

# Commercial Property for Sale or Lease

## Greater Cheyenne Area

September 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 third quarter of 2020, there were 112 active properties on the local commercial real estate market, a 0.9 percent decrease from the second quarter of 2020, and a 9.8 percent increase 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 57 to 58, the number of office spaces increased from 34 to 35. However, the number of warehouse spaces decreased from 22 to 19 spaces.

From the second quarter of 2020 to the third quarter of 2020, the number of available warehousing units for sale and/or lease decreased 13.6 percent (-3 units), the total available square footage increased 8.2 percent, and the overall vacancy rate worsened, increasing from 9.6 percent to 10.4 percent. The average lease rate increased slightly from \$7.52/sf to \$7.60/sf at the end of the third quarter. Total vacant square footage ended the quarter at 587,978 sf as compared to 543,134 sf at the end of the second quarter of 2020.

The number of available retail properties for sale and/or lease increased 1.7 percent over the quarter and the overall retail vacancy rate increased from 9.7 percent to 11.0 percent in the third quarter of 2020. Vacancy in the Frontier Mall increased from 3.4 percent during the second quarter of 2020 to 4.1 percent in the third quarter of 2020. Vacancy at the Cheyenne Shopping Plaza decreased over the quarter from 32.9 percent in the second quarter of 2020 to 19.9 percent in the third quarter of 2020. The Holiday Home Plaza had one vacancy listed. Rue Terre had one space available. Other shopping centers saw no new changes in vacancies. The total amount of vacant retail space ended the quarter at 447,840 sf, increasing from 392,572 sf at the end of the second quarter of 2020.

The number of available office properties increased 2.9 percent over the quarter and the total square footage increased 18.4 percent over the quarter. The vacancy rate for office properties increased to 7.7 percent from 6.5 percent in the second quarter of 2020 and is up from one year ago when it stood at 7.2 percent at the end of the third quarter of 2019. Total vacant office space by the quarter's end had increased to 166,962 sf from 140,960 sf in the second quarter of 2020.

The number of medical spaces available for sale or lease during the third quarter of 2020 decreased by 1, from 4 to 3. The vacancy rate decreased to 2.4 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 increased over the quarter to \$15.35/sf as of September 30, 2020. At the end of the second quarter of 2020, the average lease rate was \$12.86/sf and one year ago the average lease rate was \$14.57/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 fifth of available office spaces have more than 5,000 sf.

**Table 1. Available Office Properties by Square Footage**

<b>Size (sf)</b>	<b>Units</b>	<b>% of Total</b>
≥ 20,001	<b>3</b>	<b>8.6%</b>
10,001 - 20,000	<b>3</b>	<b>8.6%</b>
5,001 -10,000	<b>2</b>	<b>5.7%</b>
2,501 - 5,000	<b>12</b>	<b>34.3%</b>
≤ 2,500	<b>15</b>	<b>42.9%</b>

## Warehousing

At the end of the third quarter of 2020, there were 19 warehouse properties available with a combined 587,978 sf. The APW Wyott building(210,518 sf) continued to be the largest warehouse property available, accounting for nearly 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. Nearly 80 percent of the available warehouse properties have more than 10,000 sf. One sixth 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**

<b>Size (sf)</b>	<b>Units</b>	<b>% of Total</b>
≥ 20,001	<b>8</b>	<b>42.1%</b>
10,001 - 20,000	<b>7</b>	<b>36.8%</b>
5,001-10,000	<b>3</b>	<b>15.8%</b>
2,501 - 5000	<b>0</b>	<b>0.0%</b>
≤ 2,500	<b>1</b>	<b>5.3%</b>

## Retail

Ten retail properties left the market during the third quarter of 2020 and 11 new properties became available, resulting in a net increase of 1 space and over 50,000 sf in total retail space available for lease and/or sale. The overall vacancy rate for retail properties increased from 9.7 percent to 11.0 percent and the average retail lease rate decreased from \$15.50/sf to \$14.78/sf over the quarter.

Of the 58 retail properties on the market during the third quarter of 2020, 51 were vacant. The five largest vacant properties contain approximately 135,000 sf, representing over 30 percent of the total vacant square footage. These properties include the former K-Mart and the former Furniture Factory outlet.

Within Cheyenne's shopping malls, Frontier Mall had 13 vacant units with a total of 22,247 sf available (4.1% vacancy rate). The vacancy is rate is up from 3.4 percent in the second quarter of 2020 and down from 17.9 percent a year ago. The Sears space was filled by an outdoor gear company, Jax Retailers. The Cheyenne Plaza Shopping Center had three units available with a total of 30,875 sf (19.9% 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. Over half of available retail spaces have more than 5,000 sf (58.6%). Nearly one fifth of spaces have less than 2,500 sf (19.0%)

Table 3. Available Retail Properties by Square Footage

Size (sf)	Units	% of Total
≥ 20,001	5	8.6%
10,001 - 20,000	9	15.5%
5,001-10,000	20	34.5%
2,501 - 5,000	13	22.4%
≤ 2,500	11	19.0%

## 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**

Summary Table Commercial Property For Sale and Lease					
Updated: 09/30/2020					
Property Type	# Properties	Square Footage	Avg Lease Rate	Min/Max Rate	Vacancy Rate
<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%
<b>Fourth Quarter 2019</b>					
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%
<b>First Quarter 2020</b>					
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%
<b>Second Quarter 2020</b>					
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	\$12.86	7.00 - 16.00	6.5%
<b>Third Quarter 2020</b>					
Warehouse	19	587,978	\$7.60	6.25 - 8.50	10.4%
Retail	58	447,840	\$14.78	8.00 - 23.50	11.0%
Office Space	35	166,962	\$15.35	11.00 - 21.00	7.7%

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