

SECOND QUARTER
OFFICE MARKET REPORT

2024

OKLAHOMA CITY, OKLAHOMA



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Q2 Office Market Report

2024

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EXECUTIVE SUMMARY

In Q2 2024, the Oklahoma City office market saw an overall average rental rate increase to \$20.00/SF/YR, up from \$19.83/SF/YR in Q1 2024, with a slight decrease in the overall vacancy rate to 9.7%. Class-A properties experienced a rental rate rise to \$25.46/SF/YR and a notable vacancy rate drop to 10.8%. Class-B properties had a rental rate of \$18.69/SF/YR, with a slight increase in vacancy to 10.7%. Class-C properties saw rental rates increase to \$15.93/SF/YR, while the vacancy rate decreased to 6.4%.



The market had 556,149 SF of office space under construction, with an average asking rental rate of \$23.53/SF/YR. Major projects include a 240,804 SF building at 903 N. Stiles Avenue, set for January 2025, and a 115,000 SF building at 5101 N. Pennsylvania Avenue, due in March 2025. There were 55 recorded office transactions totaling \$53,812,112, with the largest being the sale of 300 Johnny Bench Drive for \$17,700,000 by Watersedge Bricktown Holdings, L.L.C. from Canal Properties, L.L.C.

Abbey Sullivan
Office Specialist

Leasing Activities

Total Inventory	71,320,490 SF
Total Net Absorption	44,097 SF
Overall Rental Rate	\$20.00/SF/YR
Total Vacancy Rate	9.7%
Under Construction	556,149 SF

Sales Activities

Number of Transactions	55
Total Sales Volume	\$53,812,112
Average Price per Bldg. SF	\$97.44



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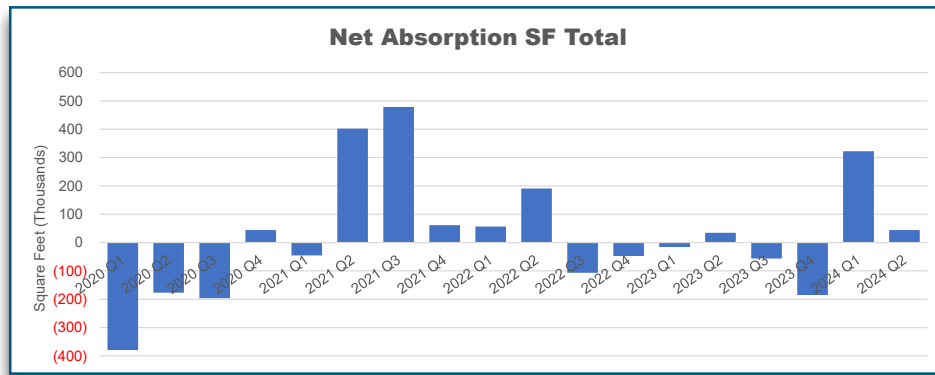
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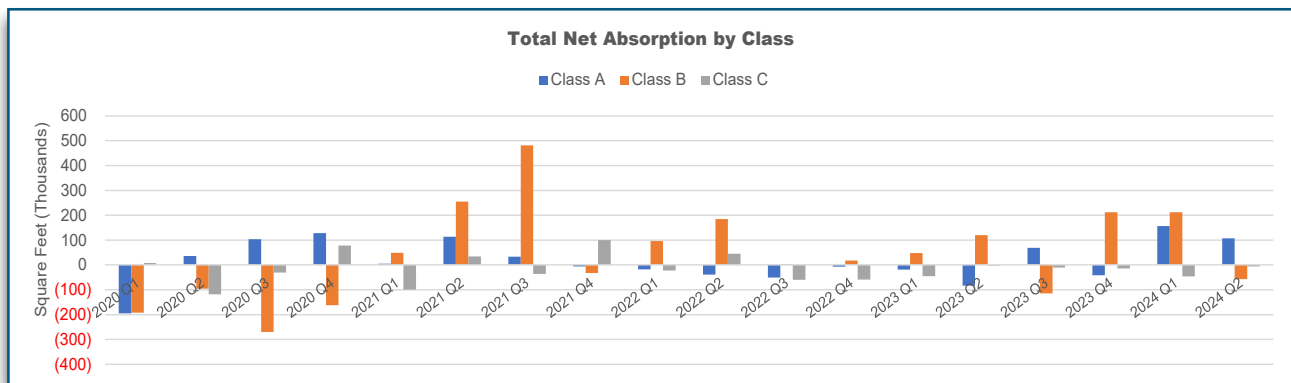
OKLAHOMA CITY OFFICE MARKET LEASING

The largest office lease signings based on SF during Q2 2024 include the 49,000 SF office lease at 5300 S. Meridian Avenue in Oklahoma City, the 21,664 SF office lease at 13801 Wireless Way-2nd Floor in Oklahoma City and the 20,313 SF office lease at 13801 Wireless Way-1st Floor in Oklahoma City.

NET ABSORPTION AND INVENTORY



- The total net absorption was a positive 44,097 SF at the end of Q2 2024
- The total net absorption decreased compared to the positive 322,052 SF at the end of Q1 2024
- The total inventory was 71,320,490 SF at the end of Q2 2024
- The total inventory increased from the 70,889,443 SF at the end of Q1 2024



- The Class-A property absorption was a positive 106,961 SF, which decreased compared to the net absorption of a positive 156,063 SF at the end of Q2 2024
- The Class-B property absorption was a negative 56,677 SF, which decreased compared to the net absorption of a positive 212,022 SF at the end of Q2 2024
- The Class-C property absorption was a negative 6,187 SF, which increased from the net absorption of a negative 46,033 SF at the end of Q2 2024

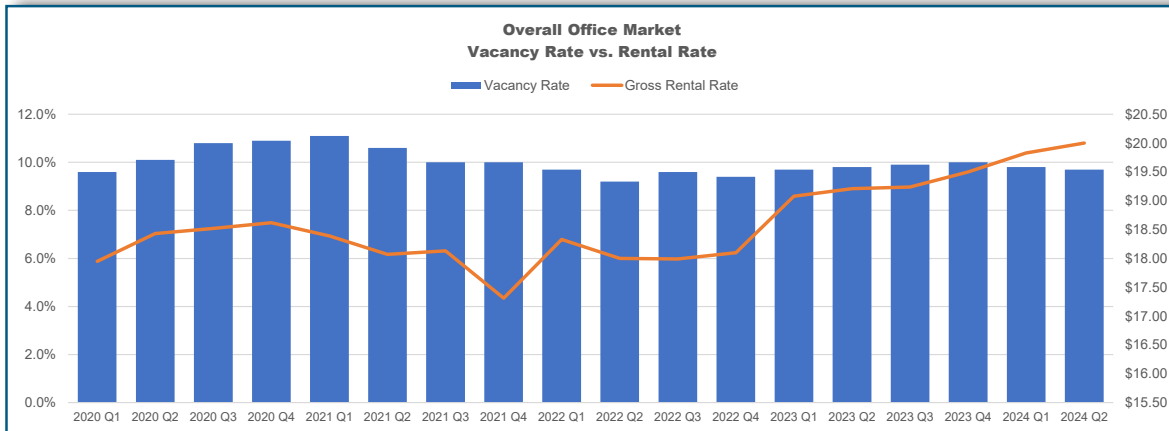


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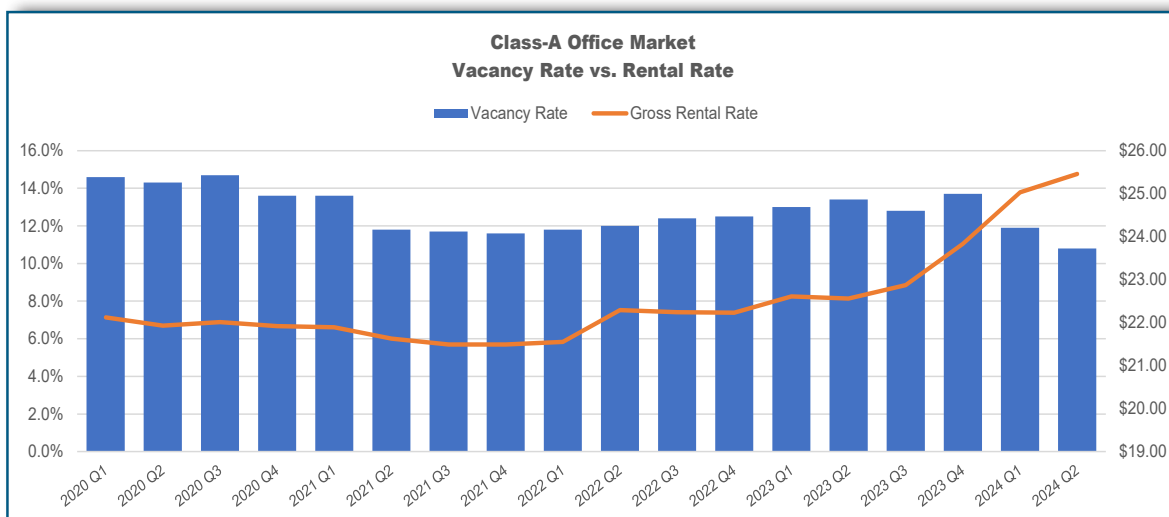
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RENTAL AND VACANCY RATES



- The overall office market rental rate averaged \$20.00/SF/YR at the end of Q2 2024
- The overall office market rental rate increased from the \$19.83/SF/YR at the end of Q1 2024
- The overall vacancy rate was 9.7% at the end of Q2 2024
- The overall vacancy rate decreased from 9.8% at the end of Q1 2024



- Class-A property rental rate averaged \$25.46/SF/YR at the end of Q2 2024
- Class-A property rental rate increased from the \$25.03/SF/YR at the end of Q1 2024
- Class-A property vacancy rate was 10.8% at the end of Q2 2024
- Class-A property vacancy rate decreased from the 11.9% at the end of Q1 2024

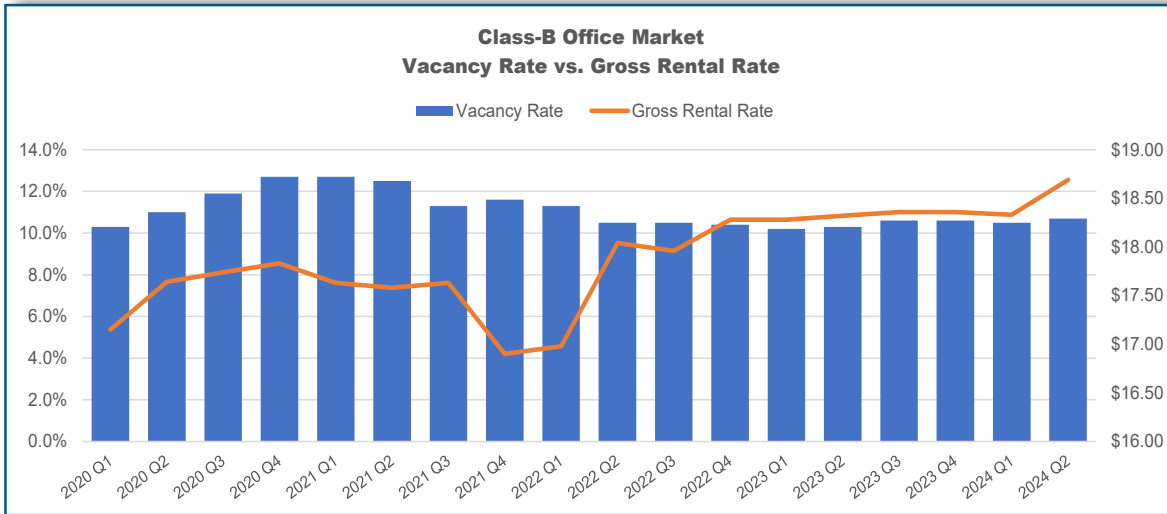


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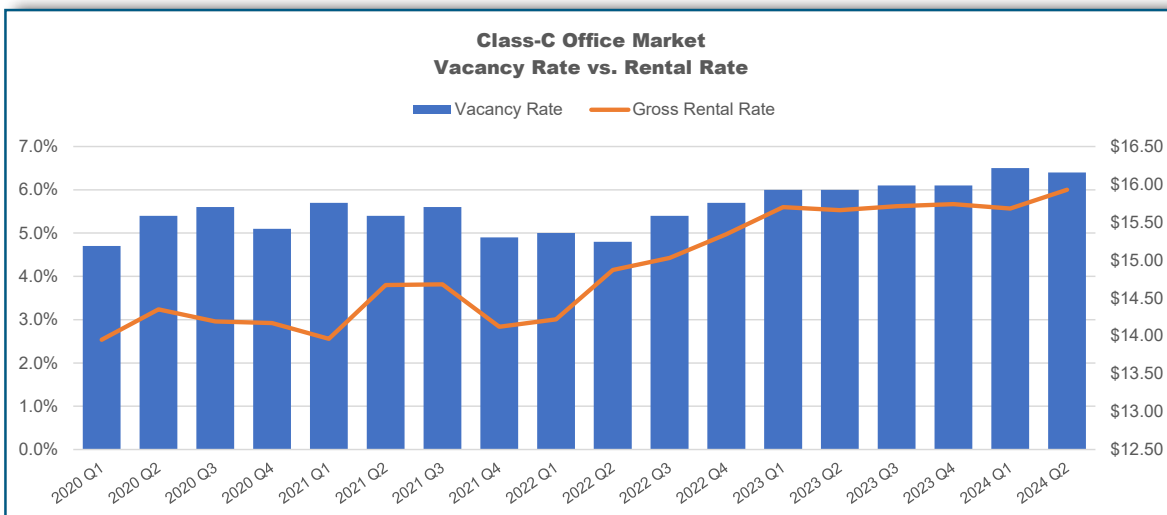
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RENTAL AND VACANCY RATES



- Class-B property rental rate averaged \$18.69/SF/YR at the end of Q2 2024
- Class-B property rental rate increased from the \$18.33/SF/YR at end of Q1 2024
- Class-B property vacancy rate was 10.7% at the end of Q2 2024
- Class-B property vacancy rate increased from the 10.5% from Q1 2024



- Class-C property rental rate averaged \$15.93/SF/YR at the end of Q2 2024
- Class-C property rental rate increased from the \$15.68/SF/YR at the end of Q1 2024
- Class-C property vacancy rate was 6.4% at the end of Q2 2024
- Class-C property vacancy rate decreased the same from the 6.5% at the end of Q1 2024

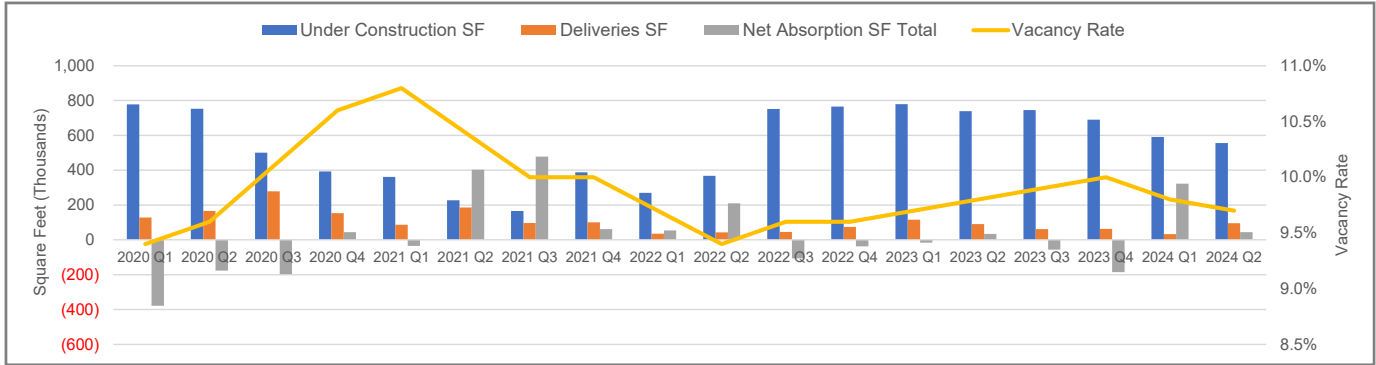


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CONSTRUCTION, DELIVERY, NET ABSORPTION AND VACANCY RATE



There was a 556,149 SF of office space under construction at the end of Q2 2024. The asking rental rate of under construction rentable office space averaged \$23.53/SF/YR. The two properties with the largest building area under construction are the 240,804 SF building at 903 N. Stiles Avenue, which is scheduled to be delivered in January 2025, and the 115,000 SF building at 5101 N. Pennsylvania Avenue, which is scheduled to be delivered in March 2025.

NOTABLE OFFICE PROPERTIES UNDER CONSTRUCTION

Property Name	Property Address	City	RBA	Delivery Time
Research Hall @ Innovation	903 N. Stiles Avenue	Oklahoma City	240,804 SF	January 2025
OAK	5101 N. Pennsylvania Avenue	Oklahoma City	115,000 SF	March 2025
	424 N.W. 10th Street	Oklahoma City	80,000	May 2024
	7336 N. Classen Blvd	Oklahoma City	19,292 SF	September 2024
	3030 N.W. 164th Street	Oklahoma City	17,016 SF	August 2024

OKLAHOMA CITY OFFICE MARKET SALES

There were 55 office transactions recorded in Q2 2024 totaling \$53,812,112. The largest individual office sale based on dollar volume was the sale at 300 Johnny Bench Drive in Oklahoma City. Watersedge Bricktown Holdings, L.L.C. purchased the 100,779 SF property from Canal Properties, L.L.C. for \$17,700,000 or \$175.63/SF, on April 4, 2024.

Summary	
Number of Transactions	55
Total Sales Volume	\$53,812,112
Total Bldg. SF	602,063 SF
Total Land in Acres	63.6 Acres
Average Price per Bldg. SF	\$97.44
Median Price per Bldg. SF	\$132.34
Actual Cap Rate	7.9%

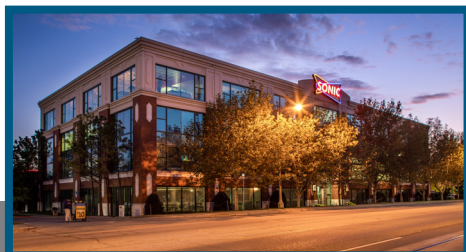


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OKC MARKET SIGNIFICANT OFFICE SALE TRANSACTIONS DURING Q2 2024



Property Address: 300 Johnny Bench Drive-OKC
Sale Price: \$17,700,000
Price per SF: \$75.62/SF
Sale Date: 4/4/2024



Property Address: 16328 Muirfield Place-EDMOND
Sale Price: \$3,600,000
Price per SF: \$252.58/SF
Sale Date: 6/10/2024



Property Address: 500 N. Meridian Avenue-OKC
Sale Price: \$2,002,712
Price per SF: \$25.53/SF
Sale Date: 4/24/2024



Property Address: 11032 Quail Creek Road-OKC
Sale Price: \$2,000,283
Price per SF: \$58.87/SF
Sale Date: 4/24/2024



Property Address: 416 W. 15th Street-Building 600-EDMOND
Sale Price: \$1,850,000
Price per SF: \$285.14/SF
Sale Date: 5/2/2024



Property Address: 5929 N. May Avenue-OKC
Sale Price: \$1,802,704
Price per SF: \$36.54/SF
Sale Date: 4/24/2024



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NAI Sullivan Group is a leading global service provider offering a full range of premier services customized to fit your need and exceed your expectations. Our talented and experienced professionals provide benefits to large institutions and small business owners alike. We are your single point of contact for customized real estate services.

NAI Sullivan Group strives for excellence in all facets of real estate services in order to maintain our position as an industry leader. Our team transforms forward-thinking ideas into cutting-edge applications to achieve maximum results for our clients, company, and community.

For more information, please visit our website: www.naisullivangroup.com

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