

**FIRST QUARTER**  
**MULTI-FAMILY** MARKET REPORT  
**2021**

*OKLAHOMA CITY, OKLAHOMA*

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# First Quarter Multi-Family Market Report

# 2021

NAI Sullivan Group

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# First Quarter Multi-Family Market Report

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## EXECUTIVE SUMMARY

The first quarter of 2021 continued to show strong growth in Multifamily sales following up where 2020 left off in the Oklahoma City area. Rent growth is continuing to raise after its best trending growth of 3% since 2013. Which has led to more attraction from out of state buyers wanting to enter the Oklahoma market.



In January, The Edge at Midtown set the new bar at \$220,000 per unit. The Washington-based Weidner Apartment Homes purchased the 250-unit complex for \$55 million. Also, in January, a group out of Phoenix, Urban Communities, entered the Oklahoma City market for the first time by purchasing the Aspen Place, a 358-unit complex located in Northwest Oklahoma, for \$19,546,000.

Despite the global pandemic, annual rent growth is trending up while vacancy factors are at their lowest point in five years. The daily asking rent per square foot ended Q1 at \$0.94/SF, increasing 4% in the past two years. Vacancy factors continue to decrease, ending the quarter at 9.1%. The Edmond and Moore/Norman areas are holding steady at 5.6%, which is the lowest in the metro.

Out of state Investors continue to flock to the Oklahoma City market to achieve higher cap rates compared to their home state. Just in the past year, the cap rate has increased by 48%, going from 5.68% in Q1 2020 to 8.4% in Q1 2021. So, what does this mean? Are Buyers willing to taking a higher risk in hopes for a higher return? With attractive caps rates and rental growth trending up, I think, we can expect to see more investors look to enter the Oklahoma City Market.

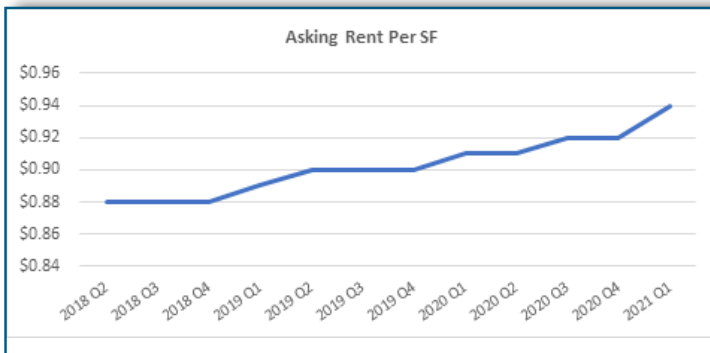
Stay happy and healthy,  
Micalyn Wheelwright

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## NA OKC MULTI-FAMILY MARKET LEASING BY CLASS AND UNIT MIX

	Class-A	Class-B	Class-C	Overall
<b>Vacancy Rate</b>	7.3%	8.4%	9.9%	9.1%
<b>Studio Asking Rent</b>	\$836	\$666	\$553	\$616
<b>1 Bed Asking Rent</b>	\$1,034	\$769	\$595	\$709
<b>2 Bed Asking Rent</b>	\$1,167	\$938	\$723	\$858
<b>3+ Bed Asking Rent</b>	\$1,373	\$1,144	\$854	\$1,016



The overall vacancy rate for multi-family properties in the Oklahoma City market at the end of Q1 2021 was 9.1 percent, which has decreased compared to the rate of 9.5 percent at the end of Q4 2020. Average asking rental rate per SF was \$0.94 SF/YR, which increased from the \$0.92 SF/YR at the end of Q4 2020. Studio asking rental rate averaged \$616 per unit, one bedroom asking rents averaged \$709 per unit, two-bedroom asking rents averaged \$858 per unit, and the three-or-more bedroom asking rents averaged \$1,016 per unit.

## NA OKC MULTI-FAMILY MARKET LEASING INFORMATION BY SUBMARKET

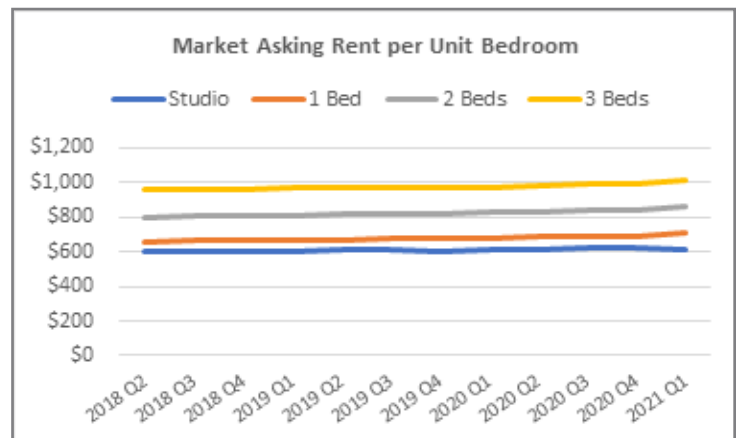
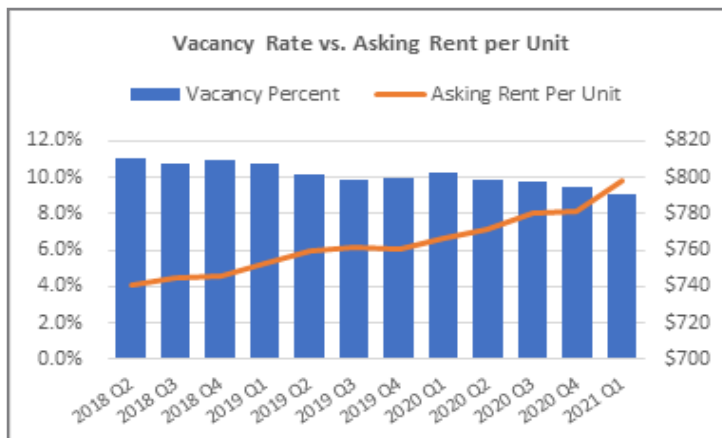
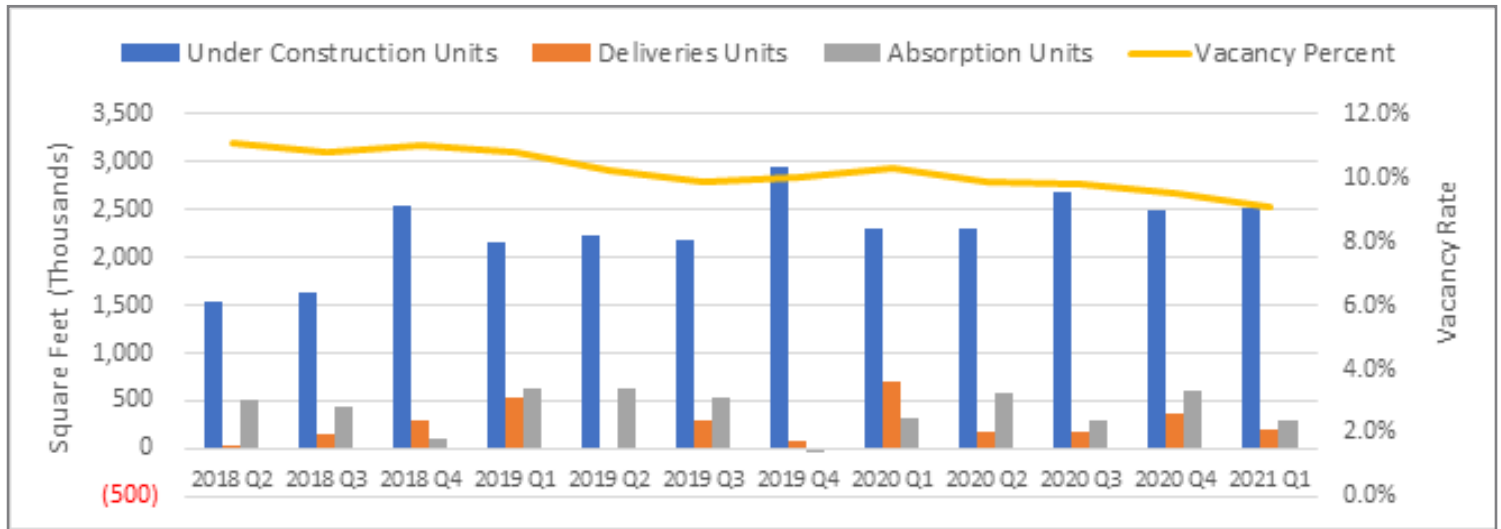
	CBD	NW OKC	Edmond	Moore/Norman
<b>Vacancy Rate</b>	7.5%	9.0%	5.6%	5.6%
<b>Studio Asking Rent</b>	\$849	\$741	\$556	\$639
<b>1 Bed Asking Rent</b>	\$1,155	\$772	\$781	\$764
<b>2 Bed Asking Rent</b>	\$1,491	\$929	\$932	\$871
<b>3+ Bed Asking Rent</b>	\$1,953	\$1,264	\$1,094	\$1,025



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## CONSTRUCTION, DELIVERIES, ABSORPTION & VACANCY RATE



There were more than 2,515 units of multi-family space under construction at the end of Q1 2021. The two largest multi-family properties that have the most rentable building area under construction were the 516-unit at 6929 Sooner Road, in Oklahoma City, which is scheduled to be delivered May 2021 and 236-unit at Artisan Crossing at 1303 W Tecumseh Road in Norman, which is scheduled to be delivered in August 2021.





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## TOP UNDER CONSTRUCTION & PROPOSED MULTI-FAMILY PROPERTIES

Under Construction	Property Name	City	Number Of Units	RBA	Delivery Time
1303 W Tecumseh Rd	Artisan Crossing	Norman	236	273,753	Aug 2021
6259-6297 N Western Ave	The Residences at Classen Curve	OKC	325	260,000	Feb 2022
120 N Robinson	First National Center	OKC	193	254,321	Oct 2021
701 SW 17th St	The Curve Apartments	OKC	244	200,000	Apr 2021
2717 NW 178th St	The Lofts at Valencia	Edmond	200	200,000	Sep 2022
24th Ave NW	Sooner Station at University North Park	Norman	188	188,000	Nov 2021

There were 571,116 SF of multi-family space proposed at the end of Q1 2021. The proposed projects with the most rentable building area were the 120,000 SF or 160-units at Wilshire Point in Oklahoma City to deliver in August 2022 and The Residences at Classen Curve in Oklahoma City a 325-unit development to deliver in February 2022.

Proposed Property Address	Property Name	City	Number Of Units	RBA	Estimated Delivery Time
Classen Dr & Wilshire	Wilshire Point	OKC	160	120,000 SF	Aug 2022
NW Grand Blvd & Martin Luther King Ave	-	OKC	140	120,000 SF	Dec 2022
100 Charlie Christian Ave	-	OKC	125	106,272 SF	Sep 2022
Oklahoma City Blvd	-	OKC	-	100,000 SF	Dec 2022
1305 N Classen Drive	-	OKC	70	70,000 SF	Jun 2022

## OKC MULTI-FAMILY MARKET SALES

	2020 Q2	2020 Q3	2020 Q4	2021 Q1
Number of Transactions	9	23	27	19
Total Sales Volume	\$2,593,000	\$56,055,167	\$131,202,666	\$94,432,100
Total Units	113	1,931	2,197	1,226
Average Price per Bldg. SF	\$28.61	\$43.07	\$64.06	\$28.61
Average Price per Unit	\$24,695	\$39,112	\$79,721	\$100,889
Actual Cap Rate	6.10%	7.63%	8.07%	8.40%

There were 19 transactions totaling \$94,432,100 recorded during Q1 2021. The largest transaction based on dollar volume was the sale of the 250-units at The Edge at Midtown at 1325 N Walker Avenue in Oklahoma City. OK Edge at Midtown Apartments, LLC purchased the 208,095 SF property from Cornerstone Development for \$55,000,000 on January 12, 2021.



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## NAI OKC MARKET SIGNIFICANT MULTI-FAMILY SALE TRANSACTIONS DURING Q1 2021



Property Name: The Edge at Midtown  
Property Address: 1325 N Walker Ave., OKC  
Sale Price: \$55,000,000  
Price per SF: \$264.30/SF  
Price per Unit: \$220,000  
Sale Date: 01/12/2021



Property Name: Aspen Place  
Property Address: 2700 Indian Creek Blvd., OKC  
Sale Price: \$19,460,000  
Price per SF: \$33.90/SF  
Price per Unit: \$54,346  
Sale Date: 01/21/2021



Property Name: Winchester Run Apartments  
Property Address: 201 SE 89th St., OKC  
Sale Price: \$12,200,000  
Price per SF: \$101.65/SF  
Price per Unit: \$63,529  
Sale Date: 02/18/2021



Property Name: Dorchester Apartments  
Property Address: 2810 Dorchester Dr., OKC  
Sale Price: \$2,850,000  
Price per SF: \$53.93/SF  
Price per Unit: \$71,205  
Sale Date: 03/12/2021



Property Name: The Kenmore Apartments  
Property Address: 2519 N Harvey Ave., OKC  
Sale Price: \$1,150,000  
Price per SF: \$123.50/SF  
Price per Unit: \$95,883  
Sale Date: 03/16/2021



Property Name: 3800-3817 Penny Drive  
Property Address: 3800-3817 Penny Dr., Midwest City  
Sale Price: \$1,120,000  
Price per SF: \$50.27/SF  
Price per Unit: \$70,000  
Sale Date: 02/17/2021



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NAI Sullivan Group strives for excellence in all facets of real estate services in order to maintain our position as an industry leader. Our team transforms forward-thinking ideas into cutting-edge applications, to achieve maximum results for our clients, company and community.

For more information, please visit our website: [www.naisullivangroup.com](http://www.naisullivangroup.com)



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Resources mainly come from CoStar, The Oklahoman, and The POINT.  
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