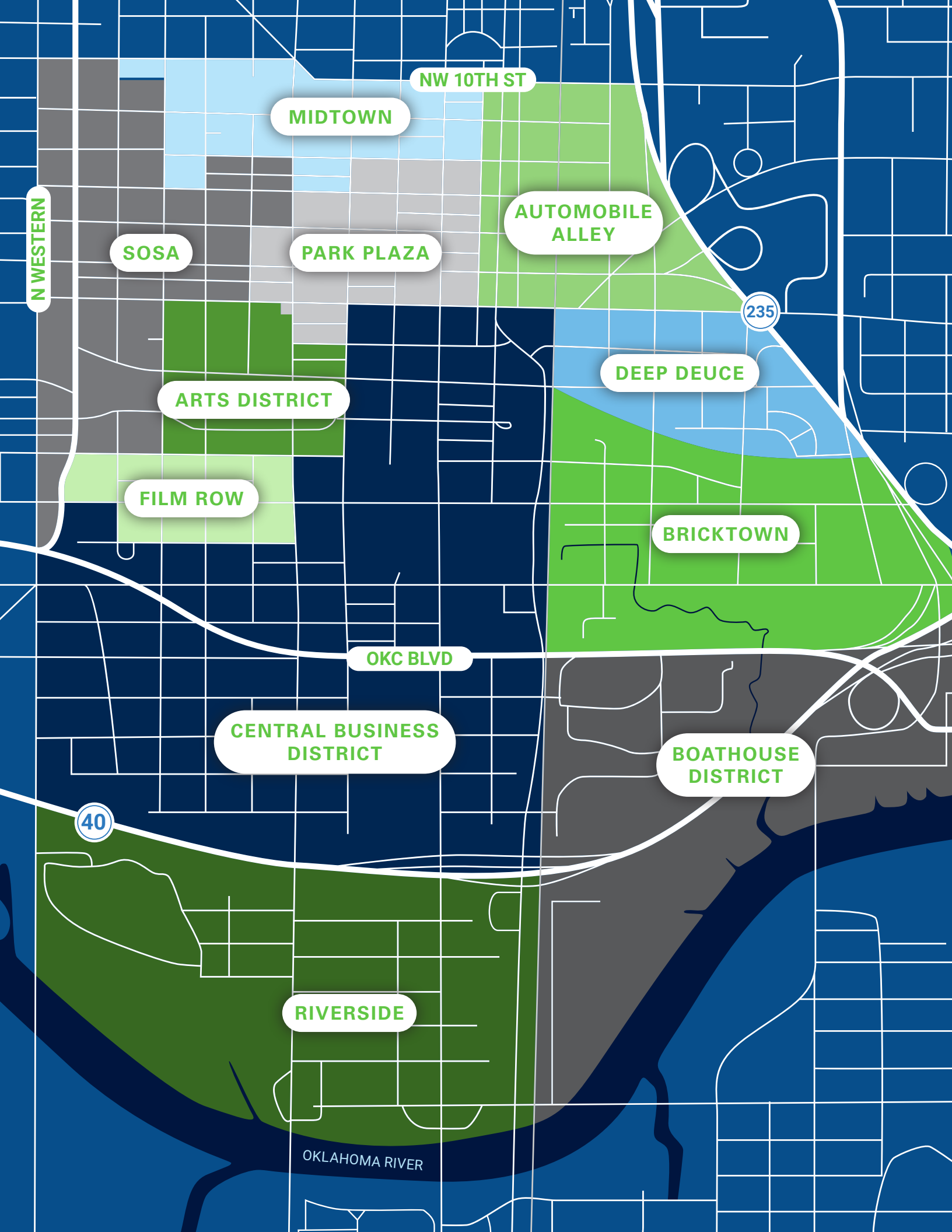
Property	Address/Location	Submarket	SF	Pre-leased (%)	Tenants	Status	Est. Completion
The Citizen	NW 5th St. & Robinson Ave.	CBD	160,000	75.0%	TBD	U/C	2025
1200 N Hudson Ave.	NW 11th St. & Hudson Ave.	Midtown	48,000	65.0%	JE Dunn Construction Resolution Legal Group	P	2023/2024
BancFirst Tower	100 N Broadway Ave.	CBD	507,682	96.2%	BancFirst Hall Estill Globe Life Insurance	U/R	2023
Convergence	NE 8th St. & I-235	CBD	218,000	TBD	Wheeler Labs	U/C	2025
Phillips Murrah HQ	NW 10th St. & Hudson Ave.	Midtown	80,000	75.0%	Phillips Murrah	P	2025
Fox Lake	Fox Lake Lane & I-35	North	36,100	88.6%	TBD	U/C	2022
NE 5th St. & Harrison Ave.	NE 5th St. & Harrison Ave.	CBD	45,000	TBD	Berry Rock Oklahoma State Bank	P	2025

ASKING RENTS



MARKET VACANCY





NW 10TH ST

MIDTOWN

AUTOMOBILE ALLEY

SOSA

PARK PLAZA

235

DEEP DEUCE

ARTS DISTRICT

FILMROW

BRICKTOWN

OKC BLVD

CENTRAL BUSINESS DISTRICT

BOATHOUSE DISTRICT

40

RIVERSIDE

OKLAHOMA RIVER

N WESTERN

DT

DOWNTOWN

INVENTORY SF

5,949,581 SF

TOTAL SF

2,566,056 SF

CLASS A

2,830,355 SF

CLASS B

553,170 SF

CLASS C

HIGHLIGHTS

-40,642 SF

EOY 2022
ABSORPTION

31.0%

VACANCY
RATE

423,000 SF

UNDER
CONSTRUCTION

45,000 SF

PLANNED

The Central Business District (CBD) is the hub of the Oklahoma City office market. It has the largest supply of Class A office space in the city and features the highest average asking rates for leasable office space. The CBD offers a wide variety of restaurants, coffee shops, and hotels that can all be accessed by foot or the 4.8-mile streetcar system. The area is anchored by many of Oklahoma's most recognizable companies, such as Devon Energy, Continental Resources, Bank of Oklahoma (BOK), BancFirst, OG&E, Heartland Payment Systems and more.

Leasing activity in the CBD was largely flat throughout 2022, though the pace of activity did speed up towards the end of the year. The submarket posted -40,642 square feet of negative absorption and a vacancy rate of 31%. Asking rates remained steady at \$20.58 per square foot. The most notable transaction in the CBD was the sale of the Heartland Payment Systems headquarters on Automobile Alley. The 111,503 square foot, Class A building sold in September for \$47 million. The deal produced one of the highest \$/SF ratios on record for Oklahoma City at \$421.24 per square foot.

Other notable sales include the former BancFirst headquarters at 101 N Broadway Ave. and the nearby 100 N Park Ave. Both properties were sold to developer Richard Tannenbaum, who plans to convert them into apartments. The conversion of these buildings provides a boost to Downtown occupancy rates by removing nearly 215,000 square feet of largely vacant office space from the market.

OPPORTUNITIES

- Large block availabilities for market entrants
- MAPS3 and MAPS4 creating development in the core

CHALLENGES

- Stagnant occupancy rates
- Rightsizing and shadow space of oil and gas users

DOWNTOWN SUBMARKET

PROMINENT INDUSTRIES

LEGAL SERVICES

Although law firms have begun to occupy smaller office footprints in recent years, legal offices still occupy significant square footage in multi-tenant assets in the Downtown submarket. Many of the state's top firms are located Downtown and occupy large blocks of class A office space.

ENERGY

Amongst the rightsizing of square footage from this industry, energy companies continue to hold the largest blocks of space in the downtown core creating the most revenue per square foot. Shadow space of both owner-occupants and lessees remain a concern for the core as the Oklahoma City economy continues to diversify.

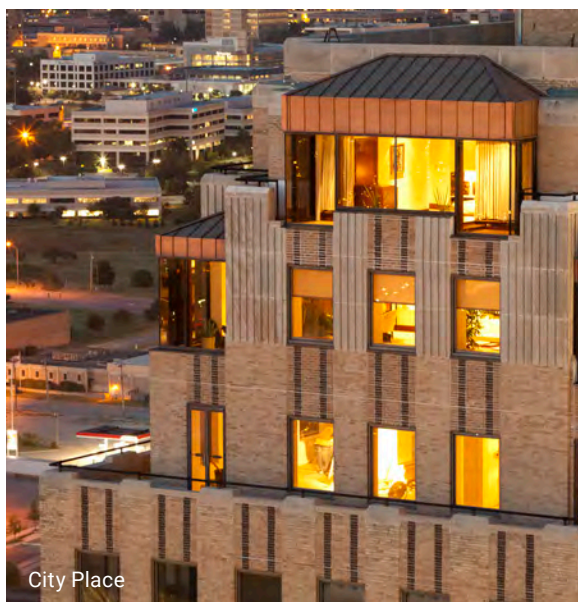
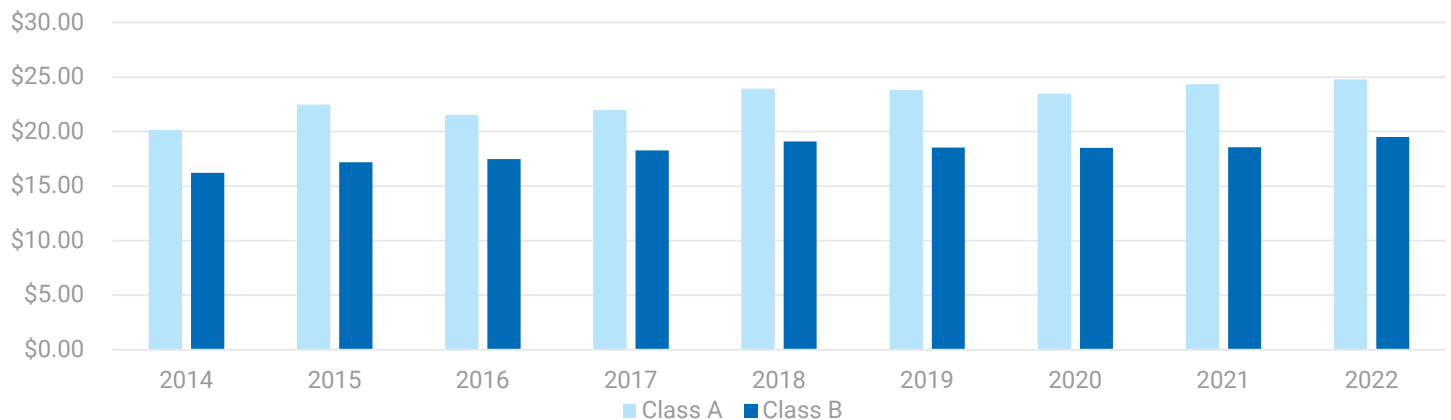
DRIVING DEVELOPMENT

Aside from the final stages of renovations at BancFirst Tower, there are two office projects in the development pipeline for Downtown Oklahoma City. In early 2022, plans were announced for a new 12-story office tower located across the street from the Oklahoma City Bombing Memorial at NW 5th St. & N Robinson Ave. The development will include 160,000 square feet of commercial office space with additional retail and hospitality components. Named 'The Citizen', the \$65 million project generated strong pre-leasing interest and is scheduled for completion in 2024-2025.

The second development is located on Urban Renewal Authority land near the I-235 corridor at NE 6th St. & Harrison Ave. Local developers plan to build a new five-story office building anchored by Berry Rock Homes, Oklahoma State Bank, and Comma Insurance.

Construction costs and inflation remain a concern for property developers across the United States. Costs for lumber, steel, and other raw materials have declined since their mid-2022 highs but remain well above average levels.

ASKING RENTS



City Place

CONTIGUOUS AVAILABILITY

Property Name	SF	Cont. Avail.	Asking Rent	Rent Type
BOK Park Plaza	663,294	305,136	NEGOT	NEGOT
Dowell Center	204,000	204,000	\$14.00	MG
Leadership Square	735,514	113,100	\$24.50	FSG
101 Park Ave.	197,042	92,275	\$16.50	FSG
BancFirst Tower	507,682	22,015	\$18.50	FSG
Corporate Tower	276,723	21,802	\$22.00	FSG
Oklahoma Tower	565,414	18,773	\$24.50	FSG
Heartland Building	111,503	16,940	\$24.00	NNN
Robinson Renaissance	176,060	15,104	\$18.00	FSG
City Place Tower	294,742	12,116	\$19.00	FSG

NOTABLE OCCUPIERS

Tenant	SF	Industry
BancFirst	209,930	Banking
Heartland Payment Systems	160,275	Business Services
McAfee & Taft	106,827	Law Firm
BOK	106,701	Banking
US Attorney	72,217	Government
Phillips Murrah	58,637	Law Firm
Hall Estill	36,526	Law Firm

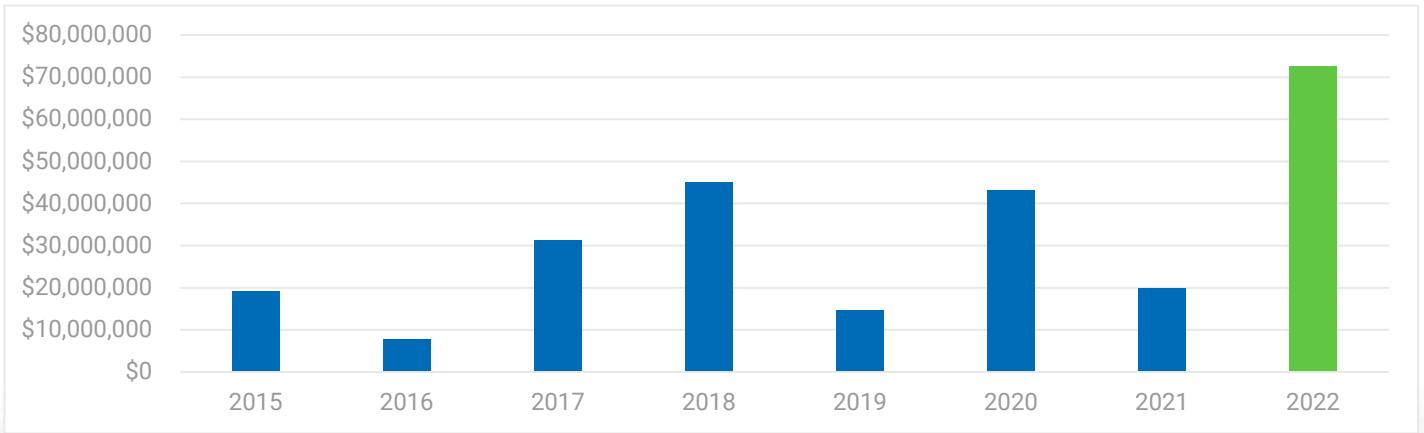
COMPLETED LEASE TRANSACTIONS

Tenant	Property	SF
Duncan Oil Properties	BancFirst Tower	14,254
Mack Energy Co.	BancFirst Tower	11,450
Fox Rothschild LLP	Oklahoma Tower	10,485
Thentia USA, Inc.	LSQ	7,856

COMPLETED INVESTMENT TRANSACTIONS

Property	RBA	Sale Price	\$/SF	Date
Heartland HQ	111,503	\$46,970,000	\$421.24	9/22
Former BancFirst HQ	112,230	\$6,000,000	\$53.46	5/22
100 N Park Ave.	102,822	\$6,500,000	\$63.22	11/22

SALES VOLUME



NW 150TH ST

JOHN KILPATRICK TURNPIKE

74

3

JOHN KILPATRICK TURNPIKE

NORTHWEST EXPRESSWAY

N PENN

44

66

NW 23RD ST



NW NORTHWEST

INVENTORY SF

6,335,210 SF

TOTAL SF

2,011,936 SF

CLASS A

3,450,191 SF

CLASS B

873,083 SF

CLASS C

HIGHLIGHTS

30,292 SF

EOY 2022
ABSORPTION

24.9%

VACANCY
RATE

0 SF

UNDER
CONSTRUCTION

0 SF

PLANNED

Following a slowdown in leasing activity in 2020-2021, the Northwest submarket has returned to form as one of the more active submarkets in 2022. The Northwest submarket posted nearly 30,000 square feet of positive absorption in the first half of 2022, leading to a slight drop in vacancy from 25.6% to 24.9%. Notable leases signed in the Northwest submarket in 2022 include Martindale Consultants, who leased 16,650 square feet at 4100 Perimeter Center in July. At Union Square, health information services company R1 RCM leased 13,500 square feet in June. Lastly, Relx, Inc., parent company to subsidiary firms such as Lexis Nexis, signed a new lease for 18,225 square feet at Lakepointe Towers in early 2022.

The Northwest submarket also generated strong interest from investors, leading the way in total sales volume in the last two years. Since 2020, nearly 2.1 million square feet of office space has been sold for a total sales volume of \$272.3 million. The most notable transactions have been for higher quality assets located along Northwest Expressway and the Memorial Road corridor.

OPPORTUNITIES

- Large block availabilities for new market entrants
- Planned mixed-use development to possibly bring new dining and entertainment entrants to the market

CHALLENGES

- Risk of over-dependence on the energy sector
- Single-tenant office space returning to the market as national firms continue to weigh their post-pandemic real estate strategies.

NORTHWEST SUBMARKET

PROMINENT INDUSTRIES

INSURANCE

Several of the largest insurance companies in the United States lease space in the Northwest submarket, including Farmers, New York Life, Blue Cross and Blue Shield, Mutual of Omaha, Liberty Mutual, and more.

ENERGY

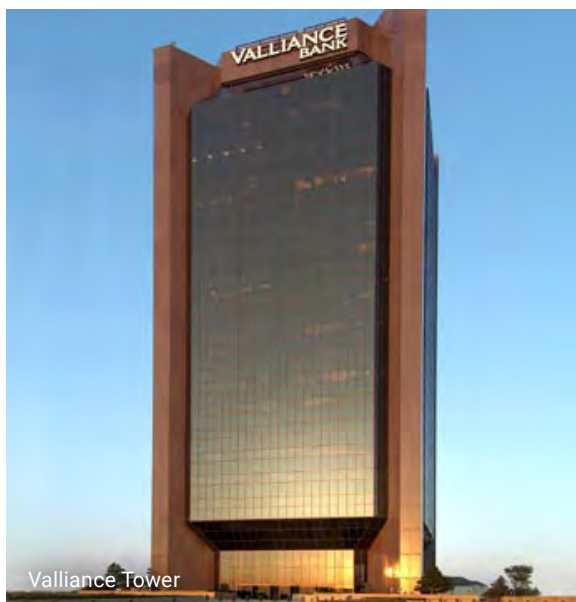
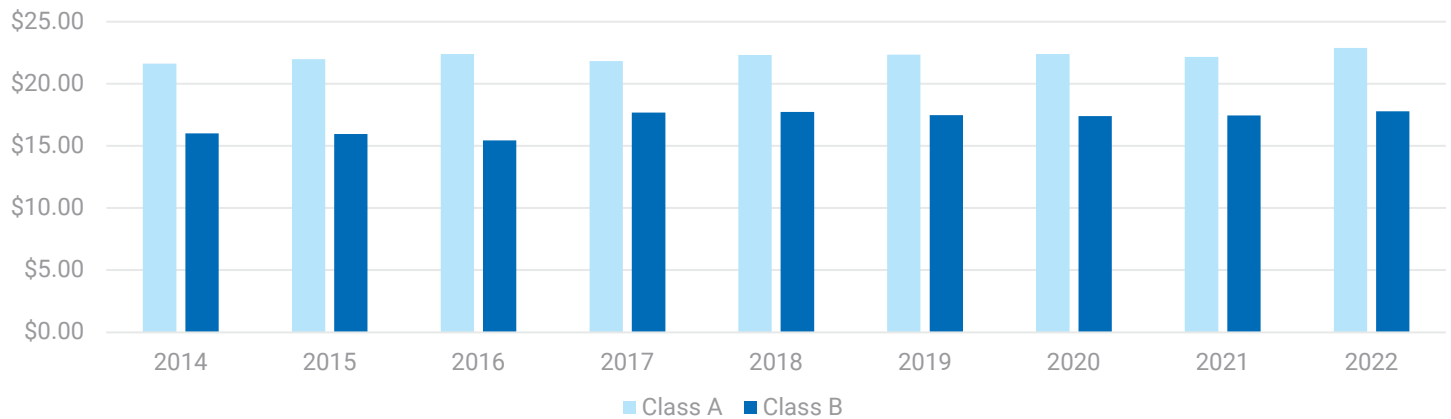
Similar to the remainder of the Oklahoma City metro, the energy sector is a key driver to the Northwest office market. Unlike Downtown and the North submarket, the Northwest depends on smaller by square footage firms.

DRIVING DEVELOPMENT

The most notable development in the Northwest submarket is The Oak, a mixed-use project located directly southwest of Penn Square Mall. Though the project has been scaled down compared to the initial plans, the first phase of construction began in the final months of 2022. Phase one of the 20-acre development calls for a 322-unit apartment complex with garage parking and up to 40,000 square feet of adjoining retail space. An eight-story, 132-room hotel is also planned as a part of the development. Potential additions to the development could be announced following the completion of the first phase of the project, which is anticipated to be complete by the end of 2024.

Outside of smaller office park developments not included in this report, there are no significant office projects in the construction pipeline for the Northwest submarket. Although space added to the market by previously owner-occupied buildings could pose challenges as companies continue to assess their future office plans, the lack of large-scale office construction bodes well for occupancy rates in the near future.

ASKING RENTS



CONTIGUOUS AVAILABILITY

Property Name	SF	Cont. Avail.	Asking Rate	Rent Type
Lake Park Tower	106,500	72,078	\$19.50	FSG
Mercury Insurance Building	101,615	52,000	\$15.00	MG
AAA Operations Center	147,107	49,176	\$24.00	FSG
8400 Silver Xing	46,468	46,468	NEGOT	NEGOT
IBC Center	278,843	27,909	\$22.50	FSG
Quail Springs Pkwy Plaza	298,610	25,552	\$22.00	FSG
3201 Quail Springs Pkwy	128,500	25,000	\$14.00	NN
Atrium Towers North	78,308	19,300	\$18.50	FSG
Lakepointe Towers	174,378	15,745	\$18.00	FSG
Union Plaza	247,520	14,688	\$20.00	FSG
Valliance Tower	299,599	13,767	\$23.00	FSG
The Oil Center	249,654	10,756	\$18.00	FSG

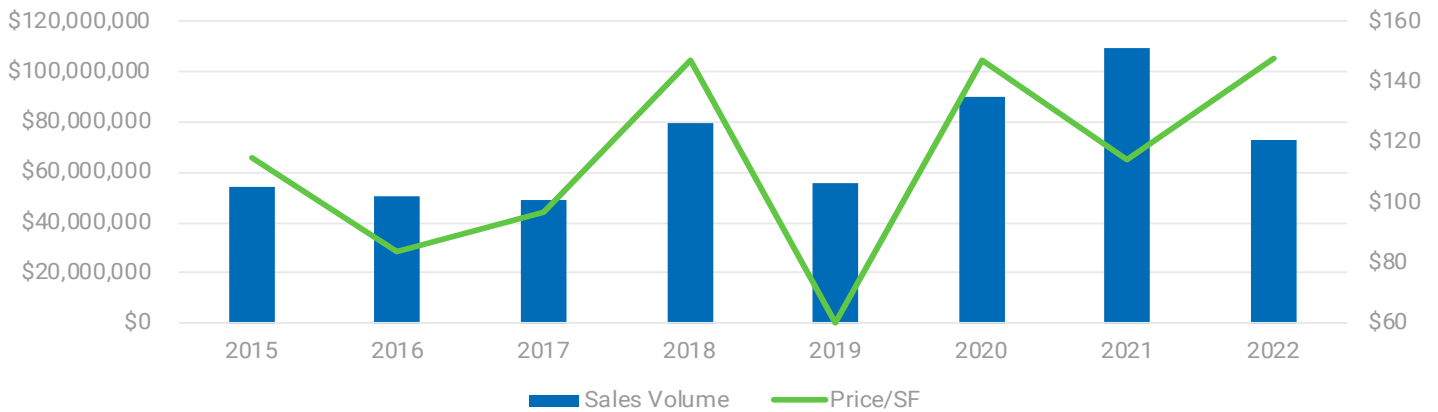
COMPLETED LEASE TRANSACTIONS

Tenant	Property	SF
Relx, Inc.	Lakepointe Towers	18,225
Martindale	4100 Perimeter Center	16,650
Hope is Alive Ministries	14400 Hertz Quail Springs Plaza	15,368
Suryl, LLC	Lakepointe Towers	14,887
R1 RCM, Inc.	Union Plaza	13,547
RFX Technology	4200 Perimeter Center	10,500
Kimley Horn	4727 Gaillardia Pky.	9,095
Rausch Coleman Homes	Lakepointe Towers	8,008

COMPLETED INVESTMENT TRANSACTIONS

Property	RBA	\$/SF	Date
Gulfport Energy HQ	141,512	\$159.00	9/21
Quail Springs Parkway Plaza	298,610	\$72.22	4/21
Enterprise Plaza	97,792	\$101.99	12/22
The Parkway	91,619	\$119.03	12/22
Brixton Square Building 8	33,000	\$100.00	7/22

SALES VOLUME AND SALE PRICE PER SF





JOHN KILPATRICK TURNPIKE

77

BROADWAY EXTENSION

35

N PENN

44

NW 23RD ST

NE 23RD ST

235

N

NORTH

INVENTORY SF

2,88,936 SF

TOTAL SF

1,107,013 SF

CLASS A

1,689,659 SF

CLASS B

90,264 SF

CLASS C

HIGHLIGHTS

-152,363 SF

EOY 2022
ABSORPTION

34.4%

VACANCY
RATE

36,100 SF

UNDER
CONSTRUCTION

0 SF

PLANNED

The North submarket continued to struggle with persistently high vacancy rates, ending 2022 at 34.4%. One primary reason for this is the wide availability of space for lease at the Chesapeake Energy Campus that has gradually been released to the market. Large blocks of space remain available for lease across three different buildings at \$21 per square foot (NNN). Across the street, an additional 27,000 square feet of vacant space remains available at 'The Nicholas', a new office building delivered in the final months of 2021. The building contains four floors of Class A office space that remain available for lease.

There were bright spots in 2022, however, which helped buoy occupancy levels at several buildings. Following the sale of the Baker Hughes facility near Santa Fe Ave. and the Kilpatrick Turnpike, Arizona-based Consumer Cellular opened a new customer service center at the building and plans to hire up to 500 new employees within the next few years. Further to the north, Signify Health Inc., a leading healthcare information platform and analytics company, opened a new regional service center at a new building along Memorial Road and I-35. The company plans to bring more than 200 new jobs to the region and serves as the latest example of the growing healthcare industry in Oklahoma City.

OPPORTUNITIES

- Large block availabilities for new market entrants
- New entrants to Oklahoma City, mainly in the retail sector

CHALLENGES

- Rightsizing and shadow space of Chesapeake Energy and other oil and gas users
- Stagnant leasing activity for Class A office space

NORTH SUBMARKET

PROMINENT INDUSTRIES

BANKING

The headquarters for Oklahoma-grown Midfirst Bank are located across several buildings at NW Grand Blvd. and Shartel Ave. American Fidelity is also headquartered in the North submarket at Broadway Extension and Britton Road.

ENERGY

Following the sale of their former headquarters to INTEGRIS Health in 2021, Gulfport Energy became the most recent energy firm to re-locate to the North submarket. The company recently subleased 28,500 square feet at the Schlumberger building at N. Kelley Ave. & NE 122nd St.

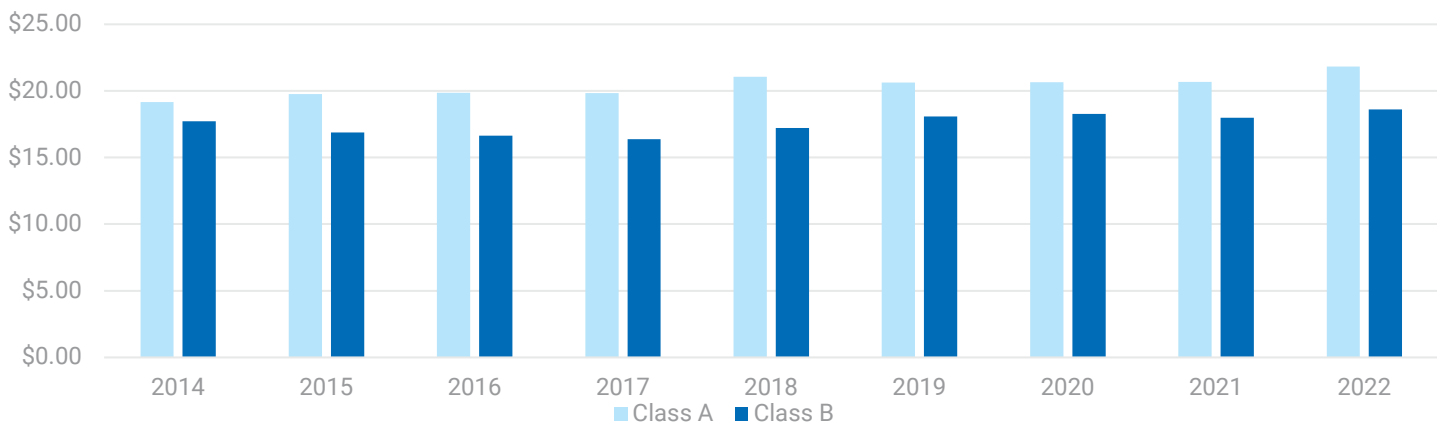
DRIVING DEVELOPMENT

The largest development in the North submarket is The Half, an on-going project between local developer Randy Hogan (Hogan Properties) and American Fidelity. Named for the halfway destination between Edmond and Oklahoma City, The Half is anchored by Oklahoma's first Flix Brewhouse and Chicken N' Pickle, an entertainment complex with a restaurant, bar, and multiple pickleball courts.

Adding to the 1,200 employees at American Fidelity, longtime downtown tenant Dolese Bros chose The Half for their new headquarters. The company brought 175 employees to the area when their offices opened in the summer of 2021, adding depth to the development and everything it provides.

In addition to the existing properties within The Half, further development of the 52-acre project could include retail, multi-family, health care, and hotel concepts.

ASKING RENTS



The Nicholas

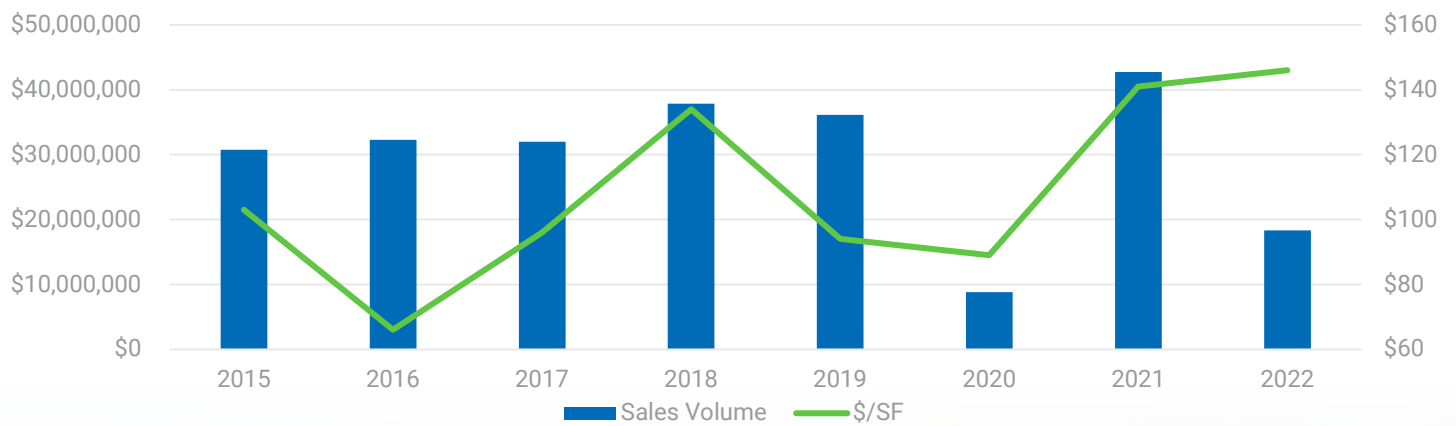
CONTIGUOUS AVAILABILITY

Property Name	SF	Cont. Avail.	Asking Rate	Rent Type
Chesapeake Building 14	272,501	49,625	\$21.00	NNN
Chesapeake Building 13	143,705	136,599	\$21.00	NNN
Chesapeake Building 15	253,298	48,157	\$21.00	NNN
Central Park II	126,286	38,076	\$19.00	FSG
One Broadway Center	31,129	31,129	\$15.60	FSG
Memorial Prof. Building	32,655	26,529	\$19.00	FSG
One Benham Place	152,929	25,075	\$19.50	FSG
Two Broadway Exec. Park	52,205	13,619	\$17.50	FSG
Harvey Parkway	97,912	9,075	\$18.50	FSG

COMPLETED LEASE TRANSACTIONS

Tenant	Property	SF
Consumer Cellular	12701 N Santa Fe Ave.	65,000
Gulfport Energy	Offices at Market Center	28,500
Baker Hughes	12701 N Santa Fe Ave.	28,000
Signify Health	5400 E Memorial Rd.	25,188
First United Bank	Fisher Hall	17,008
Red Rock Behavioral Health	The Paragon	14,324
Digestive Disease Specialists	Cedar Lake Plaza	8,671

SALES VOLUME AND SALE PRICE PER SF





44

235

NW 23RD ST

NE 23RD ST

35

NW 10TH ST

N PENN

N WESTERN

40

35

MT

MIDTOWN

INVENTORY SF

1,567,167 SF

TOTAL SF

92,624 SF

CLASS A

310,126 SF

CLASS B

1,164,417 SF

CLASS C

HIGHLIGHTS

16,876 SF

EOY 2022
ABSORPTION

28.6%

VACANCY
RATE

0 SF

UNDER
CONSTRUCTION

128,000 SF

PLANNED

Once an afterthought for many employers, Midtown has seen a renaissance within the last few years, predominately in the retail and entertainment industries. The office market is not to be excluded, as the Monarch Building found demand upon completion in 2020. The building is 100% occupied by Ackerman McQueen and Lingo Construction, and warrants asking rents \$5-\$6 per square foot higher than the average submarket asking rate. Another new building, Broadway Park, has remained unoccupied since it was completed in late 2021. The building features 5 floors of high-quality office space and outdoor balconies on each floor.

Due in large part to the retail and entertainment development that has taken place since 2010, office users have begun to target the Midtown area in greater numbers. Investment firm Full Sail Capital moved from the North submarket into its new 8,000 square foot office at 10th St. & Broadway Ave. in late 2021. Flintco Construction signed a lease for 10,000 square feet at the newly redeveloped Benz Building in May 2022. Lastly, renewable energy company Enel North America opened a state of the art office and training center at 525 NW 11th St. in October 2022.

OPPORTUNITIES

- MAPS projects provide opportunities for private developers
- Future office development will build off existing retail and multi-family to improve Midtown as an eat-work-play environment.

CHALLENGES

- Direct competition with downtown office towers and community
- High vacancy driven by Class C inventory

MIDTOWN SUBMARKET

PROMINENT INDUSTRIES

HEALTHCARE

Healthcare employs 82,000 workers, the largest industry in Oklahoma City. A large percentage of those employees work in the Health Science District, connected to Midtown and the Innovation District.

GOVERNMENT

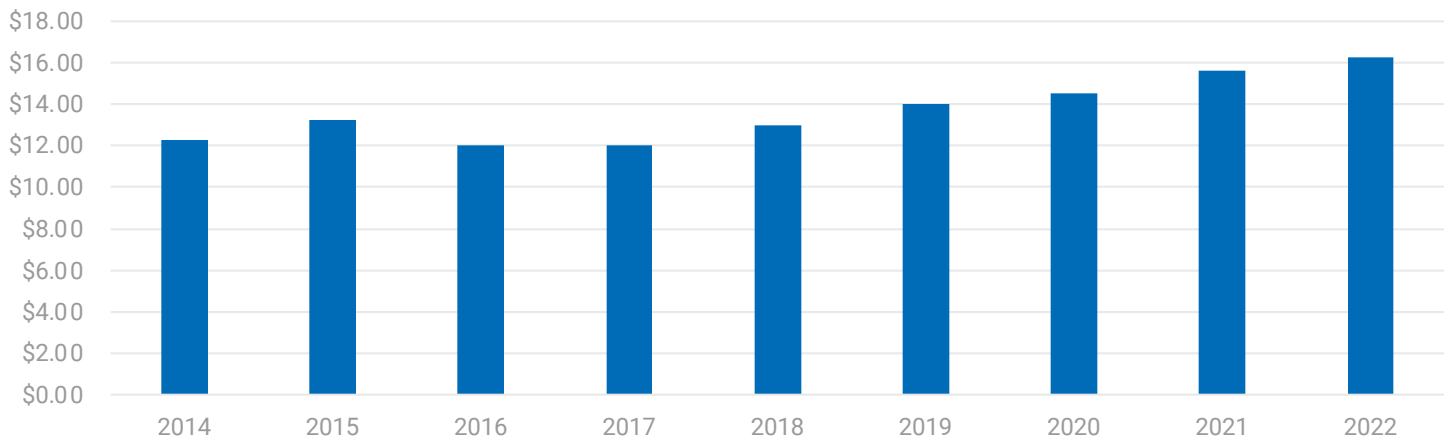
Home to the State Capitol building, many government agencies follow suit with a need to be near government entities.

DRIVING DEVELOPMENT

Midtown has seen a significant rise in commercial development in the past decade, as developers and local stakeholders have turned the once dormant area into one of Oklahoma City's preeminent districts for work, dining, and entertainment. There is little sign that the pace of development will slow in the near future. According to The Oklahoman, there is more than \$200 million in new construction and development set to take place in 2023, which includes a variety of retail, multi-family, and office projects.

One notable office project in the Midtown submarket is located on the corner of N Hudson Ave. & NW 11th St. The Pivot Project recently began construction on a new 48,000 square foot office building next door to Elk Valley Brewing Company. Tenants who have pre-leased space in the building include JE Dunn Construction and Resolution Legal Group. Additional space remains available for lease on the top and bottom floors.

ASKING RENTS



CONTIGUOUS AVAILABILITY

Property Name	SF	Cont. Avail.	Asking Rate	Rent Type
2000 Classen Center	315,429	36,423	\$16.80	FSG
Pasteur Medical Building	151,145	12,000	\$16.00	FSG
Broadway Park	39,277	9,528	\$16.00 - \$19.00	NNN
1211 N Shartel Ave.	111,740	7,700	\$13.00 - \$15.00	FSG
525 NW 11th St.	39,094	3,996	\$24.00 - \$25.00	NNN

NOTABLE EMPLOYERS

Company	Industry	Location
Hogan Taylor, LLP	Accounting/Finance	Benz Building
Ackerman McQueen	Advertising/Media	Monarch Building
Lingo Construction	Construction	Monarch Building

COMPLETED LEASE TRANSACTIONS

Tenant	Property	SF
Coop Ale Works	Pontiac Building	15,093
Full Sail Capital	Land Law Building	11,764
Flintco	Benz Building	10,000
Enel North America	525 NW 11th St.	9,307
Infinity Capital	Packard Building	4,330





235

35

40

40

35

240

S PENN

S SOONER RD

TINKER
AFB

SE 89TH ST

SE 89TH ST

S

SOUTH

INVENTORY SF

1,718,845 SF

TOTAL SF

279,886 SF

CLASS A

1,252,801 SF

CLASS B

186,158 SF

CLASS C

HIGHLIGHTS

-1,176 SF

EOY 2022
ABSORPTION

25.8%

VACANCY
RATE

0 SF

UNDER
CONSTRUCTION

0 SF

PLANNED

Predominantly an industrial submarket, the South office submarket has remained consistent in recent years. Some of Oklahoma City's largest employers are located in the South submarket, including Tinker Air Force Base, Boeing, Hobby Lobby, Dell, Amazon and the FAA Mike Monroney Aeronautical Center. These five employers collectively employ nearly 52,000 people in south Oklahoma City. While this does not necessarily translate into gains within the office market, each industry requires ancillary support from private companies who lease office space nearby.

Though the South submarket does not immediately come to mind for blue chip tenants seeking Class A space, there are a handful of opportunities for premium office space with below-market asking rates. One of the recent additions to the submarket is Westgate One, a 200,000 square foot building completed in 2016. NTT Data occupies the top three floors of the five-story building, with the remaining two floors still available for lease.

Opportunities for future development in the South submarket have emerged in recent years, particularly when considering its proximity to Canadian County. It is the fastest growing county in Oklahoma and the 27th fastest in the country, registering a population growth rate of 33.6% in the last ten years.

OPPORTUNITIES

- Rapidly growing presence of companies such as Hobby Lobby, FedEx, Boeing and Baker Hughes
- Will Rogers World Airport and Tinker Air Force Base expansion and economic impact

CHALLENGES

- Slow or non-existent office market growth
- Heavy dependency on single company, Hobby Lobby

SOUTH SUBMARKET

PROMINENT INDUSTRIES

RETAIL/WHOLESALE

Oklahoma grown, Hobby Lobby, continues to expand their footprint in the South submarket. Their 10 million square foot campus includes a variety of office, manufacturing, and distribution centers in the complex.

AEROSPACE

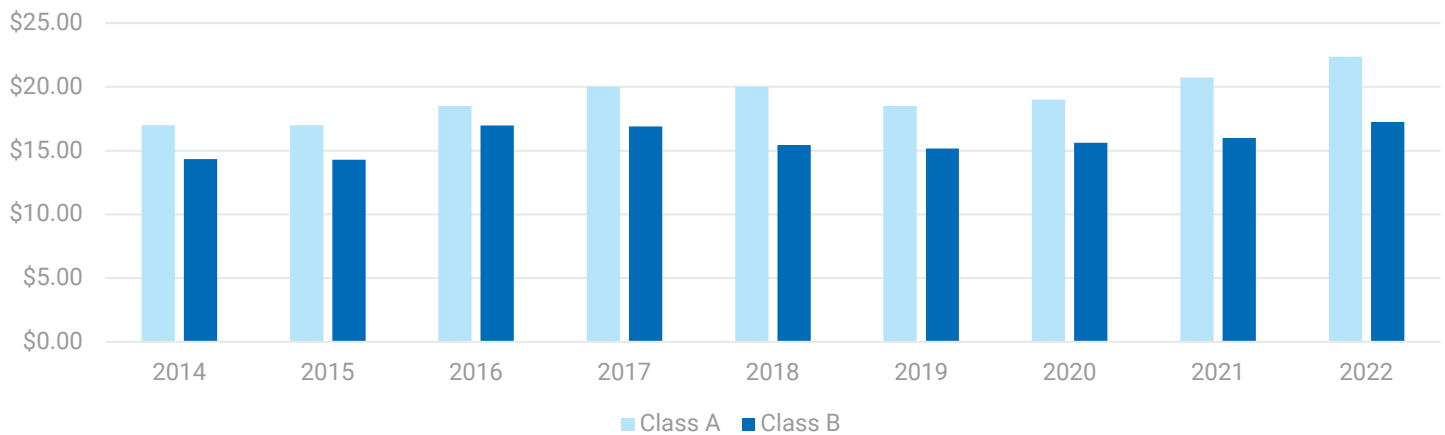
Will Rogers World Airport and Tinker Air Force Base drive aerospace growth in the market. Companies such as Boeing, Northrop Grumman, L3Harris, and many others have flocked to the area to support the growing aerospace community.

DRIVING DEVELOPMENT

Located on the south side of the Oklahoma River only a mile from Downtown is the Wheeler District. Developed by Humphreys Capital, the former air park has been transformed into a 150-acre eat/work/play neighborhood for both residents and visitors. The district provides a wide range of living, dining, retail, and recreation opportunities along with a new 27,000 square foot, Class A office building with space available for lease.

One of the principal economic drivers in Oklahoma City is Will Rogers World Airport located in Southwest Oklahoma City. In early 2022, the first phase of the \$89 million terminal expansion project was completed, adding a new east concourse with four new gates. The widened concourses, new shops and restaurants, and public observation deck provides an elevated traveler experience to accommodate the post-Covid 19 passenger traffic.

ASKING RENTS



CONTIGUOUS AVAILABILITY

Property Name	SF	Cont.Avail.	Asking Rate	Rent Type
Westgate One	200,000	80,000	\$20.00	FSG
3303 S Meridian Ave.	45,384	45,384	\$16.50	FSG
Westgate One	780,000	33,000	\$18.00 - \$19.50	FSG

NOTABLE EMPLOYERS

Employer	Employees
Tinker Air Force Base	26,000
Amazon	8,000
Hobby Lobby	6,500
FAA Mike Monroney Aeronautical Center	5,140
Boeing	3,600
Dell	2,100
Total Jobs	51,340

COMPLETED LEASE TRANSACTIONS

Tenant	Property	SF
Paycom	OKC Works Campus	61,554
Paycom	OKC Works Campus	54,804
Mercy Health	Crimson Spire	9,421
Garver	Computer RX Building	6,001



BOEING



OFFICE MARKET OVERVIEW
OKLAHOMA CITY | 2023