

FOURTH QUARTER
INDUSTRIAL MARKET REPORT
2024

OKLAHOMA CITY, OKLAHOMA

Q4

EXECUTIVE SUMMARY

The OKC industrial market ended 2024 with rising vacancy and rental rates under pressure. The overall rental rate fell to \$7.40/SF/YR, down from \$8.16/SF in Q4 2023. This decline is driven by landlords making concessions to fill space rather than new speculative supply. Class A vacancy is showing signs of stabilization as speculative projects continue to lease up. Leasing activity remained steady, with net absorption at 352,704 SF, a strong increase from 66,977 SF last year. Edmond continues to lead all submarkets, posting the lowest vacancy (1.2%) and the highest rents at \$9.37/SF. Class B properties performed well, with vacancy falling to 4.4%, while Class C space struggled as vacancy rose to 5.1% as many second-generation cannabis space continues to hit the market.



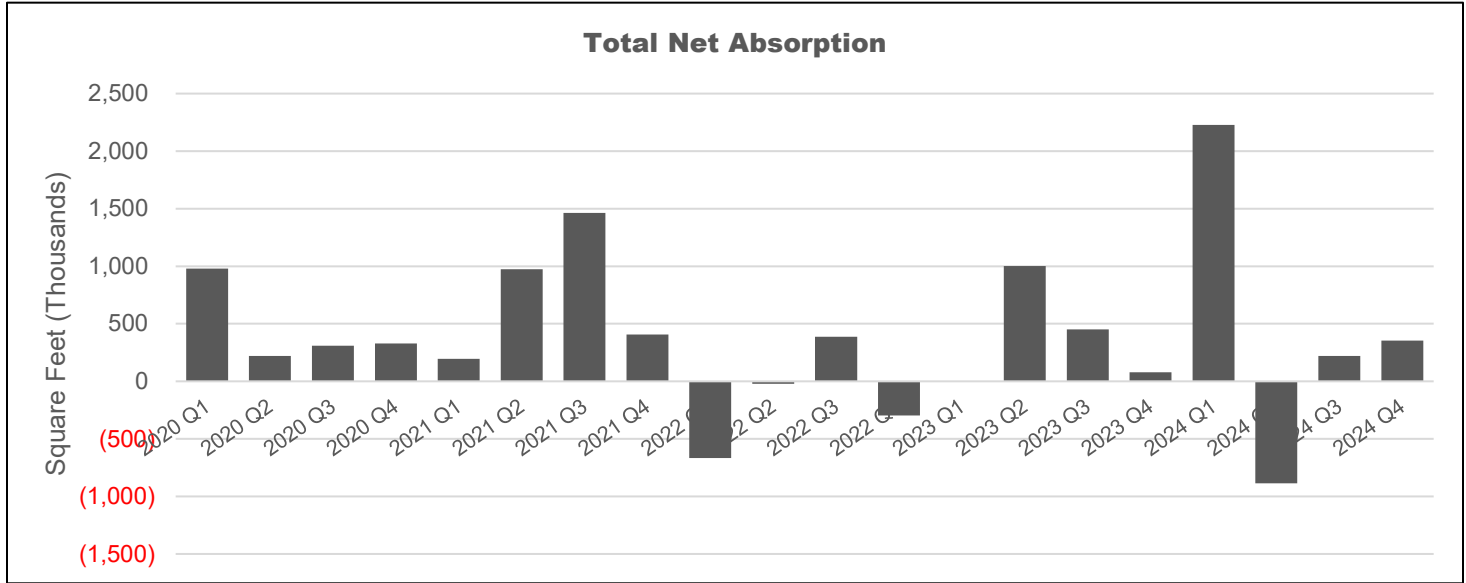
Investment activity rebounded, with 90 transactions totaling \$67.1M, up from 57 transactions and \$39.6M a year ago. The average price per SF climbed to \$86.23, highlighting OKC's continued appeal. Notable sales included 3320 S. Council Road (\$4.27M, \$154.52/SF) and 420 W. John Kilpatrick Turnpike (\$3.83M, \$150.57/SF). New construction slowed to 764,115 SF, down from 4.1M SF last year, signaling more measured development.

With a 5.2% vacancy rate, OKC remains stronger than the national average of 6.4%, proving its resilience. The Federal Reserve's 25 bps rate cut signals economic easing, though borrowing costs remain elevated. OKC continues to attract investors with competitive pricing and strong long-term fundamentals. As leasing activity holds steady and demand remains consistent, the market is well-positioned for a strong 2025, offering opportunities for both tenants and investors.

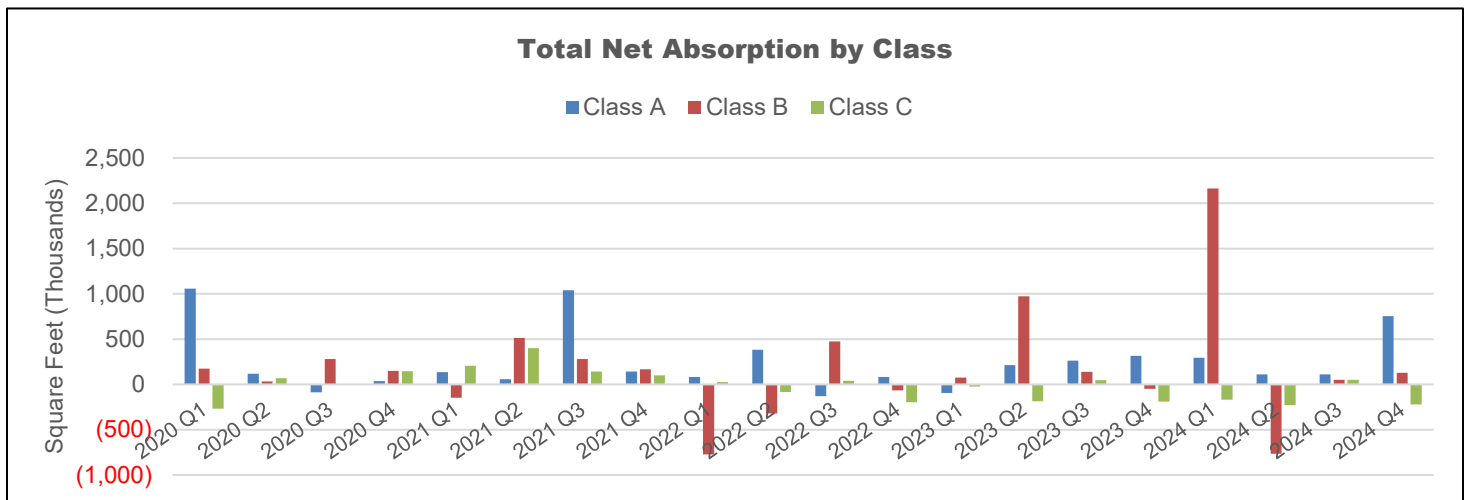
LEASING ACTIVITIES		YOY CHANGE (Q4 23')
TOTAL INVENTORY	141,088,027 SF	INCREASE (136,395,283 SF)
TOTAL NET ABSORPTION	352,704 SF	INCREASE (66,977 SF)
OVERALL RENTAL RATE	\$7.40/SF/YR	DECREASE (\$8.16/SF/YR/NNN)
TOTAL VACANCY RATE	5.2%	INCREASE (5.0%)
UNDER CONSTRUCTION	764,115 SF	DECREASE (4,106,900 SF)
SALES ACTIVITIES		YOY CHANGE (Q4 23')
NUMBER OF TRANSACTIONS	90	INCREASE (57)
TOTAL SALES VOLUME	\$67,142,931	INCREASE (\$39,623,889)
AVERAGE PRICE PER BLDG. SF	\$86.23	INCREASE (\$80.58)

OKLAHOMA CITY INDUSTRIAL MARKET LEASING

Some of the largest industrial lease signings during Q4 2024 include the 154,915 SF industrial warehouse lease at 2400 S. Council Road in Oklahoma City signed by Dart Warehouse Corporation. The second largest lease was the 239,453 SF industrial lease located at 5601 S.W. 13th Street in Oklahoma City signed by Lonestar Electric Company.

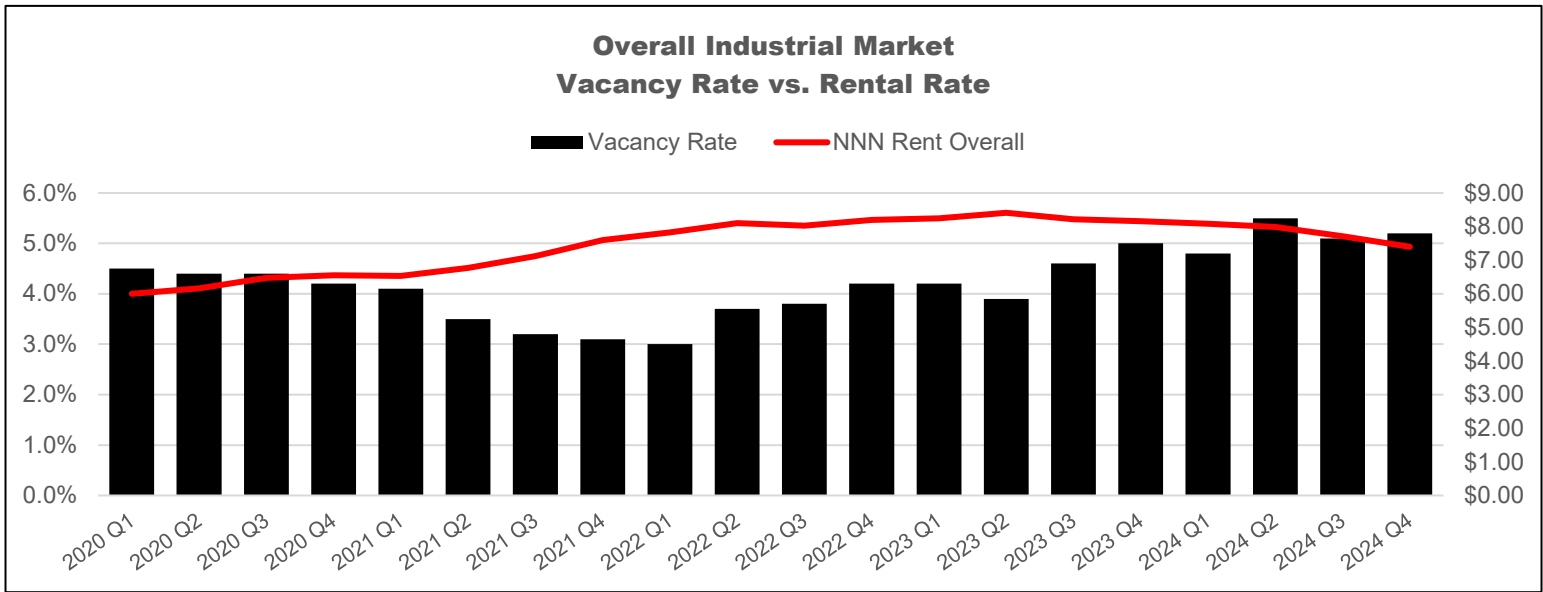


- The total net absorption was a positive 352,704 SF at the end of Q4 2024
- The total net absorption increased from the positive 221,380 SF at the end of Q3 2024
- The total inventory was 141,088,027 SF at the end of Q4 2024
- The total inventory increased from the 140,024,379 at the end of Q3 2024

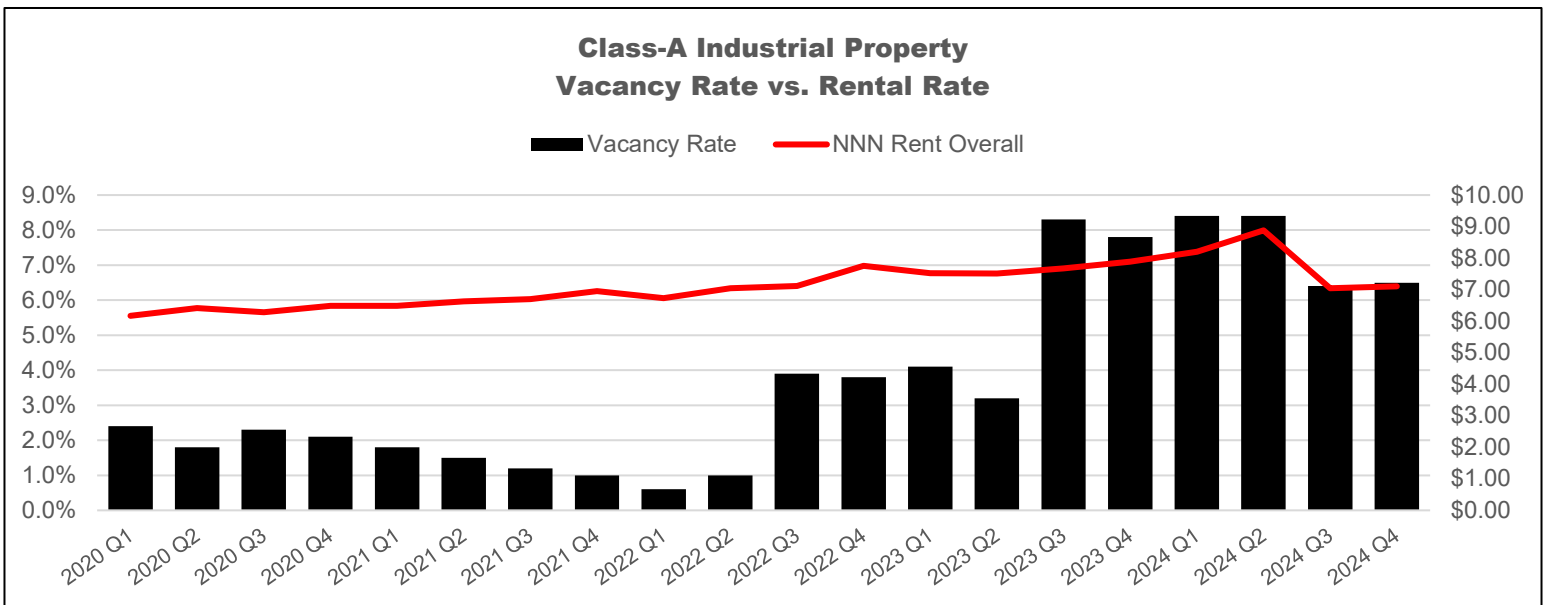


- Class-A net absorption was a positive 754,533 SF, which increased from the positive net absorption of 110,160 SF at the end of Q3 2024
- Class-B net absorption was a positive 129,555 SF, which increased from the positive net absorption of 49,272 SF at the end of Q3 2024
- Class-C net absorption was a negative 223,149 SF, which decreased from the positive net absorption of 51,948 at the end of Q3 2024

RENTAL & VACANCY RATES

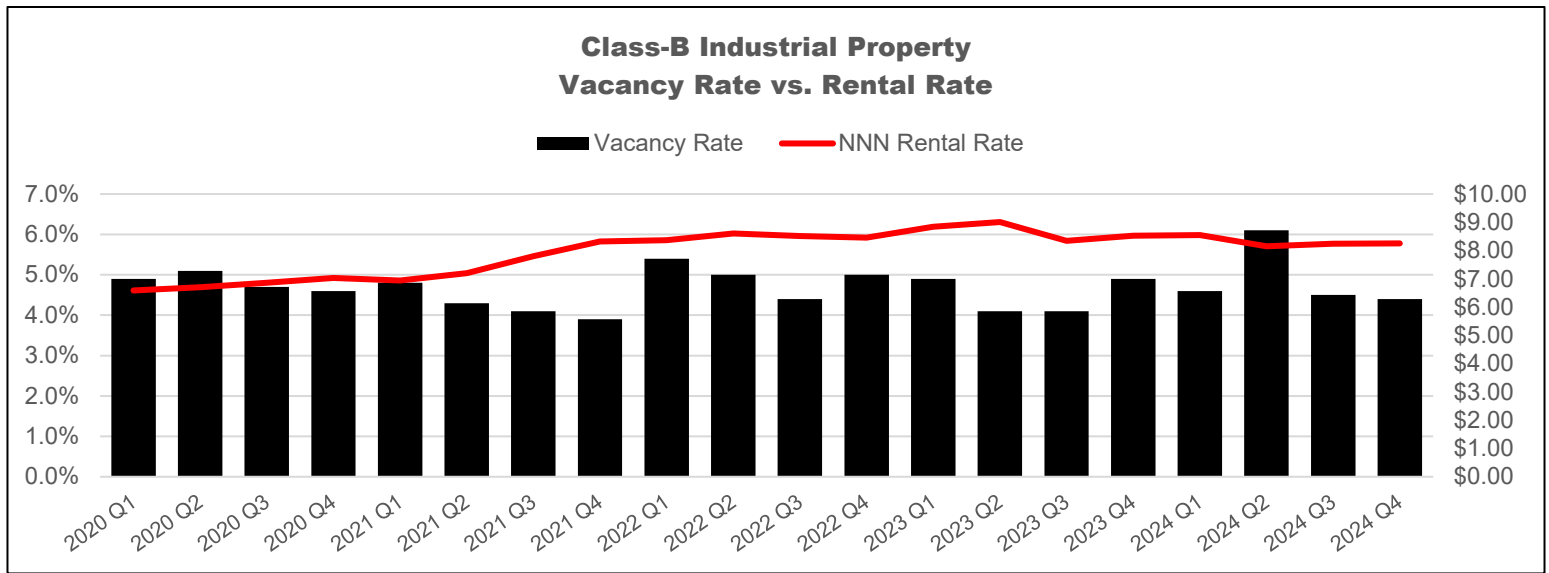


- The overall industrial rental rate was \$7.40/SF/YR/NNN at the end of Q4 2024, down from \$7.71 SF/YR/NNN in Q3 2024, representing a 4.1% decrease in rental rates
- The overall industrial vacancy rate was 5.2% at the end of Q4 2024
- The overall industrial vacancy rate increased from the 5.1% at the end of Q3 2024

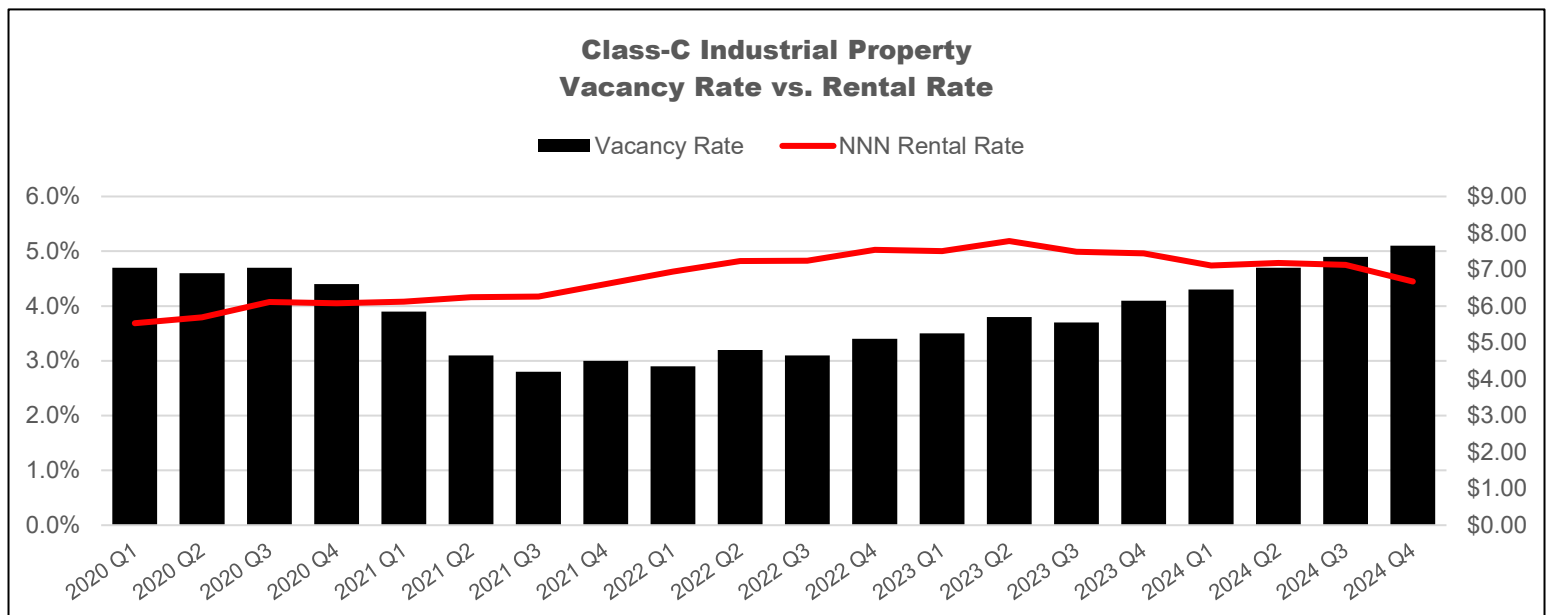


- Class-A property rental rate averaged \$7.11/SF/YR/ NNN at the close of Q3 2024, showing an increase from the \$7.04/SF/YR/NNN in Q3 2024, reflecting a 0.07% rise in rental rates
- Class-A property vacancy rate was 6.5% at the end of Q4 2024
- Class-A property vacancy rate increased from the 6.4% at the end of Q3 2024

RENTAL & VACANCY RATES



- Class-B property rental rate averaged \$8.26/SF/YR/ NNN at the conclusion of Q4 2024, marking an increase from the \$8.24/SF/YR/ NNN observed in Q3 2024, indicating a 0.24% decrease in rental rates
- Class-B property vacancy rate was 4.4% at the end of Q4 2024
- Class-B property vacancy rate decreased from the 4.5% at the end of Q3 2024



- Class-C property rental rate averaged \$6.67/SF/YR/ NNN at the conclusion of Q4 2024, registering a decrease from the \$7.13/SF/YR/ NNN observed in Q3 2024, indicating a 0.46% decrease in rental rates
- Class-C property vacancy rate was 5.1% at the end of Q4 2024
- Class-C property vacancy rate increased from the 4.9% from Q3 2024

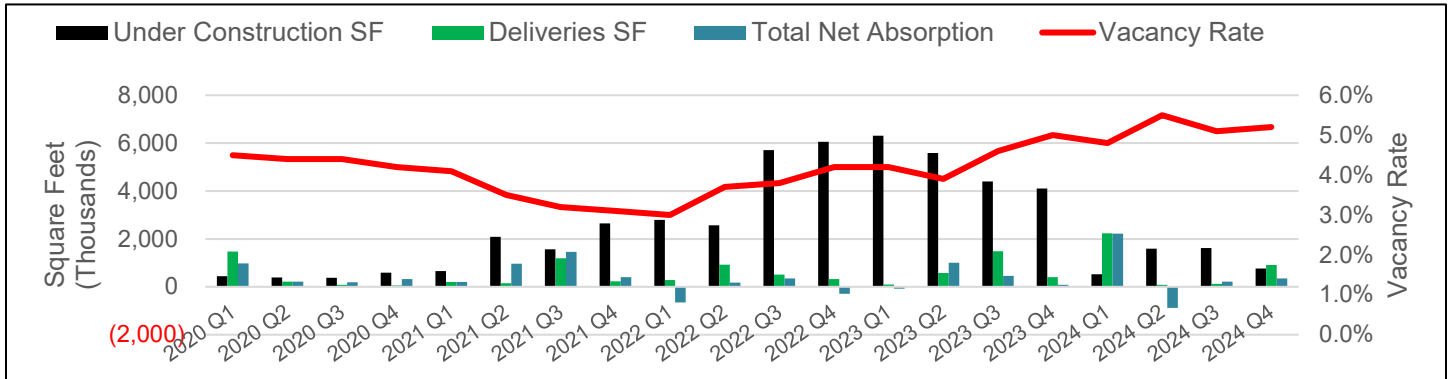
OKC INDUSTRIAL INFORMATION BY SUBMARKET AND FEATURES

	OKC EAST	OKC CENTRAL	OKC WEST	OKC SOUTH	EDMOND	MOORE/ NORMAN
RENT PER SF	\$7.29	\$7.16	\$7.10	\$7.17	\$9.37	\$9.41
VACANCY RATE	4.6%	6.2%	5.8%	3.9%	1.2%	6.0%
EXISTING BUILDINGS	406	631	699	906	303	567
12 MONTHS NET ABSORPTION	51.5K	35.6K	-230K	-60.4K	99.4K	-129K

	CLASS A	CLASS B	CLASS C
RENT PER SF	\$7.85	\$8.28	\$8.04
VACANCY RATE	6.5%	4.5%	5.3%
EXISTING BUILDINGS	118	2,098	4,337
12 MONTHS NET ABSORPTION	2.2m	183k	-383k

	UP TO 30,000 SF	FROM 30,000 SF
RENT PER SF	\$8.94	\$7.64
VACANCY RATE	5.2%	5.4%
EXISTING BUILDINGS	5,994	792
12 MONTHS NET ABSORPTION	258K	1.8M

CONSTRUCTION, DELIVERY, NET ABSORPTION & VACANCY RATES



There was 764,115 SF of industrial space under construction at the end of Q4 2024. The largest industrial property under construction is the 120,000 SF distribution building at 2500 E. I-240 Service Road in Oklahoma City, which is scheduled to be delivered in February 2025. We are seeing asking rental rates for under construction industrial properties average \$9.63/SF/YR in the Oklahoma City market at the end of Q4 2024.

NOTABLE INDUSTRIAL PROPERTIES UNDER CONSTRUCTION

PROPERTY ADDRESS	CITY	RBA	DELIVERY TIME
2500 E. I-240 Service Road	Oklahoma City	120,000 SF	February 2025
7210 N.E. 36 th Street	Oklahoma City	102,185 SF	April 2025
2200 E. I-240 Service Road	Oklahoma City	80,000 SF	February 2025
8601 N. I-35 Service Road	Oklahoma City	80,000 SF	February 2025
2300 E. I-240 Service Road	Oklahoma City	80,000 SF	February 2025

INDUSTRIAL SALE TRANSACTION SUMMARY

SUMMARY		YOY CHANGE (Q4 23')
NUMBER OF TRANSACTIONS	90	INCREASE (57)
TOTAL SALES VOLUME	\$67,142,931	INCREASE (\$39,5623,889)
TOTAL BUILDING SF SOLD	1,272,437 SF	INCREASE (644,262 SF)
TOTAL LAND IN ACRES	274.3 ACRES	INCREASE (242.50 ACRES)
AVERAGE PRICE PER BLDG. SF	\$86.23/SF	INCREASE (\$80.58/SF)
MEDIAN PRICE PER BLDG. SF	\$67.79/SF	DECREASE (\$67.02/SF)

There were 90 transactions totaling \$67,142,931 recorded during the fourth quarter of 2024. The largest individual sale based on dollar volume was the sale of the warehouse at 421 N. Portland Avenue in Oklahoma City. Glazer's Beer & Beverage purchased the 155,975 SF building from Capital Distributing, L.L.C. for \$22,040,00 or \$141.30/SF, on December 30, 2024.

OKC MARKET TOP INDUSTRIAL SALE TRANSACTIONS Q4 2024



Address: Bryant 421 N. Portland Avenue-OKC
Sale Price: \$22,040,000
Price per SF: \$141.30/SF
Sale Date: 12/27/2024



Address: 3320 S. Council Road-OKC
Sale Price: \$4,267,500
Price per SF: \$154.52/SF
Sale Date: 12/11/2024



Address: 420 W. John Kilpatrick Turnpike-OKC
Sale Price: \$3,825,000
Price per SF: \$150.57/SF
Sale Date: 10/17/2024



Address: 16 S. Pennsylvania Avenue-OKC
Sale Price: \$3,200,000
Price per SF: \$63.58/SF
Sale Date: 10/21/2024



Address: 306 W. Juneau Street-PURCELL
Sale Price: \$2,963,000
Price per SF: \$28.31/SF
Sale Date: 11/15/2024



Address: 6628 Melrose Lane-OKC
Sale Price: \$2,845,000
Price per SF: \$38.66/SF
Sale Date: 10/28/2024

NAI Red 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 Red 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: NAIRED.COM

INDUSTRIAL TEAM



AMIR SHAMS
405.313.0333
AMIR@NAIRED.COM



ZAC MCQUEEN
405.476.9199
ZAC@NAIRED.COM



BOB SULLIVAN, CCIM
405.641.9798
BOB@NAIRED.COM



CLARK EVERETT
405.985.8424
CLARK@NAIRED.COM



DARRYL MEASON
405.205.9440
DARRYL@NAIRED.COM



MASON CONWAY
405.531.6272
MASON@NAIRED.COM

NAIRED

405.840.0600
NAIRED.COM

FOLLOW US @NAIRED_CRE



No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and the same is submitted subject to errors, omissions, change of price, rental or other conditions, prior to sale, lease, or financing, or withdrawal without notice, and of any special listing conditions imposed by our principals no warranties or representations are made as to the condition of the property or any hazards contained therein are any to be implied.