



Oklahoma City

2009 Industrial Market Summary



TABLE OF CONTENTS

Industrial Market Summary	1
North Submarket	2
Southeast Submarket	3
Southwest Submarket	4-5
2009 Mid-Year Forecast	Back Cover



Oklahoma City 2009 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.

Despite the tumultuous economic events of the past year, the Oklahoma City industrial real estate market shows little correlation to the skyrocketing vacancies in other parts of the country. The overall multi-tenant industrial vacancy stands at 15%. In this current survey, the available space from the former Bridgestone tire plant is included (450,000 square feet of bulk warehouse available). If this space were factored out to make an equitable comparison to 2008, the total multi-tenant market vacancy would only have risen by less than one percent (0.7%). Flex space and Service Warehouse space show actual declines in vacancy from last year.

This market has experienced very few foreclosures of industrial buildings, usually only due to bankruptcy of owner-occupant companies, and no foreclosures of significant multi-tenant properties. The most noticeable effect of the recession has been the lack of expansion into the market by regional and national tenants, reflecting the lack of industrial expansion nationwide. Overall the primary effect of the recession on the local market has been stagnation, with little leasing activity and shorter renewal terms, but no catastrophic sector declines. Perhaps our resilience will make us a prospective market for expansion by companies emerging from difficult times in other parts of the country.

The Flex space market vacancy was essentially flat for 2009. This was despite a spike from 7% in 2008 to 18.5% in 2009 for the Southeast Submarket. The Southeast has less than 500,000 square feet of flex space but saw significant vacancies appear in almost every property. The Southwest Submarket saw the greatest reduction in vacancy from 12% to 9%.

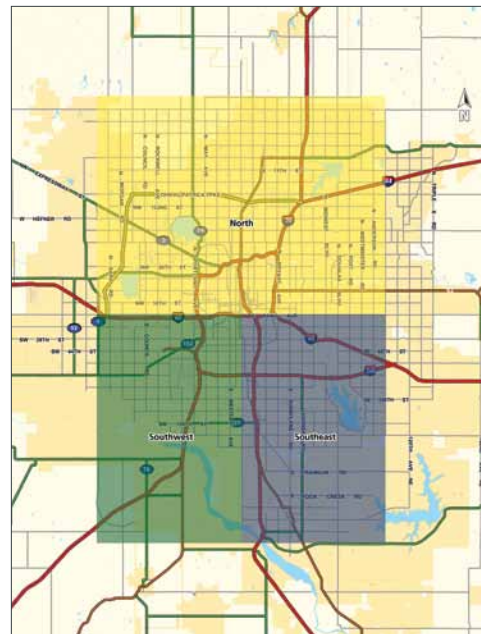
Bulk Warehouse vacancy increased from 10% to 17%. This number, without further analysis does not reflect the reality of this market. As discussed above, a large

part of this increase is due to the newly available space in the former Bridgestone plant, which accounted for a five percentage point gain. Factoring out the new space, the Bulk Warehouse vacancy would have risen by two percent. This is to be expected given the economic times and the high population of national tenants in multi-tenant space. However, Oklahoma City appears to remain a viable market for these tenants.

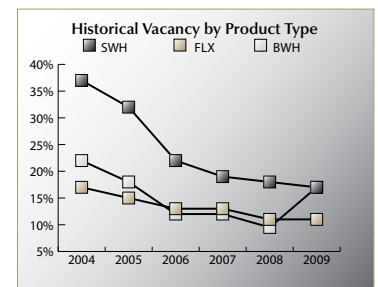
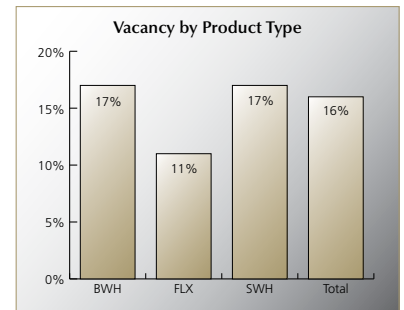
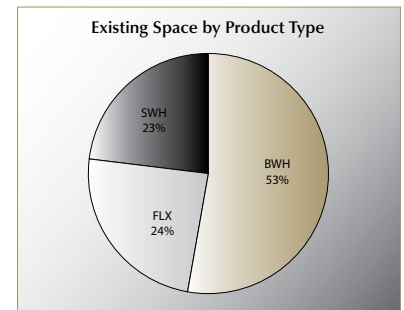
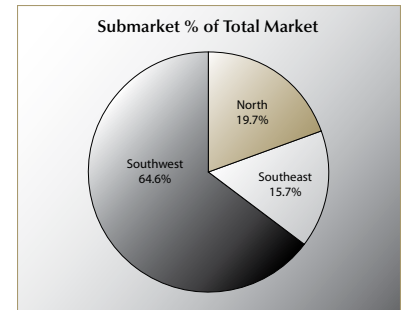
Service Warehouse properties, comprised to a large part by older warehouse space with functional obsolescence issues, saw a one percent decline in vacancy to 17%. The Southeast Submarket made significant gains by filling large spaces in a former grocery distribution facility. Service Warehouse is always volatile due to the large size of the tenant spaces and its position as the lowest square footage of the three property types.

One sale of the industrial multi-tenant properties tracked by this report occurred in the last 12 months:

710 W. Wilshire—65,065 square foot Flex development, sold in August 2008 for \$3,500,000 or \$53.80 per square foot.



Oklahoma City Industrial Submarket Map



2009 Oklahoma City Industrial Market Summary

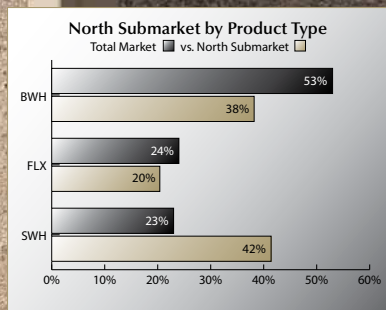
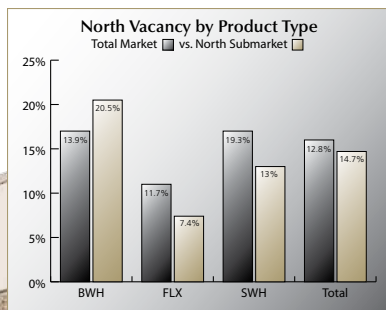
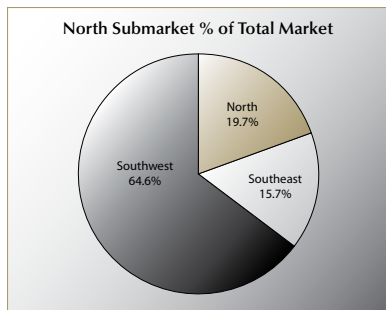
North Submarket

Current Market

Average Vacancy is 14.7%

Aggregate available rental rates:

- Bulk Warehouse \$3.50 - \$5.00
- Flex Space \$6.00 - \$10.00
- Service Warehouse \$2.25 - \$6.00



Location	Type	GLA	Vacant	% Vacant	Rate
11224 Partnership Dr	BWH	220,800	0	0.0%	\$3.85
11300 Partnership Dr	BWH	145,000	0	0.0%	\$4.50
11301 Partnership Dr	BWH	138,600	0	0.0%	\$4.50
420 NE 48th St	BWH	37,000	27,000	73.0%	\$3.50
4401 E Hefner Rd	BWH	100,000	40,000	40.0%	\$5.00
615 W Wilshire Blvd	BWH	193,280	104,270	53.9%	\$4.00
North Bulk Space Total		834,680	171,270	20.5%	\$4.23
100-200 W Wilshire Blvd	FLX	217,834	26,454	12.1%	\$6.00
401 E Memorial Rd	FLX	58,400	0	0.0%	\$7.50
430 W Wilshire Blvd	FLX	38,250	0	0.0%	\$8.00
7504 Broadway Ext	FLX	66,038	2,214	3.4%	\$10.00
8100 N Classen Blvd	FLX	64,750	4,400	6.8%	\$6.00
North Flex Space Total		445,272	33,068	7.4%	\$7.50
14400 N Lincoln Blvd	SWH	52,395	3,150	6.0%	\$5.00
1825 N Walnut Ave	SWH	159,014	35,000	22.0%	\$2.50
217 NE 30th St	SWH	55,000	0	0.0%	\$0.00
3501 N Santa Fe Ave	SWH	208,000	35,000	16.8%	\$2.25
3815 N Santa Fe Ave	SWH	140,000	30,000	21.4%	\$3.00
3905-3909 NW 36th St	SWH	77,099	0	0.0%	\$0.00
4228 N Santa Fe Ave	SWH	163,201	8,192	5.0%	\$3.90
7501 Broadway Ext	SWH	50,400	6,400	12.7%	\$6.00
North Service Space Total		905,109	117,742	13.0%	\$2.83
North Submarket Total		2,185,061	322,080	14.7%	\$4.85

Broadway Business Park

2009 Oklahoma City Industrial Market Summary Southeast Submarket

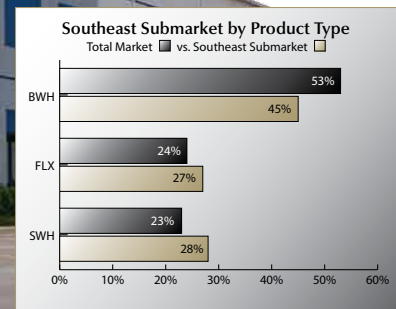
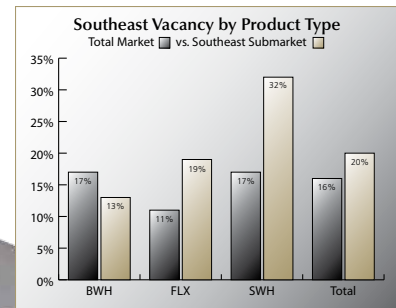
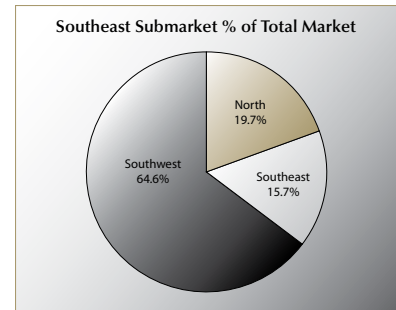
Location	Type	GLA	Vacant	% Vac.	Rate
6401 S High Ave	BWH	102,020	0	0.0%	\$4.00
6601 S Air Depot Blvd		144,000	48,000	33.3%	\$4.75
7201 S Sunnyslane Rd	BWH	124,800	0	0.0%	\$4.00
8001, 8121 & 8120 MidAmerica	BWH	465,000	50,800	10.9%	\$3.75
9401 S Pole Rd	BWH	60,000	0	0.0%	\$4.10
Southeast Bulk Space Total		895,820	98,800	11.0%	\$4.12
1125 SE Grand Blvd	FLX	72,000	20,588	28.6%	\$5.00
1533 SE 66th St	FLX	104,288	13,900	13.3%	\$6.00
2200 N Moore Ave	FLX	139,000	16,370	11.8%	\$4.00
3600 E I-240	FLX	44,000	12,850	29.2%	\$5.00
4000 E I-240	FLX	72,000	12,000	16.7%	\$4.50
5701 E I-240	FLX	40,605	11,427	28.1%	\$5.00
Southeast Flex Space Total		471,893	87,135	18.5%	\$4.92
1101 SE 59th St	SWH	440,000	150,000	34.1%	\$3.25
2020 SE 18th St	SWH	48,250	6,000	12.4%	\$3.75
Southeast Service Space Total		488,250	156,000	32.0%	\$7.00
Southeast Submarket Total		1,855,963	341,935	18.4%	\$5.35

Current Market

Average Vacancy is 18.4%

Aggregate available rental rates:

- Bulk Warehouse \$3.75 - \$4.75
- Flex Space \$4.00 - \$6.00
- Service Warehouse \$3.25 - \$3.75



7200 S Sunnyslane Rd

2009 Oklahoma City Industrial Market Summary

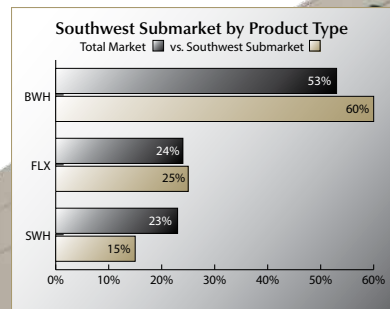
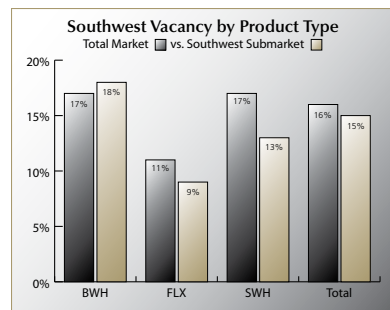
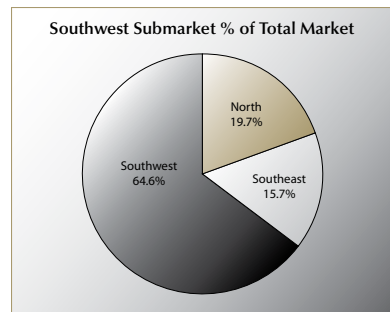
Southwest Submarket

Current Market

Average Vacancy is 10.3%

Aggregate available rental rates:

- Bulk Warehouse \$3.00 - \$8.00
- Flex Space \$3.00 - \$9.50
- Service Warehouse \$3.00 - \$4.00



Location	Type	GLA	Vacant	% Vac.	Rate
10401 W Reno Ave	BWH	30,000	30,000	100.0%	\$7.00
1301 Cornell Parkway	BWH	33,609	13,499	40.2%	\$4.25
1330-1398 Metropolitan	BWH	69,167	16,875	24.4%	\$0.00
3500 S MacArthur Blvd	BWH	171,000	0	0.0%	\$8.00
3501 Melcat Dr	BWH	106,672	93,000	87.2%	\$3.25
3601 S Thomas Rd	BWH	241,000	0	0.0%	\$0.00
3701 S Thomas Rd	BWH	93,610	0	0.0%	\$3.50
3800-3860 S Harmon Ave	BWH	114,804	14,707	12.8%	\$3.50
400 N Ann Arbor Ave	BWH	119,700	28,764	24.0%	\$3.50
4001 NW 3rd St	BWH	95,000	0	0.0%	\$3.00
4001 Will Rogers Parkway	BWH	101,504	0	0.0%	\$0.00
4680 NW 3rd St	BWH	151,200	0	0.0%	\$3.50
5001 SW 36th St	BWH	122,945	0	0.0%	\$0.00
5001 W Reno Ave	BWH	242,935	0	0.0%	\$3.00
5024 SW 36th St	BWH	102,567	0	0.0%	\$3.75
5200 SW 36th St	BWH	210,000	0	0.0%	\$3.85
5500 SW 36th St	BWH	76,500	0	0.0%	\$3.25
5555 Morton Ave	BWH	99,360	0	0.0%	\$3.00
5600 SW 36th St	BWH	87,200	16,100	18.5%	\$3.50
600 N Sara Rd	BWH	120,000	43,864	36.6%	\$4.50
6100 NW 2nd St	BWH	110,080	0	0.0%	\$3.50
7738 SW 34th St	BWH	180,000	43,200	24.0%	\$3.00
7815 Gemini Blvd	BWH	142,500	0	0.0%	\$3.00
7900 SW 34th St	BWH	142,500	0	0.0%	\$3.00
Southwest Bulk Space Total		2,963,853	300,009	10.1%	\$3.20

1000 Cornell Parkway	FLX	27,000	0	0.0%	\$4.25
1101-1121 Cornell Parkway	FLX	41,720	3,000	7.2%	\$6.00
1233 Sovereign Row	FLX	39,085	8,038	20.6%	\$7.00

5200 SW 36th St

2009 Oklahoma City Industrial Market Summary Southwest Submarket

2236 NW 10th St	FLX	80,960	32,400	40.0%	\$5.00
235 N MacArthur Blvd	FLX	68,229	13,050	19.1%	\$7.00
304-306 N Meridian Ave	FLX	196,000	11,400	5.8%	\$5.50
312 Quadrum Dr	FLX	189,829	32,700	17.2%	\$7.00
3400 S Thomas Rd	FLX	40,960	0	0.0%	\$3.50
340-350 S Vermont Ave	FLX	118,565	0	0.0%	\$3.50
400 S Hudiburg Circle	FLX	15,000	0	0.0%	\$4.75
400 S Vermont Ave	FLX	143,750	0	0.0%	\$4.75
401 N Meridian Ave	FLX	19,703	10,008	50.8%	\$6.00
4020 Will Rogers Parkway	FLX	65,438	10,956	16.7%	\$4.75
406 Hudiburg Circle	FLX	25,000	0	0.0%	\$4.75
4100 Will Rogers Parkway	FLX	66,732	10,780	16.2%	\$4.75
4130 Will Rogers Parkway	FLX	65,520	0	0.0%	\$3.00
4141 Highline Blvd	FLX	74,310	2,240	3.0%	\$7.25
4311-4325 SW 21st St	FLX	64,568	6,675	10.3%	\$6.50
4703 Enterprise Dr	FLX	34,000	3,025	8.9%	\$3.75
4901 W Reno Ave	FLX	43,630	0	0.0%	\$9.50
6000 NW 2nd St	FLX	79,071	16,390	20.7%	\$4.75
6924 Melrose Ln	FLX	164,500	2,000	1.2%	\$5.00
7114 Melrose Ln	FLX	124,200	1,200	1.0%	\$4.75
Southwest Flex Space Total		1,787,770	163,862	9.2%	\$5.35
1001 Enterprise Dr	SWH	80,256	21,888	27.3%	\$4.00
1101 Enterprise Dr	SWH	63,840	5,472	8.6%	\$3.50
1101 Metropolitan Ave	SWH	29,220	0	0.0%	\$3.50
1131 Enterprise Dr	SWH	80,256	20,064	25.0%	\$3.50
301-397 N Harvard Ave	SWH	81,000	0	0.0%	\$3.00
3600 S MacArthur Blvd	SWH	44,750	0	0.0%	\$0.00
4116 Will Rogers Parkway	SWH	65,800	0	0.0%	\$3.50
417 Hudiburg Circle	SWH	30,000	0	0.0%	\$0.00
4210 Will Rogers Parkway	SWH	60,000	0	0.0%	\$3.00
4220-4232 Charter Ave	SWH	56,275	7,211	12.8%	\$3.75
4243 Will Rogers Parkway	SWH	49,920	0	0.0%	\$3.50
4301 Will Rogers Parkway	SWH	33,647	4,611	13.7%	\$5.50
4601-4627 NW 3rd St	SWH	68,408	9,882	14.4%	\$3.25
4700-4728 NW 1st St	SWH	52,340	0	0.0%	\$3.00
5324 W Reno Ave	SWH	72,300	0	0.0%	\$0.00
727 Overhead Dr	SWH	91,086	0	0.0%	\$3.25
900 Metropolitan Ave	SWH	61,600	61,600	100.0%	\$3.50
901 Enterprise Dr	SWH	80,256	10,944	13.6%	\$3.50
Southwest Service Space Total		1,100,954	141,672	12.9%	\$2.96
Southwest Submarket Total		5,852,577	605,543	10.3%	\$3.84
OKC Industrial Market Total		15,746,178	1,875,101	11.9%	\$4.68

Price Edwards & Company Market Research

Price Edwards & Company has been the leader in the Oklahoma City commercial real estate market for over decade 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. Oklahoma City market information, market outlooks, as well as news and information about current market activity in the market.



Oklahoma City

2009 Industrial Market Forecast

2008 Forecast

Vacancy

Predictions are dangerous in a market with a high number of national tenants in these economic times. We do not expect to see significant industrial expansion nationwide for some time. It would be reasonable that some moderate increase in vacancy may occur as leases come up for renewal in the near future, but we do not expect significant movement either direction.

Rental Rates

With alternative space available in the market, rental rates will remain very competitive for both new leases and renewals.

New Construction

No significant speculative construction is anticipated.