



Oklahoma City

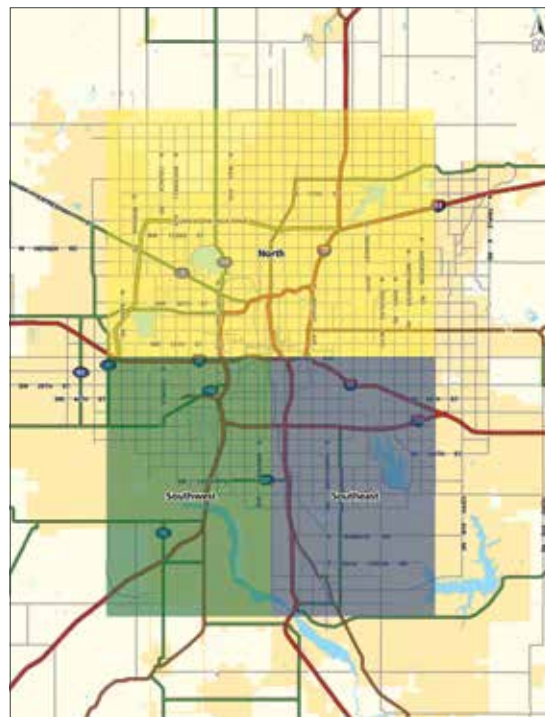
2015 Mid-Year
Industrial Market Summary





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Oklahoma City Industrial Submarket Map



Oklahoma City

2015 Mid-Year Industrial Market Summary

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

- Flex Space is generally considered to be less than 18 feet, but also includes modern high clearance flex space developments
- Service Warehouse is from 18 to 23 feet
- Bulk Warehouse is 24 feet or greater.

Generally the minimum size building tracked in any of the property types is 35,000 square feet.

After a period of historically low vacancy, the Oklahoma City multi-tenant industrial market reported an increase in vacancy in all product types. This vacancy is at least partially attributable to the direct and trickle-down effects of the dramatic decline in oil prices since last summer. This trend is reflective of the total industrial market which saw an increase in vacancy from 5% to 6% in the first quarter of 2015 (Xceligent, 1st Qtr. 2015). The overall multi-tenant industrial vacancy rate is 11.8%, up from 8.7% in 2014. This increased multi-tenant availability opens the market for more expansions and relocations outside of the build-to-suit arena. During the last year there were few choices available in existing space. The past year saw the sale of the RREEF portfolio to a Connecticut private equity firm as part of a large multi-state sale. It was also a banner year for investor purchases of large, single-tenant buildings. Although there is considerable hunger on the part of investors for multi-tenant industrial opportunities, the lack of quality product for sale effectively controls the market. Once again, the market appears ready and able to continue a steady course of good demand, moderate rent inflation, and additional construction.

The bulk warehouse market rose from 8.2% vacant in 2014 to 9.8% in 2015. Keep in mind that with the small base of multi-tenant buildings on this market, a 9.8% vacancy rate translates to about 575,000 square feet of available space. With bulk warehouse tenants occupying 50,000 to 150,000 square feet on average, this does not result in more than a few spaces in any given size range.

Flex space vacancy rose from 9.3% in 2014 to 14.2% currently. This increase in vacancy in flex space is more likely to reflect the downturn in the energy business than the other two product types.

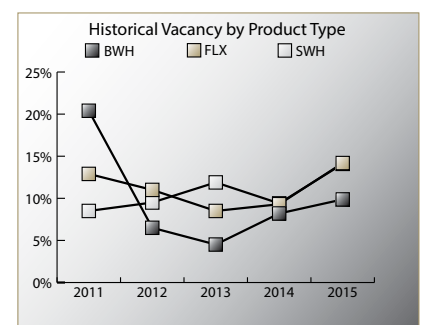
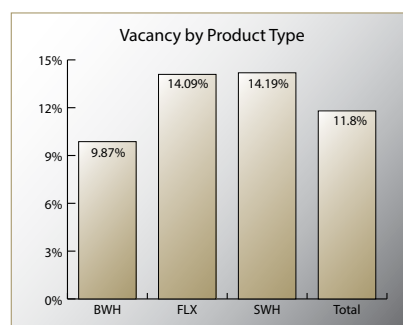
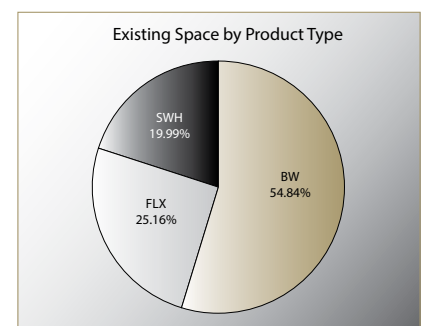
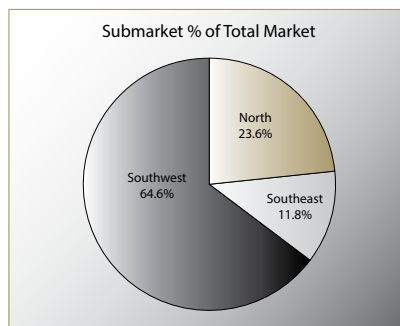
Service Warehouse went from 9.4 % vacant in 2014 to 14.09% vacant in 2015. This is a very modest increase for the smallest and most volatile space category.

There were 23 sales of multi-tenant properties in the last twelve months. The largest was the RREEF portfolio. Eighteen of these comprised the RREEF portfolio totaling 1.57 million square feet. The details are:

Address	Area	Type	Size (SF)	Year Built	Sale Date	Sale Price	Price/SF
3601 S Thomas	SW	BWH	239,023	1981	Oct. 2014	\$7,810,000	\$32.67
5024 SW 36	SW	BWH	219,345	1982	Oct. 2014	\$8,480,000	\$38.66
5001 SW 36th	SW	BWH	123,000	1982	Oct. 2014	\$4,990,000	\$40.56
3800 S Harmon	SW	BWH	114,804	1988	Oct. 2014	\$8,480,000	\$38.96
3701 S. Thomas	SW	BWH	92,821	1981	Oct. 2014	\$2,170,000	\$23.37
5600 SW 36th	SW	BWH	87,200	1989	Oct. 2014	\$3,700,000	\$42.43
5500 SW 36th	SW	BWH	85,327	1983	Oct. 2014	\$3,150,000	\$36.91
1101 Metropolitan Ave	SW	SWH	85,072	1974	Oct. 2014	\$8,480,000	\$38.66
1330 Metropolitan Ave	SW	BWH	69,279	1974	Oct. 2014	\$2,660,000	\$38.39
4100 Will Rogers Parkway	SW	FLX	69,027	1984	Oct. 2014	\$3,320,000	\$48.09
4116-4118 Will Rogers Pkwy	SW	SWH	65,520	1981	Oct. 2014	\$3,010,000	\$45.94
4020 Will Rigers Parkway	SW	FLX	65,438	1985	Oct. 2014	\$3,560,000	\$54.40
900 Metropolitan Ave	SW	SWH	61,600	1970	Oct. 2014	\$2,570,000	\$41.72
4210 Will Rogers Pkwy	SW	SWH	60,000	1977	Oct. 2014	\$2,180,000	\$36.33
4220 Charter Ave	SW	SWH	56,275	1975	Oct. 2014	\$3,370,000	\$37.73
1301 Cornell Pkwy	SW	FLX	33,609	1977	Oct. 2014	\$1,460,000	\$43.44
4234 Royal Ave	SW	SWH	25,800	1979	Oct. 2014	\$1,210,000	\$46.89
4301 Will Rogers Parkway	SW	SWH	22,551	1982	Oct. 2014	\$2,980,000	\$88.56
						1,575,691	\$73,580,000
							\$46.70

In addition, the following multi-tenant buildings sold:

Address	Area	Type	Size (SF)	Year Built	Sale Date	Sale Price	Price/SF
5251 W. Reno	SW	BWH	120,450	1965	Dec 2014	\$3,600,000	\$29.89
400 N. Ann Arbor	SW	BWH	120,372	1982	Nov 2014	\$4,500,000	\$37.38
615 W. Wilshire	N	BWH	192,510	1957	Oct 2014	\$5,600,000	\$29.09
1141 SE Grand Blvd.	SE	FLX	72,000	1982	Sept 2014	\$3,225,000	\$44.79
100-200 W. Wilshire	N	FLX	217,325	1981	Sept 2014	\$9,600,000	\$44.17
						722,657	\$26,525,000
							\$36.70



2015 Mid-Year Oklahoma City Industrial Market Summary

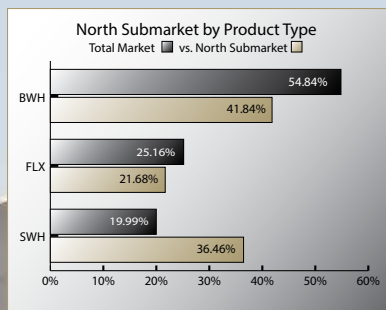
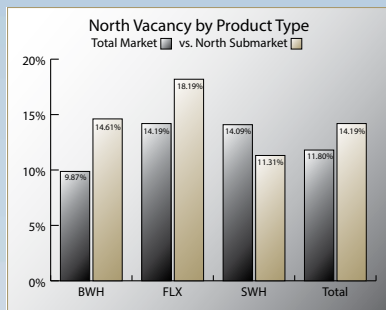
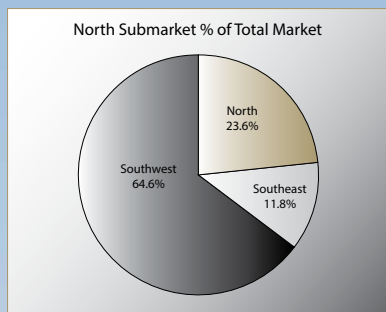
NORTH SUBMARKET

CURRENT MARKET

Average Vacancy is 14.19%

Aggregate available rental rates:

Bulk Warehouse	\$3.00 - \$5.15
Flex Space	\$6.50 - \$12.00
Service Warehouse	\$2.50 - \$6.50



Location	Type	GLA	Vacant	% Vacant	Rate
11224 Partnership Dr	BWH	220,800	0	0%	\$4.50
11300 Partnership Dr	BWH	145,000	0	0%	NA
11301 Partnership Dr	BWH	138,600	0	0%	NA
201 N. Harvard Avenue	BWH	39,580	0	0%	NA
311 N.W. 122nd	BWH	174,247	69,752	40.03%	\$5.15
420 NE 48th St	BWH	37,000	0	0%	\$3.00
4401 E Hefner Rd	BWH	100,000	0	0%	\$5.00
615 W Wilshire Blvd	BWH	192,353	83,343	43.33%	\$3.50
N - BWH Total		1,047,580	153,095	14.61%	\$4.38
14400 N Lincoln Blvd	SWH	52,395	0	0%	\$6.00
1825 N Walnut Ave	SWH	159,014	81,500	51.25%	\$3.50
217 NE 30th St	SWH	55,000	0	0%	NA
3501 N Santa Fe Ave	SWH	208,000	0	0%	\$2.50
3815 N Santa Fe Ave	SWH	140,000	6,328	4.52%	\$3.00
3905 - 3909 NW 36th St	SWH	77,099	0	0%	\$4.00
4224 N Santa Fe Ave	SWH	171,139	15,464	9.04%	\$6.50
7501 Broadway Ext	SWH	50,400	0	0%	\$6.50
N - SWH Total		913,047	103,292	11.31%	\$4.15
100 - 200 W. Wilshire Ave.	FLX	217,834	64,817	29.76%	\$6.50
401 E Memorial Rd	FLX	58,400	9,600	16.44%	\$7.50
430 W Wilshire Blvd	FLX	38,250	0	0%	\$8.82
7504 Broadway Ext	FLX	66,038	1,784	2.70%	\$12.00
8100 N Classen Blvd	FLX	64,750	13,115	20.25%	\$7.20
13700 N. Lincoln	FLX	97,749	9,440	9.66%	\$6.75
N - FLX Total		543,021	98,756	18.19%	\$7.57
N Totals		2,503,648	355,143	14.19%	

SOUTHEAST SUBMARKET



2015 Mid-Year Oklahoma City Industrial Market Summary SOUTHEAST SUBMARKET

SE	Type	GLA	Vacant	% Vacant	Rate
6401 S High Ave	BWH	102,020	0	0%	\$3.00
6601 S Air Depot Blvd	BWH	144,000	0	0%	NA
9401 S Pole Rd	BWH	60,000	0	0%	NA
8001 Mid America Blvd.	BWH	130,000	32,243	24.80%	\$4.25
8121 Mid America Blvd	BWH	121,000	0	0%	NA
8120 Mid America Blvd	BWH	131,507	0	0%	NA
SE - BWH Total		688,527	32,243	4.68%	\$3.70

2020 S Eastern Ave.	SWH	48,250	36,200	75.03%	\$4.50
SE - SWH Total		48,250	36,200	75.03%	\$4.50

1125 SE Grand Blvd	FLX	72,000	30,314	42.10%	\$5.50
1533 SE 66th St	FLX	104,288	0	0%	\$6.00
2200 N Moore Ave	FLX	147,080	30,705	20.88%	\$6.00
416 Hudiburg Circle	FLX	29,371	8,185	27.87%	\$10.50
3634 E I-240 Service Road	FLX	44,000	5,808	13.20%	\$7.23
3940 E I-240 Service Road	FLX	72,000	18,000	25%	\$5.70
5701 SE 74th St	FLX	40,605	6,278	15.46%	\$6.00
SE - FLX Total		509,344	99,290	19.49%	\$6.25

SE Totals		1,246,121	167,733	13.46%	
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CURRENT MARKET

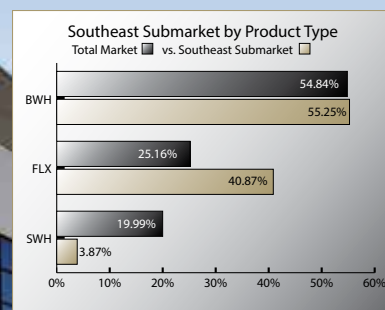
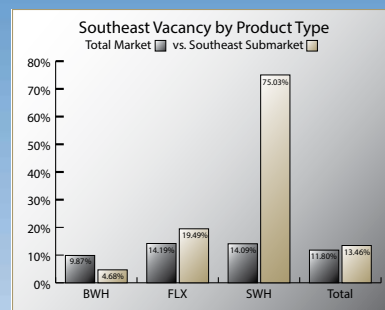
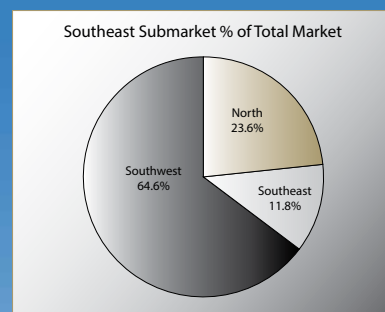
Average Vacancy is 13.46%

Aggregate available rental rates:

Bulk Warehouse \$3.00 - \$4.25

Flex Space \$5.50 - \$10.50

Service Warehouse \$4.50



2015 Mid-Year Oklahoma City Industrial Market Summary

SOUTHWEST SUBMARKET

CURRENT MARKET

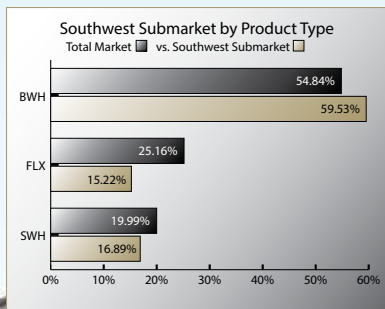
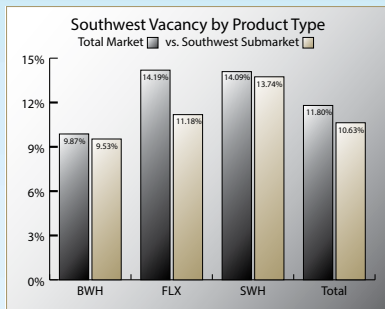
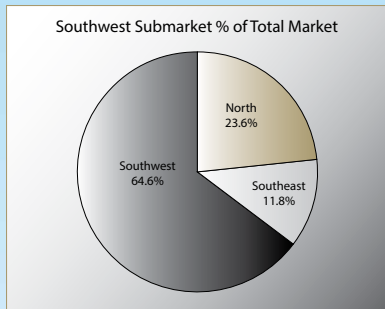
Average Vacancy is 10.63%

Aggregate available rental rates:

Bulk Warehouse \$2.95 - \$6.00

Flex Space \$2.50 - \$10.50

Service Warehouse \$3.50 - \$8.50



SW	Type	GLA	Vacant	% Vac	Rate
1330-1398 Metropolitan	BWH	69,167	0	0%	\$4.50
3500 S MacArthur Blvd	BWH	171,000	0	0%	NA
3501 Melcat Dr	BWH	106,672	0	0%	\$3.25
3601 S Thomas Rd	BWH	241,000	0	0%	NA
3701 S Thomas Rd	BWH	93,610	0	0%	\$4.25
3800-3860 S Harmon Ave	BWH	114,804	0	0%	\$3.50
400 N Ann Arbor Ave	BWH	119,700	52,500	43.86%	\$3.75
4001 NW 3rd St	BWH	95,000	0	0%	NA
4001 Will Rogers Parkway	BWH	101,504	0	0%	\$4.50
4680 NW 3rd St	BWH	151,200	107,000	70.77%	\$4.25
5001 SW 36th St	BWH	122,945	0	0%	\$3.75
5024 SW 36th St	BWH	102,567	0	0%	NA
5200 SW 36th St	BWH	210,000	20,000	9.52%	\$6.00
5201 W Reno Ave	BWH	121,475	0	0%	\$3.00
5251 W Reno Ave	BWH	121,035	0	0%	\$3.35
5500 SW 36th St	BWH	76,500	0	0%	\$4.25
5500 W. Reno	BWH	336,750	91,961	27.31%	\$3.95
5555 Morton Ave	BWH	99,360	0	0%	\$3.25
5600 SW 36th St	BWH	87,200	30,851	35.38%	\$4.25
600 N Sara Rd	BWH	120,000	43,194	35.99%	\$3.50
6100 NW 2nd St	BWH	110,080	42,550	38.65%	\$4.25
7501 SW 29th St	BWH	1,300,000	0	0%	\$2.95
SW - BWH Total		4,071,569	388,056	9.53%	\$3.65

SOUTHWEST SUBMARKET



2015 Mid-Year Oklahoma City Industrial Market Summary SOUTHWEST SUBMARKET

1001 Enterprise	SWH	80,256	31,008	38.64%	\$5.75
1101 Enterprise Dr	SWH	63,840	5,472	8.57%	\$4.75
1101 Metropolitan Ave	SWH	29,220	0	0%	\$3.50
1131 Enterprise Dr	SWH	80,256	7,296	9.09%	\$5.25
301-397 N Harvard Ave	SWH	81,000	0	0%	\$2.50
3600 S MacArthur Blvd	SWH	44,750	0	0%	NA
4116 Will Rogers Parkway	SWH	65,800	0	0%	NA
417 Hudiburg Circle	SWH	30,000	0	0%	\$10.50
4210 Will Rogers Parkway	SWH	60,000	0	0%	NA
4220-4232 Charter Ave.	SWH	56,275	16,710	29.69%	\$4.00
4243 Will Rogers Parkway	SWH	49,920	27,168	54.42%	\$4.25
4301 Will Rogers Parkway	SWH	33,647	0	0%	\$5.50
4400 S.W. 25th Street	SWH	68,000	0	0%	\$8.50
4601-4627 NW 3rd St	SWH	68,408	0	0%	NA
4700-4728 NW 1st St	SWH	52,340	8,000	15.28%	\$4.25
4917 - 4923 S.W. 7th St.	SWH	20,935	6,000	28.66%	\$4.25
4925 - 4931 S.W. 7th St.	SWH	32,229	32,229	100%	\$4.25
5324 W Reno Ave	SWH	72,300	0	0%	NA
727 - 729 Overhead Dr.	SWH	24,512	14,000	57.11%	\$4.25
900 Metropolitan Ave	SWH	61,600	0	0%	NA
901 Enterprise Dr	SWH	80,256	10,944	13.64%	\$3.75
SW - SWH Total		1,155,544	158,827	13.74%	\$4.93
1000 Cornell Parkway	FLX	27,018	0	0%	\$3.75
1101-1121 Cornell Parkway	FLX	41,720	0	0%	\$6.00
1233 Sovereign Row	FLX	37,854	7,850	20.74%	\$7.50
1301 Cornell Parkway	FLX	34,086	24,648	72.31%	\$5.50
2236 NW 10th St	FLX	80,960	15,000	18.53%	\$6.76
235 N MacArthur Blvd	FLX	68,229	11,498	16.85%	\$7.25
304-306 N Meridian Ave	FLX	196,000	3,800	1.94%	\$6.50
340-350 S Vermont Ave	FLX	118,565	8,000	6.75%	\$5.90
3400 S Thomas Rd	FLX	40,960	0	0%	\$3.50
400 S Vermont Ave	FLX	143,750	3,750	2.61%	\$5.50
401 N Meridian Ave	FLX	41,190	2,850	6.92%	\$6.00
4020 Will Rogers Parkway	FLX	65,438	16,312	24.93%	\$4.75
4100 Will Rogers Parkway	FLX	66,732	0	0%	\$5.50
4130 Will Rogers Parkway	FLX	65,520	45,426	69.33%	\$4.25
4141 Highline Blvd	FLX	74,310	2,050	2.76%	\$7.75
4309-4325 SW 21st St	FLX	64,568	0	0%	\$6.50
4703 Enterprise Dr	FLX	34,000	0	0%	\$4.50
4901 W Reno Ave	FLX	43,630	11,949	27.39%	\$8.50
6000 NW 2nd St	FLX	79,071	25,908	32.77%	\$5.50
7114 Melrose Ln	FLX	124,200	1,200	0.97%	\$5.00
7624 Melrose Ln	FLX	164,500	0	0%	\$4.00
SW - FLX Total		1,612,301	180,241	11.18%	\$5.72
SW Totals		6,839,414	727,124	10.63%	
OKC Industrial Totals		10,589,183	1,250,000	11.80%	

Price Edwards & Company Market Research

Price Edwards & Company has been the leader in the Oklahoma City commercial real estate market for over 25 years not only in terms of completed transactions, but in market research as well. This report, as well as our other market summaries, are available either by request or can be freely downloaded online from our website at:

www.pricedwards.com

Our website continues to feature downloadable PDF versions of all of our Oklahoma City market summaries for the past several years, including Oklahoma City market information, market outlooks, as well as news and information about current activity in the market.



Oklahoma City

2015 Mid-Year Industrial Market Summary

2015 Forecast Vacancy

Vacancy - will remain moderately low with relatively few choices in any given size range.

Rental Rates - Rental rates will remain steady.

New Construction - Construction has for the most part been confined to single tenant buildings. Light to modest construction will not add enough space to the market to affect the vacancy rates



Price Edwards & Company Expands into the Tulsa Market

Following the acquisition of Beacon Commercial Group, Price Edwards & Company has expanded into the Tulsa market. Tanda Francis has been named as the firm's Managing Broker for the Tulsa area. With the combination of the new Tulsa office and Price Edwards' 25 years of experience and expertise, the company will be poised to better serve their clients in the Tulsa Metro Area.



Tanda Francis

Managing Broker - Tulsa

