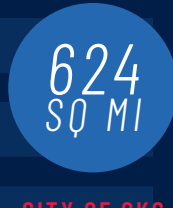


OKC MARKET REPORT



STATE CAPITAL OF OKLAHOMA



CITY OF OKC AREA SIZE



SYSTEM OF GOVERNMENT
City Manager
Elected Mayor & City Council



OKC METRO POPULATION



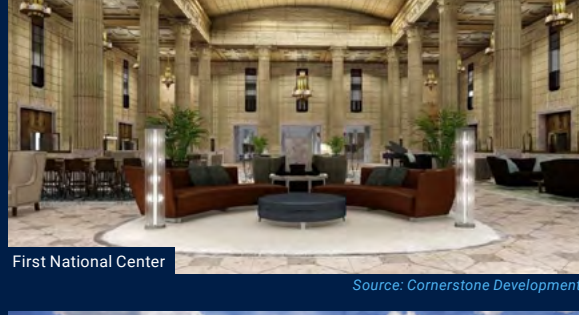
TOP CREDIT RATING 10 YEARS RUNNING



Sandridge Tower
Source: Aerial OK



The Half
Source: Flix



First National Center
Source: Cornerstone Development



BancFirst Tower
Source: Bockus Payne

Oklahoma City finished 2019 with strong growth numbers, low unemployment, and a workforce that no longer was largely reliant on oil and gas. The first two months of 2020 reflected those strong growth trends until the disruption from the COVID-19 pandemic.

Due to closures of business, massive layoffs, and shelter-in-place orders, the local economy, along with the nation, ground to a halt. Unemployment was at 2.7% in March but skyrocketed to 14.8% in April. By May, that number had started a slow decline with many retail businesses reopening and bringing back employees. While lower, unemployment in the metro still hovered near 13%.

Despite the economic downturn and uncertainty about the virus due to lack of a vaccine, the OKC metro is poised to add new employees to the local market in the coming years. Heartland is set to complete its 110,000 SF building in downtown OKC this summer. The company already has outgrown that space and has leased an additional 100,000 SF in Bricktown. In all, the company will bring about 950 employees downtown.

Also downtown, The Commissioners of the Land plan to purchase the former SandRidge tower and bring around 1,900 employees to downtown. Arvest Bank will move about 70 employees into 40,000 SF in the 202,000 SF former Bank of Oklahoma building and rename it Arvest Tower. In the Northwest part of town, Costco purchased the former Hertz building and plans to add 1,500 jobs over the next five years.

OKC DEVELOPMENTS

- Former Sandridge Tower | 489,000 Square Feet** With the purchase of the 29-story tower by the Commissioners of the Land Office in Fall 2020 for \$35.5 million, state agencies will move around 1,900 employees into the tower. There are 340 parking spaces onsite, along with the 862-space Broadway-Kerr parking garage.
- The Half | 55 Acres** Flix Brewhouse is opening its theater and brewhouse alongside Dolese's 77,773 square foot headquarters on this 55 acre development. There is potential for additional retail, office, and multifamily developments as well.
- First National Center | 1 Million Square Feet** Developer Gary Brooks is renovating the 1931 art deco tower into a 146-room Autograph by Marriott hotel and 193 upscale apartments. The Great Banking Hall and arcade space will house restaurants and bars, including Ruth's Chris Steak House.
- BancFirst Tower | 512,000 Square Feet** BancFirst purchased the 36-story tower for \$21 million in September, 2018. Now dubbed BancFirst Tower, it will house the bank and additional tenants. A renovation of the entire tower is underway. The bank plans to consolidate its operations around the city, and increase its downtown employment count to 450.

ECONOMIC DRIVERS

AVIATION AND AEROSPACE

- Tinker Air Force Base**
- 31,295 employees
 - 6,944 military | 4,631 military dependents | 19,720 civilians
 - Annual Federal Payroll: \$1.82 billion
 - Economic impact: \$4.83 billion

Recent News

In October 2019, the U.S. Air Force completed the first hangar that will serve as a maintenance hub for the KC-46A at Tinker AFB. The entire project will include 14 hangars on a 158-acre site to be built over the next decade. The hub is expected to create at least 1,300 jobs.

As part of WRWA's 8,000 acres, 1,000 acres, called Lariat Landing, is dedicated to development. Amazon built its 2.5 million square foot fulfillment center there, and SkyWest Airlines constructed a 135,000 square foot maintenance hanger that supports overnight maintenance for airlines Delta, United, American, and Alaska.

HEALTH CARE

INTEGRIS, SSM Health, Mercy, and others employ 82,000 workers in the region with 36 general medicine and surgical hospitals and specialty clinics.

PROFESSIONAL, BUSINESS, AND FINANCIAL SERVICES

More than 125,000 employees, or 18% of the local workforce, provide business and financial services nationwide.

BIOSCIENCE

Bioscience is booming in OKC and the sector employs 51,000 statewide providing goods, services, research, and education.

WHOLESALE AND RETAIL TRADE

At the intersection of major interstates, OKC is a trade center with total taxable retail sales in 2018 of \$23.8 billion.

MANUFACTURING

More than 38,000 people are employed in manufacturing in the OKC metro. It accounts for about 6% of the metro's nonagricultural labor force.

ATHLETICS

The OKC Thunder is the biggest sports story in town, but other teams and events bring tens of thousands of visitors—and millions of dollars in economic impact—to the local market.

- OKC Thunder**
- Nine trips to the NBA playoffs
 - One trip to the NBA Finals
 - Average attendance: 18,203

- OKC Energy FC**
- USL Championship League
 - Team plays at Taft Stadium
 - Average attendance: 4,298

- OKC Dodgers**
- AAA franchise for the L.A. Dodgers MLB team
 - Team plays at Chickasaw Bricktown Ballpark
 - Average attendance: 6,471

- NCAA College Women's World Series**
- Attracts 70,000 visitors annually
 - \$15M economic impact
 - \$27.5M improvements underway

- Memorial Marathon**
- More than 24,000 runners annually
 - \$10M economic impact
 - 16,000 hotel room nights

Sources: ESPN; Soccer Stadium Digest; MLB.com; OKC Convention and Visitors Bureau

ENERGY

Long known as an energy state, the OKC metro is home to several major oil and gas companies, and accounts for 3% of metro employment and 10% of total compensation.

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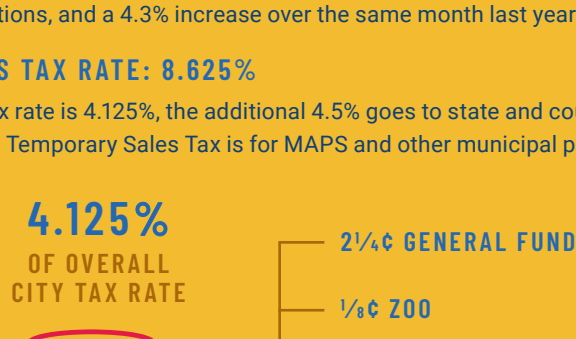
CITY FINANCES

The City of Oklahoma City pays for day-to-day operations from the General Fund. The largest contributor to that fund is sales tax, followed by use tax. Sales tax is derived from retail sales, and use tax comes from goods purchased elsewhere and shipped or brought to OKC, including purchases from online retailers.

General Fund collections for Feb. 2020, which includes collections from the last half of Dec. 2019 and estimated collections for the first half of Jan. 2020, was \$23 million. That number was 2.1% above projections, and a 4.3% increase over the same month last year.

SALES TAX RATE: 8.625%

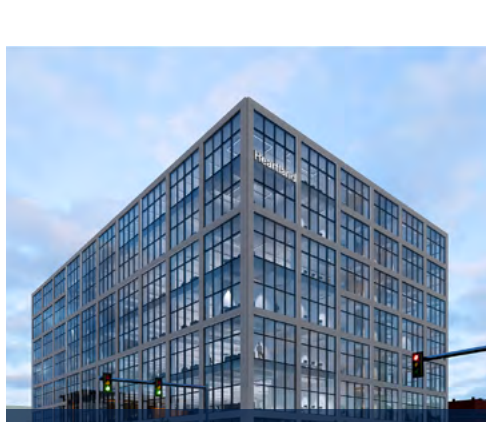
City tax rate is 4.125%, the additional 4.5% goes to state and county. The 1¢ Temporary Sales Tax is for MAPS and other municipal projects.



PUBLIC, PRIVATE DEVELOPMENTS + MAPS 4



Oklahoma Contemporary Arts Center
50,000 SF | March 2020



Heartland Headquarters
110,000 SF | July 2020



Omni Hotel
605 Rooms | January 2021

MAPS 4 PROJECTS

Parks
\$140 million will fund improvements to all of the parks in the city.

Youth Centers
\$110 million will fund four new youth centers to provide activities and education.

Senior Wellness Centers
\$15 million for a fifth Senior Wellness Center, and \$15 million for scholarships for low-income seniors.

Mental Health and Addiction
\$40 million for mental health and substance abuse services.

Family Justice Center Operated by Palomar
\$38 million will pay for a family justice center for victims of abuse and violence.

Transit
\$87 million for upgrades, more buses and rapid transit lines.

Sidewalks, Bike Lanes, and Streetlights
\$87 million dedicated to bike and pedestrian roads and trails.

Chesapeake Energy Arena
\$115 million for capital maintenance and improvements for tenants and fans.

Beautification
\$30 million for beautification projects around the city.

Homelessness
\$50 million to reduce homelessness with affordable housing options.

Animal Shelter
\$38 million for a city animal shelter to replace the current outdated facility.

Fairgrounds Coliseum
\$63 million to partially fund an arena that will replace the aging Jim Norick Arena.

Diversion Hub
\$17 million to work to keep low-level offenders out of jail.

Innovation District
\$71 million to create a hub of innovation in the OU Health Sciences area.

Freedom Center and Clara Luper Civil Rights Center
\$25 million to renovate Freedom Center and construct center to celebrate civil rights history.

Multipurpose Stadium
\$37 million for a multipurpose stadium to host outdoor sporting events downtown.

A study by the OKC Planning Department found that within a 3-block impact zone around the MAPS streetcar route, there has been more than \$1.6 billion value in public and private investment since 2011 alone. Even prior to that, Devon Energy began work in 2009 on its \$750 million headquarters downtown.

The OKC Chamber reports private property values within the three-block impact zone have grown by 115 percent since the route was proposed in 2011. Because of its location along the streetcar route, Heartland chose Automobile Alley to build its 7-story, 110,000 square foot headquarters. Tony Capucille, president of Heartland, cited the streetcar at the building's front door, and the vibrant energy downtown as the reason for building and bringing 345 employees downtown.

Impact of public and private investments in MAPS totals more than \$7 billion

Estimated private investment of \$3.9 billion between 1995 and 2018

Property values downtown have nearly doubled, an increase of \$1.88 billion

Since 2009, downtown has added 2,200 residents, accounting for growth of 20.8%

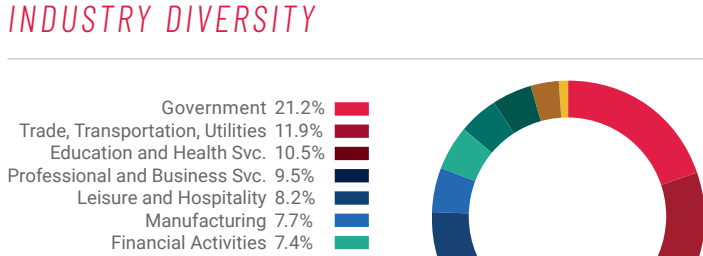
2,700 housing units were added downtown during that period

9,000 jobs added downtown

John W. Rex Charter Elementary School built four-year

NGLSB OKC MARKET REPORT | 2020

INDUSTRY DIVERSITY



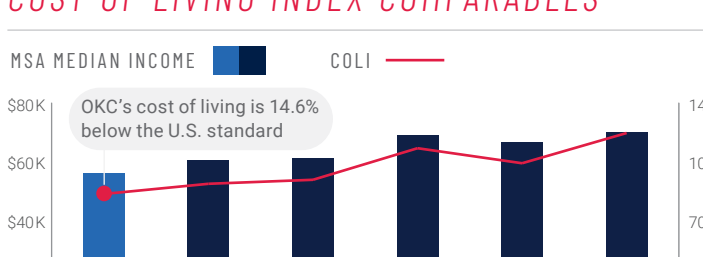
Averages from 2019 | Source: US BLS

ENROLLMENT 2018-2019

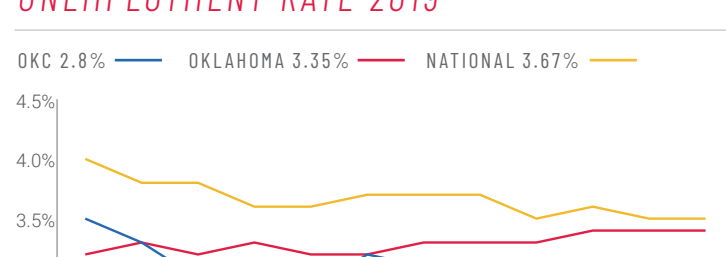
School	'18/'19	Type
OU Oklahoma - Norman	30,617	State four-year
OU Health Sciences Center - OKC		State four-year
Oklahoma State University	29,009	State four-year
University of Central Oklahoma	14,704	State four-year
Oklahoma City Oklahoma College	11,469	State two-year
Rose State College	6,676	State two-year
Oklahoma City University	2,708	Private four-year
Oklahoma Christian University	2,162	Private four-year

Source: Oklahoma State Regents for Higher Education

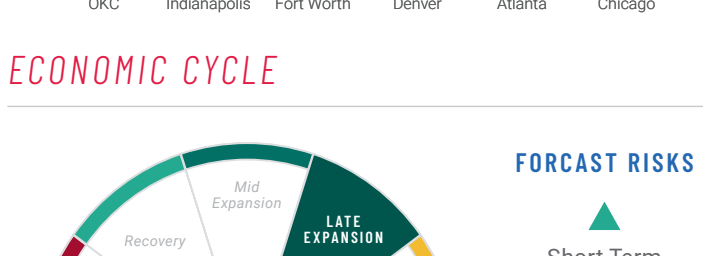
COST OF LIVING INDEX COMPARABLES



UNEMPLOYMENT RATE 2019



ECONOMIC CYCLE



FORCAST RISKS

- Short Term
- Long Term

KEY INDICATORS

Metric	2015	2016	2017	2018	2019	2020	2021	2022
Population (M)	1.36	1.37	1.38	1.39	1.40	1.42	1.43	1.44
Unemployment (%)	3.9	4.3	3.9	2.8	2.5	2.4	2.9	3.1
Employment (K)	630	630	635	650	661	661	661	666
Median HH Income (K)	53.2	54.5	56.3	58.6	60.9	62.3	63.7	65.5
Cost of Living				84.6	85.4			
F-500 Companies	2	2	2	2	2	2	1	1
Nat'l Sports	1	1	1	1	1	1	1	1

Source: Moody's; BLS.gov; Fortune.com

MAJOR EMPLOYERS

The largest employers in the OKC metro are the government and military, although the area has a diverse economy and is home to the headquarters of several major companies.

HQ	Employer	Employees	Sector	Ticker	Market Cap	Years in OKC
	Hobby Lobby Stores, Inc.	5,100	Retail	Private	-	48
	The Boeing Company	3,000	Aerospace	BA	\$121.6 B	36
	Devon Energy Corp.	2,500	Oil & Gas	DVN	\$3.2 B	49
	Paycom	2,500	Technology	PAYC	\$13.8 B	22
	Midfirst Bank	2,000	Finance	Private	-	66
	Chesapeake Energy Corp.	1,800	Oil & Gas	CHK	\$27.9 M	31
	Dell	1,800	Business Services	DELL	\$28 B	16
	Love's Travel Stops & Country Stores	1,800	Retail	Private	-	56
	Bancfirst	1,700	Finance	BANF	\$1.2 B	54
	Hertz	1,700	Rental Services	HRI	\$1.1 B	56
	Enable Midstream	1,600	Oil & Gas	ENBL	\$2.1 B	7
	American Fidelity	1,400	Finance	Private	-	60

Source: Greater OKC Chamber | Excludes Government, Military, Higher Education, and Healthcare