

# TULSA OFFICE MARKET PLAYBOOK

OCTOBER 2023

**27,092,42 SF**

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

**19.5%**

Vacancy Rate  
A: 18.7% | B: 23.6%

**181,200 SF**

Under Construction/  
Planned

**100K+ SF | 6**  
**50K-99K SF | 8**  
**20K-49K SF | 14**

Contiguous Space  
Available

**CLASS A | \$21.52**  
**CLASS B | \$16.48**

Avg. Asking Price  
for New Leases

## MARKET INSIGHT

Investors recently approved ONEOK's acquisition of Magellan Midstream Partners, which will produce one of the largest midstream oil and gas companies in the United States. At \$18.8 billion, the deal is the largest commercial transaction in state history, slightly edging out Anadarko Petroleum's \$18.3 billion purchase of Kerr-McGee in 2006. The combination of the two Tulsa-based firms creates a company with an estimated value of \$60 billion. Under the terms of the deal that have emerged so far, ONEOK will retain its name and CEO with Magellan as a wholly owned subsidiary. The commercial real estate implications are yet to be determined, but both companies are likely to remain downtown. ONEOK occupies its own building across from the Mayo Hotel, while Magellan leases space at BOK Tower and One Technology Center located next door.

In another recent development for the CBD, an international engineering and consulting firm announced plans to open a new office in Tulsa. Based in Paris, Expleo plans to work with Spirit Aerosystems to provide technical support on a wide range of commercial aerospace programs. According to the Tulsa Chamber of Commerce, the two companies will share an office on the 10th floor of the historic Philcade Building in Downtown Tulsa. This will be Expleo's seventh office in the United States, where it expects to have 30 new employees by the end of the year.

## RECENT HEADLINES

### 'Legacy in Our City': ONEOK's Purchase of Magellan Makes Combined Company a National Giant

Investors formally approved ONEOK's \$18.8B purchase of Magellan in late September.

[Tulsa World](#)

### Tulsa Developers Plan to Renovate Beacon Building into Apartments

The historic building at Fourth and Boulder is set to be converted from office space into apartments, which removes over 100,000 square feet of office space from the Downtown submarket.

[2News Oklahoma](#)

### Boutique Hotel Offers Upscale Access to Downtown and a New Rooftop View

A new 60,000 square foot hotel with top-of-the-line amenities is now open in the South Boston District following a \$12 million renovation.

[Tulsa World](#)

### Engineering Company to Locate Office in Tulsa

Tulsa continues to expand its aerospace footprint with recent announcement from French engineering firm.

[Journal Record](#)

## CONSTRUCTION & DEVELOPMENT

UC: Under Construction | C: Complete | P: Planned



222 N. Detroit Ave (Image: Costar)



Santa Fe Square (Image: Public Radio Tulsa)



21 N Greenwood (Image: Costar)

Status	Market	Property	Address	Year Built	Class	RSF	Tenants	Owner	
C	CBD	222 N Detroit	222 N Detroit Ave.	2022	A	260,283	Crowe & Dunlevy	WPX Energy	
U/C	CBD	Santa Fe Square	2nd & Elgin Ave.	2023	A	151,200	Hall Estill	Nelson and Stowe Development	
C	CBD	21 N Greenwood	21 N Greenwood Ave.	2022	A	72,500	TBD	Hille Foundation	
P	East	Pearl Ridge South	827 S Peoria Ave.	TBD	A	30,000	Noria Corp.	Noria Corporation, Inc.	
<b>Totals</b>						<b>513,983</b>			

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## NOTABLE LEASES/RENEWALS

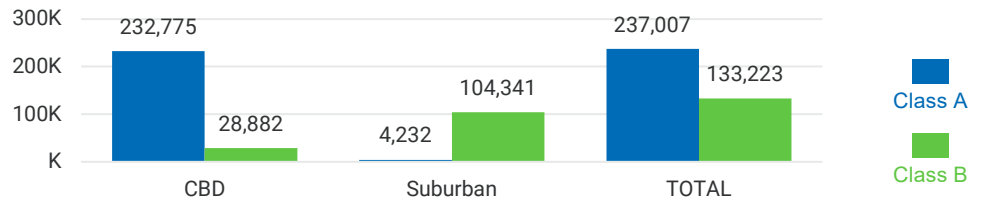
CBD/SUB	Property Name	Tenant	Leased SF	Class	New/Renewal	Date
CBD	Santa Fe Square	Vital Energy	64,800	A	New Lease	Jan-23
CBD	110 W 7th	Targa Resources	52,146	A	Renewal	May-23
SUB	Two Warren Place	Explorer Pipeline	47,502	A	Renewal	Oct-22
SUB	Meridian Tower	Freese & Nichols	12,610	A	New Lease	Aug-23
CBD	110 W 7th	QPS Flint	8,935	A	New Lease	Jul-23

## HIGHLIGHTED MAX CONTIGUOUS AVAILABLE

Market	Property Name	Property Address	Year Built	Class	RBA	% Leased	Max Contig. Avail.	Rent/SF/Yr
CBD	One Place Tower	202 S Cheyenne Ave.	2013	A	325,510	N/A	224,000	\$19.00
South	Meridian Tower	5100 E Skelly Dr.	1982	A	217,219	35.5	64,564	\$21.50
Midtown	Boulder Towers	1437 S Boulder Ave.	1969	A	521,802	58.6	32,100	\$16.00 - \$19.00
South	Two Warren Place	6120 S Yale Ave.	1987	A	489,903	80.6	26,176	\$27.00
CBD	320 S Boston	320 S Boston Ave.	1917	B	465,455	61.6	90,747	\$16.50

## OFFICE SUBLEASE SPACE

Market	SF	\$/SF
CBD	261,657	\$17.00
SUB	108,573	\$16.86



## MARKET SUMMARY

Market	Buildings	RBA	Direct Vacancy	Vacancy Rate	YTD Absorption	Avg. Asking Rent
CBD	66	10,612,159	1,771,408	16.7%	-39,492	\$18.15
South	135	7,771,400	1,650,902	21.2%	11,406	\$17.55
Midtown	59	3,609,196	537,088	14.9%	7,300	\$16.78
East	28	3,502,395	1,000,267	28.6%	-1,943	\$15.00
Medical	59	3,062,651	327,703	10.7%	1,548	\$17.43
North	9	1,050,885	372,340	35.4%	2,365	\$14.96
Broken Arrow	21	546,385	28,270	5.2%	-5,989	\$15.40
<b>Total</b>	<b>377</b>	<b>30,155,071</b>	<b>5,687,978</b>	<b>19.3%</b>	<b>-24,805</b>	<b>\$17.02</b>