

FOURTH QUARTER
OFFICE MARKET REPORT
2024

OKLAHOMA CITY, OKLAHOMA

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EXECUTIVE SUMMARY

Oklahoma City's office market saw strong leasing activity in Q4 2024, with the largest leases including an 11,311 SF space at 3401 N.W. 63rd Street, a 9,789 SF lease at 701 N. Broadway Avenue, and a 7,551 SF lease at 4841 N. Sewell Avenue. The total office inventory reached 72,255,459 SF, reflecting an increase from Q3. Net absorption rebounded significantly, reaching 205,140 SF compared to the negative 88,011 SF recorded in Q3. The overall rental rate averaged \$20.18 per SF per year, while vacancy stood at 9.6%. Class-A rental rates averaged \$24.39/SF with a 14.5% vacancy rate, Class-B at \$18.68/SF with a 9.4% vacancy rate, and Class-C at \$16.21/SF with a stable 6.3% vacancy rate. Additionally, 169,191 SF of office space remained under construction, with notable projects including a 115,000 SF building at 5101 N. Pennsylvania Avenue and a 30,000 SF development at 944 W. Wilshire Boulevard.



Sales activity in Q4 2024 remained steady, with 61 transactions totaling \$40,873,668. The largest sale by dollar volume was the 25,414 SF property at 4107 N. Council Road in Bethany, purchased by Bbp Holding, L.L.C. from Salazar Homes, Inc. for \$3,853,600 (\$151.63/SF) on December 30, 2024. The average sale price across all transactions was \$127.12 per SF. Meanwhile, the asking rental rate for under-construction office space averaged \$30.99/SF. With positive net absorption and steady leasing and sales activity, the Oklahoma City office market demonstrated resilience and continued investor interest heading into 2025.

LEASING ACTIVITIES

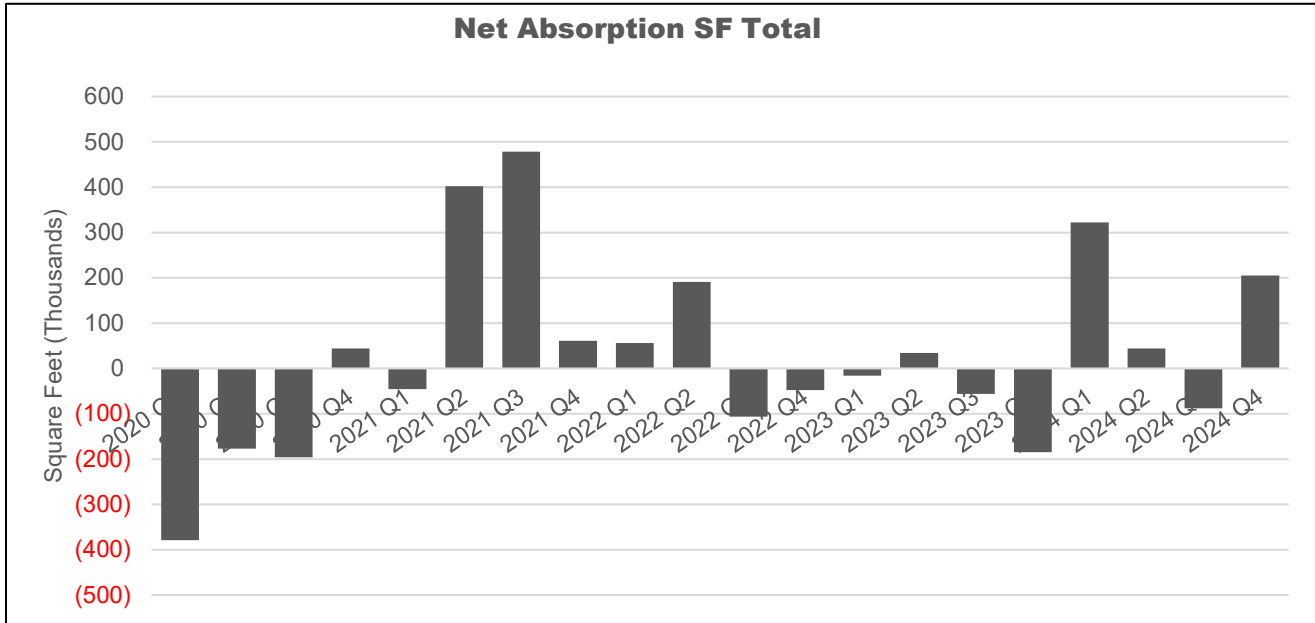
TOTAL INVENTORY	72,255,459 SF
TOTAL NET ABSORPTION	205,140 SF
OVERALL RENTAL RATE	\$20.18/SF/YR
TOTAL VACANCY RATE	9.6%
UNDER CONSTRUCTION	169,191 SF

SALES ACTIVITIES

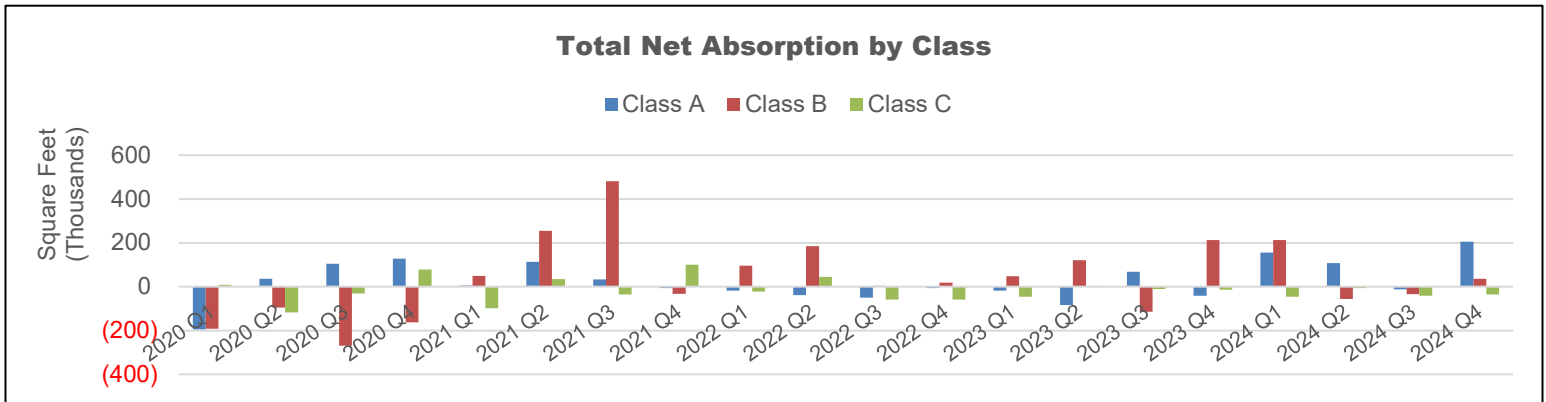
NUMBER OF TRANSACTIONS	61
TOTAL SALES VOLUME	\$40,873,668
AVERAGE PRICE PER BLDG. SF	\$127.12

OKLAHOMA CITY OFFICE MARKET LEASING

The largest office lease signings based on SF during Q4 2024 include the 11,311 SF office lease at 3401 N.W. 63rd Street in Oklahoma City, the 9,789 SF office lease at 701 N. Broadway Avenue in Oklahoma City and the 7,551 SF office lease at 4841 N. Sewell Avenue in Oklahoma City.

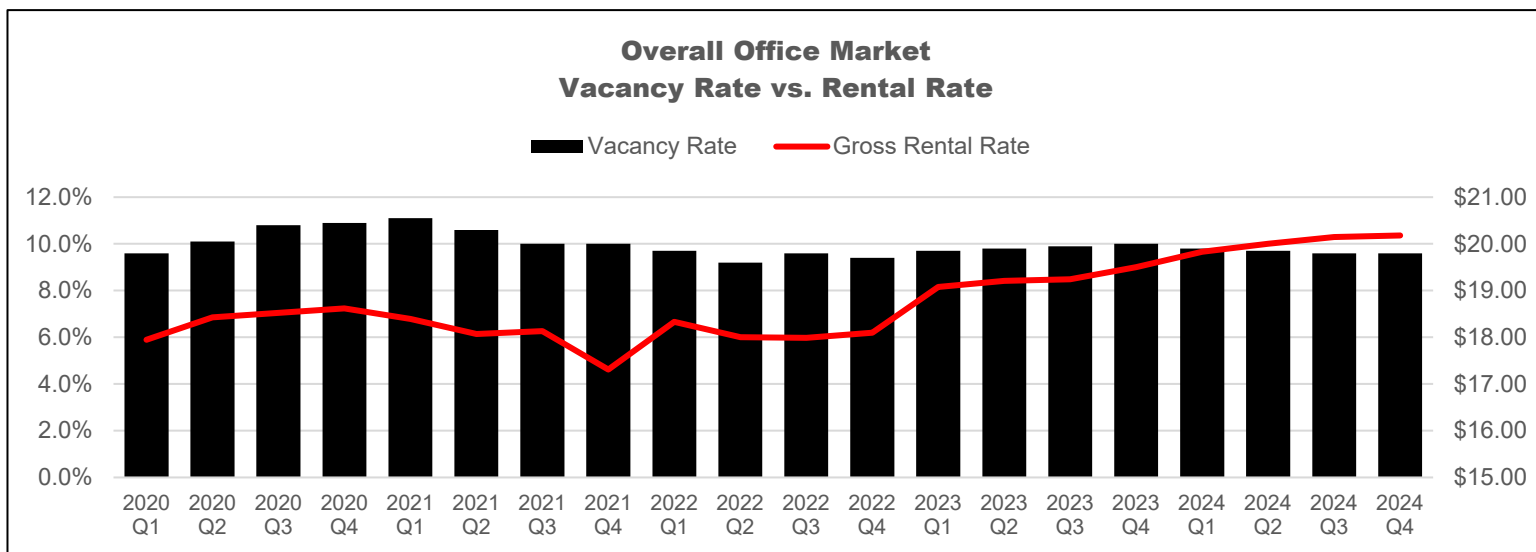


- The total net absorption was a positive 205,140 SF at the end of Q4 2024
- The total net absorption increased compared to the negative 88,011 SF at the end of Q3 2024
- The total inventory was 72,255,459 SF at the end of Q4 2024
- The total inventory increased from the 72,003,829 SF at the end of Q3 2024

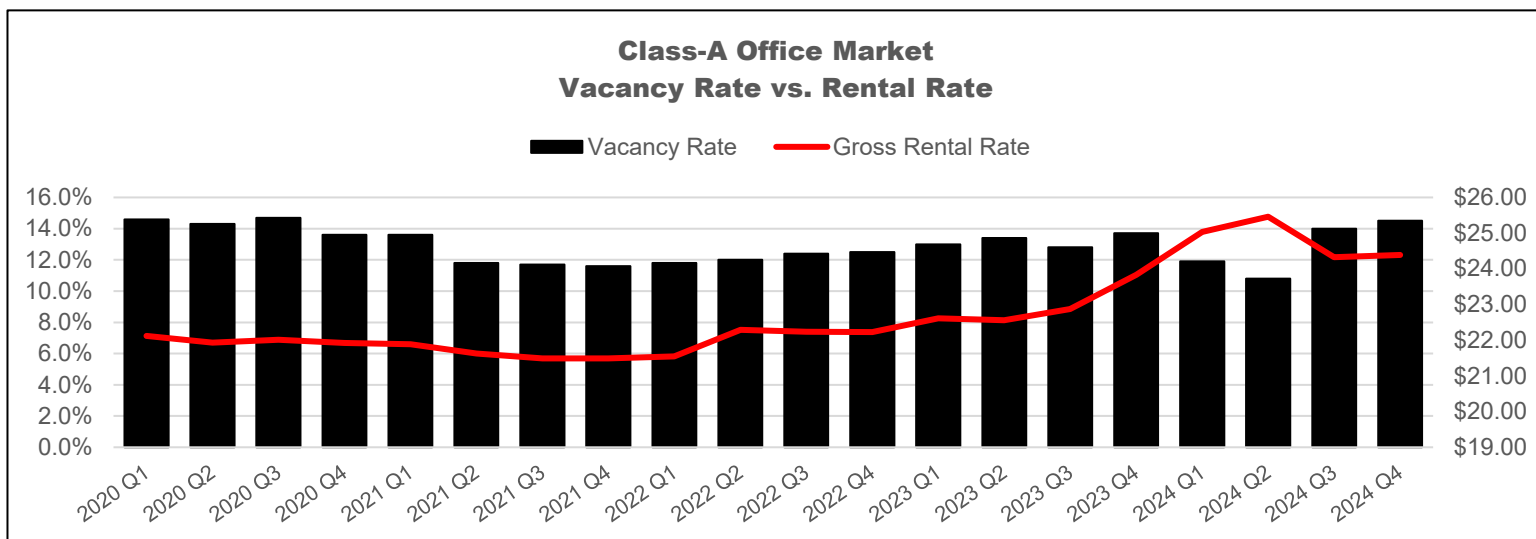


- The Class-A property absorption was a positive 204,725 SF, which increased compared to the net absorption of a negative 12,469 SF at the end of Q3 2024
- The Class-B property absorption was a positive 35,825 SF, which increased compared to the net absorption of a negative 34,734 SF at the end of Q3 2024
- The Class-C property absorption was a negative 35,410 SF, which decreased from the net absorption of a negative 40,808 SF at the end of Q3 2024

RENTAL & VACANCY RATES

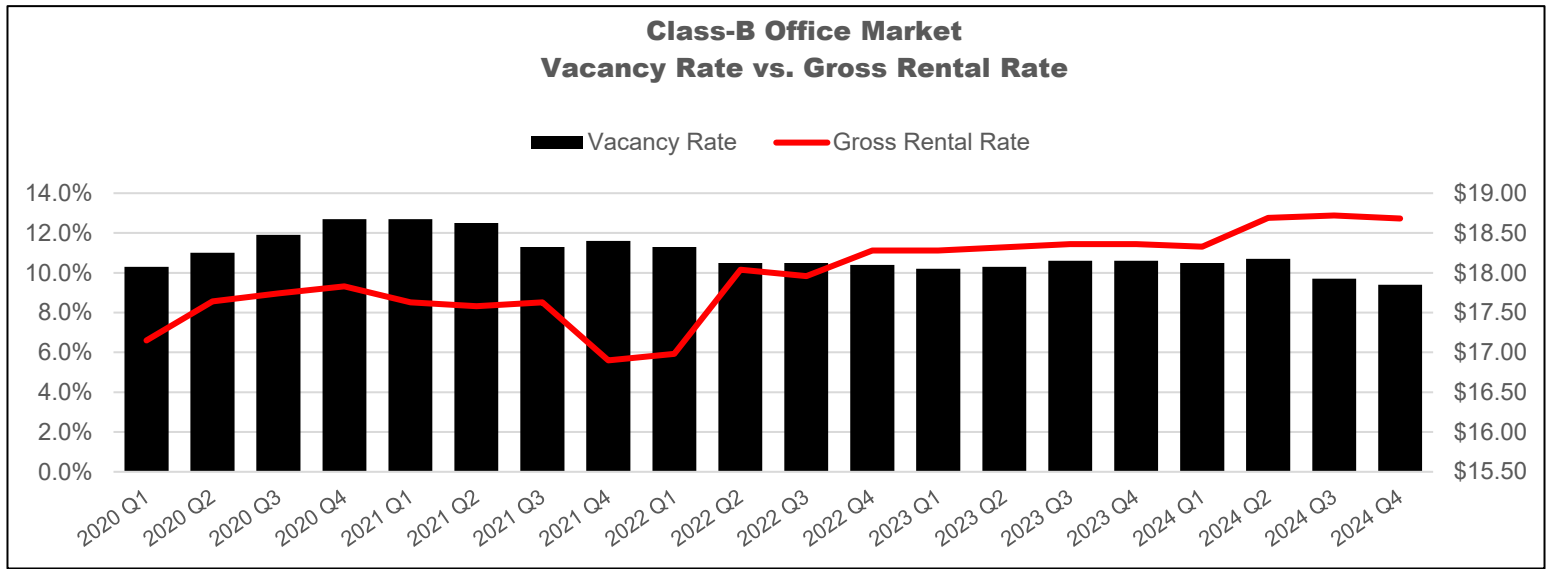


- The overall office market rental rate averaged \$20.18/SF/YR at the end of Q4 2024
- The overall office market rental rate increased from the \$20.15/SF/YR at the end of Q3 2024
- The overall vacancy rate was 9.6% at the end of Q4 2024
- The overall vacancy rate which remained the same as the 9.6% at the end of Q3 2024

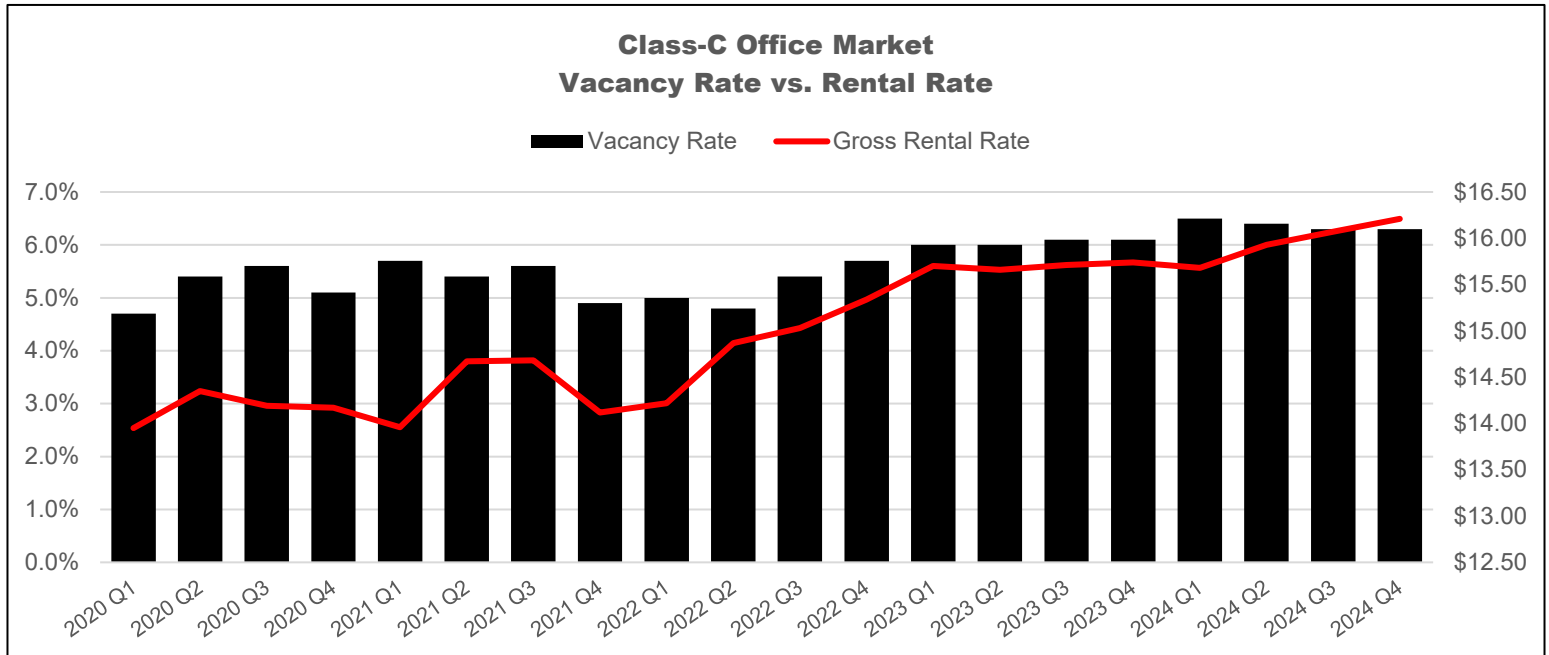


- Class-A property rental rate averaged \$24.39/SF/YR at the end of Q4 2024
- Class-A property rental rate increased from the \$25.33/SF/YR at the end of Q3 2024
- Class-A property vacancy rate was 14.5% at the end of Q4 2024
- Class-A property vacancy rate increased from the 14.0% at the end of Q3 2024

RENTAL & VACANCY RATES

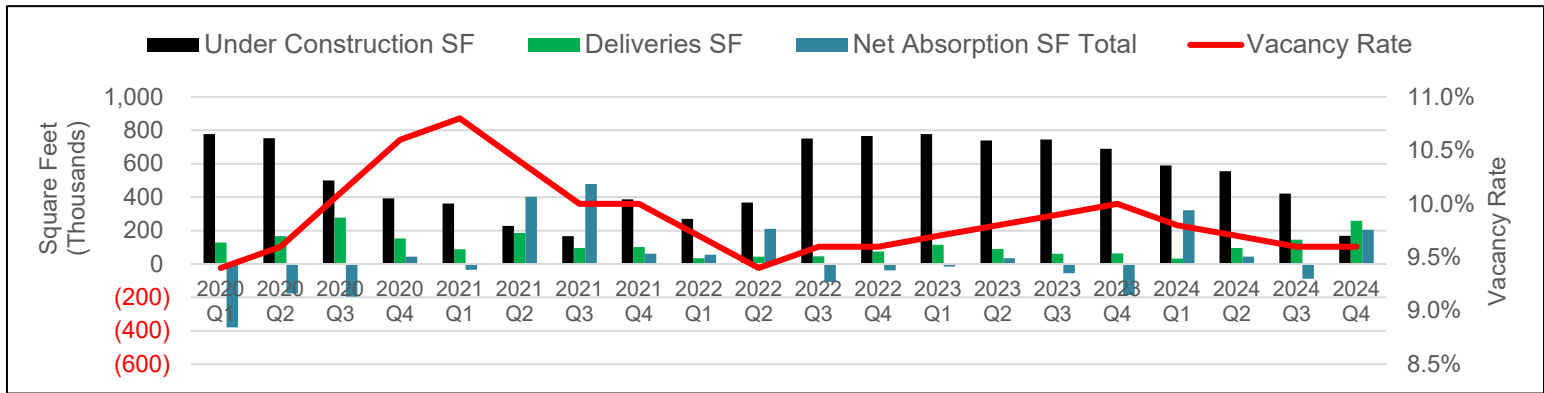


- Class-B property rental rate averaged \$18.68/SF/YR at the end of Q4 2024
- Class-B property rental rate decreased from the \$18.72/SF/YR at end of Q3 2024
- Class-B property vacancy rate was 9.4% at the end of Q4 2024
- Class-B property vacancy rate decreased from the 9.7% from Q3 2024



- Class-C property rental rate averaged \$16.21/SF/YR at the end of Q4 2024
- Class-C property rental rate increased from the \$16.07/SF/YR at the end of Q3 2024
- Class-C property vacancy rate was 6.3% at the end of Q4 2024
- Class-C property vacancy rate which remained the same as the 6.3% at the end of Q3 2024

CONSTRUCTION, DELIVERY, NET ABSORPTION & VACANCY RATES



There was a 169,191 SF of office space under construction at the end of Q4 2024. The asking rental rate of under construction rentable office space averaged \$30.99/SF/YR. The two properties with the largest building area under construction are the 115,000 SF building at 5101 N. Pennsylvania Avenue, which is scheduled to be delivered in December 2025, and the 30,000 SF building at 944 W. Wilshire Boulevard, which is scheduled to be delivered in February 2025.

NOTABLE OFFICE PROPERTIES UNDER CONSTRUCTION

PROPERTY NAME	PROPERTY ADDRESS	CITY	RBA	DELIVERY TIME
Oak	5101 N. Pennsylvania Avenue	Oklahoma City	115,000 SF	December 2025
Warwick Energy	944 W. Wilshire Boulevard	Oklahoma City	30,000 SF	December 2025
	2921 Adams Road	Norman	7,951 SF	March 2025
	2931 Adams Road	Norman	7,780 SF	February 2025
	Sara Road	Mustang	3,399 SF	February 2025

There were 61 office transactions recorded in Q4 2024 totaling \$40,873,668. The largest individual office sale based on dollar volume was the sale at 4107 N. Council Road in Bethany. Bbp Holding, L.L.C. purchased the 25,414 SF property from Salazar Homes, Inc. for \$3,853,600 or \$151.63/SF, on December 30, 2024.

SUMMARY	
NUMBER OF TRANSACTIONS	61
TOTAL SALES VOLUME	\$40,873,668
TOTAL BUILDING SF	429,579 SF
TOTAL LAND IN ACRES	55.9 ACRES
AVERAGE PRICE PER BLDG SF	\$127.12
MEDIAM PRICE PER BLDG SF	\$135.49
ACTUAL CAP RATE	8.2%

OKC MARKET TOP OFFICE SALE TRANSACTIONS Q4 2024



Address: 4107 N. Council Road-OKC
Sale Price: \$3,853,600
Price per SF: \$151.63/SF
Sale Date: 12/30/2024



Address: 620-650 24th Avenue NW-NORMAN
Sale Price: \$3,375,000
Price per SF: \$180.46/SF
Sale Date: 12/17/2024



Address: 11032 Quail Creek Road-OKC
Sale Price: \$2,750,000
Price per SF: \$80.93/SF
Sale Date: 12/3/2024



Address: 900 N. Porter Avenue-NORMAN
Sale Price: \$2,588,126
Price per SF: \$68.11/SF
Sale Date: 11/8/2024



Address: 12360 Market Drive-OKC
Sale Price: \$1,945,000
Price per SF: \$284.56/SF
Sale Date: 12/20/2024



Address: 2402 Westport Drive-NORMAN
Sale Price: \$1,850,000
Price per SF: \$167.45/SF
Sale Date: 10/11/2024

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