

M Office Oklahoma City MARKET

Summer 2012



WIGGIN
PROPERTIES, LLC

*Property Management Leasing and Marketing
Brokerage Consulting Redevelopment*

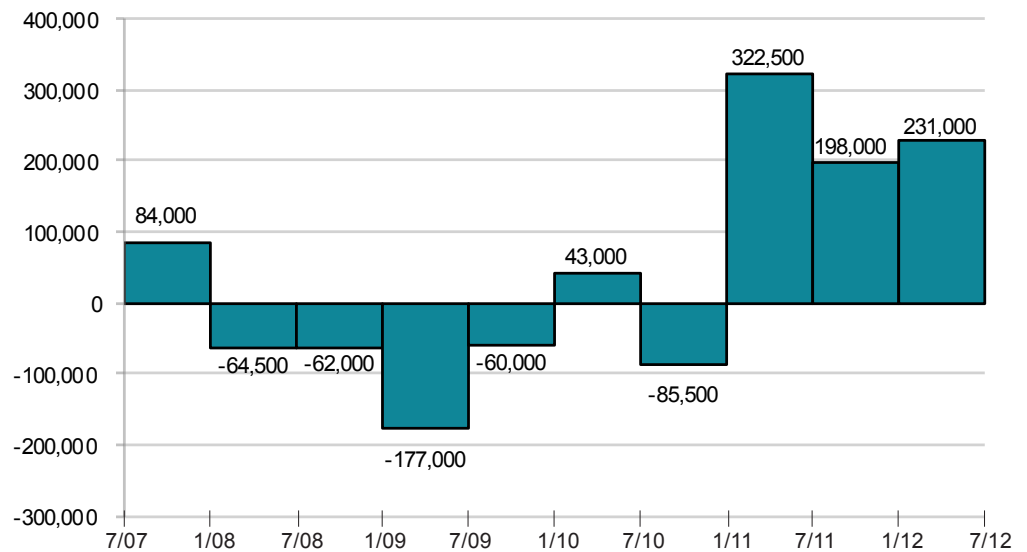
MARKET CONDITIONS IN OKLAHOMA CITY, JULY 2012

Office market absorption for the first half of 2012 continued at a healthy pace, with a net gain of 231,000 square feet. Since the start of 2011, overall absorption has totaled 751,500 square feet – the first time since July 1996 that three consecutive six-month surveys have shown absorption rates greater than 150,000 square feet. Occupancy gains since the start of 2011 have exceeded all of the losses accumulated during the prior three years by almost 300,000 square feet.

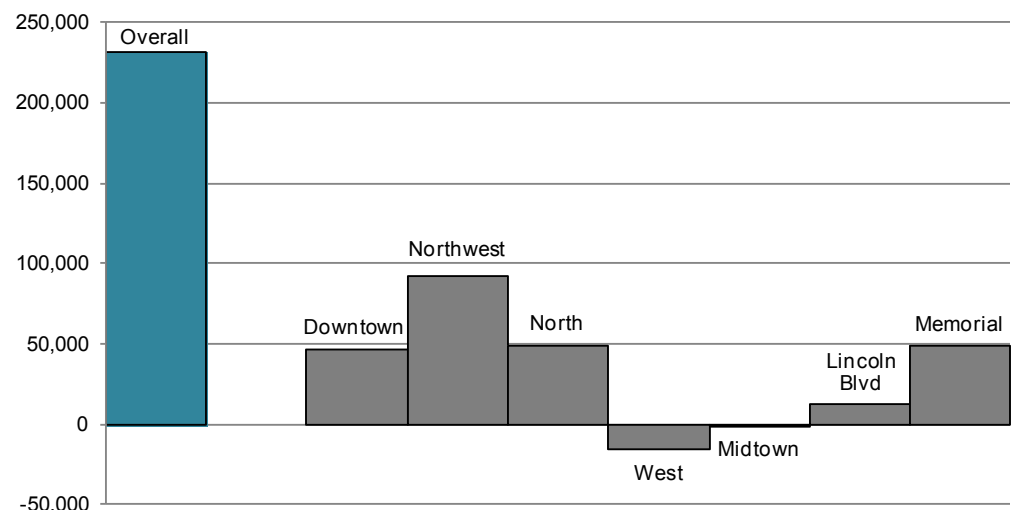
The bulk of the gains during the past six months came in the Northwest Submarket, where class A net absorption was 39,000 square feet and class B net absorption was 49,000 square feet. In the Downtown Submarket, Blue Knight (formerly Quest) moved from the Oklahoma Tower to the Packard Building (a mixed use building) at 10th and Robinson. Gungoll Jackson Collins Box & Devoll, P.C. law firm moved from Chase Tower to 101 Park Avenue. In the Lincoln Boulevard Submarket, TBS Factoring Services aquired a building at 3909 N. Classen Blvd., moving from the Northgate Office Complex. In the Memorial Submarket, DCP Midstream, LLC leased 25,000 square feet in the Quail Commerce Center. Schlumberger moved office staff from Quail Springs Parkway Plaza II (West) to it's building at 6601 Broadway Extension. In the North Submarket, K-12 Management, Inc. leased 13,000 square feet in Two Broadway Executive Park. The Midtown Submarket showed only nominal changes.

Overall occupancy rates in A and B buildings are now north of 95% in the Midtown and Lincoln Submarkets, 94% in the North Submarket, 93% and 91% in the Memorial and Northwest Submarkets respectively and 84% in the West Submarket. Downtown the Class A and B buildings average about 86% occupancy. Large blocks of space are increasingly difficult to find in either the suburban submarkets or downtown.

Overall Absorption Six Month Periods



Submarket Absorption Current Period

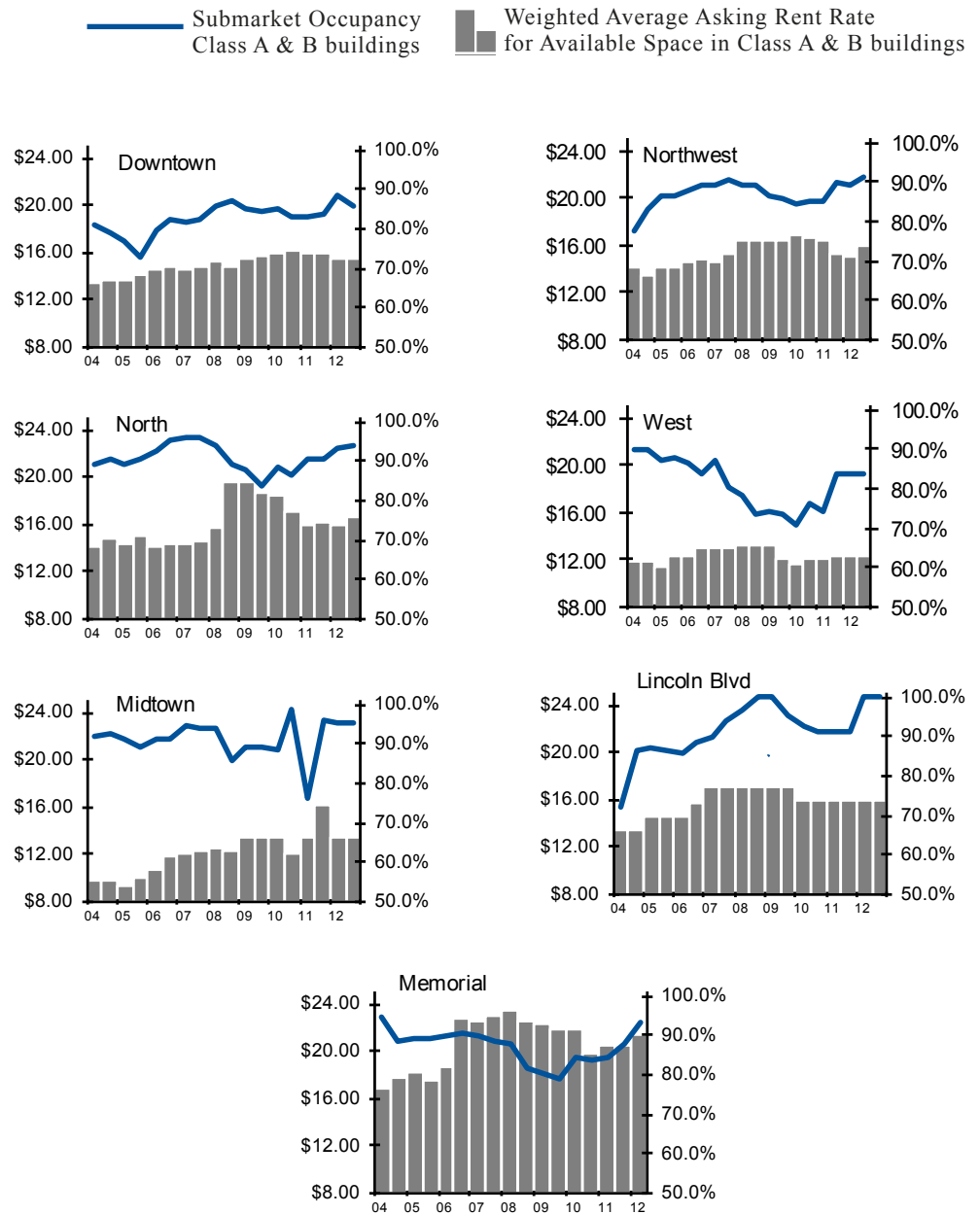


Weighted average asking rent rates have not changed significantly in most submarkets, except as a reflection of a changing mix of available space. Given the pace of absorption and dwindling availability of large blocks of space, we expect rates to continue to be firm and trend upward slightly.

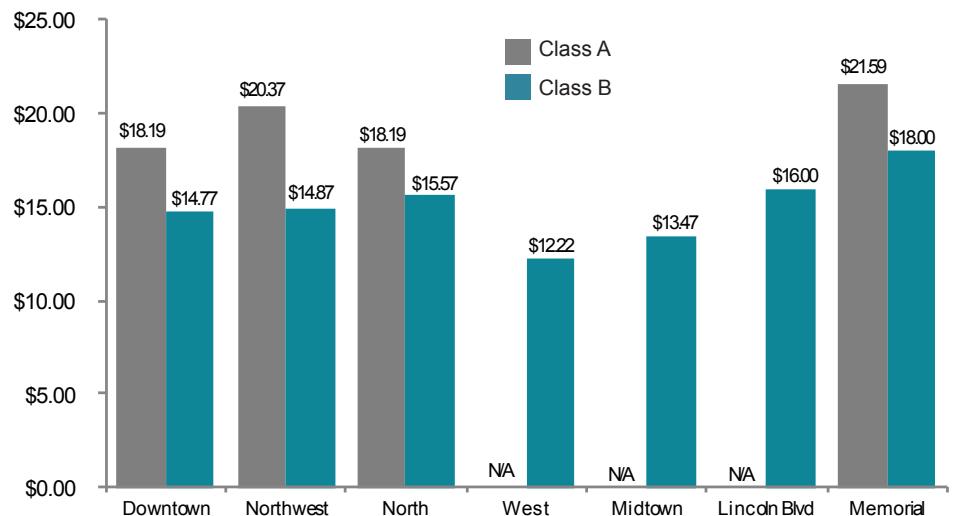
Major employers have continued to dominate the office market in Oklahoma City, and most of them have chosen to build or buy, and own their own buildings. From the perspective of market analysis, one consequence is that their facilities are not counted in our surveys of multi-tenant office buildings. Notable examples include Devon Energy (1.8 million square feet of newly built office space downtown), Chesapeake Energy (suburban on-campus buildings and some off-campus leases and purchased buildings), SandRidge Energy (former Kerr-McGee headquarters downtown and adjacent construction), OGE Energy (owner of most facilities, except for subsidiary Enogex), Continental Resources (purchaser of former Devon headquarters downtown), Mustang Fuel (suburban new construction), American Fidelity (purchaser of suburban headquarters of OPUBCO), Paycom (new building in far northwest), MidFirst Bank (suburban owner), and BancFirst (downtown owner). In the aggregate, these corporate owners represent more than five million square feet of office space which intersects with this survey of multi-tenant offices only when they (a) vacate and lease out space in a corporate building which then becomes multi-tenant (e.g. Dobson), (b) vacate a multi-tenant space for a new corporate facility (e.g. Mustang), (c) lease space in a multi-tenant building to accommodate growth while awaiting construction of another corporate facility (e.g. Chesapeake), or (d) take over a multi-tenant building and expand until it becomes a single-tenant building (e.g. MidFirst).

Oklahoma City's low unemployment and continued growth in the energy sector promise an increasing demand for offices in the next few years, with steady upward pressure on rent rates.

Occupancy & Rent Rate Trends by Submarket

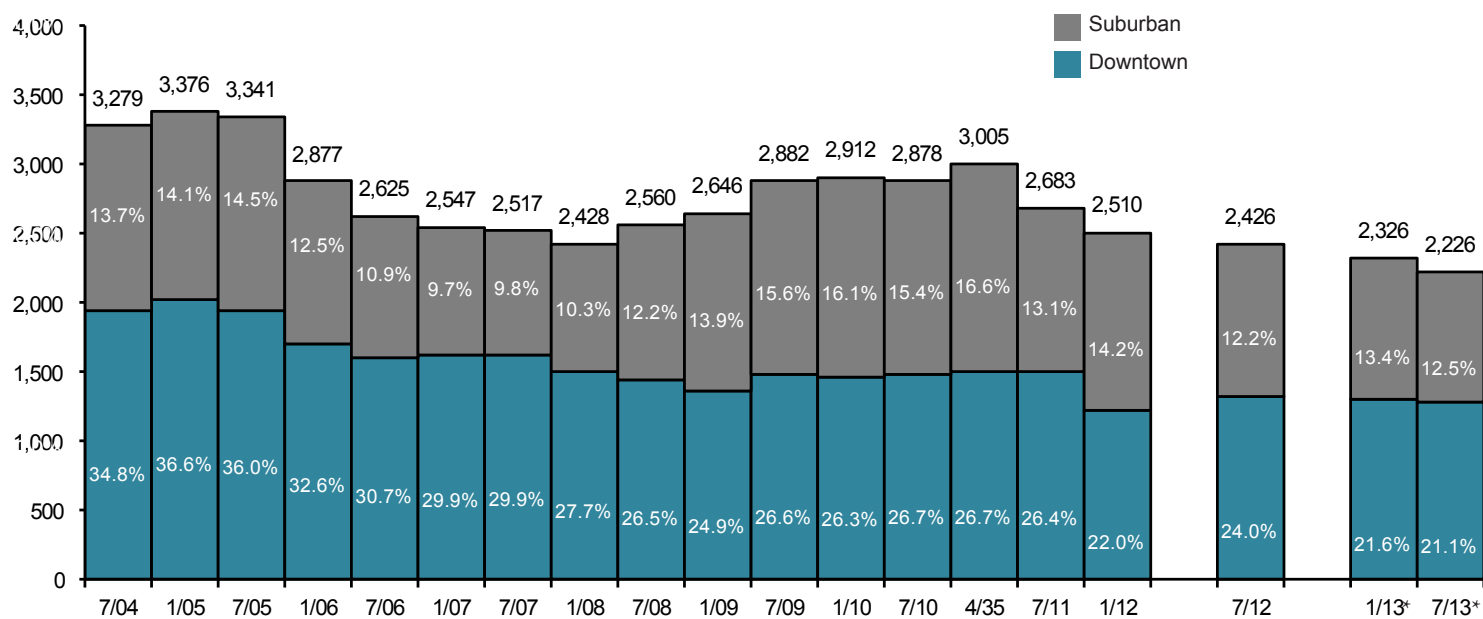


Weighted Average Asking Rent Rates by Submarket



Available Space Trend

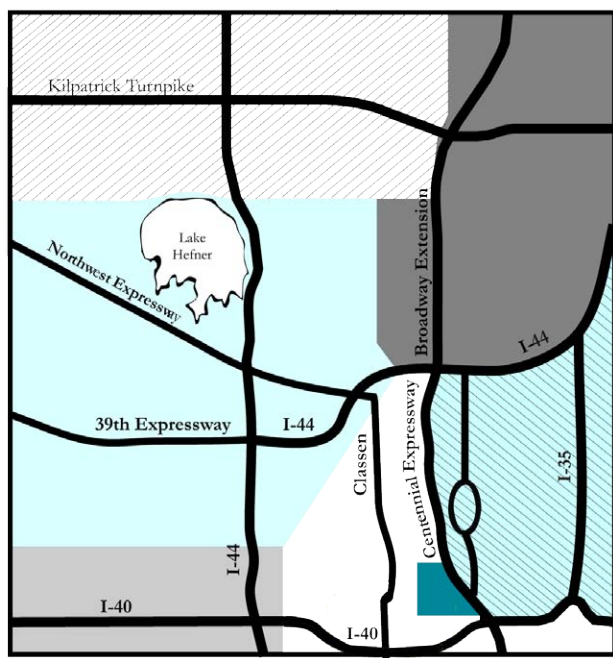
Numbers are in thousands of square feet



* Assuming that 200,000 SF is leased net of additional vacancies during the next 12 months

* Projected

Available Space by Submarket July 2012



Key Submarket	Total Area (sf)	Available (sf)	% Vacancy
Downtown	5,553,044	1,330,375	24.0%
Northwest	610,250	266,065	43.6%
North	1,007,918	78,759	7.8%
West	1,199,149	53,100	4.4%
Midtown	1,185,029	63,599	5.4%
Lincoln Blvd	4,533,626	505,747	11.2%
Memorial	430,470	127,956	29.7%
Total Suburban	8,966,442	1,095,226	12.2%
Total Office Space	14,519,486	2,425,601	16.7%



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This is a survey of multi-tenant office buildings with 25,000 square feet or more of rentable space. Single tenant, single user, medical, and government buildings are excluded. Data is gathered from cooperating owners and managers without whose help this survey would be impossible. The information and analysis is compiled using our best efforts but without warranty. This survey is copyright 2012 and may be copied with attribution upon prior request.