

# Commercial Property for Sale or Lease

## Greater Cheyenne Area

### September 27, 2019

#### 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 third quarter of 2019, there were 107 active properties on the local commercial real estate market, a 2.7 percent drop from the second quarter of 2019, and a 27.2 percent decrease from one year ago. During the quarter, the number of available properties stayed constant in two of the three major categories: Retail spaces and Office spaces. The number of retail spaces held the same at 52 over the quarter and the number of office spaces stayed constant at 34. The number of warehouse spaces shrank by 3 units(-15.7 percent).

From the second quarter of 2019 to the third quarter of 2019, the number of available warehousing units for sale and/or lease decreased 15.7 percent (-3 units), the total available square footage decreased 15.2 percent, and the overall vacancy rate improved, decreasing from 6.9 percent to 5.8 percent. The average lease rate increased from \$6.24/sf to \$6.85/sf at the end of the third quarter. Total vacant square footage ended the quarter at 332,094 sf as compared to 392,028 sf at the end of the second quarter of 2019.

The number of available retail properties for sale and/or lease stayed constant over the quarter while the overall retail vacancy rate decreased from 12.6 percent to 10.7 percent in the third quarter of 2019. Vacancy in the Frontier Mall decreased slightly to 17.9 percent during the third quarter of 2019. The anchor space at the Frontier Mall previously occupied by Sears remained vacant and represents 15.5 percent of the total mall square footage. However, there is a deal in place to have an outdoor recreational store fill the former Sears storefront in the near future. Vacancy at the Cheyenne Shopping Plaza decreased slightly over the quarter to 32.8 percent. The Holiday Home Plaza had no new vacancies open up, but had two vacancies filled. Other shopping centers saw no new changes in vacancies. The total amount of vacant retail space ended the quarter at 434,220 sf, a sharp decrease compared to 511,569 sf at the end of the second quarter of 2019. Several additional large properties remained vacant, including the former K-Mart (44,625 sf), Sears (83,055 sf), and Pioneer Printing (24,956 sf).

The number of available office properties didn't change, but the total square footage decreased over the quarter. The vacancy rate for office properties fell to 7.2 percent and is down from one year ago when it stood at 13.8 percent at the end of the third quarter of 2018. Total vacant office space by the quarter's end had decreased to 156,252 sf from 184,319 sf in the second quarter of 2019.

The number of medical spaces available for sale or lease during the third quarter of 2019 did not change. Vacancy rates held constant over the year at 4.1%.

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 increased slightly over the quarter to \$14.57/sf as of September 27, 2019. At the end of the second quarter of 2019, the average lease rate was \$14.23/sf and one year ago the average lease rate was \$14.65/sf.

Table 1 below presents the number of available office space properties by size. Over 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	5.9%
10,001 - 20,000	4	11.8%
5,001 -10,000	5	14.7%
2,501 - 5,000	9	26.5%
≤ 2,500	14	41.2%

## Warehousing

At the end of the second quarter of 2019, there were 19 warehouse properties available with a combined 392,098 sf. The APW Wyatt 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 10 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. More than one-third of available warehouse properties have between 5,000 sf and 10,000 sf. There were no available properties with fewer than 5,000 sf.

Table 2. Available Warehouse Properties by Square Footage

Size (sf)	Units	% of Total
≥ 20,001	3	18.8%
10,001 - 20,000	7	43.8%
5,001-10,000	6	37.5%
2,501 - 5000	0	0.0%
≤ 2,500	0	0.0%

## Retail

Ten retail properties left the market during the second quarter of 2019 and ten new properties became available, resulting in a net decrease of over 70,000 sf in total retail space available for lease and/or sale. The overall vacancy rate for retail properties decreased from 12.6 percent to 10.7 percent and the average retail lease rate increased from \$13.26/sf to \$13.51/sf over the quarter.

Of the 52 retail properties on the market during the third quarter of 2019, 47 were vacant. The five largest vacant properties contain approximately 190,000 sf, representing over 40 percent of the total vacant square footage. These properties include the former K-Mart, the former Pioneer Printing, and the former Sears space at the Frontier Mall.

Within Cheyenne’s shopping malls, Frontier Mall had 9 vacant units with a total of 95,753 sf available (17.9% vacancy rate). The vacancy is rate is down from 18.1 percent in the second quarter of 2019 and down from 18.5 percent a year ago. The vacated Sears still contributes over 85% of the vacant space. The Cheyenne Plaza Shopping Center had six units available with a total of 50,937 sf (33.8% vacancy rate). The Holiday Home Plaza had two fewer vacant spaces, cutting its vacancy rate, 11.5% to 5.0%, and available square footage, 5,407 sf to 2,363 sf, in half. 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 (39.2%). 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	6	11.5%
10,001 - 20,000	5	9.6%
5,001-10,000	8	15.4%
2,501 - 5,000	20	38.5%
≤ 2,500	13	25.0%

**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**

<b>Summary Table</b>						
<b>Commercial Property For Sale and Lease</b>						
<b>Updated: 9/27/2019</b>						
<b>Property Type</b>	<b># Properties</b>	<b>Square Footage</b>	<b>Avg Lease Rate</b>	<b>Min/Max Rate</b>	<b>Vacancy Rate</b>	
<b>Fourth Quarter 2016</b>						
Warehouse	22	443,050	\$8.06	4.50 - 13.00	7.8%	
Retail	54	401,434	\$13.25	8.00 - 24.00	9.8%	
Office Space	43	269,819	\$13.62	8.00 - 22.00	12.4%	
<b>First Quarter 2017</b>						
Warehouse	24	461,908	\$7.98	4.50 - 13.00	8.1%	
Retail	44	372,206	\$13.34	8.00 - 24.00	9.1%	
Office Space	49	278,295	\$14.05	8.00 - 22.00	12.8%	
<b>Second Quarter 2017</b>						
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%	
<b>Third Quarter 2017</b>						
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%	
<b>Fourth Quarter 2017</b>						
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%	
<b>First Quarter 2018</b>						
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%	
<b>Second Quarter 2018</b>						
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%	
<b>Third Quarter 2018</b>						
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%	
<b>Fourth Quarter 2018</b>						
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%	
<b>First Quarter 2019</b>						
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%	
<b>Second Quarter 2019</b>						
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%	
<b>Third Quarter 2019</b>						
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%	

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