



# Tulsa

## H1 2025

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### Industrial Insights

- Tulsa continues to experience a sub-3% vacancy rate into 2025 and maintaining the contraction from 2024 as new construction wanes while leasing persists.
- The local economy proves itself stable as H125 saw several company expansion announcements for industrial users supporting early indications for a modest year-over-year increase in total freight volume, driven by regional manufacturing and energy sector exports.
- Asking rates hold steady as the market experiences high occupancy and infusions of new supply remain scarce.

# Market View

## Historical Market Statistics

	2021	2022	2023	H1 2024	H2 2024	H1 2025
<b>Vacancy Rate</b>	3.2%	3.9%	4.0%	3.3%	3.3%	2.7%
<b>Net Absorption</b>	88,338	140,416	301,512	60,671	61,763	235,521
<b>Delivered Construction</b>	587,872	816,268	982,820	64,800	393,089	142,751
<b>Under Construction</b>	3,603,588	4,360,856	865,216	413,893	54,921	51,751

Source: CoStar

## Notable Construction

Property	Class	Size	Est. Completion
6240 E 15 <sup>th</sup> St, Bldgs. A-D - Midtown Industrial Park	A	89,160 SF (combined)	Q3 2025
3000 N Florence Ave	B	40,000 SF	Q3 2025

Source: CoStar

## Notable Deliveries

Property	Class	Size	Completed
1400 Virgil Anderson Dr – Virgil L. Anderson Industrial Park	B	17,751 SF	H1 2025

Source: CoStar



# Market View by Submarket

## Submarket Historical Market Statistics

		2020	2021	2022	2023	2024	H1 2025
Bartlesville	Net Absorption (SF)	3,200	(94,874)	5,000	(10,316)	(11,200)	3,305
	Asking Rent, NNN Avg. Annual	-	\$3.15	\$3.32	\$4.02	\$6.70	\$14.23
	Delivered Construction (SF)	-	-	-	-	-	13,000
	Vacancy Rate (%)	-	3.2	3.6	2.05	6.65	4.2
CBD	Net Absorption (SF)	(59,106)	(17,281)	(5,416)	23,985	69,548	15,368
	Asking Rent, NNN Avg. Annual	\$4.81	\$5.08	\$5.11	\$5.92	\$6.61	\$6.60
	Delivered Construction (SF)	-	-	-	-	-	-
	Vacancy Rate (%)	6.6	10.3	10.2	7.5	5.2	1.8
East	Net Absorption (SF)	265,891	128,552	173,291	(11,493)	(10,919)	83,500
	Asking Rent, NNN Avg. Annual	\$5.25	\$5.41	\$5.46	\$6.34	\$7.00	\$6.39
	Delivered Construction (SF)	72,384	133,951	169,000	26,250	-	-
	Vacancy Rate (%)	3.6	3.9	0.7	0.7	0.95	1.2
Mayes County	Net Absorption (SF)	-	-	-	61,076	(4,424)	10,100
	Asking Rent, NNN Avg. Annual	\$6.65	\$6.65	\$6.65	\$6.35	\$5.16	\$6.48
	Delivered Construction (SF)	-	-	-	150,000	-	-
	Vacancy Rate (%)	-	-	0.2	1.9	1.5	1.7
Midtown	Net Absorption (SF)	-	(15,080)	13,288	(22,138)	60,155	-
	Asking Rent, NNN Avg. Annual	\$5.58	\$6.00	\$5.74	-	-	\$7.20
	Delivered Construction (SF)	-	-	-	-	-	-
	Vacancy Rate (%)	-	12.8	7.1	-	-	-
Muskogee County	Net Absorption (SF)	78,020	(31,472)	10,192	79,796	95,926	(9,000)
	Asking Rent, NNN Avg. Annual	\$2.80	\$2.80	\$2.37	\$3.10	\$3.74	\$3.34
	Delivered Construction (SF)	-	-	-	-	-	12,000
	Vacancy Rate (%)	3.4	4.0	5.4	3.7	3.7	3.0
North Central	Net Absorption (SF)	(23,512)	(107,094)	20,670	64,772	(21,543)	57,432
	Asking Rent, NNN Avg. Annual	\$4.69	\$5.12	\$4.96	\$5.64	\$6.38	\$6.63
	Delivered Construction (SF)	-	-	-	-	-	-
	Vacancy Rate (%)	1.3	2.9	4.7	4.3	3.3	3.8
Northeast	Net Absorption (SF)	1,053,921	342,842	192,347	(257,112)	565,856	58,533
	Asking Rent, NNN Avg. Annual	\$5.21	\$5.44	\$5.64	\$5.93	\$6.73	\$7.00
	Delivered Construction (SF)	941,446	270,000	76,922	744,277	457,889	100,000
	Vacancy Rate (%)	3.0	2.5	2.2	4.3	4.3	4.1

# Market View by Submarket

## Submarket Historical Market Statistics

		2020	2021	2022	2023	2024	H1 2025
Northwest	Net Absorption (SF)	118,657	79,842	54,434	(36,989)	835	23,028
	Asking Rent, NNN Avg. Annual	\$3.44	\$3.98	\$4.62	\$5.47	\$5.86	\$4.60
	Delivered Construction (SF)	-	-	23,748	-	-	-
	Vacancy Rate (%)	3.6	2.4	1.4	2.5	2.3	1.7
South	Net Absorption (SF)	(18,225)	(4,036)	(3,964)	40,259	(44,932)	(5,714)
	Asking Rent, NNN Avg. Annual	\$6.26	\$6.11	\$6.37	\$7.63	\$8.17	\$8.86
	Delivered Construction (SF)	-	-	35,000	-	-	-
	Vacancy Rate (%)	1.0	1.1	0.8	21.5	2.6	1.5
South Central	Net Absorption (SF)	92,274	29,158	311,045	104,768	(231,769)	(46,609)
	Asking Rent, NNN Avg. Annual	\$5.58	\$6.28	\$5.47	\$5.61	\$6.93	\$6.55
	Delivered Construction (SF)	-	-	-	-	-	-
	Vacancy Rate (%)	1.6	1.6	4.3	4.4	3.9	5.3
Southeast	Net Absorption (SF)	1,857,254	5,000	34,567	178,668	273,688	(885)
	Asking Rent, NNN Avg. Annual	\$3.33	\$3.00	\$6.44	\$6.96	\$7.60	\$7.72
	Delivered Construction (SF)	1,800,000	-	25,070	138,000	23,000	0
	Vacancy Rate (%)	3.0	2.7	1.8	2.3	1.3	1.1
Southwest	Net Absorption (SF)	(351,124)	233,380	297,875	33,641	-	(52,321)
	Asking Rent, NNN Avg. Annual	\$4.77	\$5.83	\$5.88	\$5.87	\$7.65	\$5.63
	Delivered Construction (SF)	14,000	109,872	568,000	18,625	-	-
	Vacancy Rate (%)	4.3	3.7	1.7	1.0	-	1.7
Outlying Market Area	Net Absorption (SF)	215,466	32,420	7,400	92,325	104,339	98,784
	Asking Rent, NNN Avg. Annual	\$2.35	\$2.75	\$2.99	\$3.73	\$6.30	\$2.86
	Delivered Construction (SF)	-	-	-	-	-	17,751
	Vacancy Rate (%)	2.0	4.6	3.3	3.7	2.6	4.0
Tulsa Total	<b>Net Absorption (SF)</b>	<b>5,802,198</b>	<b>847,265</b>	<b>1,110,729</b>	<b>341,242</b>	<b>936,715</b>	<b>235,521</b>
	<b>Asking Rent, NNN Avg. Annual</b>	<b>\$4.97</b>	<b>\$5.12</b>	<b>\$5.37</b>	<b>\$5.18</b>	<b>\$6.54</b>	<b>\$6.52</b>
	<b>Delivered Construction (SF)</b>	<b>5,433,984</b>	<b>538,951</b>	<b>897,776</b>	<b>1,077,152</b>	<b>480,889</b>	<b>142,751</b>
	<b>Vacancy Rate (%)</b>	<b>3.2</b>	<b>3.0</b>	<b>2.6</b>	<b>4.2</b>	<b>2.6</b>	<b>2.7</b>

# H125 New and Expanding Company Announcements

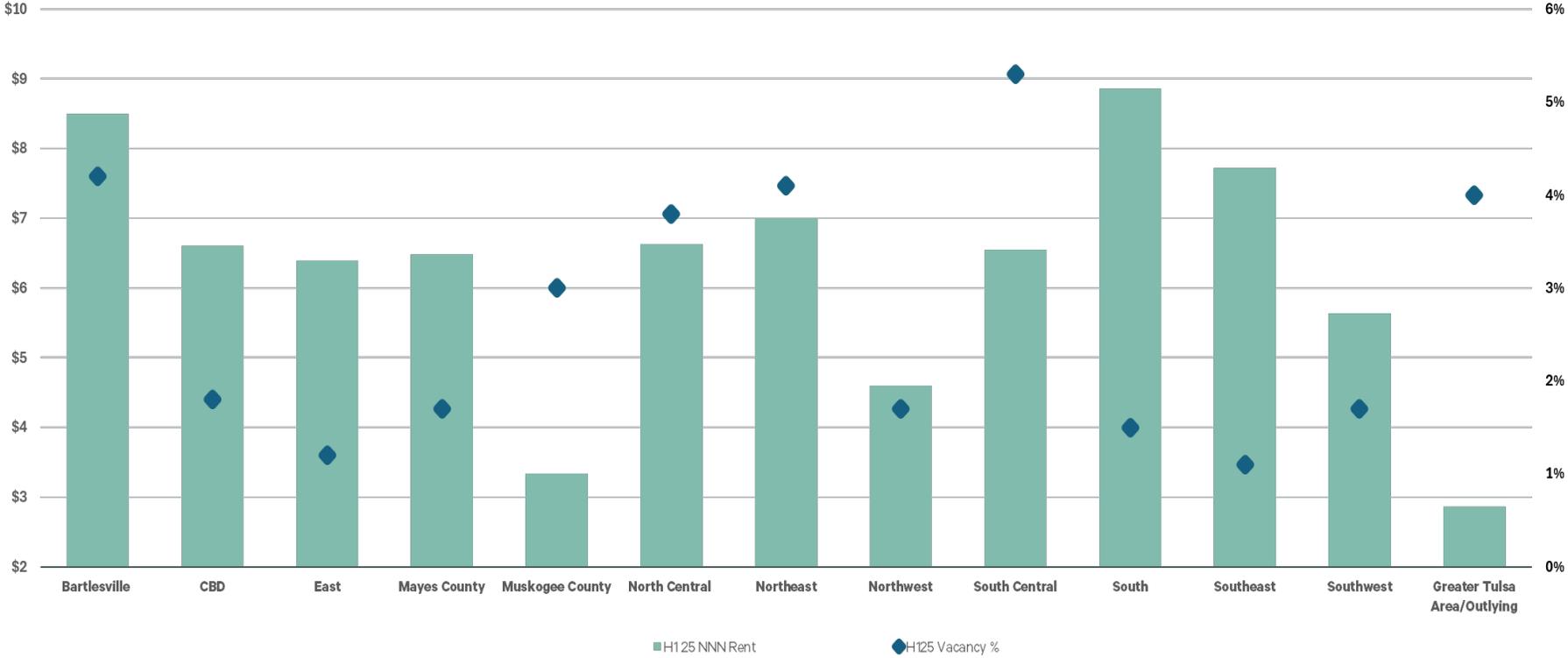


- Tulsa made up 24% of total H1 2025 announcements for Oklahoma showcasing the strength of the local economy with the expansions.
- In the *Port Performance Freight Statistics: 2025 Annual Report* by the U.S. Department of Transportation, Tulsa-Rogers County Port, OK, ranked #84 in 2022 for ports by total tonnage from a list of 150 ports. The port ranked #61 for dry bulk tonnage in the same period.
- As announcements continue and tenants expand, an anticipated increase in both construction and absorption into existing assets will be seen over the next few quarters.

Employer	County	New or Expanding	Project Type	Ownership	Location Type
Integrity Commercial Interiors LLC	Tulsa	Expanding	Manufacturing	Domestic	Headquarters
Vacuworx Global, LLC	Tulsa	Expanding	Manufacturing	Domestic	Headquarters
Heater Specialists LLC	Rogers	Expanding	Manufacturing	Domestic	Branch
Cranetech Inc.	Tulsa	Expanding	Manufacturing	Domestic	Branch
MESA Products, Inc.	Tulsa	Expanding	Manufacturing	Domestic	Headquarters
Ozark Steel, LLC	Tulsa	Expanding	Manufacturing	Domestic	Branch
Crusoe Energy Systems LLC	Tulsa	Expanding	Manufacturing	Domestic	Branch
Kelvion	Tulsa	Expanding	Manufacturing	Foreign	Branch
Lufthansa Technik Component Services LLC	Tulsa	Expanding	Manufacturing	Foreign	Branch

# H125 Vacancy vs. Rent by Submarket

- The relationship between vacancy rates and rental rates are indicative of demand, space scarcity and negotiated deal terms setting the market. Reflective of that for H125 was Bartlesville ending its 5-quarter streak of negative absorption in Q1 having reached over 26,000 square feet of positive absorption, spiking rent to an all time high with a 200% increase.
- In a historical comparative analysis from 2020 vs. H125, there has been a 0.50% decrease in vacancy and an increase in rent by \$1.55 per square feet in the total market.





# Doing Business in the State

**Corporate Tax Standing:** As of the most recently published data, Oklahoma dropped 4 slots from its 2020 ranking now besting that by achieving a rank of #5. The states pro growth and targeted tax reforms over recent years have placed the state among the top states for corporate tax structure.

**1. Property Tax Rank:** Holding steady, the states ranking remained static at 15. There is bifurcation in property taxes when it comes to residential vs. commercial users. Commercial enterprises pay taxes not just on land and improvements but also on tangible personal property (furnishings, fixtures, inventory). Ad valorem taxes paid in OK by commercial entities make up 49%.

**2. Unemployment Insurance Tax Rank:** The pandemic altered the states ranking in this category due to higher unemployment claims at the height of the pandemic and rising taxable base wages. Reform is underway to alleviate pressure with SB 911 gearing for implementation in November.

Tulsa offers a plethora of economic incentives and assistance for companies seeking to enter the market or expand within. The Economic Development Infrastructure Fund is available to aid growing and expanding companies into the Tulsa market, specifically in high impact sectors such as manufacturing.

## 2025 State Tax Competitiveness Index

State	Overall Index Rank	Corporate Tax	Property Tax	Unemployment Insurance Tax
Oklahoma	21	5	15	6
California	48	41	23	25
Illinois	37	42	41	43
Georgia	26	12	34	24
Washington	45	47	25	44
Texas	7	46	40	30

Source: Tax Foundation. Note: The State Tax Competitiveness Index measures the competitiveness of state tax structures. A rank of 1 is best, 50 is worst.



## Notable Sale Transactions

1007 E Admiral Blvd



<b>Seller</b>	Noitavonne Inc
<b>Buyer</b>	Individual
<b>Sale Date</b>	April 2025
<b>Sale Price</b>	\$5,000,000
<b>SF</b>	106,000 SF
<b>Submarket</b>	Northeast

5717 N Mingo Rd



<b>Seller</b>	Mingo Manufacturing
<b>Buyer</b>	Ameristar Perimeter Security
<b>Sale Date</b>	March 2025
<b>Sale Price</b>	\$10,000,000
<b>SF</b>	95,267 SF
<b>Submarket</b>	Northeast

7337 E 38th St



<b>Seller</b>	Individual
<b>Buyer</b>	Individual
<b>Sale Date</b>	January 2025
<b>Sale Price</b>	\$4,050,000
<b>SF</b>	28,000 SF
<b>Submarket</b>	South Central

12518 E 60th St



<b>Seller</b>	Beta Enterprises
<b>Buyer</b>	Individual
<b>Sale Date</b>	June 2025
<b>Sale Price</b>	\$3,500,000
<b>SF</b>	37,000 SF
<b>Submarket</b>	Southeast



# Notable Lease Transactions

7715 Whirlpool



<b>Tenant</b>	Kelvion
<b>Sign Date</b>	June 2025
<b>Asking Rate</b>	\$7.85 NNN
<b>SF</b>	453,486 SF
<b>Submarket</b>	Northeast

4433 W 49th St



<b>Tenant</b>	Berry Global
<b>Sign Date</b>	May 2025
<b>Asking Rate</b>	\$4.46 NNN
<b>SF</b>	110,700 SF
<b>Submarket</b>	Southwest

1306 N Marion Ave



<b>Tenant</b>	Kelvion
<b>Sign Date</b>	April 2025
<b>Asking Rate</b>	\$5.83 NNN
<b>SF</b>	101,481 SF
<b>Submarket</b>	Northeast

3515 Dawson Rd



<b>Tenant</b>	Kelvion
<b>Sign Date</b>	May 2025
<b>Asking Rate</b>	\$6.00 NNN
<b>SF</b>	82,554 SF
<b>Submarket</b>	Northeast



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