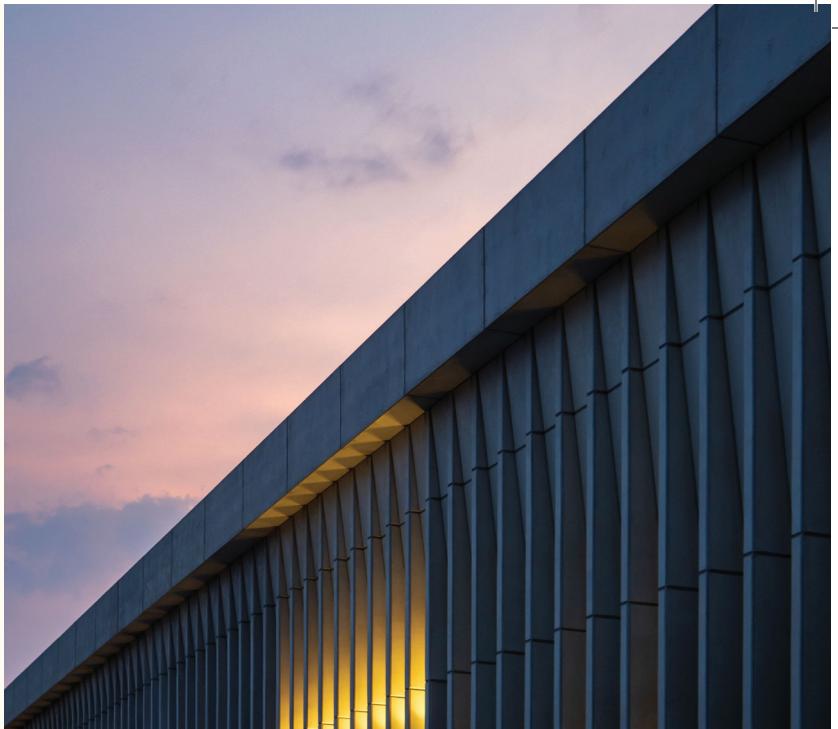
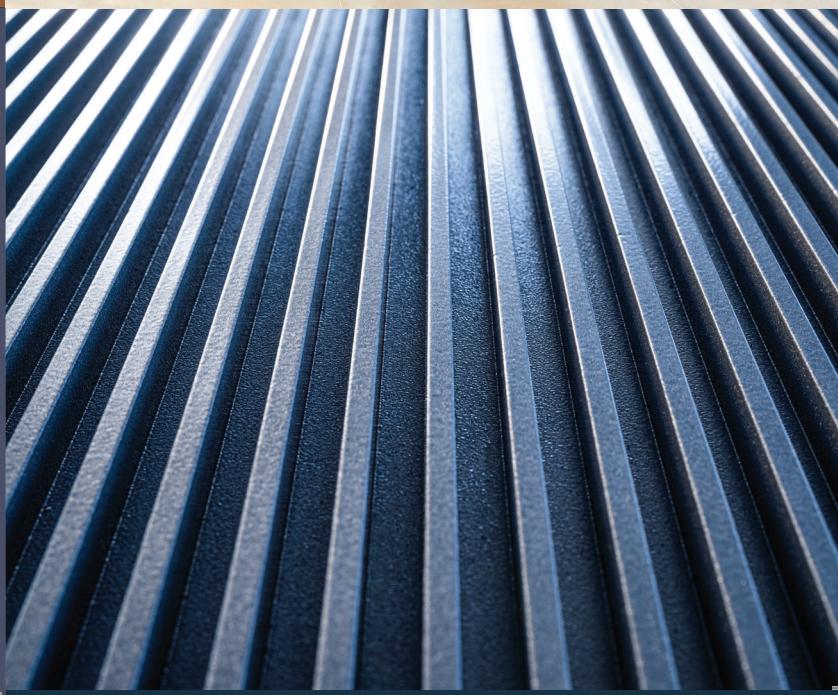


Price Edwards and Company

INDUSTRIAL MARKET REPORT



PRICE
EDWARDS
AND COMPANY





Company Profiles.....	1
Market Overview.....	2
North Submarket.....	4
Southeast Submarket.....	6
Southwest Submarket.....	8



**PRICE
EDWARDS
AND COMPANY**

priceedwards.com

MEMBER OF
TCN
WORLDWIDE
REAL ESTATE SERVICES

The information contained herein has been obtained from reasonably reliable sources. Price Edwards and Company makes no guarantee, either expressed or implied, as to the accuracy of such information. All data contained herein is subject to errors, omissions and changes. Reproduction in whole or in part, without prior written consent is prohibited.





Chris Roberts, Industrial Specialist

Chris Roberts joined the industrial team of Price Edwards and Company in June of 2015 and is responsible for the sale or leasing of industrial, office and retail space in and around the Greater OKC area. Before joining Price Edwards and Company, Chris had over a decade of customer service and sales experience gained through work in the wine and spirits industry in Oklahoma, Chicago, and California. He most recently worked for Paragon Brands, a local wine and spirits broker, and maintained over 300 accounts in Oklahoma. Chris was also one of the first employees of the Oklahoma City Thunder in 2008 and helped assist the initial ticket request list and sale of 13,000 full season tickets and later served as a season ticket account manager for three seasons.



Danny Rivera, Industrial Specialist

Danny Rivera joined Price Edwards and Company in July of 2015, as an associate in the Industrial and Investment Division. Rivera graduated from The University of Oklahoma in 2004 and has been active in the Oklahoma City industrial real estate market since 2005. As one of the most active Industrial agents in this market, he has been fortunate enough to work with companies such as Hobby Lobby, Chesapeake Energy, GE, YRC Worldwide, Swift Transportation, Waste Management, Western Flyer, City Trailer, Kaiser-Francis, Waukesha Pearce, Franks Tong Service, Sandbox Logistics, Downing Wellhead and many more local companies.



Andrew Holder, Industrial Specialist

Andrew Holder joined Price Edwards and Company June 2021, as a Broker Associate in the Industrial/Investment Division. Initially from Alva, Oklahoma, Holder graduated from Oklahoma City University in 2012 and began selling real estate in May of 2015. Primarily focusing on the purchase and sale of residential homes and investment packages, Holder soon found himself running a branch office as a Broker. In joining Price Edwards, he hopes to continue to build up his real estate acumen and put his sales and organizational knowledge to the test.



Mark Patton, Industrial Specialist

Mark Patton joined Price Edwards and Company in 2010. His principal activities include commercial and industrial real estate sales and leasing, specializing in industrial land and buildings. Major clients include Baker Hughes, Inc., Ryder Systems, EastGroup Properties, Oklahoma Publishing Company, Dresser Industries, Love's Country Stores, Pillsbury Co., and Seagate Technologies. Patton is a graduate of Oklahoma State University and received his degree in Business Administration. Prior to joining Price Edwards and Company, Patton worked over 30 years for Gerald L. Gamble Co. Inc., Commercial, and Industrial Realtors.

Price Edwards and Company has been the leader in Oklahoma City's commercial real estate market for over 30 years, not only in terms of completed transactions, but in market research. Our website, www.priceedwards.com, features downloadable versions of all of our market summaries for the past several years. It provides metro Oklahoma City market information, market outlooks, as well as news and information about current activity in the market.

Price Edwards and Company

INDUSTRIAL MARKET REPORT



PRICE
EDWARDS
AND COMPANY

www.priceedwards.com

Market Overview

For the multi-tenant industrial market, the upcoming year will be crucial as we attempt to shift our focus from a slow 2023. The market's vacancy rate increased from 5.42% to 6.21%, reflecting the first increase since 2017-18. Even though concerns about inflation, growing interest rates, and building costs were prevalent, the market should celebrate this modest change. Tenant caution and weak retail performance caused positive net absorption to slow. With the upcoming election it will be interesting to see if tenants will remain cautious or feel positive enough about the economy to take on expansion. Tenant demand seems to be improving in early 2024, fueled by rising spending among consumers.

This report covers only multi-tenant, investment grade industrial buildings. We classify them according to design, intended use & clear height into three categories:



Bulk warehouse buildings have 24 feet of clearance height, or greater. Service warehouse have 18-23 feet. Generally, the minimum size building tracked in any of the property types is 35,000 sf. Flex space is usually less than 18 feet, but can include modern, high clearance, flex space developments.

Flex Warehouse

Given the wide range of conceptions that end users have of the Flex market, it can be challenging to define. Retail warehousing/distribution, hybrids in the service sector, or any mix of these may be applicable. Predicting the future or drawing generalizations about this market may be risky because of these variations. The market corrected itself to a decent market of 5.67% last year and climbed somewhat again in 2023 to 6.43%, taking into account the sharp decline from a recent market high of 15.63% in 2018 to a market low of 3.42% in mid-2022. The companies in the larger industries make up a significant portion of these spaces, and these numbers ought to be steady if Oklahoma City keeps drawing in new companies to our state.

Bulk Warehouse

The bulk warehouse market continues to outpace all other asset classes of multi-tenant industrial products. This asset type is the only one that had a decreased vacancy compared to its 2022 number. Overall market vacancy rates for bulk warehouses eased to 4.33% from 5.31% year-over-year. This decline can mostly be credited by the SW submarket which decreased vacancy from 2.58% to nearly 0% year over year. That will change soon as multiple large properties are delivered early in 2024. The North Submarket had a slight increase from 15.17% in 2022 to 16.88% in 2023, while the SE submarket had a 2.58% decrease.

Service Warehouse

The largest shift in vacancy was observed in service warehouses, which comprise older buildings and those with intermediate clear heights. The market's overall service warehouse vacancy rate rose moderately from 5.45% to 8.85% in the previous year. The vacancy rate in the North Submarket shrank, falling from 13.99% to 6.18%. While the Southeast

Submarket stayed constant at 12.38%, the Southwest Submarket headed in the opposite direction, rising from 3.46% to 9.38%. We anticipate that more tenants will consider service warehouses as a way to mitigate the consequences of inflation. The Southwest Submarket still accounts for 80% of the entire service warehouse market so it will continue reflect the total vacancy for the foreseeable future.

Investment Sales

Sales of multi-tenant, investment industrial facilities in 2023 included six properties totaling 848,433 square feet with an average price per square foot of \$56.24. The total sales volume was \$47,711,927.

Property	SF	Sale Price	\$/SF	Sale Date
317 NE 31st St	74,400	\$3,500,000	\$47.04	3/23/23
9528 I-40 Service Rd	637,041	\$34,275,000	\$53.80	4/7/23
3916-96 E I-240 Service Rd	48,000	\$3,191,427	\$66.49	6/5/23
9217-9301 S Eastern Ave	25,000	\$2,155,000	\$86.20	8/31/23
7915 SW 34th St	30,000	\$2,440,500	\$81.35	10/31/23

New Construction

Property	SF	Delivery Date
9400-9500 W Reno Ave	457,600	Dec. 2023 & Jan. 2024
8401 N I-35 Service Rd	80,000	July 2023
5601 SW 13th St	239,453	August 2023
2400-2800 S Council Rd	1,006,931	July 2023

2024 Forecast



Vacancy — The completion and delivery of large speculative projects should result in rising vacancy rates, but they should ultimately stay lower when compared to the national average.



Rental Rates — We witnessed the slowest rent growth in many years due to the anticipated new supply and an increase in vacancies. With fewer new building starts and possible economic improvements, this might stabilize by year's end.



New Construction — The existing state of capital markets, elevated interest rates and vacancies and slow lease up of recently completed construction have collectively resulted in a deceleration of speculative development.

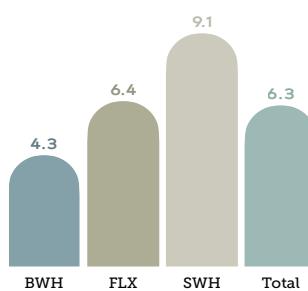


Chris Roberts, Industrial Specialist
Price Edwards and Company
(405) 239-1236
croberts@priceedwards.com

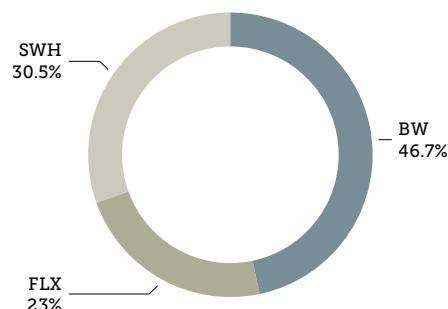
Submarket % of Total Market



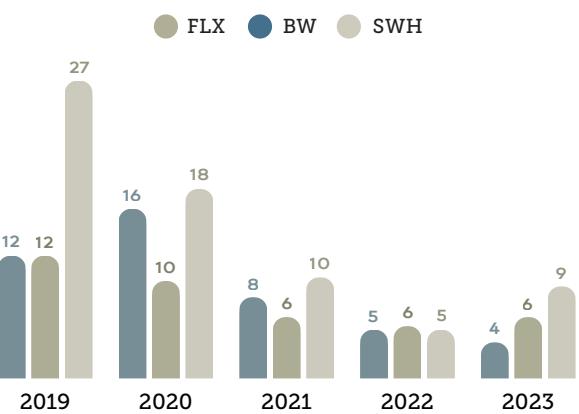
Vacancy % by Product Type



Existing Space by Product Type



Historical Vacancy % by Product Type



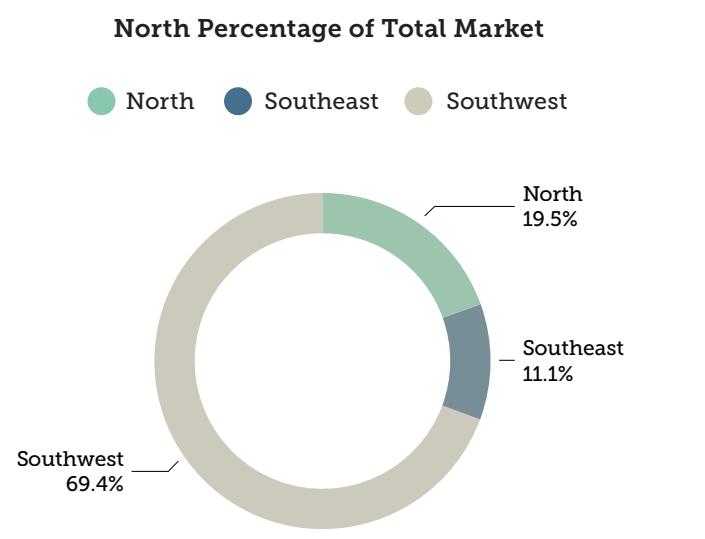


North

In Oklahoma City's current North market, the average vacancy is 11.27 percent.

Aggregate Available Lease Rates

BULK WAREHOUSE	\$5.00-\$10.00
FLEX SPACE	\$8.82-\$12.00
SERVICE WAREHOUSE	\$4.00-\$11.45

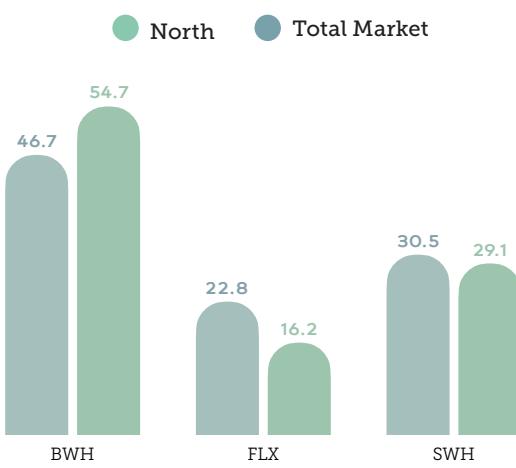


North Percent of Vacancy by Product Type



North Percentage of Submarket by Product Type

North Submarket vs. Total Market



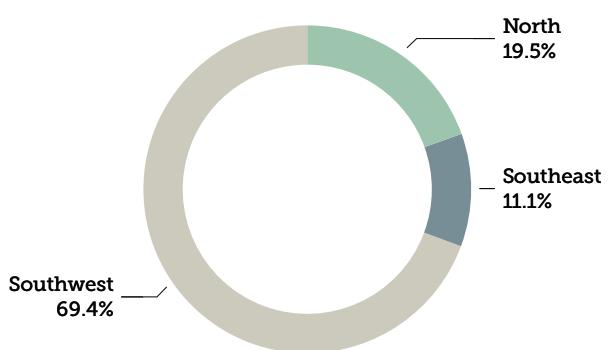


LOCATION	TYPE	GLA	VACANT SF	VACANT %	LEASE RATE
11300 Partnership Dr	BWH	145,600	0	0%	\$5.85
11301 Partnership Dr	BWH	138,600	0	0%	\$5.00
11400 N I-35 Service Rd	BWH	125,000	0	0%	\$5.50
311 NW 122nd	BWH	181,648	69,752	38%	\$6.75
420 NE 48th St	BWH	78,450	9,737	12%	\$5.75
4401 E Hefner Rd	BWH	100,000	0	0%	\$5.50
615 W Wilshire Blvd	BWH	192,353	76,104	40%	\$10.00
6910 N Bryant	BWH	80,000	20,200	25%	\$7.75
N - BWH Total		1,041,651	175,793	17%	\$6.72
100 - 200 W Wilshire Ave	FLX	217,834	0	0%	\$9.00
430 W Wilshire Blvd	FLX	16,458	0	0%	\$8.82
7508-7512 Broadway Ext	FLX	35,076	0	0%	\$13.75
8100 N Classen Blvd	FLX	38,850	4,450	11%	\$12.00
N - SWH Total		308,218	4,450	1%	\$9.91
14300 N Lincoln Blvd	SWH	110,640	0	0%	\$11.45
14400 N Lincoln Blvd	SWH	95,044	0	0%	\$8.50
217 NE 30th St	SWH	55,000	26,952	49%	\$4.75
3815 N Santa Fe Ave	SWH	216,000	7,298	3%	\$10.00
3905- 3909 NW 36th St	SWH	77,099	0	0%	\$4.00
N - FLX Total		553,783	34,250	6%	\$8.68
NORTH TOTALS		1,903,652	214,493	11.27%	\$7.81



Southeast Percentage of Total Market

● North ● Southeast ● Southwest



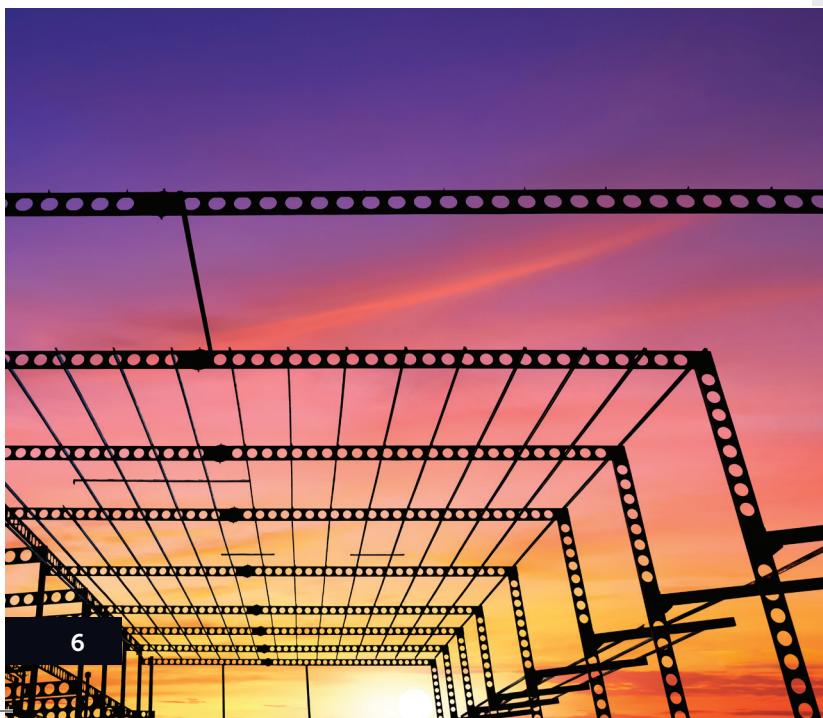
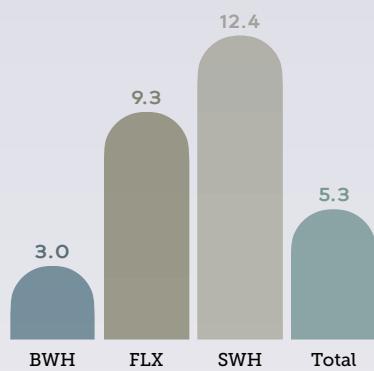
Southeast

The Southeast OKC market has a vacancy average of 5 percent.

Aggregate Available Lease Rates

BULK WAREHOUSE	\$5.50-\$10.53
FLEX SPACE	\$7.50-\$12.00
SERVICE WAREHOUSE	\$8.00

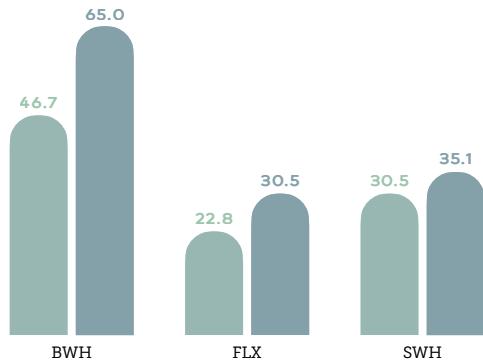
Southeast Percentage of Vacancy by Product Type



Southeast Submarket by Product Type

Southeast Submarket vs. Total Market

● Southeast ● Total Market



LOCATION	TYPE	GLA	VACANT SF	VACANT %	RENTAL RATE
1300 SE 89th Street	BWH	60,000	0	0%	\$7.50
1320 SE 89th Street	BWH	60,000	0	0%	\$7.50
6601 S Air Depot Blvd	BWH	144,000	0	0%	\$5.80
9401 S Pole Rd	BWH	60,000	0	0%	\$5.50
8001 Mid America Blvd	BWH	130,000	21,326	16%	\$9.00
8121 Mid America Blvd	BWH	121,000	0	0%	\$10.53
8120 Mid America Blvd	BWH	131,507	0	0%	\$4.00
SE - BWH Total		706,507	21,326	3%	\$7.31
2300-2700 N Moore Ave	FLX	155,735	0	0%	\$8.50
3634 E I-240 Service Road	FLX	44,172	18,725	42%	\$12.00
3940 E I-240 Service Road	FLX	72,000	12,000	17%	\$10.00
9201 Polaris Drive	FLX	60,000	0	0%	\$7.50
SE - FLX Total		331,907	30,725	9%	\$9.11
2020 S Eastern Ave	SWH	48,450	6,000	12%	\$8.00
SE - SWH Total		331,907	7,418	2%	\$8.88
SOUTHEAST TOTALS		1,086,864	58,051	5%	\$7.89



Southwest

In the current local Southwest market, average vacancy is 5 percent.

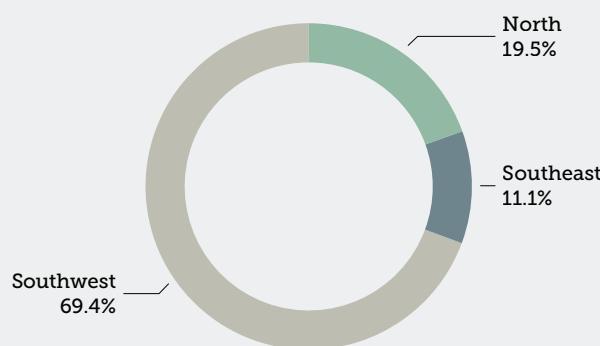
Aggregate Available Lease Rates

BULK WAREHOUSE	\$3.50-\$6.50
FLEX SPACE	\$4.95-\$13.00
SERVICE WAREHOUSE	\$3.50-\$14.00

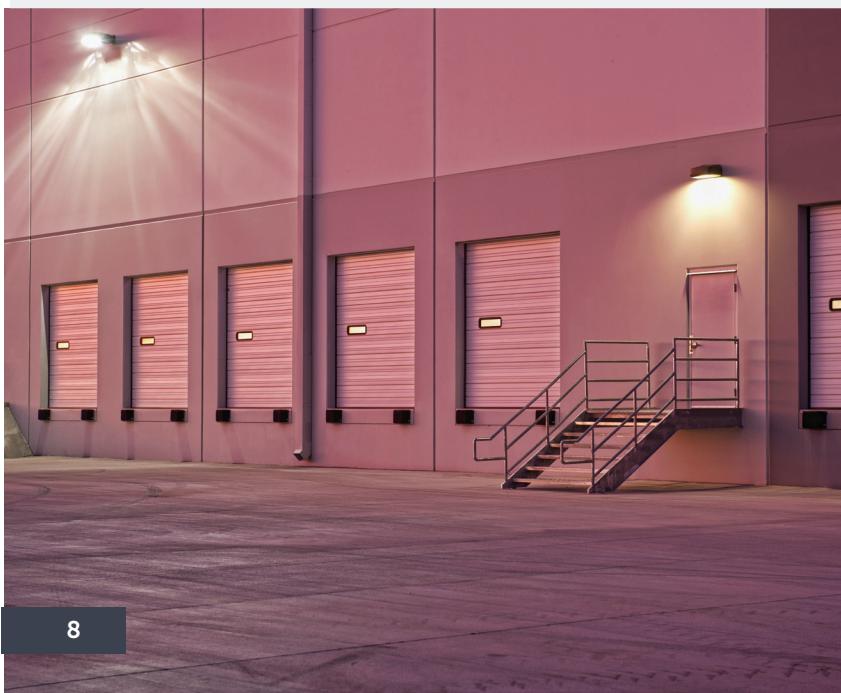
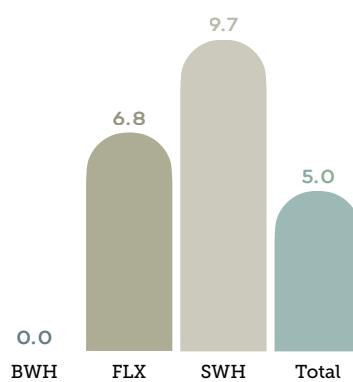


Southwest Percentage of Total Market

● North ● Southeast ● Southwest



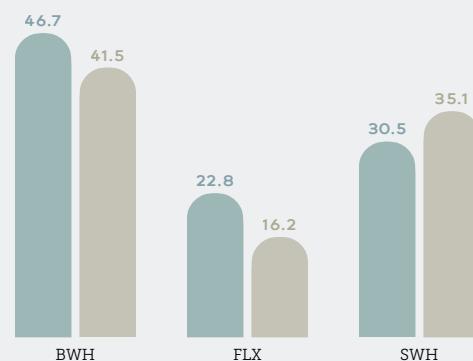
Southwest Percentage of Vacancy by Product Type



Southwest Submarket by Product Type

Southwest Submarket vs. Total Market

● Southeast ● Total Market





LOCATION	TYPE	GLA	VACANT SF	VACANT %	LEASE RATE
201 N Harvard Avenue	BWH	39,580	0	0%	\$4.75
3500 S MacArthur Blvd	BWH	171,000	0	0%	\$6.50
3501 Melcat Dr	BWH	106,672	0	0%	\$6.35
3601 S Thomas Rd	BWH	239,023	0	0%	\$5.50
3701 S Thomas Rd	BWH	94,373	0	0%	\$5.35
3800-3860 S Harmon Ave	BWH	114,804	0	0%	\$4.50
397 N Harvard Avenue	BWH	56,250	0	0%	\$5.25
400 N Ann Arbor Ave	BWH	119,700	0	0%	\$3.75
4001 NW 3rd St	BWH	95,525	0	0%	\$5.00
4001 Will Rogers Parkway	BWH	101,502	0	0%	\$5.15
4400-4412 SW 25th St	BWH	54,000	0	0%	\$8.00
4680 NW 3rd St	BWH	151,200	0	0%	\$5.50
5001 SW 36th St	BWH	125,000	0	0%	\$3.75
5024 SW 36th St	BWH	102,836	0	0%	\$5.50
5200 SW 36th St	BWH	210,600	0	0%	\$6.75
5201 W Reno Ave	BWH	40,200	0	0%	\$3.50
524 N Sara	BWH	307,360	0	0%	\$5.50
5500 SW 36th St	BWH	76,677	0	0%	\$3.50
5555 Morton Ave	BWH	99,360	0	0%	\$4.25
5600 SW 36th St	BWH	87,200	0	0%	\$6.25
600 N Sara Rd	BWH	120,000	0	0%	\$6.50
6100 NW 2nd St	BWH	113,371	0	0%	\$4.25
6120 SW 29th St	BWH	61,000	0	0%	\$6.50
6200 SW 29th	BWH	60,800	0	0%	\$6.00
6220 SW 29th	BWH	60,800	0	0%	\$6.00
6120 SW 29th St	BWH	61,000	0	0%	\$5.42
6200 SW 29th St	BWH	60,800	0	0%	\$6.00
6220 SW 29th St	BWH	60,800	0	0%	\$6.00
SW - BWH TOTAL		2,808,833	0	0%	\$5.42

9500 WEST

Designed to be more functional and with increasing

The buildings at 9400 & 9500 West Reno are



LOCATION	TYPE	GLA	VACANT SF	VACANT %	LEASE RATE
1001 Enterprise	SWH	80,262	0	0%	\$5.75
1101 Enterprise Ave.	SWH	63,840	0	0%	\$6.50
1101 Metropolitan Ave	SWH	33,038	0	0%	\$3.50
1131 Enterprise Ave	SWH	80,256	1,824	2%	\$6.50
301-397 N Harvard Ave	SWH	128,085	0	0%	\$5.10
3600 S MacArthur Blvd	SWH	44,750	8,659	19%	\$14.00
4116 Will Rogers Parkway	SWH	65,520	0	0%	\$5.50
417 Hudiburg Circle	SWH	30,000	0	0%	\$10.50
4210 Will Rogers Parkway	SWH	60,000	0	0%	\$5.55
4220-4232 Charter Ave.	SWH	56,275	0	0%	\$5.50
4220-4301 Will Rogers	SWH	22,551	0	0%	\$5.50
4243 Will Rogers Parkway	SWH	50,208	0	0%	\$4.50
4301 Will Rogers Parkway	SWH	22,551	0	0%	\$4.95
4601-4627 NW 3rd St	SWH	68,408	0	0%	\$7.00
4700-4728 NW 1st St	SWH	52,650	0	0%	\$5.50
4917 - 4925 SW 7th	SWH	92,000	0	0%	\$5.50
7501 SW 29th St	SWH	1,300,000	219,762	17%	\$7.50
900 Metropolitan Ave	SWH	61,600	0	0%	\$3.50
900-1080 Metropolitan	SWH	61,600	0	0%	\$3.50
SW - SWH TOTAL		2,373,594	230,245	10%	\$6.75

RENO BLVD

tenant demand for both loading and parking in mind,
built for the future with premium specifications.

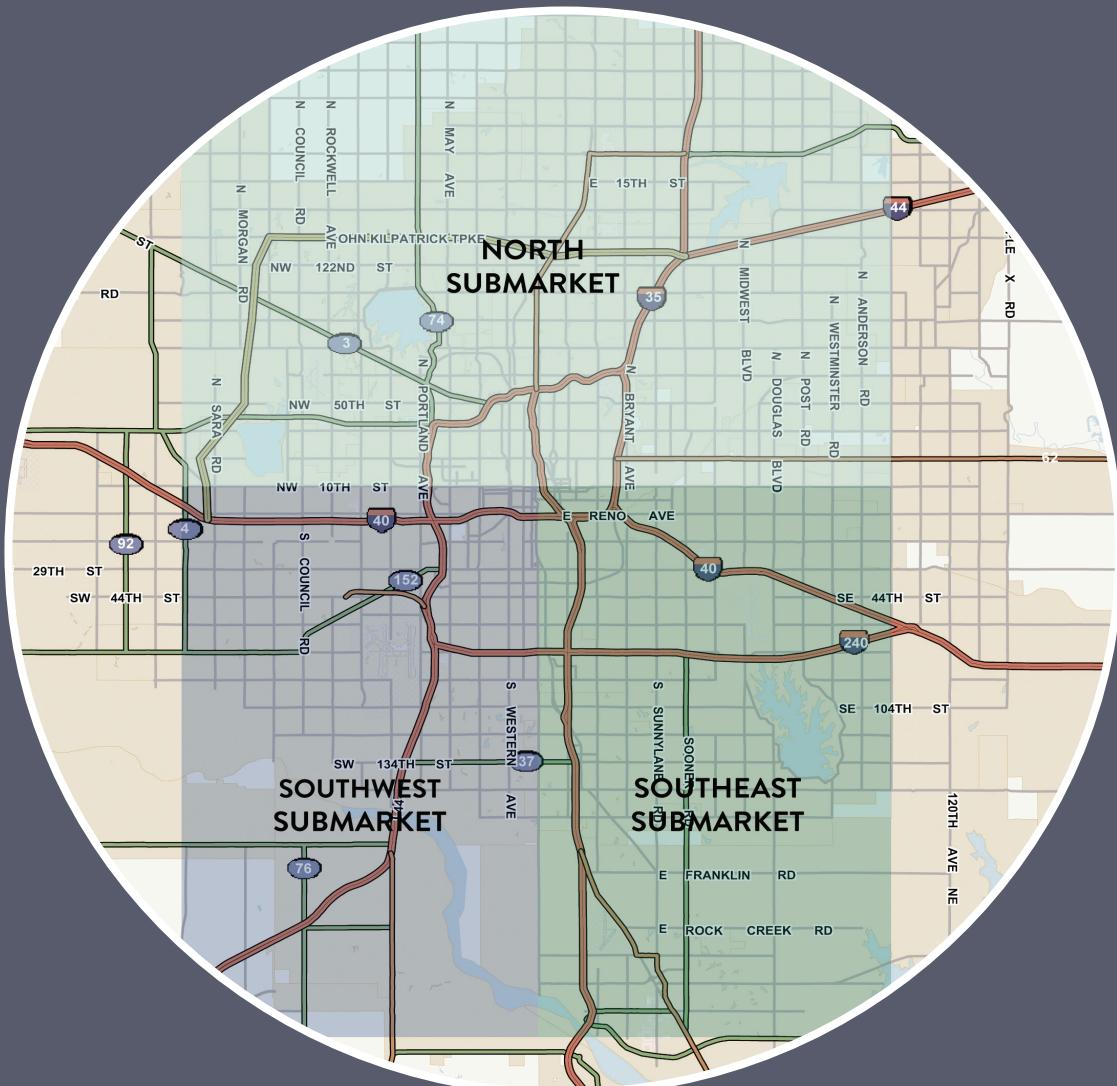


LOCATION	TYPE	GLA	VACANT SF	VACANT %	LEASE RATE
1000 Cornell Parkway	FLX	27,018	0	0%	\$5.50
1233 Sovereign Row	FLX	36,172	0	0%	\$7.00
1301 Cornell Parkway	FLX	33,370	9,569	29%	\$8.00
2236 NW 10th St	FLX	81,600	37,800	46%	\$12.00
235 N MacArthur Blvd	FLX	31,017	15,037	48%	\$9.00
304-306 N Meridian Ave	FLX	270,344	6,900	3%	\$13.00
340-350 S Vermont Ave	FLX	118,565	8,994	8%	\$8.00
3800 S MacArthur	FLX	60,000	0	0%	\$7.50
400 S Vermont Ave	FLX	143,750	0	0%	\$8.00
4020 Will Rogers Parkway	FLX	65,438	0	0%	\$5.75
4100 Will Rogers Parkway	FLX	69,027	0	0%	\$5.75
4130 Will Rogers Parkway	FLX	65,520	0	0%	\$4.95
4141 Highline Blvd	FLX	77,993	0	0%	\$10.00
416 Hudiburg Circle	FLX	30,000	15,000	50%	\$10.50
4309-4325 SW 21st St	FLX	64,568	5,572	9%	\$8.50
4901 W Reno Ave	FLX	42,409	0	0%	\$9.00
6000 NW 2nd St	FLX	79,071	0	0%	\$7.50
7114 Melrose Ln	FLX	124,200	9,000	7%	\$8.00
7624 Melrose Ln	FLX	164,500	0	0%	\$5.00
SW - FLX TOTAL		1,584,562	107,872	7%	\$8.53
SOUTHWEST TOTALS		6,766,989	338,117	5%	\$6.62

NOTES

NOTES

OKLAHOMA CITY INDUSTRIAL SUBMARKET MAP



PRICE
EDWARDS
AND COMPANY

OKLAHOMA CITY: 210 PARK AVENUE, STE 700, OKLAHOMA CITY, OK 73102 | O: (405) 843-7474 | F: (405) 236-1849

TULSA: 7633 EAST 63RD PLACE, STE 400, TULSA, OK 74133 | O: (918) 394-1000 | F: (918) 394-1001

priceedwards.com