

Commercial Property for Sale or Lease

Greater Cheyenne Area

June 30, 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 onward 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 second quarter of 2020, there were 113 active properties on the local commercial real estate market, a 9.7 percent increase from the first quarter of 2020, and a 7.6 percent increase from one year ago. During the quarter, the number of available properties increased in each of the three major categories: Retail spaces, Office spaces, and Warehouse spaces. The number of retail spaces increased from 48 to 57, the number of office spaces increased from 33 to 34, and the number of warehouse spaces increased from 18 to 22 spaces.

From the first quarter of 2020 to the second quarter of 2020, the number of available warehousing units for sale and/or lease increased 22.2 percent (+4 units), the total available square footage increased 46.2 percent, and the overall vacancy rate worsened, increasing from 6.6 percent to 9.6 percent. The average lease rate decreased slightly from \$7.60/sf to \$7.52/sf at the end of the second quarter. Total vacant square footage ended the quarter at 543,134 sf as compared to 371,335 sf at the end of the first quarter of 2020. Over half the increase in square footage can be attributed to a 99,000 sf facility in Pine Bluffs that became available.

The number of available retail properties for sale and/or lease increased 18.8 percent over the quarter and the overall retail vacancy rate increased from 9.1 percent to 9.7 percent in the second quarter of 2020. Vacancy in the Frontier Mall increased from 2.1 percent during the first quarter of 2020 to 3.4 percent in the second quarter of 2020. Vacancy at the Cheyenne Shopping Plaza stayed constant over the quarter at 32.9 percent. The Holiday Home Plaza had the same vacancies listed. Rue Terre had one space become available. Other shopping centers saw no new changes in vacancies. The total amount of vacant retail space ended the quarter at 392,572 sf, increasing from 372,156 sf at the end of the first quarter of 2020. 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 3.0 percent over the quarter and the total square footage decreased 2.6 percent over the quarter. The vacancy rate for office properties fell to 6.5 percent and is down from one year ago when it stood at 8.5 percent at the end of the second quarter of 2019. Total vacant office space by the quarter's end had decreased to 140,960 sf from 144,786 sf in the first quarter of 2020.

The number of medical spaces available for sale or lease during the second quarter of 2020 remained constant at 4. The vacancy rate remained 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 \$12.68/sf as of June 30, 2020. At the end of the first quarter of 2020, the average lease rate was \$13.15/sf and one year ago the average lease rate was \$14.23/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 one quarter 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	3	8.8%
5,001 -10,000	4	11.8%
2,501 - 5,000	10	29.4%
≤ 2,500	15	44.1%

Warehousing

At the end of the second quarter of 2020, there were 22 warehouse properties available with a combined 543,134 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 99,000 sf by comparison. There are 15 warehouse properties with more than 10,000 sf.

Table 2 shows the distribution of warehouses by size. Over two thirds 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 were just two available properties with fewer than 5,000 sf.

Table 2. Available Warehouse Properties by Square Footage

Size (sf)	Units	% of Total
≥ 20,001	7	31.8%
10,001 - 20,000	8	36.4%
5,001-10,000	5	22.7%
2,501 - 5000	2	9.1%
≤ 2,500	0	0.0%

Retail

Eight retail properties left the market during the second quarter of 2020 and 17 new properties became available, resulting in a net increase of nine spaces and over 20,000 sf in total retail space available for lease and/or sale. The overall vacancy rate for retail properties increased from 9.1 percent to 9.7

percent and the average retail lease rate decreased slightly from \$15.57/sf to \$15.50/sf over the quarter.

Of the 57 retail properties on the market during the first quarter of 2020, 50 were vacant. The five largest vacant properties contain approximately 123,000 sf, representing over 30 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 11 vacant units with a total of 18,358 sf available (3.4% vacancy rate). The vacancy is rate is up from 2.1 percent in the first quarter of 2020 and down from 18.1 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 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. Nearly half of available retail spaces have more than 5,000 sf (49.1%). Nearly one fifth of spaces have less than 2,500 sf (17.5%)

Table 3. Available Retail Properties by Square Footage

Size (sf)	Units	% of Total
≥ 20,001	4	7.0%
10,001 - 20,000	5	8.8%
5,001-10,000	19	33.3%
2,501 - 5,000	19	33.3%
≤ 2,500	10	17.5%

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: 06/30/2020						
Property Type	# Properties	Square Footage	Avg Lease Rate	Min/Max Rate	Vacancy Rate	
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%	
Second Quarter 2020						
Warehouse	22	543,134	\$7.52	6.25 - 8.50	9.6%	
Retail	57	392,572	\$15.50	8.00 - 23.50	9.7%	
Office Space	34	140,960	\$12.68	7.00 - 16.00	6.5%	

WCBEA@LCCC Communications

WCBEA Phone: 307.778.1151

Editor: Nick Colsch, ncolsch@lccc.wy.edu

Research Consultant: Nathan Stitt

Website: www.wyomingeconomicdata.com

Mailing Address: Wyoming Center for Business and Economic Analysis @ LCCC
1400 E College Drive
Cheyenne, WY 82007