

2023 Mid-year

# RETAIL MARKET REPORT



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**Cover** | Painting (Corsica; artist unknown) | Horse, Jonathan Adler (OKCMOA)  
 Louis Vuitton book cover image (OKCMOA) | 3D floral card (MCG Gifts)  
**This page** | Products (Paint Nail Bar) | Caffè Vergnano in Corsica | Purse (Paint Nail Bar)  
**Opposite** | Rome on Sunday



## CHAINLINKS

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Our survey tracks 31.2 million square feet in 272 buildings of over 25,000 square feet and 18.2 million square feet of stand-alone buildings for a total market of 49.4 million square feet. There continues to be a significant number of smaller strip centers in the market (under 25,000 s.f. in size). We estimate there are close to 13.3 million square feet of these properties in the market, approximately 357,000 square feet was added to this type of product in the first half of 2023.



2023 Mid-year

# RETAIL MARKET REPORT



PRICE EDWARDS AND COMPANY

The retail market, both nationally and locally, appears to be nearing an inflection point that will see the market move from surprising growth to more moderate growth and activity. Since the start of the recovery, retail has gained back all it lost in sales and then some. Occupancy has increased and there has been a significant influx of new tenants. Per CoStar, national retail vacancy sits at 4.2 percent near its all-time low.

Oklahoma has seen the benefit of these trends, with the construction of the high-end mixed use Oak at Penn and Northwest Expressway, Stacks in Yukon, Andretti's coming to the Half, and the recent Dick's House of Sports announcement. Hopefully, you like pickleball as several concepts are coming. Tulsa is in the act too with its second Costco and Scheels going to Woodland Hills Mall. Not that there hasn't been some bad news with the bankruptcy of Bed, Bath & Beyond, Tuesday Morning, Party City and David's Bridal. Notably Bed Bath and Tuesday Morning will be liquidated, although Bed Bath will live online through Overstock.com (who's renaming themselves Bed, Bath & Beyond). Its worth pointing out that those failures can mostly be traced to bad business plans and too much debt. Given the limited supply of good retail spaces, many of these new vacancies have already been snapped up.

This activity in the market is reflected in the mid-year numbers. Oklahoma City mid-year vacancy was 8.4, virtually unchanged at the end of 2022. Our activity has been fueled by limited new construction, a re-emphasis on the importance of brick & mortar to retailers, unexpectedly good economic news, and, perhaps mostly, to consumers still having money to spend.

We've discussed this before, but the various pandemic relief programs were a direct shot in the arm to consumers. As you can see from the following chart, people still have excess savings left over from the pandemic. Consumers are spending at the same rate they did last year even though those savings are dwindling. Part of this spending is funded by higher credit card borrowing.

These positive influences have carried the market further than most people believed. The major arguments for a change in the market include consumers running out of pandemic funds, maxing out borrowing, the growing potential for a recession either late this year or early 2024, an assuredly negative Presidential



Source: U.S. Department of Commerce and Wells Fargo Economics

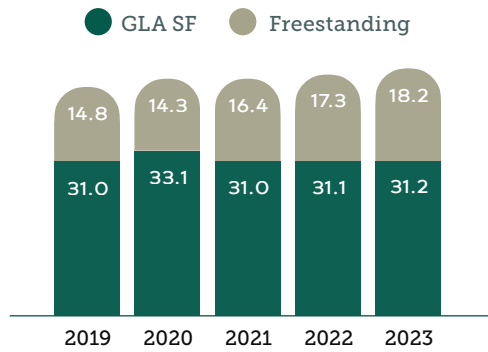


election, and a potential increase in unemployment. All these will create fear among shoppers thereby decreasing consumer confidence and creating a strain on the industry.

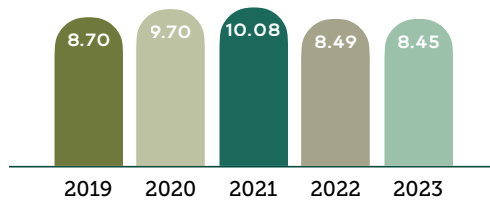
But there remains talk of a soft landing for the economy, given limited construction, good wage growth, and lower inflation. For Oklahoma, the news is even better in that we are in a better starting place than much of the rest of the country and the energy business tends to be somewhat countercyclical. Will we mostly likely still see a downturn at some point, yes, but expect it to be moderate.

Jim Parrack, Senior VP

**Total OKC Retail Market Inventory**  
(SF in Millions)



**Total OKC Retail Market Vacancy**  
(% Vacant)



**Total OKC Retail Market Absorption**  
(SF in Millions)

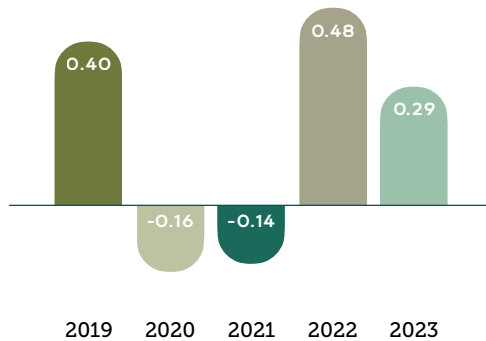






Photo | Street Art/Poster in Monterosso, Italy  
(artist unknown)



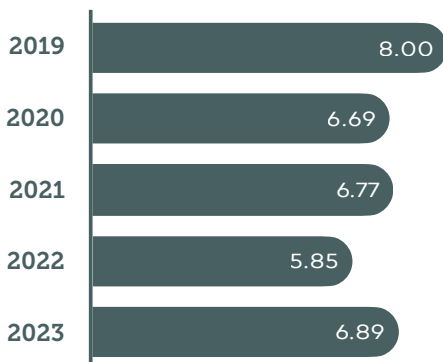


The North submarket, historically our strongest retail corridor and the one area that almost all national retailers want to be, experienced the biggest increase in vacancy over the first half of the year, ending June at 7.0 percent as compared to 5.8 percent at year-end. The increase makes sense as many of the national tenants that declared bankruptcy had stores in this submarket. But, do not count on them being vacant long as this opens up some good locations for tenants who've wanted to be here.

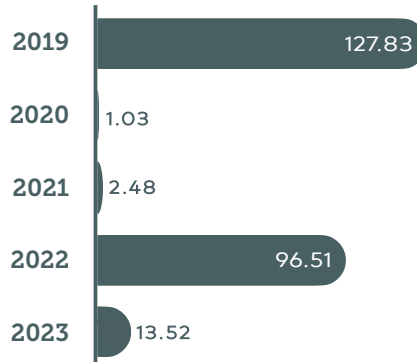
Oak is under construction on phase one to include Arhaus, Restoration Hardware and Capitol Grille as well as apartments. The Half has announced that Andretti's is coming and Dick's is going to build a stand-alone Dick's House of Sports along north Pennsylvania. The Homeland is nearing completion at Rose Creek Shopping Center with construction expected to start soon on the Broadway 10, Hatch & Sidecar.

This submarket contains 7.4 million square feet of space, nearly a quarter of the centers we track in the metro. And over half of that square footage is along the Memorial Road Corridor. The metros' two primary malls, Penn Square and Quail Springs are both located in this submarket and together are 2.23 million square feet. Both malls have the same challenges as all malls, but are in good locations for our market and appear to be adapting with the times.

**North Submarket Vacancy**  
% Vacant



**North Submarket Absorption**  
SF in Thousands





# North

NORTH	BUILT/ UPDATED	BROKER	TOTAL SPACE	AVAIL. SPACE	VACANT	RATE 1	RATE 2	ANCHOR TENANTS
50 Penn Place NW 50th St & N Penn Ave	1973/2000/2013	Chad Khoury In-Rel Properties	100,000	33,815	33.82%	16.50	16.00	Full Circle Books, Belle Isle Brewery
6900 Place 6900 N May Ave	1981/1992	Stuart Graham/Mark Inman CBRE/OKLA	49,502	10,843	21.90%	10.00	15.00	Ted's Cafe Escondido, Four Star Fitness
Belle Isle Station NW Expressway & N Classen Blvd	2000	Stuart Graham/Mark Inman CBRE/OKLA	433,333	18,152	4.19%	20.00	28.00	Walmart Supercenter, Old Navy, Nordstrom Rack
Britton Plaza Shopping Center 2648 W Britton Rd	1975	Gerald Gamble Gerald Gamble Co	27,800	0	0.00%	12.00	12.00	Johnnie's Charcoal Broiler
Britton Square N May Ave & W Britton Rd	1983	David Box Box Real Estate	107,821	0	0.00%	9.00	12.00	A-1 Pet Emporium, The Smoking Boar
Camelot Square NW 122nd St & N Penn Ave	1989	Jeff Bolding Blanton Property Company	107,799	0	0.00%	12.00	12.00	Cox Communications, Casa Perico's, Wingstop
Casady Square W Britton Rd & N Penn Ave	1953/1995	George Huffman Interwest Realty	141,140	36,877	26.13%	14.50	16.00	CVS Pharmacy, Walgreens
Centennial Plaza 5801 N May Ave	1993	Mark Inman/Stuart Graham CBRE/OKLA	233,794	1,150	0.49%	12.00	16.00	Best Buy, Dick's, Home Depot
Center of America 1331 Memorial Rd	1985	Andrew Hwang/Ryan Gilliland ADEPT Commercial Real Estate	92,102	40,734	44.23%	10.00	n/a	Love's, Muse Beauty Bar
Chisholm Creek Memorial & Pawnee Dr	2016	Whitney Rainbolt Medallion Group	262,452	8,001	0.00%	30.00	45.00	Top Golf, I-Fly, Republic, Cabela's, Fuzzy's
Classen Curve 5820 NW Grand Blvd	2008	Shelby Moore Washington Prime Group	123,629	11,000	8.90%	0.00	0.00	Rye 51, Warby Parker, lululemon
Collonade Shopping Center 9600 N May Avenue	1984	Ali Ghaniabadi/Mason Ghaniabadi Brady's Properties	59,000	6,025	10.21%	12.00	14.00	Lindsey Medical, Cafe' Pranzo
Colonial Plaza 9225 N May Ave	2003	Eric Roberts Colonial Center, Ltd	141,456	0	0.00%	18.00	8.00	Homeland, The Garage, Cato
Country Club Corner 6410 N May Ave	1959/1985	Elise Lopez JAH Realty	53,481	3,033	5.67%	16.00	25.00	Sprouts, Half Price Books
Country Club Village 2800 W Country Club Dr	1970/2003	Kelsey Gilbert CBRE/OKLA	30,846	0	0.00%	20.50	16.00	Beau's Wine Bin, Edward Jones
Cross Rock Shops 3521-3561 W Memorial Rd	2001	Jake Hinckley/Ryan Storer/Grant Hudiburg Plains Commercial Real Estate	24,578	4,215	17.15%	22.00	22.00	ERA Courtyard Homes, McAlister's Deli
Fenwick Plaza 16524 N Pennsylvania Ave	2009/2015	Jessica Brunner Fidelity Real Estate	41,804	0	0.00%	14.18	0.00	Allstate, Fenwick Liquor
French Market Mall 2836 NW 63rd St	1985	Mark Inman/Stuart Graham CBRE/OKLA	244,724	60,000	24.52%	8.00	25.00	Burlington, Staples, Petco
Gold's Gym Center 2301 W. Memorial	1982/2008	Owner Manager Owner Managed	66,662	0	0.00%	18.00	22.00	ATT Flagship Store, Gold's Gym, Chuck E Cheese
Golden Court 1121 NW 23rd St	2010	Kendra Roberts CBRE/OKLA	26,000	0	0.00%	12.00	16.00	T-Mobile, Rent-A-Center
Highland Park Shopping Center W 178th St & N Western Ave	2009	Stuart Graham/Mark Inman CBRE/OKLA	42,428	7,822	18.44%	20.00	20.00	Louie's, The Sushi Bar
Lakehurst Plaza 8028 N May Ave	1978/2009	Owner Managed Jacmor, Inc	32,637	0	0.00%	11.00	13.50	Gulfport Fish Market, Movement Innovations Dance
Lakeside Shops 7401-7535 N May Ave	1964/2011	Phil Pippin Pippin Properties	68,179	3,450	5.06%	16.00	19.00	Firestone/Bridgestone, Vintage Stock
Lakewood Shopping Center 6901 N May Ave	1980/2015	David Hartnack/SamSwanson/Nathan Wilson NAI Sullivan Group	64,937	12,434	19.15%	15.00	15.00	Natural Grocers
Mathis Brothers Village 3400 W Memorial Rd	2016	Owner Managed Owner Managed	80,000	0	0.00%	0.00	0.00	Mathis Brothers Sleep Center, Ashley Furniture
Mayfair Place 2900 NW 63rd St	1978	George Williams Price Edwards and Company	95,000	11,091	11.67%	12.00	16.00	Akin's, Chick Fil-A, PetSmart, Big Lots
Memorial Square 13730 N Pennsylvania Ave	2006	Stuart Graham/Mark Inman CBRE/OKLA	225,000	8,656	3.85%	0.00	0.00	Super Target, Marshalls, DSW



<b>NORTH</b>	<b>BUILT/ UPDATED</b>	<b>BROKER</b>	<b>TOTAL SPACE</b>	<b>AVAIL. SPACE</b>	<b>VACANT</b>	<b>RATE 1</b>	<b>RATE 2</b>	<b>ANCHOR TENANTS</b>
Nichols Hills Plaza 6501 Avondale Dr	1963	Shelby Moore Washington Prime Group	144,672	11,000	7.60%	0.00	0.00	Trader Joes, Starbucks, Orange Theory Fitness
North Penn Plaza 5601 N Penn Ave	1970/1971	Owner Managed Owner Managed	32,000	0	0.00%	20.00	0.00	Bank of The West, Duncan Bros. Salon
Penn Square Mall 1901 NW Expressway	1960/1988	Robert Alexander Simon Property Group	1,080,000	12,500	1.16%	40.00	60.00	Apple, Dillard's, Macy's
Penn-Hefner Plaza 2121 W Hefner Rd	1973/1977	Aaron Diehl Price Edwards and Company	67,805	16,922	24.96%	11.00	13.00	Beauty World
Plaza at Quail Springs 2221 NW 138th St	2005	Elise Lopez JAH Realty	149,632	9,740	6.51%	20.00	0.00	At Home, Dollar Tree
Quail Plaza 10950 N May Ave	1965/1991	Kevyn Colburn Morris Enterprises	194,510	23,405	12.03%	12.00	17.00	Dollar Tree, Planet Fitness, Goodyear Tire
Quail Springs Mall W Memorial Rd & N Penn Ave	1980/1999	Tyler Cassell/Chris Milkie Brookfield Properties	1,150,627	12,500	1.09%	40.00	0.00	Dillard's, Lifetime Fitness, Von Maur
Quail Springs Market Place W Memorial Rd & N Penn Ave	1998	Mark Inman/Stuart Graham CBRE/OKLA	410,613	35,070	8.54%	15.00	30.00	Old Navy, Michaels, Office Depot, Ulta
Quail Springs Village 13801 N Penn Ave	1983	Elise Lopez JAH Realty	26,350	0	0.00%	25.00	20.00	Cowboy Chicken, Champion BBQ Supply, Once Upon A Child
Quail Village 14101 N May Ave	2007	James Gilbertson OnPoint Business Solutions	49,845	12,678	25.43%	0.00	0.00	Cafe 7, Lush
Shoppes At Northpark 12100 N May Ave	1971/1981	Kevyn Colburn Morris Enterprises	202,106	41,272	20.42%	13.74	16.79	Rococo Restaurant
Shoppes at Quail Springs 13601 N May Avenue	2016	George Williams Price Edwards and Company	73,000	0	0.00%	28.00	25.00	Salons by JC, Starbucks, Metro Diner, CoolGreens
Shoppes on May 9494 N May Ave	1963/1996	Ethan Slavin Creek Commercial Realty, LLC	91,176	36,520	40.05%	22.00	8.00	Tuesday Morning, Crate, Valir Physical Therapy
Shops @ Quail Springs NW 140th & Penn Ave	2012	Tom Blanton Blanton Property Company	90,856	0	0.00%	0.00	0.00	Dick's Sporting Goods, etco, Cava
Shops At North Penn NW/C 150th & N Penn Ave	2017	Stuart Graham/Mark Inman CBRE/OKLA	33,750	2,400	7.11%	22.50	23.00	Neighborhood Jam, Ted's Cafe Escondido
Shops At The Veranda 150th St & N Western Ave	2006	Nicole Mayes Horizon Commercial Real Estate	29,712	4,313	14.52%	18.00	18.00	Precision Footwear, American Footwear
Shops on 150th 2420/2422/2424 NW 150th	2021	Ali Ghaniabadi/Mason Ghaniabadi Brady's Properties	31,033	1,233	3.97%	22.00	22.00	Lash Addiction, bbq Chicken
Spring Creek North 12200 N May Ave	1981	Elise Lopez JAH Realty	89,006	11,190	12.57%	14.00	12.00	Family Dollar, Sally Beauty
Ten-01 West Retail Center 1001 W Memorial Rd	2018	Jay Cohlmlia/Michael Rapella Newmark Robinson Park	43,444	0	0.00%	28.00	28.00	Smoothie King, Club Champion, Jimmy John's
The Rise 511 NW 23rd St	1920/2014	Troy Humphrey Land Run Commercial	40,407	0	0.00%	22.00	18.00	Anytime Fitness, Cox Cable, Interior Gilt
The Shoppes at North Pointe W Memorial Rd & N May Ave	2002	George Williams Price Edwards and Company	37,684	0	0.00%	20.00	20.00	Jimmy's Egg, City National Bank
The Triangle @ Classen Curve 6001 N Western	2009	Shelby Moore Washington Prime Group	74,881	0	0.00%	0.00	0.00	Whole Foods, West Elm, Anthropologie
Town & Country Village Shopping Ctr 12325 N May Ave	1982/1992	Ali Ghaniabadi Brady's Properties	43,491	3,350	7.70%	12.00	12.00	Backwoods, Subway, At the Beach
Village at Quail Springs 2201 W Memorial Rd	2004	Owner Managed Owner Managed	100,404	0	0.00%	14.00	14.00	Best Buy, Hobby Lobby
Village Park South 10405 N May Ave	1972/2016	David Hartnack/SamSwanson/Nathan Wilson NAI Sullivan Group	42,573	5,610	13.18%	10.00	12.00	Happy Plants OKC, Core Board Shop
Village Plaza 1501 - 1529 W Britton Rd	1964/1989	George Williams Price Edwards and Company	47,580	0	0.00%	8.00	8.00	Westlake Hardware, Dollar General
Wilshire Village W Wilshire Blvd & N Western Ave	1986	Owner Managed Owner Managed	27,000	0	0.00%	11.00	12.00	Sherwin Williams, Makeup Bar, The Oil Tree
<b>NORTH TOTALS</b>			<b>7,434,533</b>	<b>520,504</b>	<b>6.89%</b>			





## OKCMOA Store

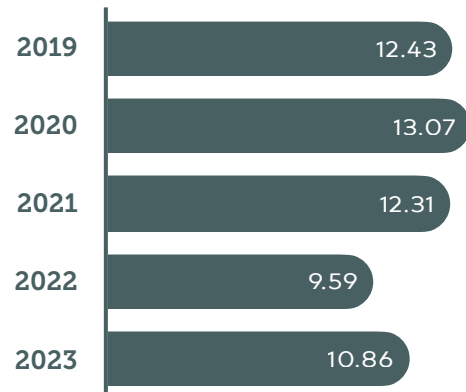


[okcmoastore.com](http://okcmoastore.com)

Art, decor & items, this page and next, available at the OKCMOA Store in Downtown OKC. The store features work from nine local artists and is the official vendor of Jonathan Adler in the State of Oklahoma.



**Northwest Submarket Vacancy**  
% VACANT



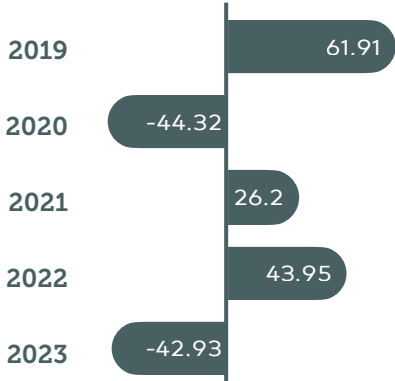




The Northwest submarket was one of the few that saw an increase in vacancy, moving up to 10.9 from 9.6 six months ago. It is one of the more mature submarkets in the city and continues to see limited new development. The re-development of Mayfair Village continues with the addition of Rockler and Panda Express. But, for many national retailers, this market is their third or fourth choice; as a result, the submarket tends to have more swings in occupancy. This is reflective of the area demographics and the distressed condition of some of these properties: the northwest submarket is characterized by established neighborhoods with limited population growth and relatively unchanged demographics.



Northwest Submarket Absorption  
SF in Thousands





# Northwest

NORTHWEST	BUILT/ UPDATED	BROKER	TOTAL SPACE	AVAIL. SPACE	VACANT	RATE 1	RATE 2	ANCHOR TENANTS
2016 NW 39th St 2016 NW 39th St	1973	Dan Dill Dan Dill Property	33,408	0	0.00%	12.00	12.00	Goodwill
3625 Center 3617-3651 NW Expressway	1992	Stuart Graham/Mark Inman/Wil Scofield CBRE/OKLA	55,646	38,162	68.58%	16.00	12.00	Affordable Dentures
Brixton Square 7101 NW Expressway	1985	Ethan Slavin/AJ Tolbert Creek Commercial Realty, LLC	122,042	10,112	8.29%	20.00	14.00	Panera Bread, ClearSight Center
Cornerstone Crossing NW 39th St & N MacArthur Blvd	1958/2007	David Hartnack/SamSwanson/Nathan Wilson NAI Sullivan Group	65,285	19,133	29.31%	12.00	9.00	Ocean Dental, City Bites
Council Crossing 8101 NW Expressway	1986/2014	Elise Lopez JAH Realty	141,700	20,083	14.17%	16.00	14.00	Ollie's Bargain Outlet, Goodwill, Harbor Freight Tools
Courtyard Plaza 6401 NW Expressway	1984	Stuart Graham/Mark Inman CBRE/OKLA	38,998	12,842	32.93%	12.00	16.00	Billy Sims BBQ, Gentle Dental
Lakeshore Shopping Center 4200 NW Expressway	2002	David Hartnack/SamSwanson/Nathan Wilson NAI Sullivan Group	139,447	7,838	5.62%	15.00	15.00	Academy Sporting Goods, Planet Fitness, Dollar Tree
Lakeshore Shops 7930 N MacArthur Blvd	1998	Owner Managed Owner Managed	30,000	0	0.00%	5.00	8.00	Freedom Pawn, Al's Bicycles
MacArthur Shops W Britton Rd & N MacArthur Blvd	1983	Owner Managed Owner Managed	23,645	0	0.00%	9.00	9.00	State Farm, Spotted Zebra
Market Place OKC 5501 NW Expressway	1985	Jim Rose Newmark Robinson Park	178,854	8,862	4.95%	18.50	10.00	Life Church, Bike One
Market Plaza 7001 NW Expressway	1981/1982	Stuart Graham/Mark Inman CBRE/OKLA	152,726	27,974	18.32%	6.00	12.00	Aldi, PetCo, Westlake Hardware
Mayfair Village NW 50th St & N May Ave	1948/2022	Caleb Hill Precor Ruffin	82,642	3,200	3.87%	25.00	25.00	Michael's, Aldi
Newport Shopping Center 9120 N MacArthur Blvd	2020	Randy Vaillancourt Avenue CRE	26,390	15,046	57.01%	12.00	16.00	Sunshine Laundry
Oak Grove Plaza NW 122nd & MacArthur	2015	W. Scott Bentley Zerby Interests	70,249	4,064	5.79%	28.00	28.00	Sprouts, Orange Theory Fitness, Mercy GoHealth, Hollywood Feed
OKC Market Square 8400 NW Expressway	1983/2000	John D Thomas MarquettE Realty Investments	143,579	6,088	4.24%	12.00	12.00	Family Leisure, TJ Maxx, Dollar Tree
Olympia Plaza 7202 W Hefner Rd	1990/98	George Williams Price Edwards and Company	34,900	25,100	71.92%	10.00	8.00	Let's Do Greek Restaurant
Peppertree Square 6444 NW Expressway	1984	Jim Rose Newmark Robinson Park	77,938	7,493	9.61%	9.00	9.00	AutoZone, My Dentist
Portland Plaza NW 39th St & N Portland Ave	1966	Elise Lopez JAH Realty	183,312	9,843	5.37%	0.00	0.00	Winco, Colaw Fitness, Integris Baptist Medical Center
Quailbrook Plaza 4401 W Memorial Rd	1987	George Williams Price Edwards and Company	90,228	14,418	15.98%	15.00	15.00	Mercy Health Center, Phycon
Rock Center 6714 NW Expressway	1992	John Cohlma Newmark Robinson Park	29,000	4,454	15.36%	14.00	14.00	Farmers Insurance
Rockwell Crossing 12100 N Rockwell Ave	1986	Mitra Senemar Churchill Brown Realtors	30,200	9,000	29.80%	12.00	8.00	YMCA, Pizza Hut
Rockwell Northwest 7000 NW Expressway	1985/1999	Elise Lopez JAH Realty	154,944	31,038	20.03%	20.00	15.00	Hobby Lobby, Party City, Chick-Fil-A
Rockwell Plaza 7104 NW Expressway	1981/2000	Wesley Padgett RCG Ventures	414,507	47,155	11.38%	0.00	0.00	Target, PetSmart, Ross Dress For Less
Silver Springs Pointe 7640 NW Expressway	2000	Stuart Graham/Mark Inman CBRE/OKLA	700,000	10,110	1.44%	15.00	20.00	Wal-Mart, Mattress Firm, Home Depot
Springbrook Shopping Center 6207 NW Expressway	1968	Louis Almaraz Newmark Robinson Park	50,000	0	0.00%	10.00	12.00	10 Gym Fitness
Springdale Shops NW 50th St & N Meridian Ave	1962/2014	George Williams Price Edwards and Company	126,000	21,935	17.41%	10.00	10.00	Dollar General, Super Mercado
Walnut Village 12301 N Rockwell Ave	1986/2000	David Box Box Real Estate	55,515	0	0.00%	13.00	16.00	Nhinja Sushi, Leslie's Pool Supplies
Warr Acres Shops NW 50th St & N MacArthur Blvd	1960/1994	Brock Lytton Moriah Real Estate Company	34,400	0	0.00%	6.00	7.50	Big Red Shop
Warwick Crossing 6909 W Hefner Rd	1995	Christina Vescovo 56 Expressway	31,804	10,025	31.52%	12.00	14.00	Watch Me Grow Childcare
Warwick Plaza NW 122nd St & N MacArthur Blvd	1984	Jim Rose Newmark Robinson Park	60,443	3,000	4.96%	16.50	16.50	Swiss Cleaners
<b>NORTHWEST TOTALS</b>			<b>3,377,802</b>	<b>366,975</b>	<b>10.86%</b>			





**VIBRATIONS**  
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DISQUAIRE

**METALLIC**

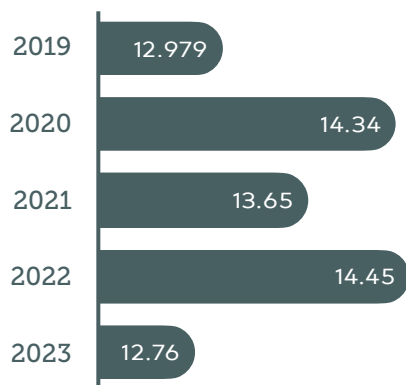
**ROCK & POP**



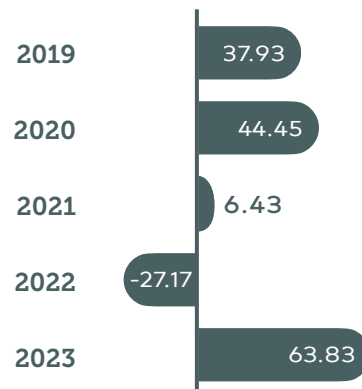


South Oklahoma City decreased at mid-year to 12.7 percent from 14.4 percent at year-end 2022. Vacancy in this submarket is concentrated in seven centers which are older with some hard to lease obsolete space. Much of the first half of year improvement came from backfilled space at both Reding Square and Southern Hills. No significant development is planned for this submarket; most of the new construction in this market are small strip centers and stand-alone restaurants.

South Submarket Vacancy  
% Vacant



South Submarket Absorption  
SF in Thousands





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# South

SOUTH	BUILT/ UPDATED	BROKER	TOTAL SPACE	AVAIL. SPACE	VACANT	RATE 1	RATE 2	ANCHOR TENANTS
240 Penn Park 1409 W I-240	2005	George Williams Price Edwards and Company	241,831	1,600	0.66%	12.00	24.00	Ross, Michaels, PetSmart, Marshalls
240 Penn Park Phase II 1609 - 1615 Penn Park Blvd	2017-2018	Paul Odom III P.B. Odom III Construction Co	70,658	0	0.00%	17.50	17.50	Conn's, Skechers
74 South Centre SW 74th St & S Penn Ave	1973/2006	Paul Odom Paul B. Odom Construction	50,000	0	0.00%	11.00	17.00	At the Beach, Red Wing
800 SW 44th St 800 SW 44th S	1969/2018	Mark Inman/Stuart Graham CBRE/OKLA	146,207	60,000	41.04%	8.00	18.00	Westlake Hardware, Auto Zone, Dollar Tree
89'er Plaza SW 89th St & S Walker Ave	1984	Lauren Weyhe Lauren Weyhe	30,000	1,200	4.00%	6.00	10.00	Flying Eagle Coins
Airline Shopping Center 3200 SW 29th St	1999	Aaron Diehl Price Edwards and Company	123,065	18,574	15.09%	9.00	13.00	Tom's Tires, El Rodeo Carniceria
Almonte Square 6100 S May Ave	1963/2014	Ev Ernst Price Edwards and Company	107,676	38,463	35.72%	0.00	0.00	Planet Fitness, Family Dollar, Dollar Tree
Brookwood North I & II SW 89th St & S Western Ave	1998	Owner Managed Owner Managed	57,795	0	0.00%	6.00	8.00	China Wok, Chelino's
Brookwood Shopping Center SW 89th St & S Western Ave	1984/2012	Rick Pritchett Precor Ruffin	80,615	0	0.00%	14.00	16.00	Planet Fitness, Goodwill, Game HQ
Centre 8400 8400 S Western Ave	1984	Rick Pritchett Precor Ruffin	29,220	5,880	20.12%	12.00	14.00	H&R Block, Valir Health, Subway
Charlie Plaza 12201 & 12301 S Western Ave	2018	Ali Ghaniabadi/Mason Ghaniabadi Brady's Properties	24,892	0	0.00%	18.00	18.00	Club Pilates, Nhinja Sushi
Chatenay Square SW 104th St & Penn Ave	2000	Girma Moaning/Jacob Simon/Ev Ernst Price Edwards and Company	120,000	11,980	9.98%	17.50	30.00	World Fresh International Market, Panera Bread
Country Park Shopping Center 5906 S Agnew Ave	1978/2014	Andrew Hwang ADEPT Commercial Real Estate	24,360	0	0.00%	7.00	7.00	Value Thrift
Crest Shopping Center 3000 SW 104th	2012	John Cohlma Newmark Robinson Park	99,000	0	0.00%	19.00	17.50	Crest, Subway, Cox
Crossroads Shopping Center 7100 S I-35 Service Rd	1987	Rick Pritchett Precor Ruffin	58,871	31,269	53.11%	10.00	10.00	Crossroads Nails
Economy Square SW 29th St & S May Ave	1963/98	Michael Almaraz/Louis Almaraz Newmark Robinson Park	209,098	30,260	14.47%	21.00	21.00	Buy For Less, dd Discount, Walgreens, Dollar General
Grant Square SW 44th St & S Penn Ave	1958/1992	Terry Watson Velocity Commercial Real Estate	103,810	7,500	7.22%	11.00	11.00	Aaron's
Greenbriar Square 12230 S. Penn Ave	2018	Caleb Hill Precor Ruffin	37,200	0	0.00%	18.00	22.00	Sprouts, Great Clips
Greenway Plaza SW 119th St & S Western Ave	1985	Jim Rose Newmark Robinson Park	117,251	3,600	3.07%	16.00	16.00	Westlake Hardware
Hillcrest Shopping Center 2100 SW 59th St	1971	Owner Managed Owner Managed	50,000	40,000	80.00%	0.00	0.00	Athena Greek
I-240 Plaza 7800 S Western	1988	Ali Ghaniabadi Brady's Properties	24,500	0	0.00%	12.00	12.00	Atomic Comics, ProNail
Kentucky Shops SW 29th St & S Kentucky Ave	1970	Young Shin L & S Real Estate	32,500	0	0.00%	4.00	0.00	Family Dollar
Lightning Creek Square 8121 S Western Ave	1985	Debra Gutierrez Lightning Creek Complex	48,005	2,400	5.00%	17.15	17.50	Allstate
Mayridge Shopping Center SW 44th & S May Ave	1956	Bob Sullivan NAI Sullivan Group	35,083	10,000	28.50%	8.00	8.00	Dollar General
Palagio Shops SW 104th St & S Western Ave	2005	Paul Odom III P.B. Odom III Construction Co	47,547	0	0.00%	17.50	0.00	Pizza Hut, Jump Zone, McAlister's Deli, Sports Clips

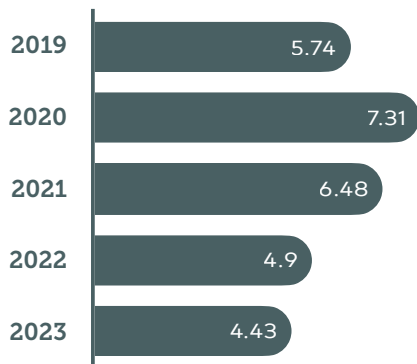


SOUTH	BUILT/ UPDATED	BROKER	TOTAL SPACE	AVAIL. SPACE	VACANT	RATE 1	RATE 2	ANCHOR TENANTS
Reding Shopping Center Grand Blvd & S Western Ave	1972	Elise Lopez JAH Realty	86,335	9,698	11.23%	12.00	7.00	La Michoacana, Dollar General
Shields Plaza SW 74th & S Shields Blvd	1972/2011	W. Scott Bentley Zerby Interests	138,000	2,700	1.96%	12.00	12.00	Burlington, Harbor Freight
South Meridian Plaza 1025 S Meridian Ave	1983	Ethan Slavin/AJ Tolbert Creek Commercial Realty, LLC	36,100	6,000	16.62%	13.50	13.50	Billy Sims BBQ, Cowboy Cleaners
South Park 4500 S May Ave	1975	Henry Tien Nguyen Owner Managed	86,848	10,000	11.51%	10.00	5.00	Carniceria El Rodeo #2
South Penn Plaza 1620 SW 89th St	1984	Terry Watson Velocity Commercial Real Estate	143,407	0	0.00%	12.00	10.00	Panang Thai Restaurant, SuperCuts
Southeast Plaza SE 44th St & S High Ave	1964	Terry Watson Velocity Commercial Real Estate	195,266	7,500	3.84%	10.00	10.00	SmartSaver, OKC Plaza Latina, Family Dollar
Southern Hills SW 74th St & S Penn Ave	1964/1990	Mark Inman/Stuart Graham CBRE/OKLA	202,247	66,455	32.86%	6.00	18.00	Northern Tool, Dollar Tree
Southwestern Plaza SW 59th St & S Western Ave	1962/1987	Jack James Hocker & Associates	122,527	1,200	0.98%	7.00	8.00	Family Dollar, Cocino De Mino Mexican Restaurant
Stonebriar Shopping Center 13316 S Western Ave	2005	Ali Ghaniabadi Brady's Properties	30,000	2,600	8.67%	14.00	14.00	Farmers Insurance, Dental Innovations
Summit Pointe Plaza SW 89th St & S Western Ave	2008	George Williams Price Edwards and Company	30,414	2,400	7.89%	16.00	14.00	Louie's, T-Mobile
SW 119th Street Marketplace 801 SW 119th St	2009	Nick Tyler/Kendra Streeter Fleske Commercial Group	28,676	8,400	29.29%	19.00	19.00	Dental Expressions, Cornish Smokehouse
Towne South Plaza SW 74th St & S Walker Ave	2004/2010	Sue Yoon/Mason Ghanibadi Brady's Properties	130,000	0	0.00%	20.00	13.00	Heartland Dental, Chuck E Cheese
Walker Square SW 59th St & S Walker Ave	1983	Rick Pritchett Precor Ruffin	100,430	37,193	37.03%	10.00	12.00	Supermercado Buy For Less
Walnut Square 2209 SW 74th St	1985	Ev Ernst/Aaron Diehl/George Williams/Jacob Simon Price Edwards and Company	309,023	52,796	17.08%	12.00	18.00	Big Lots, Hobby Lobby, Green Acres Market, dd's Discount
Westernview Center 7107 S Western Ave	1958/78	Rosha Wood Price Edwards and Company	104,000	7,824	7.52%	12.00	18.50	Taste of China, Dollar General
Westminster Village 10625 S Western	1986	Ali Ghaniabadi/Mason Ghanibadi Brady's Properties	79,500	6,725	8.46%	8.00	26.00	Lumpy's, Bella Capelli Salon
<b>SOUTH TOTALS</b>			<b>3,791,957</b>	<b>484,217</b>	<b>12.77%</b>			

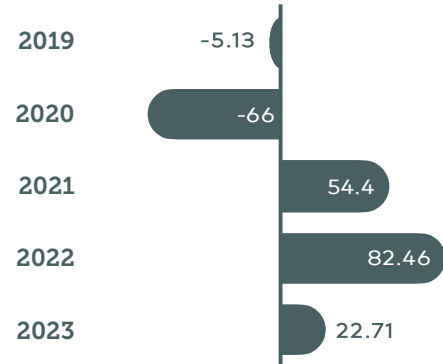




West-Central Submarket Vacancy  
% Vacant



West-Central Submarket Absorption  
SF in Thousands

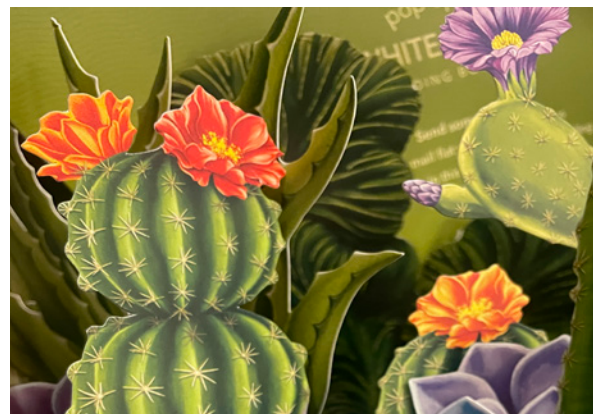


**W**est Central remains the best performing market as measured by occupancy. The area was only 4.4 percent vacant at June 30, 2023, a slight improvement over the 4.8 percent at year-end. The newer centers in the market, Westgate Marketplace, Yukon Village, The Market at Czech Hall, West End Pointe and the OKC Shoppes are doing well and stay well-occupied. Taken together, they comprise nearly half the square footage of the submarket and are 97.5 percent occupied. Stacks, a new restaurant and boutique shop development, is being built by the Medallion Group on 10th Street west of Czech Hall Road, continuing the retail growth of this area. Demand is being created by the single family home growth in both Yukon and Mustang.

The Interstate 40 and Portland area, home to 43 stores, containing over 2.7 million square feet that specialize in furniture and accessories, remains the hub of furniture sales for the City. As noted in the year-end report, the single-family home building boom has slowed due to rising interest rates but the slowdown has yet to affect the occupancy of this specialty corner of the market.



Photos | 3D Floral Cards at MCG Gifts



WEST-CENTRAL	BUILT/ UPDATED	BROKER	TOTAL SPACE	AVAIL. SPACE	VACANT	RATE 1	RATE 2	ANCHOR TENANTS
16th Street Plaza 1708 N Indiana Ave	2002	Owner Managed Owner Managed	26,000	0	0.00%	5.00	9.00	Scorecards Sports Bar, Bad Granny's Bazaar
36th & May Center NW 36th St & N May Ave	1986	Terry McGuire B.D. Eddie Enterprises	97,500	0	0.00%	10.00	12.00	Locke Supply, Swiss Cleaners
Ann Arbor Terrace 4913 NW 23rd St	1971	Owner Managed Owner Managed	30,000	0	0.00%	0.00	0.00	Feria Latina Super Market, Ultimate Thrift Store
Bethany Shopping Center 8000 NW 39th	2016	Michael Almaraz Newmark Robinson Park	28,250	0	0.00%	17.00	17.00	Family Dollar, Subway
Chisholm Shopping Center I-40 & Garth Brooks Blvd	1972/2007	Mark Inman/Stuart Graham CBRE/OKLA	227,630	44,224	19.43%	12.00	22.00	Sprouts, Planet Fitness
DeVille Shopping Center 2408 N Council Road	1962/1994	Owner Managed Owner Managed	125,407	0	0.00%	2.00	7.00	Buy For Less, Thrift Store
Glen Oaks NW 23rd St & N Rockwell Ave	1968/98	Elise Lopez JAH Realty	49,161	3,000	6.10%	16.00	12.00	Ace Hardware, Dollar Tree, Anytime Fitness
MacArthur Court 3804 N MacArthur Blvd	1985/2018	Ethan Slavin/Tyler Huxley/AJ Tolbert Creek Commercial Realty, LLC	51,198	14,950	29.20%	14.00	11.00	The Formal Niche, Homestead Senior Care
MacArthur Park Shopping Center 2300 N MacArthur Blvd	1997	Aaron Diehl Price Edwards and Company	60,472	1,900	3.14%	13.00	13.72	Community Thrift Store, Queen of Sheba Restaurant
Meridian Plaza 4546 NW 16th St	2016	Rod Baker/Bill Reid Baker First Commercial Real Estate	92,524	0	0.00%	5.00	6.00	H&R Block, James Lighting
Morgan Creek Plaza 1701 S Morgan Rd	1988	Sherry Hamilton Mayflower Realty	35,930	0	0.00%	9.42	10.91	State Farm, Clint Pitt, DDS
Mustang Creek Plaza 701-877 S Mustang Rd	2001	Megan Denison Mayflower Realty	51,488	1,000	1.94%	14.94	15.60	n/a



# West-Central

WEST-CENTRAL	BUILT/ UPDATED	BROKER	TOTAL SPACE	AVAIL. SPACE	VACANT	RATE 1	RATE 2	ANCHOR TENANTS
Mustang Crossing 15th & Mustang Rd	2015/2018	Don Hayes Hayes Brokerage	30,000	0	0.00%	18.00	20.00	JoJo's, Pho Hieu
Mustang Shopping Center 216 N Mustang Mall Terr	2004	Rebecca Dragin Schostak Brothers & Company	35,846	5,600	15.62%	12.00	16.00	Anytime Fitness, Cato, Dollar Tree
Mustang Trade Center Hwy 152 & S Mustang Rd	2015	Eric Williams McGee Commercial Real Estate	133,678	1,275	0.95%	22.00	22.00	Pizza Hut, Stage
OKC Outlets NE C of I-40 & Council Rd	2011	Marc Gurstel Torg	394,240	14,989	3.80%	30.00	14.00	Nike, Polo, Coach, Michael Kors
Old Mill Plaza 301 Elm Ave	1974	Ray Wright Deer Horn Development	82,730	0	0.00%	12.00	8.00	Locke Supply
Penn Crossing NW 23rd St & N Penn Ave	1994	Ali Ghaniabadi/Mason Ghaniabadi Brady's Properties	133,356	19,350	14.51%	14.00	7.00	Walmart Neighborhood Market, Dollar Tree, Mazzio's, Westlake Hardware
Plaza DeVille 2409 N Council Rd	1970/2012	Owner Managed Owner Managed	24,565	0	0.00%	4.00	8.00	Omega Health Foods, Electrolux Vacuum
Plaza Shoppes of Turtle Creek 917-953 S Cornwell Dr	1986/2000	Jake Hinckley Plains Commercial Real Estate	27,436	2,160	7.87%	10.50	12.00	Hair Expressions
Portland Square NW 23rd St & N Portland Ave	1958/1987	Monty Stricker J.R. Fulton & Associates	38,000	0	0.00%	4.00	0.00	Sam's Wholesale Liquor, OK Family Thrift
Rockglen Retail Center 1500 N Rockwell Ave	1994	Owner Managed Owner Managed	25,308	0	0.00%	3.50	0.00	Well Club
Shartel Plaza 5225 N Shartel Ave	1965	Tom Fields Price Edwards and Company	40,736	0	0.00%	17.50	17.50	CVS
Silver City Town Center 101 N Mustang Rd	1974/2015	George Huffman Interwest Realty	88,851	2,000	2.25%	14.00	14.00	Tractor Supply, Four Star Fitness
Ten-M NW 10th St & N Meridian Ave	1958/2017	Owner Managed Owner Managed	33,100	0	0.00%	10.00	12.00	Liberty Tax
The Market at Czech Hall NW 10th & Interstate 40	2017	Alan Lloyd/Alex Kelly GBT Realty Corporation	161,636	1,400	0.87%	26.00	26.00	Academy, Ross, Ulta, Petco, Marshalls
The Plaza at Stone Mill 1348 S Yukon Parkway	2015	Owner Managed Owner Managed	36,000	0	0.00%	18.00	18.00	Pie Five Pizza, Great Nations Bank
Walnut Creek 1110 N MacArthur Blvd	1974	Owner Managed Owner Managed	54,382	24,350	44.78%	3.00	3.95	Thermo Roll Shutters
West End Pointe I-40 & Garth Brooks Blvd	2015	Chad Arnold McGee Commercial Real Estate	522,500	0	0.00%	22.00	24.00	Lowe's, Staples, AMC, Gold's Gym, Kohl's
West Pointe Plaza 320 S Mustang Rd	2000	Daniel Le CH4 Development	25,680	2,800	10.90%	10.00	12.00	Subway, Hunan Express
West Pointe Shoppes Phase II 700-742 S Mustang Rd	2008	Robert Wright Collett Retail	24,856	5,766	23.20%	13.00	13.00	State Farm, Affordable Dentistry, OK Institute of Allergy Asthma & Immunology
Westgate Marketplace I-40 & S MacArthur Blvd	2000/2014	W. Scott Bentley Zerby Interests	900,500	16,000	1.78%	22.00	26.00	Wal Mart, Burlington, Home Depot, Best Buy, Ulta, Dick's Sporting Goods
Westoaks Village NW 10th & N Rockwell Ave	1964	Bill Reid Baker First Commercial Real Estate	93,270	0	0.00%	5.00	5.00	Family Dollar, Builders Warehouse
WestPointe Plaza 300 S Mustang Rd	2006	Daniel Le CH4 Development	27,004	0	0.00%	13.00	13.00	State Farm, Affordable Dentistry, Oklahoma Institute of Allergy, Asthma & Immunology
Will Rogers Park Plaza 3100 N Portland Ave	1982	Owner Managed Owner Managed	160,000	12,250	7.66%	4.00	6.00	Oriental Imports
Windsor Hills 4601 NW 23rd St	1960/1998	Ethan Slavin/AJ Tolbert Creek Commercial Realty, LLC	256,250	31,169	12.16%	7.00	12.00	Crest Foods, dd's Discount
Windsor Park 2536 N Meridian Ave	1982	Michael Almaraz Newmark Robinson Park	26,500	0	0.00%	15.00	15.00	Ci Ci's Pizza, Jackson Hewitt
Yukon Hills Shopping Center S Cornwell & E Vandament	1975/2019	Elise Lopez JAH Realty	125,465	2,738	2.18%	15.00	8.00	Rent-A-Center, Smart Saver, Dollar General
Yukon Shopping Center I-40 & Garth Brooks Blvd	2005	Rebecca Dragin Schostak Brothers & Company	211,500	7,500	3.55%	14.00	16.00	Dollar Tree, Gamestop, Cato
Yukon Village I-40 & Garth Brooks Blvd	2009	Shannon Farley Chase Properties	332,571	3,750	1.13%	12.00	25.00	Target, Hobby Lobby, Big Lots, PetSmart
<b>WEST-CENTRAL TOTALS</b>			<b>4,921,520</b>	<b>218,171</b>	<b>4.43%</b>			



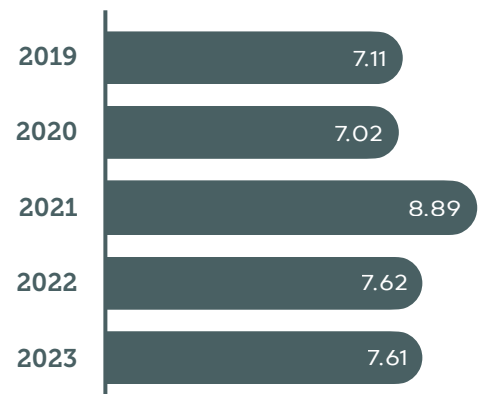




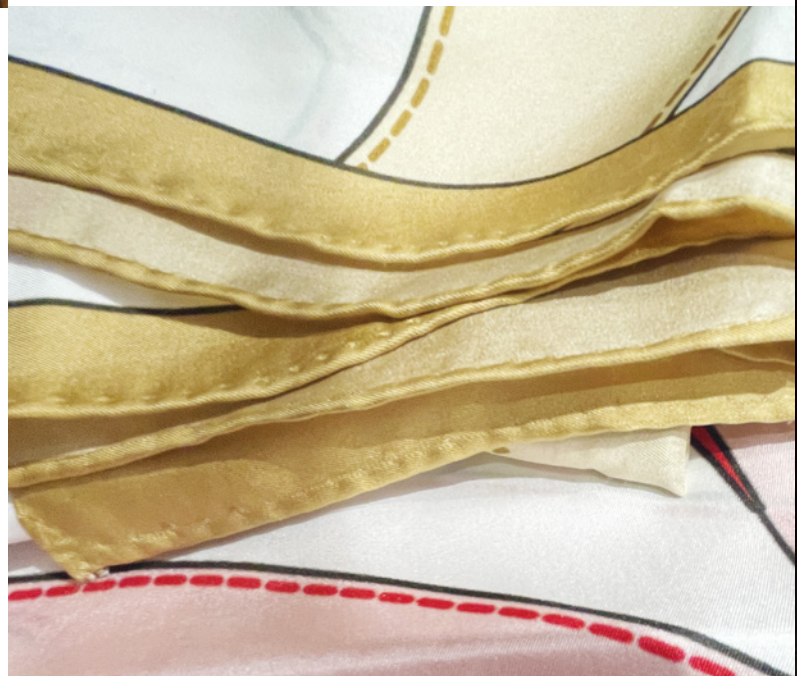
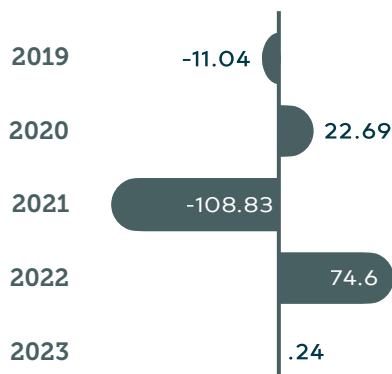
The heart of this submarket is the Interstate 35 corridor in Moore & Norman. The demographic fundamentals of this submarket are strong, keeping the centers relatively full. This report reflects a slight increase in vacancy since year end, coming in at 7.6 percent. University Town Center is marketing its third phase, but no construction has started yet. A handful of smaller infill developments are also planned along this corridor. The former Sears at Sooner Mall remains vacant and the former Hemispheres at Fritts Farm is back on the market; two of the larger vacancies in the submarket. Overall, the market is healthy and a preferred location for retailers.



Moore-Norman Submarket Vacancy  
% Vacant



Moore-Norman Submarket Absorption  
SF in Thousands







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# Moore/Norman

MOORE-NORMAN	BUILT/ UPDATED	BROKER	TOTAL SPACE	AVAIL. SPACE	VACANT	RATE 1	RATE 2	ANCHOR TENANTS
550 24th Ave NW 550 24th Ave NW	1984/2017	Judy Hatfield Equity Commercial Realty	31,558	1,829	5.80%	12.95	12.95	Norman Bowling Center
Alameda Square 12th Ave SE & E Alameda St	1984	Aaron Diehl Price Edwards and Company	93,858	24,679	26.29%	16.00	10.00	Planet Fitness, Dollar Tree
Anatole Shopping Center 12th Ave SE & E Alameda St	1985	Gayla Artman Equity Commercial Realty	64,555	0	0.00%	17.00	n/a	Harbor Freight Tools, Sherwin Williams
Broadway Plaza 2200 N Broadway St	2004	Owner Managed Owner Managed	34,000	0	0.00%	10.00	14.00	Home Creations
Broadway Retail Center 1700 - 1704 S Broadway	2005	Eric Fleske/Josh White/Nick Tyler Equity Commercial Realty	50,964	9,720	19.07%	15.50	14.00	OSSPT, S&S Pools
Brookhaven Village 36th Ave NW & W Robinson	1985	Aaron Diehl Price Edwards and Company	154,374	42,582	27.58%	16.00	22.00	Chico's, Loft, Louie's, Pub W
Camden Village 1003-1035 SW 19th St	2006/2014	Mark Hyde Equity Commercial Realty	31,972	3,250	10.17%	20.00	20.00	Cheers, Therapy in Motion, Okie Tonk Cafe
Campus Corner Shops 301 W Boyd St	1911/1993	Judy Hatfield/Gayla Artman Equity Commercial Realty	225,000	16,279	7.24%	15.00	21.50	Louie's, Lucca
Carriage Plaza 2001 W Main St	1983	Troy Humphrey Land Run Commercial	25,500	0	0.00%	17.00	16.00	City Bites, Cayman's
Center on Main 500 Main St	1965	Heather O'Connell Heather O'Connell	60,000	0	0.00%	0.00	0.00	Firestone
Colonial Estates 12th Ave SE & E Lindsey St	1988	Norman Hoppenstein Hoppenstein Properties, Inc	104,225	0	0.00%	4.50	9.00	Buy For Less, Dollar General, Rent-A-Center
Crimson Centre 2627 N Classen Blvd	2005	Kendra Streeter/Nick Tyler Fleske Commercial Group	39,204	13,096	33.40%	19.50	19.50	Slim Chickens
Cross Timber Retail Center 10740 S May Ave	2016	Stuart Graham/Mark Inman CBRE/OKLA	24,331	1,400	5.75%	23.00	23.00	Pub W, SuperCuts
Downtown Shopping Center 555 W Main St	1974/2009	Ali Ghaniabadi Brady's Properties	50,000	0	0.00%	8.00	10.00	Sprouts, Cellar Wine and Spirits
Eastmoor Shopping Center 811 SE 4th	2006	Mark Hyde Equity Commercial Realty	25,508	2,022	7.93%	15.00	19.00	Dollar General, Subway, Cleveland County Health Dept
Empire Plaza 3040-3058 Classen Blvd	2006	Scott Heiple HCB Commercial Real Estate	30,000	0	0.00%	15.00	15.00	Subway, Hearing Aid Express
Fritts Farm SW 19th St & Telephone Rd	2006/2012	Jason Fritts Fritts Farm	535,924	50,000	9.33%	24.00	26.00	Home Depot; Target, Dick's, Burlington
Heisman Square 12th Ave SE & E Alameda St	1999	Aaron Diehl Price Edwards and Company	93,000	3,747	4.03%	19.00	15.00	Homeland, Westlake Hardware, At the Beach
Hollywood Center 1600 W Lindsey St	1964	Owner Managed Owner Managed	127,600	0	0.00%	9.00	12.00	Homeland, Dollar Tree
Madison Square Shopping Ctr 480 24th NW	2014	Isacc Christian/Allison Reeves ROI Real Estae	45,070	33,455	74.23%	20.00	18.00	First American Title, OEC
Malibu Shopping Center 824 NW 12th St	1975/2010	Gerald Gamble Gerald Gamble Co	21,000	0	0.00%	14.00	0.00	Armstrong McCall, Rent-A-Center
Merkle Creek Plaza 2203 W Main St	1985	Gayla Artman Equity Commercial Realty	33,753	1,580	4.68%	16.00	n/a	Play It Again Sports, World Acceptance Corporation
Moore Town Center I-35 & SW 19th St	2005	Ethan Slavin/AJ Tolbert Creek Commercial Realty, LLC	35,000	0	0.00%	16.00	n/a	McAlester's, Mazzio's Pizza
New City Center 605 N Moore Ave	1963/1998	Rick Pritchett Precor Ruffin	181,894	6,803	3.74%	11.00	11.00	Supermercados Morelos, 4 Wheel Parts
Normandy Creek 2200 W Main St	1990	David Hartnack/Sam Swanson/Nathan Wilson NAI Sullivan Group	72,670	14,727	20.27%	12.00	20.00	Gilliam Music, Shall We Dance, Hobby Town
North Park Plaza 1024 N Flood	1960	Phoenix Central Owner Managed	37,000	0	0.00%	8.00	12.00	Liquor Market
Parkway Plaza 520 - 700 Ed Noble Parkway	1996	Stuart Graham/Mark Inman CBRE/OKLA	375,000	37,731	10.06%	16.00	24.00	Barnes & Noble, PetSmart, Ross
Redbud Plaza 239 & 247 34th Ave SW	1997/2016	Gayla Artman Equity Commercial Realty	24,000	5,476	22.82%	18.00	20.00	Juan Del Fuego, Thawan Thai
River Oaks Plaza 36th Ave SW & W Main St	1981	Gayla Artman Equity Commercial Realty	68,440	12,050	17.61%	13.00	17.50	Noah's Amish Furniture, Henry Hudson's Pub
Riverwalk Centre I-35 & SW 19th St	2000	Mark Inman/Stuart Graham CBRE/OKLA	165,665	10,720	6.47%	20.00	18.00	Kohl's, Gamestop, Catherine's, Urban Air
Riverwalk Plaza 2109-2139 Riverwalk Dr	2000	Rick Pritchett Precor Ruffin	26,939	12,795	47.50%	22.00	18.00	Integris Physical Therapy
Riverwalk Shops 2713 S I-35 Service Rd	2006	Nick Tyler/Josh White Fleske Commercial Group	33,166	1,200	3.62%	20.00	28.00	Hidalgo's, Daisy Exchange, Metro Flooring
Robinson Crossing 1300 N Interstate Dr	1986/1989	Ali Ghaniabadi/Mason Ghaniabadi Brady's Properties	116,400	3,160	2.71%	12.00	14.00	Dominos Pizza
Royal Rock 19th & Fritts Blvd	2015	Randy Vaillancourt Avenue CRE	164,914	3,250	1.97%	29.00	18.00	Winco, At Home, Schlotzsky's, T-Mobile
Shops at Moore 2650 S I-35 Rd	2007/2014	Stuart Graham/Mark Inman CBRE/OKLA	568,679	24,901	4.38%	0.00	0.00	Ross, PetsMart, Best Buy, Hobby Lobby
Silver Leaf NE 12th St & N Eastern Ave	1985	Sun Lee Bright Star Realty	110,740	5,314	4.80%	8.50	18.00	Silverleaf Furniture, Family Dollar
Sooner Mall I-35 & W Main St	1976/1999	Matthew O'Connor Brookfield Properties	511,569	81,500	15.93%	38.00	0.00	Dillard's, JCPenney, Shoe Dept
Stubbeman Village Elm Ave & Elmwood Dr	1972	University of Oklahoma	33,475	0	0.00%	0.00	0.00	Papa John's, Ratcliffe's Bookstore
Suites on Broadway NW 5th St & N Broadway St	1966	Kylie Johnson Owner Managed	50,000	0	0.00%	11.50	12.57	AD, Inc, Moore Escape Room
The Main Center 24th & Main St	2005	Dana Rieger Owner Manager - Rieger Realty	106,307	0	0.00%	9.00	0.00	Hobby Lobby, Mardel's
University Town Center 1500 24th Ave NW	2008	David Hartnack/Sam Swanson/Nathan Wilson NAI Sullivan Group	1,129,119	14,366	1.27%	14.00	31.00	Kohl's, Target, Crest, Academy, HomeGoods
West Port Shopping Center 1200 N Santa Fe Ave	1980	David Hartnack/Sam Swanson NAI Sullivan Group	40,898	0	0.00%	4.00	14.50	Moore Family Clinic, Four Star Fitness
<b>MOORE-NORMAN TOTALS</b>			<b>5,753,271</b>	<b>437,632</b>	<b>7.61%</b>			





TAKE  
—  
AWAY  
—  
FOOD

LA CANTINA  
DEL  
PESCATORE  
BAR - WINE BAR  
SHOP OF TYPICAL PRODUCTS  
TABLES INSIDE  
WITH AIR CONDITIONING  
BREAKFAST BRUSCHETTA  
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QUICK MEALS  
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Stuffed Focaccia  
Sandwiches  
Fresh Salads  
cokos Anna

AMERICAN  
BREAKFAST  
YOGURT AND  
GRANOLA  
FRUIT  
SALADS  
EGGS  
AND BACON  
AVOCADO  
TOAST

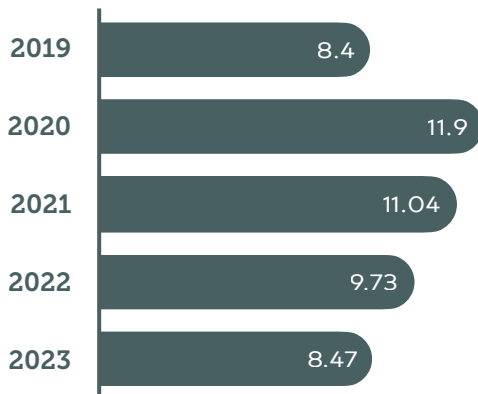




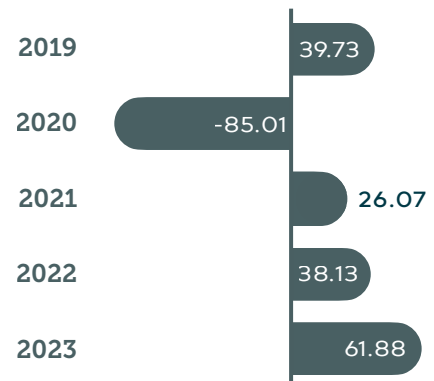
The Edmond submarket continues to see improvement; since ending 2021 at 11.0 percent vacancy, vacancy has decreased each reporting period, ending June at 8.5 percent. Demographics, particularly incomes and disposable spending, remain strong and it continues to be a desired market for retailers. As Edmond’s population continues to grow and the center of the city moves east toward Interstate 35, Edmond will become even more in demand as a retail location. The Crest at Sooner & Covell store is nearing completion and there are a number of retailers looking in the Interstate 35 and Covell area. This north Interstate 35 corridor will ultimately be a major retail corridor, but it will take some time as housing density increases east of Interstate 35.



Edmond Submarket Vacancy  
% Vacant



Edmond Submarket Absorption  
SF in Thousands



EDMOND	BUILT/ UPDATED	BROKER	TOTAL SPACE	AVAIL. SPACE	VACANT	RATE 1	RATE 2	ANCHOR TENANTS
33rd & Boulevard 33rd & Boulevard	1982	Lee Segal Owner Managed	49,400	0	0.00%	10.00	15.00	Mardel's
Alta Mesa 301 S Bryant Ave	2008	Elisa Lopez JAH Realty	30,798	7,464	24.24%	26.00	0.00	Qdoba, OU Physical Therapy, Panda Express
Berkshire Plaza W 15th St & S Broadway	2002	AJ Tolbert/Ethan Slavin Creek Commercial Realty, LLC	35,612	900	2.53%	18.00		Office Depot, Nhinja Sushi & Wok
Boulevard Village 3404-3456 S Boulevard St	1985	Amir Shams/Nathan Wilson NAI Sullivan Group	36,173	10,950	30.27%	11.00	11.00	Pizza Hut
Broadway South 3314-3414 S Broadway	1977	Michael Rapella/Jay Cohlmlia Newmark Robinson Park	61,524	1,000	1.63%	18.00	30.00	Edmond Music
Broadway Square 3601 S Broadway	1968/2006	Troy Humphrey Land Run Commercial	93,488	0	0.00%	9.00		City Bites, Duncan Brothers Salon
Bryant Square E 2nd St & N Bryant Ave	1973/1992	Elise Lopez JAH Realty	272,135	13,375	4.91%	28.00	18.00	Ross, Old Navy, Party City, Painted Tree
Danforth Plaza 2000 W Danforth Rd	2004	George Williams Price Edwards and Company	29,962	4,209	14.05%	13.00	13.00	State Farm, H&R Block
Danforth Square W Danforth Rd & S Kelly Ave	1999	Mark Inman CBRE/OKLA	108,000	0	0.00%	14.00	14.00	Hobby Lobby, Los Arcos
Edmond Crossing 24 E 33rd St	1995	Ev Ernst/George Williams/Girma Moaning Price Edwards and Company	151,664	14,788	9.75%	12.00	16.00	TJ Maxx, HomeGoods, Rack Room Shoes
Edmond Exchange 3233 S Broadway	2003	Elisa Lopez JAH Realty	71,218	24,581	34.52%	0.00	0.00	On the Border, T-Mobile, Regus
Edmond Market Place 3301 S Boulevard	1980/2014	Jay Cohlmlia/Michael Rapella Newmark Robinson Park	96,185	38,181	39.70%	25.00	25.00	Natural Grocers, Orange Theory Fitness
Edmond Plaza E 15th St & Broadway Ext	1964/2005	Ev Ernst/George Williams/Girma Moaning Price Edwards and Company	158,373	7,180	4.53%	9.00	14.00	Westlake Hardware, Big Lots, Goodwill
Edmond Trails 289 S Santa Fe Ave	2007	David Hartnack/Sam Swanson/Nathan Wilson NAI Sullivan Group	25,215	9,000	35.69%	20.00	15.00	Paper Arts, Joey's Cafe
Hampton Village 1529 - 1601 S Broadway	2010	David Hartnack/Sam Swanson/Nathan Wilson NAI Sullivan Group	22,975	3,480	15.15%	26.00	26.00	Chipotle, Mattress Firm, Beltone
Homestead Center W Danforth Rd & N Santa Fe Ave	2003	Ethan Slavin/AJ Tolbert Creek Commercial Realty, LLC	45,882	1,906	4.15%	18.00	18.00	Big Biscuit, The Frosted Mug
Kelly Centre Shopping Center 610 S Kelly Ave	2003	Ted Holmes/Matthew Hodge/Carla Richardson Rock Property Group	43,763	5,600	12.80%	15.00	15.00	Dance Makers
Kelly Plaza W Edmond Rd & S Kelly Ave	1984/2011	Ethan Slavin/AJ Tolbert Creek Commercial Realty	86,427	11,324	13.10%	10.00	14.00	10Gym, Dollar Tree
Kickingbird Square 1323 W Danforth Rd	1985/1988	Jim Rose Newmark Robinson Park	110,000	4,365	3.97%	14.00	18.00	Pet Supply Plus, Kickingbird Cinema
Market at Cedar Lake E Waterloo & Broadway	2018	Paul Swales/Josh White Equity Commercial Realty	38,020	0	0.00%	14.00	15.00	Subway
Market Depot 3409 S. Broadway	1965/2004	Brock Lytton Moriah Real Estate Company	82,235	733	0.89%	16.50	23.92	Charleston's, Alfredo's Restaurant
North Oaks 821 W Danforth Rd	1983/1989	Don Hayes Hayes Brokerage	70,672	10,600	15.00%	14.00	16.00	Dollar General, My Dentist
Oak Brook Shopping Center 2113 W Edmond Rd	1982/2016	Grant Stewart Wiggin Properties	86,711	1,400	1.61%	15.00	15.00	Planet Fitness, The Salvation Army
Oxford Pointe Shops E 2nd St & S Bryant Ave	1986	John Cohlmlia Newmark Robinson Park	26,500	1,125	4.25%	15.00	15.00	Vision Center
Pebble Creek W Danforth Rd & N Sante Fe	2014	Owner Managed Owner Managed	107,944	0	0.00%	18.00	0.00	Kohl's, Dollar Tree
Shoppes at Cheyenne Ridge 3308 - 3416 S Bryant Ave	2018	Ethan Slavin Creek Commercial Realty, LLC	27,493	4,088	14.87%	26.00		Joey's Cafe, Ellis Island
Shoppes at Edmond University E 2nd St & S Bryant Ave	2000	George Williams Price Edwards and Company	77,543	10,000	12.90%	16.00	22.00	Wal-Mart Neighborhood Market, Pei Wei, AT&T
Shoppes at Fox Lake 941 W. I-35 Frontage Road	2016	George Williams Price Edwards and Company	26,802	0	0.00%	24.00	22.00	Ortho Plus, Great Clips
Shoppes On Broadway E 33rd St & S Broadway	2008	Ev Ernst/George Williams/Jacob Simon Price Edwards and Company	160,000	12,578	7.86%	16.00	22.50	Hobby Lobby, AT&T, Bella Strada Spa & Salon
Signal Ridge Shopping Center 1700 S Kelly Ave	1986	Jake Hincley Plains Commercial Real Estate	35,000	9,524	27.21%	15.00	12.00	Daylight Donuts, Farmers Insurance, Valir Physical Therapy
Spring Creek Plaza E 15th St & S Bryant Ave	2001	Kendra Roberts/Jacbo Logsdon Shop Companies	63,000	5,110	8.11%	35.00		Panera Bread, Kendra Scott
Spring Creek Village of Edmond E 15th St & S Bryant Ave	2007	Ev Ernst/George Williams/Girma Moaning/Aaron Diehl Price Edwards and Company	72,273	19,154	26.50%	25.00	28.00	Starbucks, Taziki's, Louie's, Lucca
University Plaza E 2nd St & S Bryant Ave	2000	Ali Ghaniabadi Brady's Properties	400,000	0	0.00%	14.00	16.00	Target Super Center, Lowe's
Uptown Grocery Center 1230 W Covell Rd	2011	Susan Binkowski Experanza Real Estate Investments	73,350	0	0.00%	28.00	32.00	Uptown Grocery
Village Center at Coffee Creek 775-805 W Covell Rd	2003	Mark Inman/Stuart Graham CBRE/OKLA	27,618	10,060	36.43%	24.00	24.00	Legacy Cleaners, Old School Bagel
Willow Creek E 2nd St & N Santa Fe Ave	1985	Owner Managed Owner Managed	31,200	6,000	19.23%	18.00	0.00	State Farm, Santa Fe Tag Agency

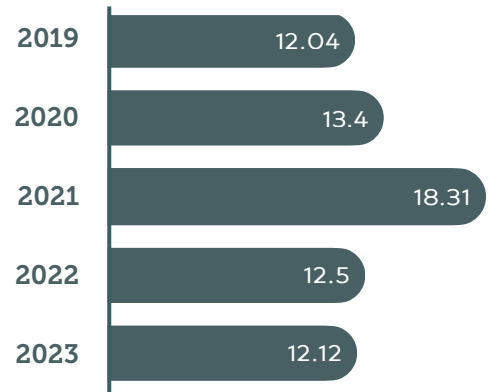
**EDMOND TOTALS** 2,935,155 248,675 8.47%



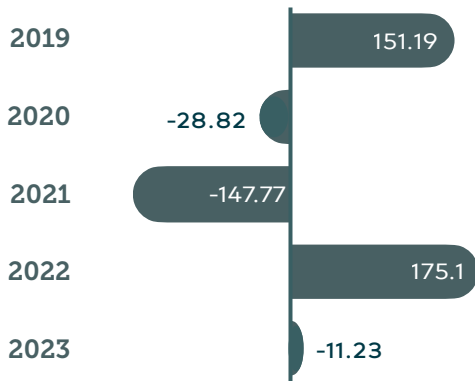
**E**astern Oklahoma County vacancy remained virtually unchanged from the beginning of the year, ending June at 12.1 percent vacancy. As you'll recall, this submarket was 18.3 percent vacant at the end of 2021, reflecting nearly a full recovery since the start of the pandemic. This submarket continues to have the greatest discrepancy between the haves and the have nots as much of the product is older with significant deferred maintenance or difficult configurations. Centers built since 2000 are generally well-occupied as the demographics of the area are getting better thanks in part to the growth/strength of Tinker Air Force Base.



Eastern Submarket Vacancy  
% Vacant



Eastern Submarket Absorption  
SF in Thousands



Photos | Street Art in Corsica & Spain



EASTERN OK COUNTY	BUILT/ UPDATED	BROKER	TOTAL SPACE	AVAIL. SPACE	VACANT	RATE 1	RATE 2	ANCHOR TENANTS
1900 Air Depot Center 1900 S Air Depot Blvd	2005	Moon Ta Ta Real Estate	25,300	0	0.00%	7.00	12.00	Uptown Thrift, Mid-Del Complete Dental Care
23 Post Plaza NE 23rd St & N Post Rd	1986	Alex Waugh Creek   CRE	35,000	12,240	34.97%	10.00	10.00	Farmer's Insurance
Boulevard Marketplace 101 N Douglas Ave	1984	Rick Pritchett Precor Ruffin	35,765	9,760	27.29%	20.00	15.00	Crest Grocery, Dollar Tree
Choctaw Plaza 14407 NE 23rd St	1974/1984	Price Edwards and Company/ Newmark Robinson Park	131,000	42,334	32.32%	8.00	8.00	Chase Bank, Dollar General
Decker Center 1200 S Air Depot	1982	George Huffman Interwest Realty	36,365	9,608	26.42%	13.00	14.00	Security Finance, Red River Credit
Del City Crossing I-40 & Sooner Rd	2012	Stuart Graham/Mark Inman CBRE/OKLA	24,200	3,600	14.88%	22.50	22.50	Ted's Cafe Escondido, The Garage
Del Crest Center SE 15th & I-40	1957/2016	David Hartnack/Sam Swanson/Nathan Wilson NAI Sullivan Group	95,563	12,900	13.50%	19.00	17.00	Family Dollar
Del Crest Shops SE 15th & Sunnyslane	1957/2016	David Hartnack/Sam Swanson/Nathan Wilson NAI Sullivan Group	59,000	19,689	33.37%	6.00	10.00	Dollar Tree
Dickson Plaza SE 15th St & S Post Rd	1978/1980	Joe Leon Midwest Business Investments	34,900	0	0.00%	8.00	0.00	Shapes Gym, Farmers Insurance
Eastgate Shopping Center 1100 N Midwest Blvd	1965	Owner Managed Owner Managed	51,520	38,175	74.10%	7.00	8.00	Queen's Beauty Supply
Gateway Plaza SE 15th St & S Air Depot Blvd	1985	Karen Quartuccio Owner Managed	87,512	22,000	25.14%	7.00	15.00	Ollie's Outlet, Dollar Tree
Hartsdel Shops SE 44th St & S Bryant Ave	1995	Owner Managed Owner Managed	49,726	0	0.00%	4.00	7.00	Family Dollar, Beauty Supply
Heritage Plaza 351 N Air Depot Blvd	1987	Taylor Marks/Hunter Ryffel Woodcrest Capital	75,071	7,651	10.19%	8.00	12.00	Select Physical Therapy, People's Church
Hilltop Village 1100 S Air Depot Blvd	1974/2015	Mark Hyde Equity Commercial Realty	86,652	18,155	20.95%	6.00	13.50	The Dance Department, Los Vacqueros
Northeast Town Center 1124 NE 36th St	1970/2017	Charles Shadid Shadid Properties	93,825	28,000	29.84%	4.00	10.00	Dollar Tree, Ice Events Center & Grill
Oakcliff Shopping Center 3102 SE 44th Street	1966	Owner Managed Owner Managed	51,200	0	0.00%	5.00	7.00	Tom's Tires, Karen's Treasures
Park Estates Shopping Center NE 36th & N Kelly Ave	1952	Ushman Rashid Owner Managed	38,000	0	0.00%	4.50	4.50	Beauty Town
Park Estates 3700 Springlake Dr	1993	Owner Managed Owner Managed	38,399	0	0.00%	3.00	8.00	Diva Beauty Supply
Sooner Market Place E Reno Ave & N Sooner Rd	1995	Owner Managed Owner Managed	63,063	0	0.00%	5.00	7.00	Chelino's
Sooner Rose SE 15th & Sooner Road	2016/2019	Kendra Roberts/Jacob Logsdon Shop Companies	496,988	0	0.00%	12.00	25.00	Hobby Lobby, Burlington, Academy
Spencer's Center NE 23rd St & N Spencer Rd	2000	Charles Shadid Shadid Properties	40,000	2,500	6.25%	5.00	7.00	Conoco
Sunnyslane Plaza SE 44th St & S Sunnyslane Rd	1979	Owner Managed Owner Managed	84,888	42,314	49.85%	6.00	5.00	Advance America, Family Dollar
Tenth Street Plaza 9207 NE 10th St	1960	Owner Managed Owner Managed	33,000	0	0.00%	6.00	0.00	Dollar General
Town & Country Center E Reno Ave & N Air Depot	1966/1989	Ev Ernst/Jacob Simon Price Edwards and Company	133,916	5,500	4.11%	12.00	16.00	Ross, Big Lots, Westlake Hardware, Aaron's
Town Center Plaza SE 29th St & S Air Depot	2005	Brad Goodwin Sooner Investment	795,000	24,500	3.08%	24.00	0.00	Target, Lowe's, Kohl's, Ashley
Uptown Plaza 7430 SE 15th St	1958/2006	Owner Managed Owner Managed	194,033	65,591	33.80%	12.00	16.00	Langston's, Family Dollar, Locke Supply
Village Oak Shopping Center 1000 S Douglas Blvd	1981	Jay Nicholas Nicholas Commercial	27,500	0	0.00%	10.00	8.00	Lupe's Restaurant, Papa John's Pizza
Village Shopping Center 4718 - 4754 SE 29th St	1973	Danny Ojeda Newmark Robinson Park	31,634	0	0.00%	10.00	12.00	Rent-A-Center, Akropolis Greek Restaurant
Westminster Shopping Center 2401 N Westminster	1963	Owner Managed Owner Managed	58,000	0	0.00%	5.00	6.00	23rd Street Auction, Thomas Miles Millwork, Ratti Kool Print Shop
<b>EASTERN OK TOTALS</b>			<b>3,007,020</b>	<b>364,517</b>	<b>12.12%</b>			





Jonathan Adler Art (OKCMOA)

## Metro OKC Shopping Center Investment Sales

Property	Address	Submarket	Building SF	Sales Price	\$/PSF	Sale Date
Brookwood North Shopping Center	8900 South Western	South	57,795	NP	NP	2/10/23
Midland Center	3315 NW Expressway	Northwest	53,973	\$11,000,000	\$203.80	4/13/23



# INVESTMENT SALES

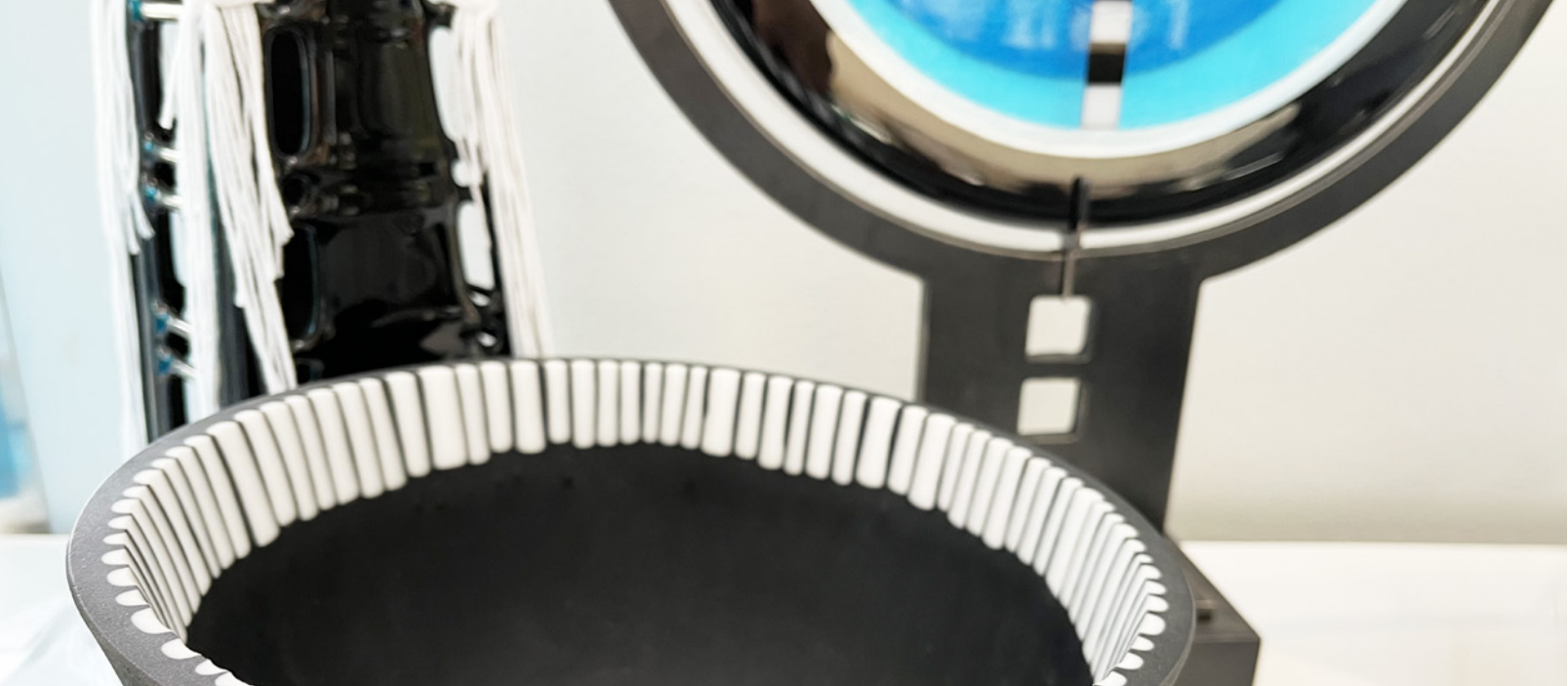
**T**here were two sales of multi-tenant shopping centers over 25,000 square feet in the first half of the year, Midland Center anchored by Conn's across from Integris Baptist and Brookwood North at 89th and south Western. Midland was acquired in 2018 by a New York group by way of purchasing and foreclosing on its CMBS loan; it was sold to a local investor at a 7.1 capitalization rate. Brookwood North was sold by long-time real estate investor Charlie Shadid as he continues to liquidate his properties.

The more interesting dynamic is that there are at least 12 centers across the metro that are currently being marketed for sale and several stand-alone retail buildings in addition. Much of the scarcity in sales can be attributed to the rise in interest rates which has in turn raised capitalization rates, reducing property values. Although, as the Midland Center sale illustrates, capitalization rates haven't increased as much as you might have thought given the interest rate increase. Nonetheless, there remain a lot of buyers in the market; however, Seller's expectations have not adjusted to the new realities of the market.

There has been a lot of talk about coming loan maturities and the possibility of current owners not being able to refinance at current rates without infusions of equity. A number of funds have been put together nationally to take advantage of this expected fallout. It will be interesting to see how this plays out as the same scenario occurred in the 2009, 2010 recession but the number of opportunities ended up being limited, especially in this part of the country.

Jim Parrack, Senior VP





# Economic Outlook

## Commentary



### PRODUCTION

The economy is producing goods and services at a pace below its long-run potential and generating less income than a year ago



### LABOR MARKETS

But nonfarm payrolls are growing, and the unemployment rate remains low



### INFLATION

Inflation is proving persistent and well above policymakers' 2% target



### INTEREST RATES

Suggesting the Federal Reserve has further to go in their inflation fight and interest rates have yet to peak



The year ahead promises to be entertaining for economists and anxious for nearly everyone else. Are disinflationary forces firmly entrenched, and the inflation fight is over? Can the economy continue to produce fewer goods and services from more workers? Is a strongly inverted yield curve now uncorrelated with all other capital markets? Can consumers continue to support spending and economic growth even as household balance sheets are strained by the burden of debt? A series of economic contradictions define the year behind. The year ahead will unwind at least some of them, and that unwinding will be worthwhile. The brief outlook shared here will help make sense of and shape expectations for 2024.



**Dr. Russell Evans**  
Partner | Chief Economist  
Thorberg Collectorate





"Both bond markets and consumers expect a recession as indicated in a strongly inverted yield curve and household surveys. To have such expectations go unfulfilled would be extraordinarily unlikely."

## Outlook Introduction

Nothing captures the contradictions of the U.S. economy better than the Conference Board Consumer Confidence Index. In the June release, which saw a considerable improvement in consumer confidence overall, only 16.3% of respondents assessed current business conditions as bad, and only 12.4% reported jobs as hard to get. And yet, 69.3% expressed an expectation for a U.S. recession in the next twelve months. Like many of the economists they follow, those consumers have been expecting a recession sometime in the next twelve months every month since February 2022!

Investors have a saying that if you are right about your investment thesis but wrong about the timing, then you were wrong about the investment thesis. It's not known if any such saying exists for economists. But economists have been anticipating a recession since at least the middle of last year, and I have been calling for a recession to materialize in the latter half of 2023 for at least as long.

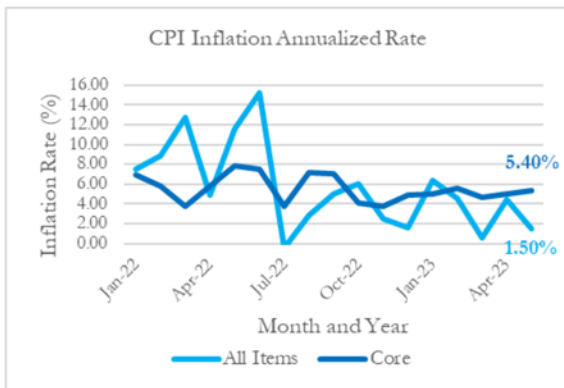
Both bond markets and consumers expect a recession, as indicated in a strongly inverted yield curve and household surveys. To have such expectations go unfulfilled would be extraordinarily unlikely. Then again, extraordinarily unlikely is the new economic normal.

In the pages that follow, we provide simple dashboards and brief commentary on:

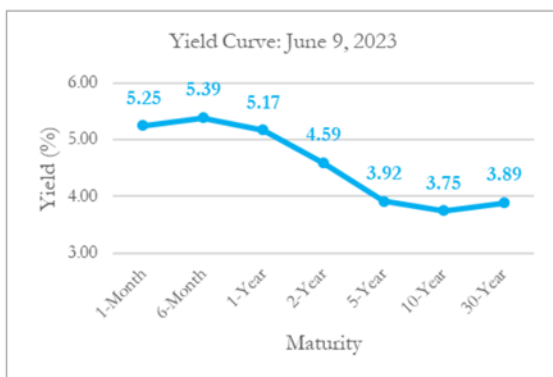
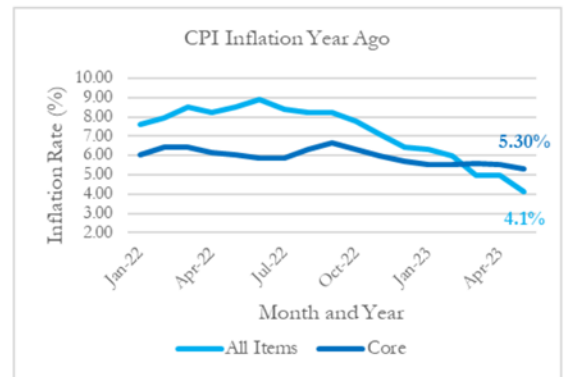
- Output and Production Markets
- Labor Markets
- Money Markets and Inflation
- Household Balance Sheet

Readers are encouraged to read and interpret the signals from each market in forming their own expectations. Our expectations can be found and compared in the conclusion.

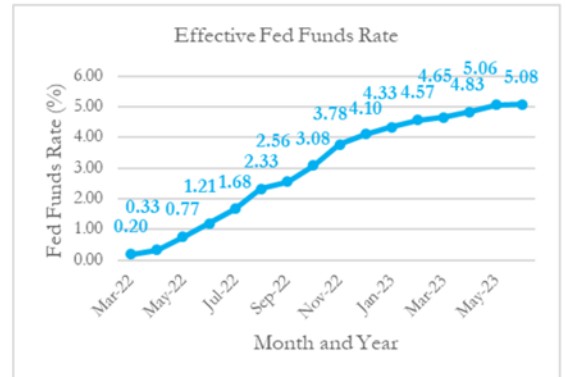
## Inflation and Interest Rates



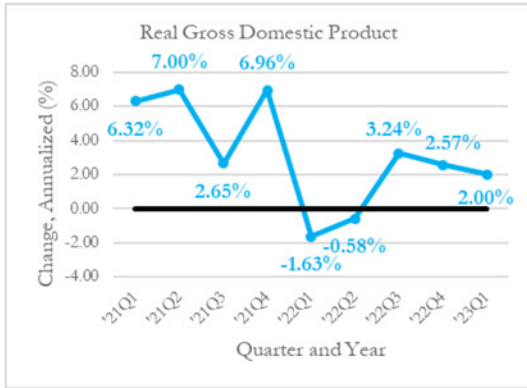
- Food and energy prices are falling, pulling headline inflation lower...
- But core inflation is still holding at 5.4% annualized rate in May and 5.3% year over year
- Disinflationary forces are present, but inflation is persistent, and the balance of risks is that the Fed will have to do more



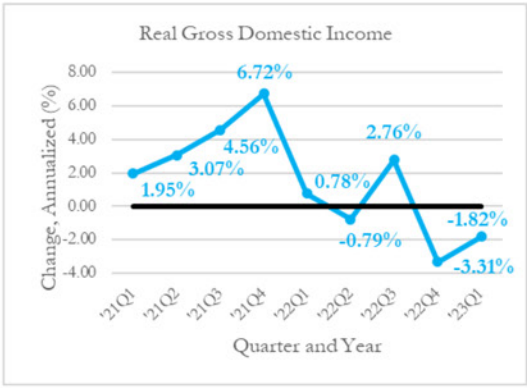
- Yield curve strongly inverted; historically, yield curve inversions are correlated with future recession



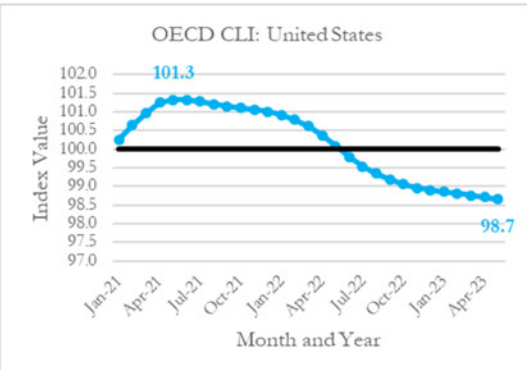
# Output Market



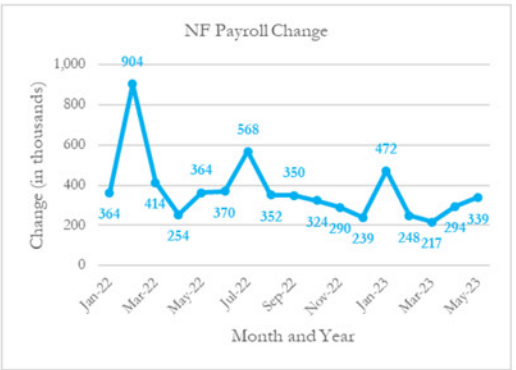
- Output market is cooling as measured by both production and income
- Real GDP grew below trend at 2.6% and 1.3% annualized rates in Q4 2022 and Q1 2023
- Real GDI contracted at annualized rates of -3.3% and -2.3%



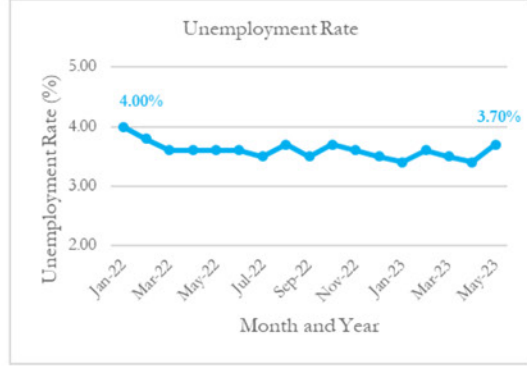
- Retail sales growth has cooled considerably from 2022
- Retail sales advance estimate for May is +1.6% but 0% falls in the 90% confidence interval
- The OECD composite leading index shows production is below long-term potential



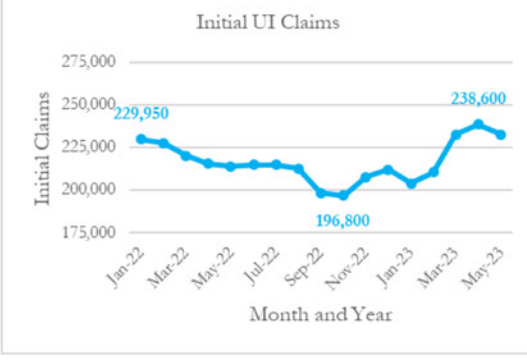
# Labor Market



- The labor market continues to show strength disconnected from weakness in output markets
- Payrolls added 339,000 jobs in May
- Unemployment rate ticked up to 3.7% as HH survey not as strong as EST survey

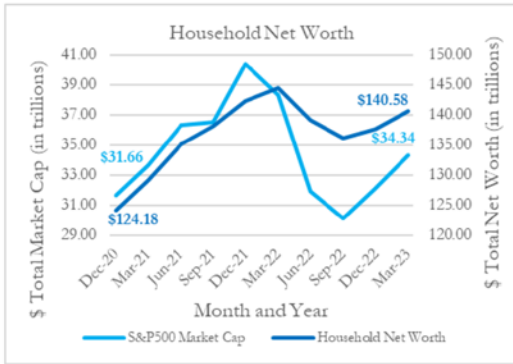


- Signs of cooling in the labor market are popping up
- Workers voluntarily separating (quits) are dropping
- Initial UI claims are rising
- Likely more labor market disruption needed to constrain inflation





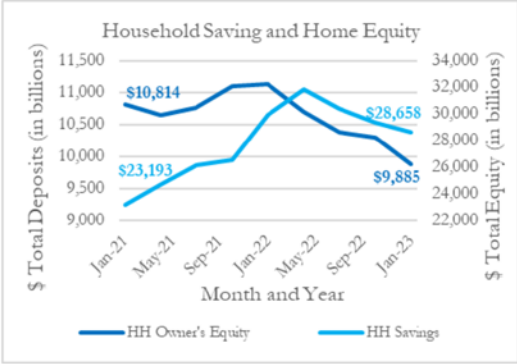
# Household Balance Sheet



- Household net worth is down from 2022 peak and only supported by strong gains in equity markets. (support may prove temporary)

- HH saving and homeowner's equity are down from 2022 peak and continue to contract.

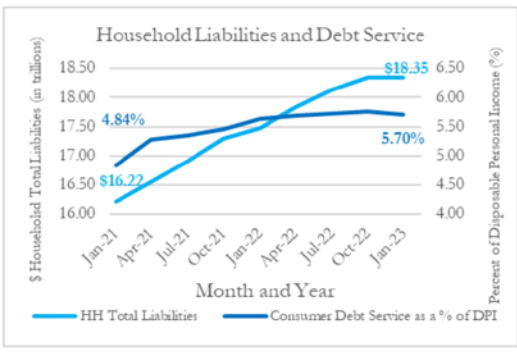
- HH net worth and saving will fall in the second half of 2023 challenging homeowners' ability to maintain unrestricted consumption



- CC debt is at a record high near \$1 trillion with interest rates on credit card debt above 20%.

- Household total liabilities are more than \$18 trillion with 5.7% of disposable income dedicated to household debt service.

- The cost of consumption through debt will stress households through 2023 and further restrict consumer behaviors.



## Outlook Concluding Commentary

The preceding dashboards depict two things: a slowing economy and an economy not yet in recession. Hopes are rising that monetary policymakers can achieve the rare feat of 'immaculate disinflation' in which excess demand is reined in without significant disruption to the labor market. Equity markets are running into bull market territory, and some economists are abandoning their pessimistic positions. Goldman Sachs sees the odds of a recession in the next twelve months at 25%, and at least one Morgan Stanley economist calls for the U.S. to avoid a recession entirely. Deutsche Bank is holding firm in its call and continues to expect that a recession in the next twelve months is a near certainty.

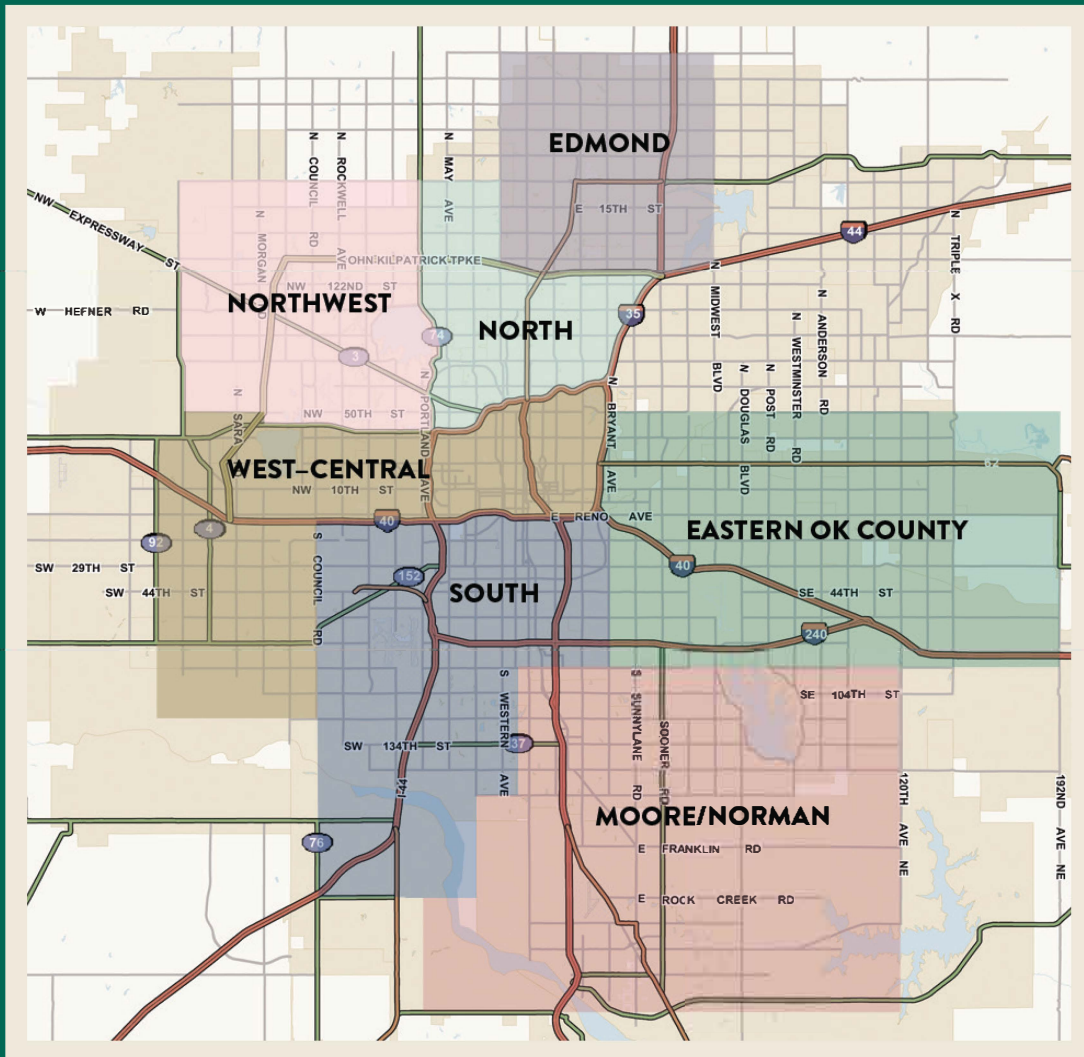
Two things give me pause in joining the optimistic crowd. First, the inflation fight is far from over. Core inflation in May was up 5.3% from a year ago. This is far from policymakers' 2% inflation target. Rather than assuming the most constrictive policy has passed, it's much more likely that policy has higher to go. The Fed is signaling two more 25 basis point increases in the federal funds rate, but the balance of risks is strongly tilted to the Fed needing to do more before holding at a terminal rate. The language of policymakers was a pause for one raise cycle while they observe the cumulative and lagged effects of their policy. In other words, much of the effects of the contractionary policy have yet to be felt. To join the optimistic crowd is to suppose that much of the effects of the contractionary policy will never be acutely felt even as inflation returns to its 2% target, which seems unlikely.

Second, constrained spending is now showing in high-income households. The pandemic economic relief policies supported income flows to low-income households and asset appreciation to high-income households. Households in the middle felt the most minor relief. High-income households now feel the effects of income not keeping up with inflation and a waning ability to use their asset appreciation to support spending. Shifting behaviors in these consumption-heavy households will impact warehouse, wholesale, retail, and leisure employment downstream. Those downstream effects have yet to be felt.

In some ways, the question of a recession is misplaced and relies on somewhat subjective definitions. What we know heading into the second half of the year is this: economic activity must slow further to achieve policymakers' 2% objective. A slowing of economic activity is all but certain. And for that slowing economic activity to be smooth and uneventful seems unlikely. Instead, we expect interest rates to increase, consumer spending to move lower, credit conditions to tighten, household balance sheets to show further stress, and labor markets to cool. Whether recession calls prove wrong in their prediction or timing remains to be seen. Still, the second half of 2023 will reveal more of the cumulative and lagged effects of policy, with the balance of economic risks strongly tilted toward the downside.



# OKLAHOMA CITY RETAIL SUBMARKET MAP



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