

Commercial Property for Sale or Lease

Greater Cheyenne Area

December 31, 2020

Introduction

The summary table on page 5 outlines, on a quarterly basis, the number of commercial properties currently vacant and/or for sale in the greater Cheyenne area. 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 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 fourth quarter of 2020, there were 113 active properties on the local commercial real estate market, a 0.9 percent increase from the third quarter of 2020, and a 14.1 percent increase from one year ago. During the quarter, the number of available properties increased in two of the three major categories: Warehouse spaces and Office spaces. The number of warehouse spaces increased from 19 to 23 and the number of office spaces increased from 35 to 42. However, the number of retail spaces decreased from 58 to 48 spaces.

From the third quarter of 2020 to the fourth quarter of 2020, the number of available warehousing units for sale and/or lease increased 21.1 percent (+4 units), the total available square footage increased 9.4 percent, and the overall vacancy rate worsened, increasing from 10.4 percent to 11.4 percent. The average lease rate increased from \$7.60/sf to \$8.57/sf at the end of the fourth quarter. Total vacant square footage ended the quarter at 643,145 sf as compared to 587,978 sf at the end of the third quarter of 2020.

The number of available retail properties for sale and/or lease decreased 17.2 percent over the quarter, but the overall retail vacancy rate increased slightly from 11.0 percent to 11.1 percent in the fourth quarter of 2020. Vacancy in the Frontier Mall increased from 4.1 percent during the third quarter of 2020 to 15.0 percent in the fourth quarter of 2020. The sharp increase is due to the Dillard's West location closing. Vacancy at the Cheyenne Shopping Plaza increased over the quarter from 19.9 percent in the third quarter of 2020 to 21.9 percent in the fourth quarter of 2020. Other shopping centers saw no new changes in vacancies. The total amount of vacant retail space ended the quarter at 451,081 sf, increasing slightly from 447,840 sf at the end of the third quarter of 2020.

The number of available office properties increased 20 percent over the quarter and the total square footage increased 28.7 percent over the quarter. The vacancy rate for office properties increased to 9.9 percent from 7.7 percent in the third quarter of 2020 and is up from one year ago when it stood at 6.8 percent at the end of the fourth quarter of 2019. Total vacant office space by the quarter's end had increased to 214,915 sf from 166,962 sf in the third quarter of 2020.

The number of medical spaces available for sale or lease during the fourth quarter of 2020 stayed constant at 3 spaces and the vacancy rate stayed at 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 decreased over the quarter to \$14.07/sf as of December 31, 2020. At the end of the third quarter of 2020, the average lease rate was \$15.35/sf and one year ago the average lease rate was \$13.25/sf.

Table 1 below presents the number of available office space properties by size. Over 45 percent of available office spaces have less than 2,500 sf. Over 35 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	3	7.1%
10,001 - 20,000	5	11.9%
5,001 -10,000	7	16.7%
2,501 - 5,000	8	19.0%
≤ 2,500	19	45.2%

Warehousing

At the end of the fourth quarter of 2020, there were 23 warehouse properties available with a combined 643,145 sf. The APW Wyott building(210,518 sf) continued to be the largest warehouse property available, accounting for nearly a third 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 two thirds of the available warehouse properties have more than 10,000 sf. 5 available warehouse properties have between 5,000 sf and 10,000 sf and 3 have fewer than 5,000 sf.

Table 2. Available Warehouse Properties by Square Footage

Size (sf)	Units	% of Total
≥ 20,001	8	34.8%
10,001 - 20,000	7	30.4%
5,001-10,000	5	21.7%
2,501 - 5000	2	8.7%
≤ 2,500	1	4.3%

Retail

Sixteen retail properties left the market during the fourth quarter of 2020 and six new properties became available, resulting in a net decrease of 10 spaces. However, it also resulted in an increase of over 4,000 sf in total retail space available for lease and/or sale. The overall vacancy rate for retail properties increased slightly from 11.0 percent to 11.1 percent and the average retail lease rate decreased slightly from \$14.78/sf to \$14.75/sf over the quarter.

Of the 48 retail properties on the market during the fourth quarter of 2020, 42 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, former Furniture Factory outlet, and one of the Dillard’s locations in the mall.

Within Cheyenne’s shopping malls, Frontier Mall had 14 vacant units with a total of 80,242 sf available (15.0% vacancy rate). The vacancy is rate is up from 4.1 percent in the third quarter of 2020 and up from 2.4 percent a year ago. The west Dillard’s location became available, contributing 59,314 sf of available space. The Cheyenne Plaza Shopping Center had three units available with a total of 34,000 sf (21.9% 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 (59.6%). Nearly one fourth of spaces have less than 2,500 sf (22.9%)

Table 3. Available Retail Properties by Square Footage

Size (sf)	Units	% of Total
≥ 20,001	4	8.3%
10,001 - 20,000	10	20.8%
5,001-10,000	15	31.3%
2,501 - 5,000	8	16.7%
≤ 2,500	11	22.9%

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: 12/31/2020						
Property Type	# Properties	Square Footage	Avg Lease Rate	Min/Max Rate	Vacancy Rate	
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	\$12.86	7.00 - 16.00	6.5%	
Third Quarter 2020						
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%	
Fourth Quarter 2020						
Warehouse	23	643,145	\$8.57	6.75 - 12.00	11.4%	
Retail	48	451,081	\$14.75	4.99 - 23.50	11.1%	
Office Space	42	214,915	\$14.07	8.00 - 21.00	9.9%	

WCBEA@LCCC Communications

WCBEA Phone: 307.778.1151

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

Website: www.wyomingeconomicdata.com

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