

Commercial Property Database

June 30, 2017

Introduction

The summary table on page 5 outlines, on a quarterly basis, the number of commercial properties currently vacant or for sale in the greater Cheyenne area. Statistics for the years 2014 and 2015 are now final and will no longer be revised going forward. Vacancy rates for 2016 and 2017 are based upon 2015 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;
- From 2nd quarter 2009 forward, 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 second quarter of 2017, there were 120 active properties on the local commercial real estate market, representing a small increase (2.6%) from both the first quarter of 2017 and one year ago. While available office space properties remained relatively flat over the quarter, available warehousing and retail space both increased; in the case of retail, the vacancy rate increased to 12.2 percent, the highest rate recorded since this report's inception in 2009.

Over the current quarter, the number of available warehousing units increased 16.7 percent (+4), the total square footage increased by 6.6 percent and the overall vacancy rate increased from 8.8 percent to 9.4 percent. The average lease rate increased to \$8.24/sf as compared to \$7.98/sf at the end of the first quarter. Total vacant square footage ended the quarter at 484,820 sf as compared to 454,408 sf at the end of the first quarter of 2017, an increase of 6.7 percent.

The number of available retail properties decreased from the first quarter 2017 (-2) while the overall vacancy rate increased from 9.6 to 12.2 percent. This is primarily due to the inclusion of the vacated Kmart retail space (104,828 sf). Vacancies at area malls also continued to increase; the vacancy rate at Frontier Mall increased from 9 percent to 11 percent from the first quarter to the second quarter of 2017. The total amount of vacant retail space ended the quarter at 422,579 sf as compared to 333,624 sf at the end of first quarter 2017. In addition to the former Kmart space, other large properties remained vacant, including the former Sutherlands (76,749 sf), Cole Safeway store (44,358 sf) and the Grier and Nuss buildings (19,715 sf).

The number of available office properties increased 2.0 percent by the end of second quarter 2017 (+1 unit) while the amount of total square footage decreased by about 3,300 sf. The vacancy rate for this property type decreased from 12.8 to 12.4 percent over the quarter. The vacancy rate is up from one year ago when it was 10.5 percent at the end of the second quarter 2016. Total vacant office space by the quarter's end stood at 269,645 sf compared to first quarter 2017's total of 278,295 sf. Two large downtown buildings, the Hynds building and the former Z's Furniture, remain vacant and together represent 29.1 percent of the total vacant square footage of office space.

By the end of the current quarter, the volume of available medical space increased substantially to 29,742 sf due to the addition of a former surgical center. The vacancy rate for this property type nearly doubled from 3.2 percent in the first quarter of 2017 to 6.3 percent in the second quarter. One year ago the vacancy rate for medical space stood at 10.8 percent.

The summary table on page 5 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 Downtown Development District continued to account for the majority of vacant office space (172,891 sf) or 64.1 percent of the total. The average lease rate for office space remained flat over the quarter at \$14.03/sf as of June 30, 2017. At the end of the second quarter of 2016, the average lease rate was \$13.68/sf.

Table 1 below presents the number of available office space properties by size. More than one-half of available office spaces have less than 2,500 sf. Ten percent of available office spaces have more than 10,000 sf.

Table 1. Available Office Properties by Square Footage

Size (sf)	Units	% of Total
≥ 20,001	3	6.0%
10,001 - 20,000	2	4.0%
5,001 - 10,000	9	18.0%
2,501 - 5,000	10	20.0%
≤ 2,500	26	52.0%

Warehousing

At the end of the second quarter there were 28 warehouses available with a combined 492,320 sf. Four warehouse properties left the market and seven entered the market over the second quarter of 2017, accounting for a net gain of 30,412 sf. The APW Wyatt building (APW) continued to be the largest warehouse property available at 211,812 square feet. The next largest unit is 54,341 sf by comparison. The APW unit represents 43 percent of the total warehousing square footage available for lease and/or sale.

Table 2 shows the distribution of warehouses by size. More than one-third of the available warehouse properties have more than 10,000 sf. One-fourth have 5,000 sf or less.

There are 230 warehouse properties throughout Laramie County.

Table 2. Available Warehouse Properties by Square Footage

Size (sf)	Units	% of Total
≥ 20,001	3	10.7%
10,001 - 20,000	7	25.0%
5,001-10,000	11	39.3%
2,501 - 5000	4	14.3%
≤ 2,500	3	10.7%

Retail

Eight retail properties (representing 35,319 sf) left the market over the second quarter of 2017 while seven properties (representing 119,989 sf) became available, resulting in a net increase of almost 85,000 sf in total retail space available for lease and/or sale. The overall vacancy rate for retail properties increased from 9.6 percent to an all-time high of 12.2 percent. The average retail lease rate decreased slightly to \$13.00/sf.

Of the 42 retail properties on the market during the second quarter of 2017, 35 were vacant. The largest three vacant properties contain 225,935 sf, represent more than half (53.5%) of total vacant square footage and include the former Sutherland’s building, the former Safeway building at the Cole Shopping Center and the former Kmart building.

Within Cheyenne’s shopping malls, Frontier Mall had 11 vacant units, including temporary stores, with a total of 59,167 sf available (11.0% vacancy rate). The Cheyenne Plaza Shopping Center had four units available with 16,782 sf (10.9%vacancy rate). 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. More than one-fourth of the available retail spaces have more than 5,000 sf (26.2%). Another 35.7 percent have 2,500 sf or less.

Table 3. Available Retail Properties by Square Footage

Size (sf)	Units	% of Total
≥ 20,001	4	9.5%
10,001 - 20,000	4	9.5%
5,001-10,000	3	7.1%
2,501 - 5,000	16	38.1%
≤ 2,500	15	35.7%

The Summary Table immediately below presents historical data and additional details by property type.

Summary Table						
Commercial Property For Sale and Lease						
Updated: 6/30/2017			(FR - Final Revision)			
Property Type	# Properties	Square Footage	Avg Lease Rate	Min/Max Rate	Vacancy Rate	
Third Quarter 2014						
Warehouse	25	461,778	\$7.50	2.12 - 16.00	8.4% ^(FR)	
Retail	62	337,471	\$14.33	7.50 - 23.50	5.0% ^(FR)	
Office Space	55	358,816	\$14.00	5.94 - 22.00	13.9% ^(FR)	
Fourth Quarter 2014						
Warehouse	21	432,928	\$8.54	2.12 - 17.00	7.3% ^(FR)	
Retail	65	281,530	\$14.45	8.00 - 23.50	5.8% ^(FR)	
Office Space	51	338,602	\$14.10	7.00 - 22.00	13.1% ^(FR)	
First Quarter 2015						
Warehouse	32	601,283	\$8.86	2.82 - 16.00	9.6% ^(FR)	
Retail	58	269,238	\$14.64	8.00 - 23.50	6.2% ^(FR)	
Office Space	51	312,436	\$14.67	7.00 - 22.00	13.9% ^(FR)	
Second Quarter 2015						
Warehouse	26	467,720	\$8.83	2.82 - 16.00	9.1% ^(FR)	
Retail	57	248,238	\$15.19	8.00 - 23.50	6.3% ^(FR)	
Office Space	45	301,708	\$14.93	10.00 - 20.45	13.5% ^(FR)	
Third Quarter 2015						
Warehouse	18	329,488	\$8.69	6.00 - 15.00	6.4% ^(FR)	
Retail	56	270,383	\$15.04	8.00 - 23.50	5.9% ^(FR)	
Office Space	42	296,517	\$14.80	6.67 - 27.00	13.5% ^(FR)	
Fourth Quarter 2015						
Warehouse	23	446,356	\$9.06	5.88 - 15.00	8.7% ^(FR)	
Retail	59	358,084	\$14.64	8.00 - 23.50	8.6% ^(FR)	
Office Space	45	303,949	\$15.07	6.67 - 27.00	14.0% ^(FR)	
First Quarter 2016						
Warehouse	27	422,238	\$7.62	1.00 - 13.00	8.2%	
Retail	54	334,764	\$14.06	8.00 - 20.00	8.0%	
Office Space	36	261,183	\$13.43	5.67 - 22.00	12.0%	
Second Quarter 2016						
Warehouse	24	433,384	\$7.69	1.00 - 13.00	8.4%	
Retail	53	365,346	\$14.64	8.00 - 24.00	8.8%	
Office Space	40	240,958	\$13.68	5.67 - 22.00	10.5%	
Third Quarter 2016						
Warehouse	21	414,326	\$7.66	1.00 - 13.00	8.0%	
Retail	50	369,653	\$14.36	8.00 - 24.00	8.8%	
Office Space	45	290,894	\$14.28	6.19 - 22.00	13.3%	
Fourth Quarter 2016						
Warehouse	22	443,050	\$8.06	4.50 - 13.00	8.5%	
Retail	54	401,434	\$13.25	8.00 - 24.00	9.4%	
Office Space	43	269,819	\$13.62	8.00 - 22.00	12.4%	
First Quarter 2017						
Warehouse	24	461,908	\$7.98	4.50 - 13.00	8.8%	
Retail	44	372,206	\$13.34	8.00 - 24.00	9.6%	
Office Space	49	278,295	\$14.05	8.00 - 22.00	12.8%	
Second Quarter 2017						
Warehouse	28	492,320	\$8.24	4.50 - 14.50	9.4%	
Retail	42	455,448	\$13.00	8.00 - 20.00	12.2%	
Office Space	50	274,990	\$14.03	8.00 - 22.00	12.4%	

WCBEA@LCCC Communications

WCBEA Phone: 307.778.1151

Editor Email: drogers@lccc.wy.edu

Staff Email: jmcguire@lccc.wy.edu

Website: www.wyomingeconomicdata.com

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