Quick Facts About Oklahoma City

- Current sales market conditions: slightly soft.
- Current rental market conditions: slightly soft.
- The Oklahoma City metropolitan area is home to Tinker Air Force Base (AFB), the University of Oklahoma (OU), and the state capital, which have a combined economic impact on the metropolitan area of more than $10 billion annually (the Greater Oklahoma City Chamber, State Chamber of Oklahoma, and University of Oklahoma).

Overview

The Oklahoma City, OK Metropolitan Statistical Area (hereafter, the Oklahoma City metropolitan area) in central Oklahoma includes Canadian, Cleveland, Grady, Lincoln, Logan, McClain, and Oklahoma Counties. The metropolitan area was named one of the 25 best places in the United States to retire in 2014 by Forbes magazine. A relatively low cost of living, affordable home prices, and a high amount of volunteerism contributed to the ranking.

- As of February 1, 2014, the estimated population of the metropolitan area was 1.34 million.
- Since 2010, the population has increased annually by an average of 22,300, or 1.7 percent, compared with an average annual increase of 19,100, or 1.6 percent, from 2007 through 2009.
- Net in-migration has accounted for nearly 65 percent of population growth since 2010, as the economy expanded, compared with 56 percent of population growth from 2007 through 2009.
- More than one-half of the population in the metropolitan area resides in Oklahoma County, and population growth in Oklahoma County has accounted for more than one-half of the population increase in the metropolitan area since 2010.
Growth of more than 2 percent in many sectors resulted in record-level payrolls in the Oklahoma City area.

### Economic Conditions

Nonfarm payroll jobs in the Oklahoma City metropolitan area have increased to record-high levels since recording an average loss of 16,200 jobs, or 2.8 percent, during 2009 as a result of the economic downturn.

During the 3 months ending January 2014—

- Nonfarm payrolls increased by 15,800 jobs, or 2.6 percent, from a year earlier to an average of 617,300 jobs, after increasing by an average of 13,150 jobs, or 2.3 percent, annually during the previous 3 years.
- The leisure and hospitality and the government sectors led job growth, increasing by 4,900 and 3,100 jobs, or 7.9 and 2.5 percent, respectively, from the same 3-month period a year earlier.
- The government sector is the largest in the metropolitan area, accounting for 127,900 jobs, or approximately one-fifth of the nonfarm job total.
- The unemployment rate increased to an average of 4.9 percent from 4.8 percent during the same 3-month period a year earlier because increases in labor force outpaced employment growth.

Jobs at the three largest employers in the metropolitan area—the State of Oklahoma, Oklahoma University, and Tinker Air Force Base—account for more than one-half of the jobs in the government sector.

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### Growth of 3 Months Ending Year-Over-Year Change

<table>
<thead>
<tr>
<th>Sector</th>
<th>January 2013 (thousands)</th>
<th>January 2014 (thousands)</th>
<th>Absolute (thousands)</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total nonfarm payrolls</td>
<td>601.5</td>
<td>617.3</td>
<td>15.8</td>
<td>2.6</td>
</tr>
<tr>
<td>Goods-producing sectors</td>
<td>82.4</td>
<td>84.6</td>
<td>2.2</td>
<td>2.7</td>
</tr>
<tr>
<td>Mining, logging, and construction</td>
<td>46.5</td>
<td>48.2</td>
<td>1.7</td>
<td>3.7</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>35.9</td>
<td>36.4</td>
<td>0.5</td>
<td>1.4</td>
</tr>
<tr>
<td>Service-providing sectors</td>
<td>519.1</td>
<td>532.7</td>
<td>13.6</td>
<td>2.6</td>
</tr>
<tr>
<td>Wholesale and retail trade</td>
<td>90.1</td>
<td>92.8</td>
<td>2.7</td>
<td>3.0</td>
</tr>
<tr>
<td>Transportation and utilities</td>
<td>15.9</td>
<td>16.4</td>
<td>0.5</td>
<td>3.1</td>
</tr>
<tr>
<td>Information</td>
<td>8.3</td>
<td>8.1</td>
<td>−0.2</td>
<td>−2.4</td>
</tr>
<tr>
<td>Financial activities</td>
<td>34.0</td>
<td>34.6</td>
<td>0.6</td>
<td>1.8</td>
</tr>
<tr>
<td>Professional and business services</td>
<td>74.7</td>
<td>74.9</td>
<td>0.2</td>
<td>0.3</td>
</tr>
<tr>
<td>Education and health services</td>
<td>87.5</td>
<td>89.6</td>
<td>2.1</td>
<td>2.4</td>
</tr>
<tr>
<td>Leisure and hospitality</td>
<td>61.9</td>
<td>66.8</td>
<td>4.9</td>
<td>7.9</td>
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<tr>
<td>Other services</td>
<td>21.7</td>
<td>21.5</td>
<td>−0.2</td>
<td>−0.9</td>
</tr>
<tr>
<td>Government</td>
<td>124.8</td>
<td>127.9</td>
<td>3.1</td>
<td>2.5</td>
</tr>
</tbody>
</table>

#### Unemployment rate

<table>
<thead>
<tr>
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<th>(percent)</th>
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</thead>
<tbody>
<tr>
<td>January 2013</td>
<td>4.8</td>
</tr>
<tr>
<td>January 2014</td>
<td>4.9</td>
</tr>
</tbody>
</table>

Note: Numbers may not add to totals because of rounding. Source: U.S. Bureau of Labor Statistics.

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Nonfarm payrolls are increasing faster in the Oklahoma City area than in the region and the nation.

### Largest employers in the Oklahoma City area

<table>
<thead>
<tr>
<th>Name of Employer</th>
<th>Nonfarm Payroll Sector</th>
<th>Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>State of Oklahoma</td>
<td>Government</td>
<td>42,000</td>
</tr>
<tr>
<td>University of Oklahoma</td>
<td>Government</td>
<td>16,100</td>
</tr>
<tr>
<td>Tinker Air Force Base</td>
<td>Government</td>
<td>14,500</td>
</tr>
</tbody>
</table>

Note: Excludes local school districts. Sources: Greater Oklahoma City Chamber; Department of Defense.
Sales Market Conditions

The sales housing market in the Oklahoma City metropolitan area is slightly soft, with a vacancy rate of 2.0 percent compared with the rate of 2.2 percent recorded in April 2010. During the 12 months ending January 2014, existing home sales (including single-family homes, townhomes, and condominiums) totaled nearly 25,350, an increase of 900 homes, or 3.6 percent, from the same 12-month period a year earlier (CoreLogic, Inc.). The average sales price of an existing home increased to $141,100, up $7,350, or 5.5 percent, from a year earlier. New home sales totaled 4,375, up by 625 homes, or 16.6 percent, from the same 12-month period a year earlier. The average new home sales price was $228,200, up $3,950, or 1.8 percent, from a year earlier.

New and existing home sales prices in the Oklahoma City area increased during the past 3 years.

![Graph showing new home sales prices and existing home sales prices from Jan 2009 to Jan 2014.]

Note: Includes single-family homes, townhomes, and condominiums. Source: CoreLogic, Inc.

The percentage of distressed mortgages remained lower in the Oklahoma City area than in the state and nation.

![Graph showing the percentage of loans 90 or more days delinquent, in foreclosure, or transitioned into REO from Jan 2009 to Jan 2014.]

REO = Real Estate Owned. Source: Black Knight Financial Services, Inc.

Single-family home permitting activity in the Oklahoma City area increased significantly during the past 2 years.

![Bar chart showing single-family homes permitted from 2000 to 2014.]

Note: Includes preliminary data from January 2013 through January 2014. Sources: U.S. Census Bureau, Building Permits Survey; analyst estimates
Rental Market Conditions

Rental housing market conditions in the Oklahoma City metropolitan area are slightly soft but improving as a result of an expanding economy and increased demand for rental housing.

- As of February 1, 2014, the estimated overall rental vacancy rate was 7.5 percent, down from 10.4 percent in April 2010.
- The number of single-family homes offered for rent declined in January 2014 by 250, or 12.9 percent, from a year earlier, to 1,625 (Yahoo!-Zillow Real Estate Network).
- Investment purchases accounted for 20.0 percent of total home sales during the 12 months ending January 2014, up from 16.0 percent a year earlier (CoreLogic, Inc.).
- Home values in the metropolitan area increased to 13 percent above the prerecession peak level, leading the nation in the housing market recovery (Wall Street Journal).
- In January 2014, 4.9 percent of mortgage loans in the metropolitan area were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), down from 5.3 percent a year earlier and from 5.2 percent in April 2010 (Black Knight Financial Services, Inc.).

Increased new home sales and decreased unsold inventory in the Oklahoma City metropolitan area led to an increase in single-family homebuilding activity, as measured by the number of homes permitted, during the 12 months ending January 2014.

- During the 12 months ending January 2014, the number of single-family homes permitted increased by 1,500, or 27.5 percent, to 6,950 compared with the number permitted during the same period ending January 2013 (preliminary data).
- Single-family homebuilding activity averaged 3,075 annually from 2009 through 2011.
- Nearly 1,000 of the single-family homes permitted during the 12 months ending January 2014 were to replace some of the more than 1,600 homes destroyed during tornados that occurred in late May 2013.
- In the city of Moore, where the greatest tornado damage occurred, single-family home permitting activity totaled approximately 700 homes during the 12 months ending January 2014, up 300 percent from a year earlier.

Apartment rents in the Oklahoma City area continued to record year-over-year increases, and apartment vacancy rates have declined since 2012.

- During the fourth quarter of 2013, the average apartment vacancy rate in the metropolitan area was 5.5 percent, down from 6.5 percent a year earlier and from 10.1 percent during the first quarter of 2010 (Reis, Inc.).
- The average apartment rent was $600 during the fourth quarter of 2013, up 2.9 percent compared with the average rent a year earlier (Reis, Inc.).

Multifamily construction activity, as measured by the number of units permitted, increased during the past 12 months as builders responded to increased rental housing demand.

Improving rental market conditions in the Oklahoma City area resulted in increased apartment construction during the past 2 years.

Note: Includes preliminary data from January 2013 through January 2014. Sources: U.S. Census Bureau, Building Permits Survey; analyst estimates
• During the 12 months ending January 2014, approximately 2,050 multifamily units were permitted, an increase of 600 units, or 41.4 percent, compared with the number permitted during the same period ending January 2013 (preliminary data).

• Multifamily permitting activity averaged 840 annually from 2009 through 2011.

• The Edge at Midtown, a mixed-use development under construction near downtown Oklahoma City, is scheduled to complete 250 apartment units by the fall of 2014. Proposed rents range from $925 to $1,000 for one-bedroom units, range from $1,265 to $1,525 for two-bedroom units, and are $1,650 for three-bedroom units.

• The Icon at Norman, under construction 14 miles south of downtown Oklahoma City, is expected to be complete in 2014. Proposed rents at the 264-unit development range from $829 to $949 for one-bedroom units and from $889 to $1,099 for two-bedroom units.