

Commercial Property for Sale or Lease

Greater Cheyenne Area

March 31st, 2023

Introduction

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 do not represent an exact count of properties available
- The addition or deletion of a large property can skew the reported data
- Residential data are not included.

Overview

By the end of the first quarter of 2023, there were 79 active properties on the local commercial real estate market, a 3.7 percent decrease from the fourth quarter of 2022 and a 16.2 percent increase from one year ago. During the quarter, the number of office spaces decreased, the number of retail spaces decreased, and the number of warehouse spaces increased. The number of office spaces decreased from 28 to 21, the number of retail spaces decreased from 40 to 38, and the number of warehouses increased from 14 to 18.

From the fourth quarter of 2022 to the first quarter of 2023, the number of available warehousing units for sale and/or lease increased 28.6 percent (+4 units) and the total available square footage increased 22.4 percent. The average lease rate increased to \$10.89/sf at the end of the first quarter. Total vacant square footage ended the quarter at 401,810 sf, up from 328,371 sf at the end of the fourth quarter of 2022. The sharp increase is largely due to a few warehouses nearing construction completion joining the market.

The number of available retail properties for sale and/or lease decreased 5.0 percent (-2 units) over the quarter and the total available square footage increased 1.5 percent. The total amount of vacant retail space ended the quarter at 292,345 sf, increasing from 287,955 sf at the end of the fourth quarter of 2022. Vacancy in the Frontier Mall increased from 21.0 percent during the fourth quarter of 2022 to 22.7 percent in the first quarter of 2023. There were 20 vacancies, including the Dillard's West location and Frontier Nine Theatres which are listed separately based on their size. The Holiday Home Plaza on Nationway had just one vacancy. Other shopping centers saw no changes in vacancies.

The number of available office properties decreased 25 percent (-7 units) over the quarter and the total square footage decreased 27 percent over the quarter. Total vacant office space by the quarter's end decreased to 146,635 sf from 200,992 sf in the fourth quarter of 2022.

The number of medical spaces available for sale or lease during the first quarter of 2023 increased from 0 to 2.

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 over the quarter to \$14.73/sf as of March 31st, 2022. At the end of the fourth quarter of 2022, the average lease rate was \$16.75/sf and one year ago the average lease rate was \$13.87/sf.

Table 1 below presents the number of available office space properties by size. Over 25 percent of available office spaces have less than 2,500 sf. Over 40 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	1	4.8%
10,001 - 20,000	5	23.8%
5,001 -10,000	4	19.0%
2,501 - 5,000	5	23.8%
≤ 2,500	6	28.6%

Warehousing

At the end of the first quarter of 2023, the average lease rate for warehouse properties was \$10.89/sf. That is up from \$8.71/sf in the fourth quarter of 2022 and up from \$10.70/sf from one year ago.

Table 2 shows the distribution of warehouses by size. Over half of the available warehouse properties have more than 10,000 sf. Only one available warehouse space has less than 5,000 sf.

Table 2. Available Warehouse Properties by Square Footage

Size (sf)	Units	% of Total
≥ 20,001	6	33.3%
10,001 - 20,000	6	33.3%
5,001-10,000	5	27.8%
2,501 - 5000	1	5.6%
≤ 2,500	0	0.0%

Retail

Ten retail properties left the market during the first quarter of 2023 and eight new properties became available, resulting in a net decrease of two spaces. It also resulted in an increase of over 2,000 sf in total retail space available for lease and/or sale. The average retail lease rate increased from \$12.78/sf to \$13.71/sf over the quarter.

Of the 38 retail properties on the market during the second quarter of 2022, 31 were vacant. The five largest vacant properties contain over 130,000 sf, representing over 40 percent of the total vacant square footage. These properties include some large properties in local malls, including the former Dillard's and Frontier 9 Theater in the Frontier Mall and the former Spirit Halloween in the Cheyenne Shopping Plaza.

Within Cheyenne's shopping malls, Frontier Mall had 20 vacant units with a total of 121,974 sf available (22.5% vacancy rate). The vacancy rate is up from 21.0 percent in the fourth quarter of 2022 and up from 22.2 percent a year ago. The Cheyenne Plaza Shopping Center had three units available with a total of 28,869 sf (18.6% vacancy rate). The Holiday Home Plaza had one vacancy listed. Other malls had minimal or no change in 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. 55 percent of available retail spaces have more than 5,000 sf. 21 percent of spaces have less than 2,500 sf.

Table 3. Available Retail Properties by Square Footage

Size (sf)	Units	% of Total
≥ 20,001	5	13.2%
10,001 - 20,000	1	2.6%
5,001-10,000	15	39.5%
2,501 - 5,000	9	23.7%
≤ 2,500	8	21.1%

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 or Lease				
Updated: 3/31/2023				
Property Type	# Properties	Square Footage	Avg Lease Rate	Min/Max Rate
Second Quarter 2020				
Warehouse	22	543,134	\$7.52	6.25 - 8.50
Retail	57	392,572	\$15.50	8.00 - 23.50
Office Space	34	140,960	\$12.86	7.00 - 16.00
Third Quarter 2020				
Warehouse	19	587,978	\$7.60	6.25 - 8.50
Retail	58	447,840	\$14.78	8.00 - 23.50
Office Space	35	166,962	\$15.35	11.00 - 21.00
Fourth Quarter 2020				
Warehouse	23	643,145	\$8.57	6.75 - 12.00
Retail	48	451,081	\$14.75	4.99 - 23.50
Office Space	42	214,915	\$14.07	8.00 - 21.00
First Quarter 2021				
Warehouse	20	414,847	\$8.36	5.00 - 12.00
Retail	40	413,042	\$15.50	4.99 - 23.50
Office Space	35	200,183	\$14.35	7.00 - 21.00
Second Quarter 2021				
Warehouse	25	474,551	\$8.60	5.00 - 12.00
Retail	43	430,832	\$13.08	6.95 - 22.00
Office Space	30	243,400	\$14.55	12.00 - 18.00
Third Quarter 2021				
Warehouse	21	452,740	\$8.82	6.95 - 12.00
Retail	38	358,900	\$13.93	7.95 - 19.00
Office Space	31	229,380	\$14.51	12.00 - 19.00
Fourth Quarter 2021				
Warehouse	21	532,031	\$10.92	8.50 - 12.00
Retail	30	303,918	\$13.89	7.95 - 19.00
Office Space	32	182,278	\$13.97	10.20 - 19.00
First Quarter 2022				
Warehouse	15	466,936	\$10.70	8.50 - 12.00
Retail	24	287,618	\$13.65	7.95 - 22.00
Office Space	26	146,744	\$13.87	9.00 - 19.00
Second Quarter 2022				
Warehouse	10	252,781	\$12.00	12.00 - 12.00
Retail	34	248,521	\$16.50	9.00 - 22.00
Office Space	25	165,624	\$15.30	9.95 - 20.00
Third Quarter 2022				
Warehouse	11	172,300	\$12.00	12.00 - 12.00
Retail	36	234,466	\$15.26	8.00 - 22.00
Office Space	26	204,371	\$15.68	9.95 - 19.00
Fourth Quarter 2022				
Warehouse	14	328,371	\$8.71	5.00 - 12.00
Retail	40	287,955	\$12.78	8.00 - 22.00
Office Space	28	200,992	\$16.75	9.95 - 22.00
First Quarter 2023				
Warehouse	18	401,810	\$10.89	7.50 - 17.50
Retail	38	289,998	\$13.71	8.00 - 22.00
Office Space	21	146,635	\$14.73	9.95 - 19.00

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