

SECOND QUARTER
MULTI-FAMILY MARKET REPORT
2020

OKLAHOMA CITY, OKLAHOMA





Second Quarter Multi-Family Market Report

NAI Sullivan Group

2020

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NAI EXECUTIVE SUMMARY

The Q2 2020 multi-family rental market showed little change from Q1 20. The effects of COVID-19 have not had time to affect the multifamily market. It is difficult to move during such stressful times, when it is a chore to look for a new place to live. We can see that market lease rates continue to increase with the average rate at \$.91 per sf per month. The Norman market is the strongest market with an overall vacancy of 7.7%, Edmond 8.3%, NW OKC at 13.0 and the CBD at 10.3%

The end of Q2 20 showed almost a 100% increase in new construction with 2,108 new units under construction, up from 1,169 at the end of Q1 20. You can see on the absorption chart there is very little absorption of new units.



The investment sales had a dramatic slowdown in Q2 20 as properties under contract closing dates were pushed back because of limited social contact, meaning inspections and tours of properties. The closing of only 8 complexes for a total value of \$2,709,000.00 during Q2 20 compared to the last 4 Quarters averaging 30 complexes sold per quarter averaging \$186,000,000.00 per Quarter.

We are currently seeing demand for all product types with multi-family being the most in demand as an investment sale.

Respectfully,

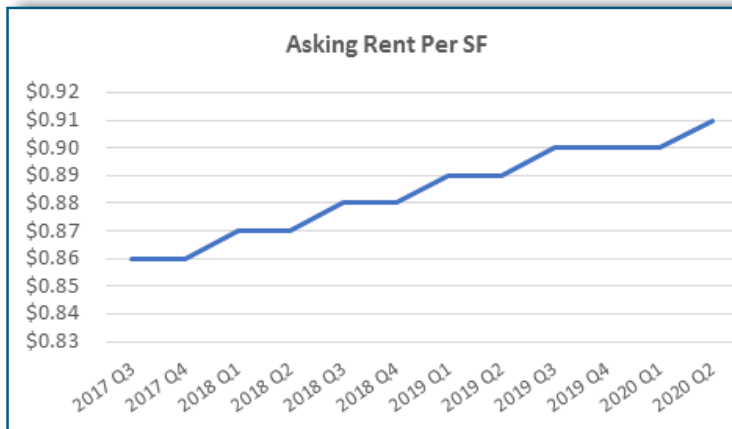
Bob Sullivan

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OKC MULTI-FAMILY MARKET LEASING BY CLASS AND UNIT MIX

	Class-A	Class-B	Class-C	Overall
Vacancy Rate	8.60%	9.00%	11.00%	10.20%
Studio Asking Rent	\$857	\$652	\$563	\$623
1 Bed Asking Rent	\$975	\$737	\$577	\$683
2 Bed Asking Rent	\$1,125	\$905	\$694	\$830
3+ Bed Asking Rent	\$1,296	\$1,125	\$824	\$990



The overall vacancy rate for multi-family properties in the Oklahoma City market at the end of Q2 2020 was 10.20 percent, which has increased compared to the rate of 10.10 percent at the end of Q1 2020. Average asking rental rate per SF was \$0.91/SF/YR, which increased from the \$0.90 per SF per month at the end of Q1 2020. Studio asking rental rate averaged \$625 per unit, one bedroom asking rents averaged \$684 per unit, two-bedroom asking rents averaged \$831 per unit, and the three-or-more bedroom asking rents averaged \$989 per unit.

OKC MULTI-FAMILY MARKET LEASING INFORMATION BY SUBMARKET

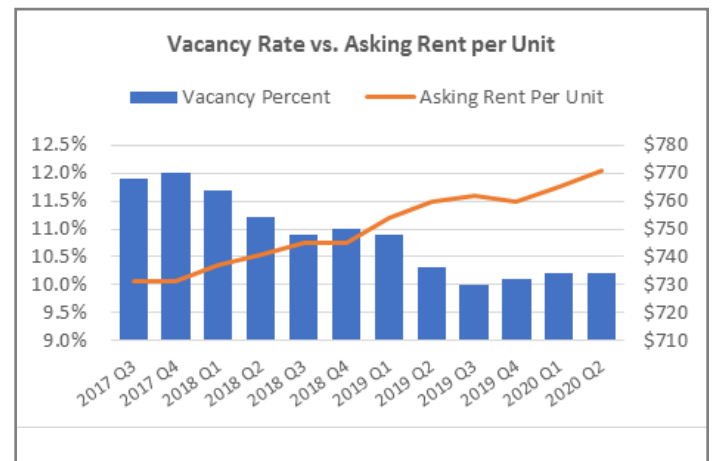
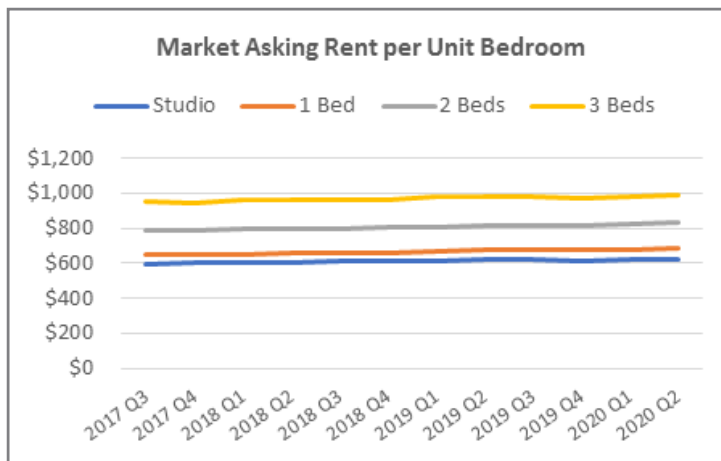
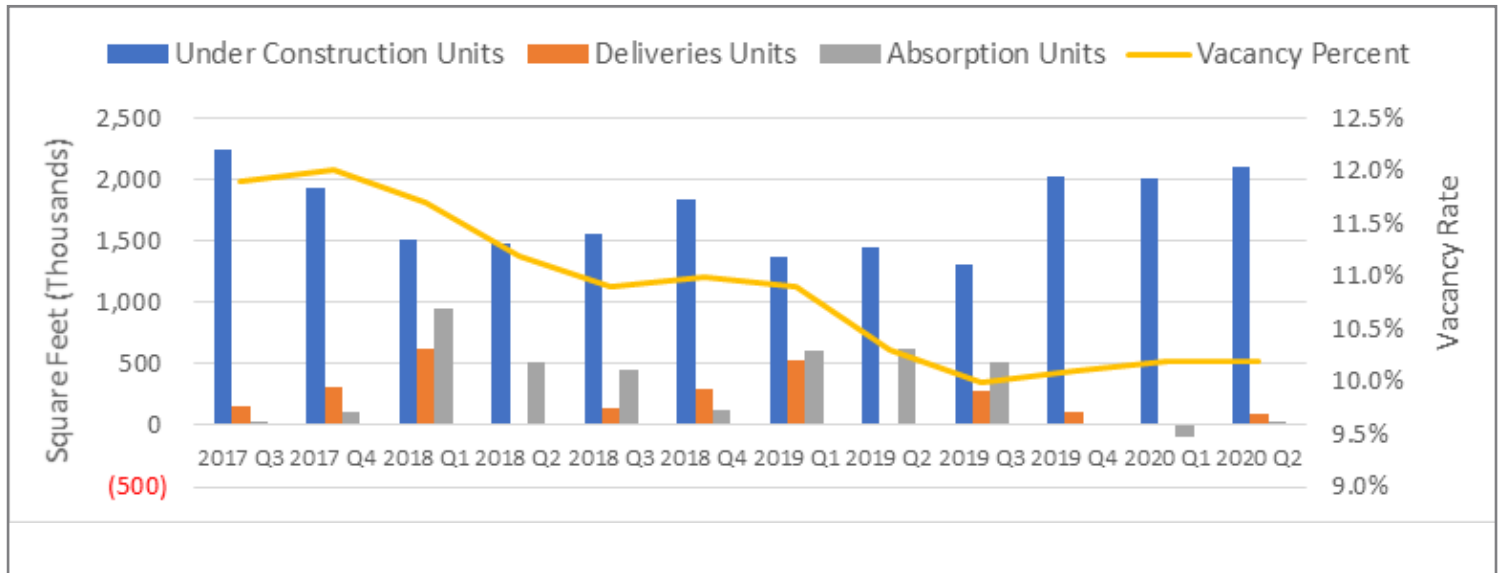
	CBD	NW OKC	Edmond	Moore/Norman
Vacancy Rate	10.30%	13.00%	8.30%	7.70%
Studio Asking Rent	\$886	\$550	\$654	\$625
1 Bed Asking Rent	\$1,087	\$663	\$755	\$729
2 Bed Asking Rent	\$1,436	\$817	\$910	\$832
3+ Bed Asking Rent	\$1,984	\$1,062	\$1,155	\$980



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CONSTRUCTION, DELIVERIES, ABSORPTION & VACANCY RATE



There were more than 2,108 units of multi-family space under construction at the end of Q2 2020. The two largest multi-family properties that have the most rentable building area under construction were the 516-unit at Liberty Creek Village at 6929 Sooner Rd. in Oklahoma City, which is scheduled to be delivered in July 2020, and the 360-unit at The Links at Mustang Creek Phase II at 2004 S Mustang Rd. in Yukon, which is scheduled to be delivered in August 2020.

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TOP UNDER CONSTRUCTION & PROPOSED MULTI-FAMILY PROPERTIES

Under Construction	Property Name	City	Number Of Units	RBA	Delivery Time
6929 Sooner Rd	Liberty Creek Village	OKC	516	516,000	Jul 2020
2004 S Mustang Rd	The Links at Mustang Creek Phase II	Yukon	360	360,000	Aug 2020
2800 NW 192nd St	Thirty-Five Degrees North	Edmond	371	359,926	Sep 2021
120 N Robinson Ave	First National Center-Apartments	OKC	193	254,321	Jan 2021
701 NW 17th St	-	Moore	200	200,000	Jul 2020
24th Ave NW	Sooner Station at University North Park	Norman	188	188,000	Nov 2021

There were 2,130,152 SF of multi-family space proposed at the end of Q2 2020. The proposed projects with the most rentable building area were the 260,000 SF or 325-unit at The Residences at Classen Curve at 6259-6297 N. Western Ave. in Oklahoma City, and the Wilshire Point at Classen Dr. in Oklahoma City a 160-unit development to deliver in 2021.

Proposed Property Address	Property Name	City	Number Of Units	RBA	Estimated Delivery Time
6259-6297 N Western Ave	The Residences at Classen Curve	OKC	325	260,000 SF	2021
Classen Dr	Wilshire Point	OKC	160	120,000 SF	2021
Martin Luther King Ave	-	OKC	140	120,000 SF	-
100 Charlie Christian Ave	-	OKC	125	106,272 SF	2022
1305 N Classen Dr	-	OKC	70	70,000 SF	2021
229 E Campbell St	The Campbell	Edmond	50	43,203 SF	-

OKC MULTI-FAMILY MARKET SALES

	2019 Q2	2019 Q3	2019 Q4	2020 Q1
Number of Transactions	20	40	38	21
Total Sales Volume	\$161,846,000	\$89,292,999	\$319,123,973	\$176,797,500
Total Units	1,841	1,597	4,654	2,124
Average Price per Bldg. SF	\$90.71	\$60.48	\$71.37	\$104.10
Average Price per Unit	\$88,248	\$62,405	\$75,392	\$97,147
Actual Cap Rate	8.47%	7.65%	6.37%	5.68%

There were 8 transactions totaling \$2,709,000 recorded during Q2 2020. The two largest transaction based on dollar volume was the sale of the 38-unit at the Chambers Mobile Home Village at 600 SE 83rd St. in Oklahoma City. Stonetown Chambers LLC from Glendale, CO purchased the 664 SF property from Mark Bradshaw on May 11th 2020.



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NAI OKC MARKET SIGNIFICANT MULTI-FAMILY SALE TRANSACTIONS DURING Q2 2020



Property Name: Chambers
Mobile Home Village
Property Address: 600 SE 83rd
St., OKC
Sale Price: \$970,000
Price per SF: \$1,460.84/SF
Price per Unit: \$80,833
Sale Date: 05/11/2020



Property Name: Nichols Hills
Townhomes
Property Address: 2828 Croydon
Ct., OKC
Sale Price: \$535,000
Price per SF: \$44.96/SF
Price per Unit: \$48,636
Sale Date: 06/30/2020



Property Name: 213 E. Tonhawa
St.
Property Address: 213 E.
Tonhawa St., Norman
Sale Price: \$425,000
Price per SF: \$95.72/SF
Price per Unit: \$141,666
Sale Date: 04/09/2020



Property Name: 316 SW 27th St.
Property Address: 316 SW 27th
St., OKC
Sale Price: \$325,000
Price per SF: \$79.37/SF
Price per Unit: \$46,428
Sale Date: 05/09/2020



Property Name: 324 NW 24th St.
Property Address: 324 NW 24th
St., OKC
Sale Price: \$275,000
Price per SF: \$68.75/SF
Price per Unit: \$68,750
Sale Date: 04/20/2020



Property Name: 540 SW 24th St.
Property Address: 540SW 24th
St., OKC
Sale Price: \$179,000
Price per SF: \$61.64/SF
Price per Unit: \$44,750
Sale Date: 05/28/2020



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NAI Sullivan Group is a leading global service provider offering a full range of premier services, customized to fit your need and exceed your expectations. Our talented and experienced professionals provide benefits to large institutions and small business owners alike. We are your single point of contact for customized real estate services.

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



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