

Commercial Property for Sale or Lease

Greater Cheyenne Area

March 17, 2020

Introduction

The summary table on page 6 outlines, on a quarterly basis, the number of commercial properties currently vacant and/or for sale in the greater Cheyenne area. Statistics for 2015 are now final and will no longer be revised going forward. Vacancy rates for 2016, 2017, 2018, and 2019 are based upon 2016 preliminary baseline numbers.

Please click on the website links labeled Retail Opportunities, Warehousing Opportunities, Office Space Opportunities and Medical Opportunities to see lists of individual properties by these uses.

The Wyoming Center for Business & Economic Development (WCBEA) launched the development of a commercial property database for Laramie County in mid-2008. We would caution users with the following:

- The number of vacant or available properties and the amount of square footage is conservative for all classes of properties;
- Statistics by and large reflect availability in the commercial market and fairly represent the market in regards to pricing but again, do not represent an exact count of properties available;
- The addition or deletion of a large property can skew the reported data; and
- Residential data are not included.

Overview

By the end of the first quarter of 2020, there were 103 active properties on the local commercial real estate market, a 1.0 percent increase from the fourth quarter of 2019, and a 14.2 percent decrease from one year ago. During the quarter, the number of available properties increased in two of the three major categories: Retail spaces and Office spaces. The number of retail spaces increased from 47 to 48 over the quarter and the number of office spaces increased from 31 to 33. The number of warehouse spaces decreased by 3 units over the quarter, from 21 to 18 spaces.

From the fourth quarter of 2019 to the first quarter of 2020, the number of available warehousing units for sale and/or lease decreased 14.2 percent (-3 units), the total available square footage decreased 3.2 percent, and the overall vacancy rate improved, decreasing from 6.8 percent to 6.6 percent. The average lease rate increased from \$6.99/sf to \$7.60/sf at the end of the first quarter. Total vacant square footage ended the quarter at 371,335 sf as compared to 383,516 sf at the end of the fourth quarter of 2019.

The number of available retail properties for sale and/or lease increased 1.0 percent over the quarter and the overall retail vacancy rate increased from 8.4 percent to 9.1 percent in the first quarter of 2020. Vacancy in the Frontier Mall decreased from 2.4 percent during the fourth quarter of 2019 to 2.1 percent in the first quarter of 2020. Vacancy at the Cheyenne Shopping Plaza stayed constant over the quarter at 32.9 percent. The Holiday Home Plaza had no vacancies listed. Other shopping centers saw no new changes in vacancies. The total amount of vacant retail space ended the quarter at 372,156 sf, increasing from 339,957 sf at the end of the fourth quarter of 2019. Several large properties remained vacant, including the former K-Mart (44,625 sf) and Pioneer Printing (24,956 sf).

The number of available office properties increased 6.4 percent over the quarter and the total square footage decreased 2.2 percent over the quarter. The vacancy rate for office properties fell to 6.6 percent and is down from one year ago when it stood at 9.7 percent at the end of the first quarter of 2019. Total vacant office space by the quarter's end had decreased to 144,786 sf from 148,153 sf in the fourth quarter of 2019.

The number of medical spaces available for sale or lease during the first quarter of 2020 increased from 3 to 4. The vacancy rate increased to 3.4 percent.

The summary table on page 6 presents statistics for the past 11 quarters for commercial office, retail and warehousing space. Medical properties are also presented as a separate link as mentioned above.

Office Space

The average lease rate for office space decreased over the quarter to \$13.15/sf as of March 17, 2020. At the end of the fourth quarter of 2019, the average lease rate was \$13.25/sf and one year ago the average lease rate was \$14.16/sf.

Table 1 below presents the number of available office space properties by size. Nearly 40 percent of available office spaces have less than 2,500 sf. Over 30 percent of available office spaces have more than 5,000 sf.

Table 1. Available Office Properties by Square Footage

Size (sf)	Units	% of Total
≥ 20,001	2	6.1%
10,001 - 20,000	3	9.1%
5,001 -10,000	5	15.2%
2,501 - 5,000	10	30.3%
≤ 2,500	13	39.4%

Warehousing

At the end of the first quarter of 2020, there were 18 warehouse properties available with a combined 371,335 sf. The APW Wyott building(210,518 sf) continued to be the largest warehouse property available, accounting for over half of the available sf. The next largest unit available is 38,868 sf by comparison. There are 13 warehouse properties with more than 10,000 sf.

Table 2 shows the distribution of warehouses by size. Over half of the available warehouse properties have more than 10,000 sf. One fifth of available warehouse properties have between 5,000 sf and 10,000 sf. There was just one available property with fewer than 5,000 sf.

Table 2. Available Warehouse Properties by Square Footage

Size (sf)	Units	% of Total
≥ 20,001	4	22.2%
10,001 - 20,000	9	50.0%
5,001-10,000	4	22.2%
2,501 - 5000	1	5.6%
≤ 2,500	0	0.0%

Retail

Seven retail properties left the market during the first quarter of 2020 and eight new properties became available, resulting in a net increase of one space and over 30,000 sf in total retail space available for lease and/or sale. The overall vacancy rate for retail properties increased from 8.4 percent to 9.1 percent and the average retail lease rate increased from \$15.08/sf to \$15.51/sf over the quarter.

Of the 48 retail properties on the market during the first quarter of 2020, 44 were vacant. The five largest vacant properties contain approximately 157,000 sf, representing over 40 percent of the total vacant square footage. These properties include the former K-Mart and the former Pioneer Printing.

Within Cheyenne’s shopping malls, Frontier Mall had 7 vacant units with a total of 11,536 sf available (2.1% vacancy rate). The vacancy is rate is down from 2.4 percent in the fourth quarter of 2019 and

down from 17.5 percent a year ago. The Sears space was filled by an outdoor gear company, Jax Retailers. The Cheyenne Plaza Shopping Center had five units available with a total of 51,000 sf (32.9% vacancy rate). Other malls had minimal or no vacancies.

Table 3 below presents the number of retail properties available by square footage. As the data suggest, potential retailers have a wide selection of retail sites available to them under current market conditions. Over a third of available retail spaces have more than 5,000 sf (38.3%). Over a quarter of spaces have less than 2,500 sf (25.5%)

Table 3. Available Retail Properties by Square Footage

Size (sf)	Units	% of Total
≥ 20,001	5	10.4%
10,001 - 20,000	3	6.3%
5,001-10,000	10	20.8%
2,501 - 5,000	16	33.3%
≤ 2,500	14	29.2%

Summary

Table 4 presents historical data and additional details by property type including the range of lease rates by property type.

Table 4. Summary Table, Greater Cheyenne Area Property Available for Sale or Lease

Summary Table					
Commercial Property For Sale and Lease					
Updated: 03/17/2020					
Property Type	# Properties	Square Footage	Avg Lease Rate	Min/Max Rate	Vacancy Rate
Second Quarter 2017					
Warehouse	28	492,320	\$8.24	4.50 - 14.50	8.7%
Retail	42	455,448	\$13.00	8.00 - 20.00	11.2%
Office Space	50	274,990	\$14.03	8.00 - 22.00	12.6%
Third Quarter 2017					
Warehouse	27	442,067	\$7.84	4.50 - 14.50	7.8%
Retail	50	474,625	\$13.47	8.00 - 20.00	11.6%
Office Space	48	266,931	\$14.00	10.00 - 22.00	12.3%
Fourth Quarter 2017					
Warehouse	26	456,368	\$7.85	4.50 - 14.50	8.1%
Retail	49	434,979	\$11.63	5.50 - 17.00	10.7%
Office Space	47	315,920	\$14.50	7.50 - 22.00	14.5%
First Quarter 2018					
Warehouse	28	464,432	\$7.78	4.50 - 14.50	8.2%
Retail	57	571,496	\$10.90	5.50 - 17.00	14.0%
Office Space	45	352,421	\$14.90	7.80 - 23.60	16.2%
Second Quarter 2018					
Warehouse	27	461,361	\$7.68	4.50 - 14.50	8.1%
Retail	60	573,636	\$13.77	6.00 - 23.50	14.1%
Office Space	40	315,683	\$15.13	7.80 - 23.60	14.5%
Third Quarter 2018					
Warehouse	34	532,596	\$7.67	4.50 - 12.75	9.4%
Retail	68	590,744	\$12.75	6.00 - 23.50	14.5%
Office Space	40	300,933	\$14.65	7.80 - 21.50	13.8%
Fourth Quarter 2018					
Warehouse	26	479,393	\$8.46	4.50 - 12.75	8.4%
Retail	76	675,179	\$12.96	6.00 - 23.50	16.6%
Office Space	40	298,603	\$15.54	10.00 - 27.43	13.7%
First Quarter 2019					
Warehouse	23	451,421	\$7.33	4.50 - 12.75	8.0%
Retail	63	561,916	\$13.21	6.00 - 23.50	13.8%
Office Space	34	210,885	\$14.16	10.00 - 18.50	9.7%
Second Quarter 2019					
Warehouse	19	392,028	\$6.24	4.50 - 8.00	6.9%
Retail	52	511,569	\$13.26	6.00 - 23.50	12.6%
Office Space	34	184,319	\$14.23	10.00 - 18.50	8.5%
Third Quarter 2019					
Warehouse	16	332,094	\$6.85	4.50 - 8.50	5.8%
Retail	52	434,220	\$13.51	6.00 - 23.50	10.7%
Office Space	34	156,252	\$14.57	10.00 - 18.50	7.2%
Fourth Quarter 2019					
Warehouse	21	383,516	\$6.99	4.50 - 8.50	6.8%
Retail	47	339,957	\$15.08	12.00 - 23.50	8.4%
Office Space	31	148,153	\$13.25	10.00 - 16.00	6.8%
First Quarter 2020					
Warehouse	18	371,335	\$7.60	6.25 - 8.50	6.6%
Retail	48	372,156	\$15.57	12.00 - 23.50	9.1%
Office Space	33	144,786	\$13.15	10.00 - 16.00	6.6%

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