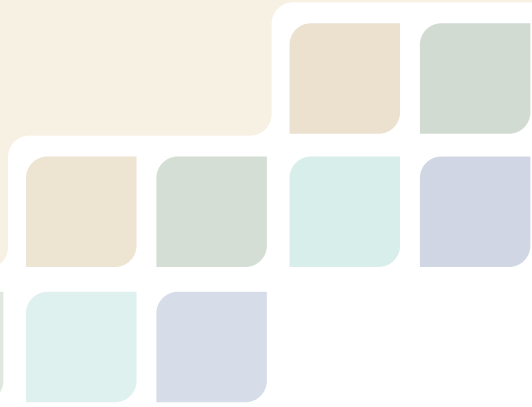


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2020 OKC MIDYEAR INDUSTRIAL MARKET SUMMARY



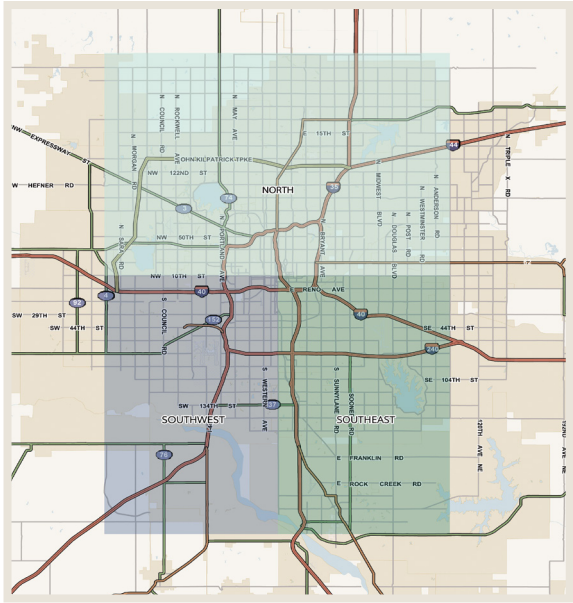


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OKLAHOMA CITY

Industrial Submarket Map



This report covers only multi-tenant, investment grade industrial buildings.

We classify buildings according to design, intended use & clear height into 3 categories:



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

The last 12 months have been marked by dramatic changes.

As of this writing, these events have not seriously affected the Oklahoma City multi-tenant industrial market. Overall, multi-tenant industrial properties have continued the declining vacancy trend seen over the past two years. The bulk-warehouse sector is the exception this year. Bulk-warehouse is seen as an important indicator for the economy given its central role in the supply chain, support of retail business and tendency to be occupied by national and international tenants. Most warehouse operations are considered essential businesses and remained in operation during the lockdown, although there have been upstream supply-chain disruptions. Locally, we know of a few lease transactions that were postponed. It is reasonable to expect some vacancy increase in the next 12 months as a result of corporate bankruptcies, especially in the retail sector.

Locally, bulk warehouse vacancy grew from 11.9% in 2019 to the current level of 15.6%. Part of the vacancy rise is due to speculative construction and part is related to growth as local tenants vacated leased spaces to purchase or construct their own buildings. In the foreseeable future, a slow recovery could put added, though modest pressure on these numbers.

Flex space, generally consisting of tenants with less than 12,000 square feet, recorded a solid vacancy decline from 11.8% in 2019 to 9.6% in 2020. This builds on a 4% decline from 2018 to 2019. The majority of space designated "Flex" by this report is 1980's vintage, but there has been limited development of new space, although mostly limited to metal construction for cost and rental rate efficiency. This space type is heavily tenanted by service industry companies who are typically rate-sensitive.

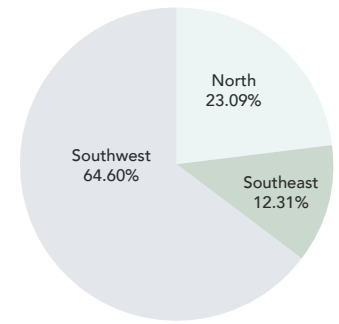
The service warehouse sector includes older warehouse space, no longer efficient for large-scale distribution operations, as well as modern dock-high buildings with intermediate clear heights. Because of the inclusion of older, larger facilities, this sector is always the most volatile since a few larger vacancies can skew the vacancy numbers. This sector does however offer very affordable rents and vacancy has declined from 33.7% in 2018 to 17.7% in 2020.

Sales of multi-tenant facilities in the last 12 months included a large portfolio sale. Sealy Strategic Equity Partners sold a twenty-building portfolio to DRA Advisors including bulk warehouse, flex space, and modern service warehouse space. These properties were part of a large multi-state portfolio. Locally this sale transacted just over 2 million square feet for \$92.4 million. The largest component of the sale was approximately 1.2 million square feet of bulk warehouse facilities.

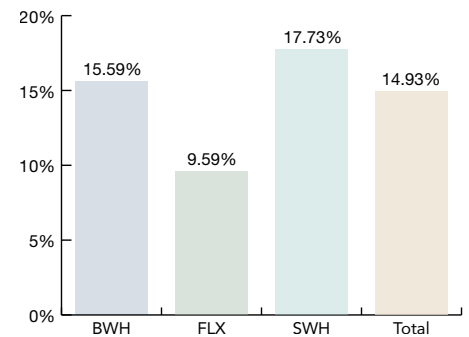
There were 3 sales of tracked multi-tenant properties in the last 12 months:

Address	Size (SF)	Sale Date	Sale Price	Price/SF
3500 S. MacArthur	78,038	4/20/20	\$5,329,322	\$68.29
11300 Partnership Dr.	145,600	4/20/20	\$5,420,000	\$37.22
3905-3909 NW 36th	76,522	7/19/20	\$3,500,000	\$45.73
TOTAL	300,160		\$14,249,322	\$151.24

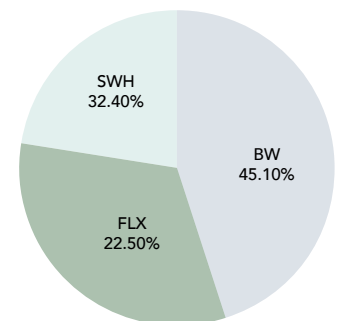
Submarket % of Total Market



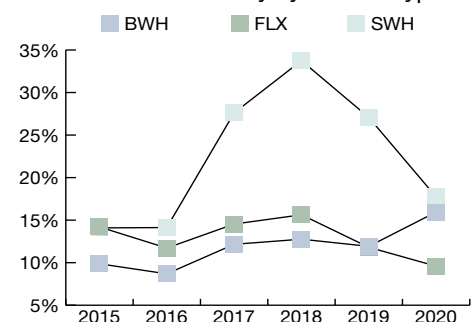
Vacancy by Product Type



Existing Space by Product Type



Historical Vacancy by Product Type



CURRENT NORTH MARKET

Average Vacancy is 15.21%

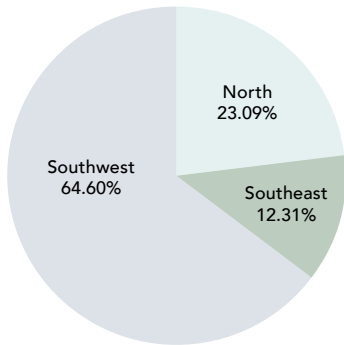
Aggregate available rental rates:

- BULK WAREHOUSE** \$3.50 - \$6.75
- FLEX SPACE** \$8.50 - \$11.70
- SERVICE WAREHOUSE** \$4.50 - \$10.20



11400 N. I-35 Service Rd.

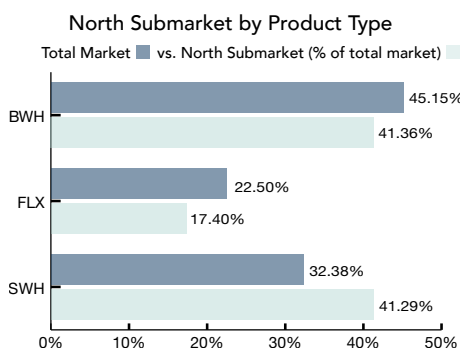
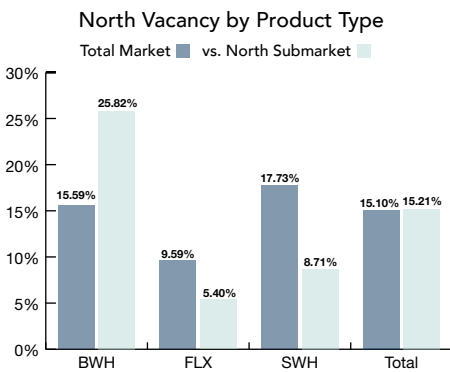
North Submarket % of Total Market



Location	Type	GLA	Vacant	% Vacant	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	62,775	50.22%	\$5.50
311 N.W. 122nd	BWH	181,648	108,852	59.92%	\$4.75
420 NE 48th St	BWH	78,450	37,150	47.36%	\$3.50
4401 E Hefner Rd	BWH	100,000	0	0%	\$5.00
615 W Wilshire Blvd	BWH	192,353	60,210	31.30%	\$4.25
6910 N Bryant	BWH	80,000	0	0%	\$6.75
N - BWH Total		1,041,651	268,987	25.82%	\$5.01

14300 N Lincoln Blvd	SWH	110,640	5,286	4.78%	\$10.20
14400 N Lincoln Blvd	SWH	53,212	12,000	22.55%	\$8.50
1825 N Walnut Ave	SWH	159,019	41,250	25.94%	\$5.00
217 NE 30th St	SWH	55,000	0	0%	\$0.00
3501 N Santa Fe Ave	SWH	208,000	0	0%	\$0.00
3815 N Santa Fe Ave	SWH	216,000	15,589	7.22%	\$12.00
3905-3909 NW 36th St	SWH	77,099	0	0%	\$4.50
4224 N Santa Fe Ave	SWH	110,312	0	0%	\$10.50
7501 Broadway Ext	SWH	50,427	16,413	32.55%	\$9.00
N - SWH Total		1,039,709	90,538	8.71%	\$6.63

100 - 200 W. Wilshire Ave	FLX	217,834	6,000	2.75%	\$8.50
430 W Wilshire Blvd	FLX	16,458	5,598	34.01%	\$11.70
7504 Broadway Ext	FLX	66,038	0	0%	\$0.00
8100 N Classen Blvd	FLX	38,850	0	0%	\$8.50
13700 N Lincoln Blvd	FLX	97,749	12,000	12.28%	\$8.91
N - FLX Total		436,929	23,598	5.40%	\$7.52
N TOTALS		2,518,289	383,123	15.21%	





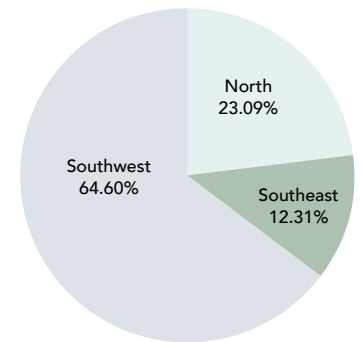
CURRENT SOUTHEAST MARKET

Average Vacancy is 16.3%

Aggregate available rental rates:

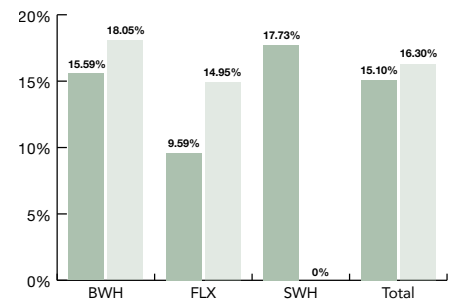
BULK WAREHOUSE	\$2.75 - \$10.00
FLEX SPACE	\$5.70 - \$10.80
SERVICE WAREHOUSE	\$6.50

Southeast Submarket % of Total Market

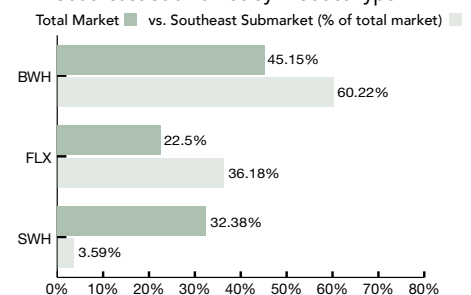


Location	Type	GLA	Vacant	% Vacant	Rate
1300 SE 89th St	BWH	60,000	60,000	100%	\$6.50
1320 SE 89th St	BWH	60,000	0	0%	\$6.75
6501 S I-35 Service Rd	BWH	102,020	0	0%	\$2.75
6601 S Air Depot Blvd	BWH	144,000	47,593	33.05%	\$6.00
9401 S Pole Rd	BWH	60,000	0	0%	\$5.50
8001 Mid America Blvd	BWH	130,000	38,333	29.49%	\$10.00
8121 Mid America Blvd	BWH	121,000	0	0%	\$4.25
8120 Mid America Blvd	BWH	131,507	0	0%	\$4.00
SE - BWH Total		808,527	145,926	18.05%	\$5.72
2020 S Eastern Ave.	SWH	48,450	0	0%	\$6.50
SE - SWH Total		48,450	0	0%	\$6.50
1125 SE Grand Blvd	FLX	72,000	0	0%	\$6.00
1533 SE 66th St	FLX	41,276	0	0%	\$6.00
2300-2700 N Moore Ave	FLX	155,735	9,900	6.36%	\$6.00
9201 Polaris Drive	FLX	60,000	60,000	100%	\$7.50
3634 E I-240 Service Rd	FLX	44,172	1,000	2.26%	\$10.80
3940 E I-240 Service Rd	FLX	72,000	0	0%	\$5.70
5701 SE 74th St	FLX	40,605	1,740	4.29%	\$8.50
SE - FLX Total		485,788	72,640	14.95%	\$7.21
SE TOTALS		1,342,765	218,566	16.28%	

Southeast Vacancy by Product Type
Total Market vs. Southeast Submarket



Southeast Submarket by Product Type



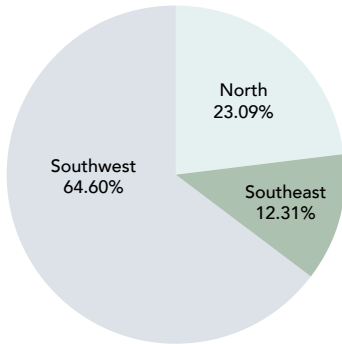
CURRENT SOUTHWEST MARKET

Average Vacancy is 14.6%

Aggregate available rental rates:

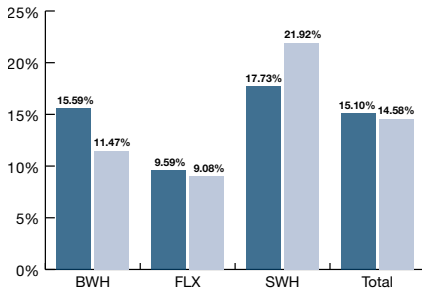
- BULK WAREHOUSE** \$3.50 - \$6.50
- FLEX SPACE** \$4.25 - \$10.50
- SERVICE WAREHOUSE** \$3.50 - 13.00

Southwest Submarket % of Total Market



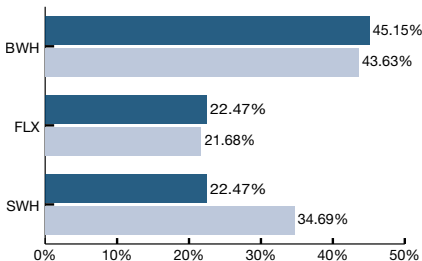
Southwest Vacancy by Product Type

Total Market vs. Southwest Submarket



Southwest Submarket by Product Type

Total Market vs. Southwest Submarket (% of total market)



524 N. Sara Rd.

Location	Type	GLA	Vacant	% Vac	Rate
1330-1398 Metropolitan Ave	BWH	69,167	24,626	35.60%	\$4.25
2000 S Council Rd	BWH	256,500	40,500	15.79%	\$5.50
201 N Harvard Ave	BWH	39,580	0	0%	\$4.63
3500 S MacArthur Blvd	BWH	171,000	0	0%	\$0.00
3501 Melcat Dr	BWH	106,000	0	0%	\$5.25
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
400 N Ann Arbor Ave	BWH	119,700	0	0%	\$4.50
4001 NW 3rd St	BWH	95,000	0	0%	\$4.25
4001 Will Rogers Parkway	BWH	101,540	0	0%	\$4.50
4400-4412 SW 25th St	BWH	54,000	27,000	50%	\$9.00
4680 NW 3rd St	BWH	151,200	0	0%	\$4.50
5001 SW 36th St	BWH	125,000	0	0%	\$3.75
5024 SW 36th St	BWH	102,836	30,000	29.17%	\$4.50
5200 SW 36th St	BWH	210,600	0	0%	\$6.00
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	99,360	100%	\$4.00
5600 SW 36th St	BWH	87,200	40,249	46.16%	\$4.50
600 N Sara Rd	BWH	120,000	0	0%	\$4.75
6100 NW 2nd St	BWH	110,080	0	0%	\$4.25
6120 SW 29th St	BWH	61,000	0	0%	\$6.50
6200 SW 29th St	BWH	60,400	60,400	100%	\$6.25
6220 SW 29th St	BWH	60,800	30,400	50%	\$6.25
SW - BWH TOTAL		3,073,400	352,535	11.47%	\$4.81

Location	Type	GLA	Vacant	% Vac	Rate
1001 Enterprise Dr	SWH	80,262	27,360	34.09%	\$6.25
1101 Enterprise Dr	SWH	63,840	1,824	2.86%	\$6.50
1101 Metropolitan Ave	SWH	33,038	0	0%	\$3.50
1131 Enterprise Dr	SWH	80,256	31,008	38.64%	\$5.88
301-397 N Harvard Ave	SWH	39,580	0	0%	\$0.00
3600 S MacArthur Blvd	SWH	44,750	0	0%	\$13.00
4116 Will Rogers Parkway	SWH	65,520	54,528	83.22%	\$5.00
417 Hudiburg Circle	SWH	30,000	0	0%	\$10.50
4210 Will Rogers Parkway	SWH	60,000	0	0%	\$0.00
4220-4232 Charter Ave	SWH	56,275	0	0%	\$4.75
4220-4301 Will Rogers / 1401 Cornell Parkway	SWH	33,647	20,042	59.57%	\$7.00
4243 Will Rogers Parkway	SWH	50,208	0	0%	\$4.50
4301 Will Rogers Parkway	SWH	22,551	19,042	84.44%	\$7.50
4601-4627 NW 3rd St	SWH	68,408	23,485	34.33%	\$4.50
4700-4728 NW 1st St	SWH	52,340	0	0%	\$4.95
4917-4925 SW 7th St	SWH	86,876	36,179	41.64%	\$4.35
5324 W Reno Ave	SWH	72,300	0	0%	\$3.75
900 Metropolitan Ave	SWH	61,600	0	0%	\$3.50
900-1080 Metropolitan Ave	SWH	61,600	0	0%	\$3.50
901 Enterprise Dr	SWH	80,428	0	0%	\$5.35
7501 SW 29th St	SWH	1,300,000	322,113	24.78%	\$4.00
SW - SWH Total		2,443,479	535,581	21.92%	\$5.16
1000 Cornell Parkway	FLX	27,018	16,829	62.29%	\$5.50
1101-1121 Cornell Parkway	FLX	41,720	0	0%	\$6.50
1233 Sovereign Row	FLX	39,805	0	0%	\$7.00
1301 Cornell Parkway	FLX	33,370	28,504	85.42%	\$5.50
2236 NW 10th St	FLX	81,600	9,000	11.03%	\$10.50
235 N MacArthur Blvd	FLX	31,017	5,189	16.73%	\$8.50
304-306 N Meridian Ave	FLX	92,000	19,000	20.65%	\$4.50
340-350 S Vermont Ave	FLX	118,565	10,000	8.43%	\$7.50
3800 S MacArthur	FLX	60,000	0	0%	\$7.50
400 S Vermont Ave	FLX	143,750	0	0%	\$7.50
401 N Meridian Ave	FLX	41,190	0	0%	\$5.20
4020 Will Rogers Parkway	FLX	64,298	10,839	16.86%	\$5.75
4100 Will Rogers Parkway	FLX	69,027	5,390	7.81%	\$5.50
4130 Will Rogers Parkway	FLX	65,520	0	0%	\$4.25
4141 Highline Blvd	FLX	74,310	0	0%	\$10.00
416 Hudiburg Circle	FLX	30,000	10,000	33.33%	\$10.50
4309-4325 SW 21st St	FLX	64,568	0	0%	\$6.50
4703 Enterprise Dr	FLX	34,000	0	0%	\$0.00
4901 W Reno Ave	FLX	48,048	4,684	9.75%	\$9.00
6000 NW 2nd St	FLX	79,071	18,048	22.83%	\$6.25
7114 Melrose Ln	FLX	124,200	1,200	0.97%	\$5.00
7624 Melrose Ln	FLX	164,500	0	0%	\$5.00
SW - FLX Total		1,527,577	138,683	9.08%	\$6.52
SW TOTALS		7,044,456	1,026,799	14.58%	

OKC INDUSTRIAL TOTALS**10,905,310 1,628,488 14.9%**

PE AND CO.

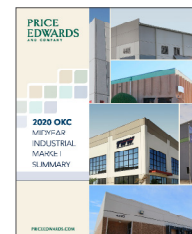
MARKET RESEARCH

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.

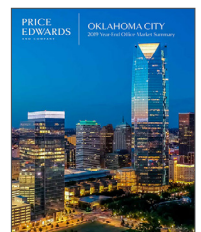
This report, as well as our other market summaries, are available either by request or can be freely downloaded online from our website at:

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.



Industrial Summary



Office Summary



Multifamily Summary



Retail Summary

OKC'S 2020 MID-YEAR INDUSTRIAL MARKET FORECAST

What's coming in the second half of 2020?



VACANCY: Essentially steady vacancy with the national economy recovery influencing the bulk warehouse market.



RENTAL RATES: Competition for tenants in all product types will motivate owners to offer incentives, with moderate rate decreases.



NEW CONSTRUCTION: New construction will be limited to owner occupied and build-to-suit projects.



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