

# Commercial Property Database

## September 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. Total retail square footage for 2015 has been recently revised to incorporate square footage previously excluded erroneously. 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 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 third quarter of 2017, there were 125 active properties on the local commercial real estate market, representing a 4.2 percent increase from the second quarter of 2017 and a 7.8 percent increase from one year ago. Available office space properties and warehousing properties remained relatively flat over the quarter while the number of retail spaces increased.

Over the current quarter, the number of available warehousing units decreased 3.6 percent (-1), the total square footage decreased by 10.2 percent and the overall vacancy rate decreased from 8.6 percent to 7.7 percent. The average lease rate decreased to \$7.84/sf as compared to \$8.24/sf at the end of the second quarter. Total vacant square footage ended the quarter at 434,567 sf as compared to 484,820 sf at the end of the second quarter of 2017, a decrease of 10.4 percent.

The number of available retail properties increased from the second quarter 2017 (+8) while the overall vacancy rate increased from 10.4 to 10.8 percent. Vacancies at some area malls remained above-average; the vacancy rate at the Cheyenne Shopping Plaza increased from 10.9 percent to 14.0 percent from the second quarter to the third quarter of 2017. Vacancy at the Frontier Mall fell from the second quarter to the third quarter but remained high at 8.0 percent. The total amount of vacant retail space ended the quarter at 430,046 sf as compared to 422,579 sf at the end of second quarter 2017. Many 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 decreased 4.0 percent by the end of third quarter 2017 (-2 units) and total square footage decreased by about 8,000 sf. The vacancy rate for this property type decreased from 12.4 to 12.1 percent over the quarter. The vacancy rate is down from one year ago when it was 13.3 percent at the end of the third quarter 2016. Total vacant office space by the quarter's end stood at 261,586 sf compared to second quarter 2017's total of 269,645 sf. Two large downtown buildings, the Hynds building and the former Z's Furniture, remained vacant and together represent nearly one-third (30.0%) percent of the total vacant square footage of office space.

By the end of the current quarter, the volume of available medical space decreased to 14,830 sf and the vacancy rate decreased to 3.0 percent. One year ago the vacancy rate stood at 9.2 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 (170,436 sf) or 65.2 percent of the total. The average lease rate for office space remained flat over the quarter at \$14.00/sf as of September 30, 2017. At the end of the third quarter of 2016, the average lease rate was \$14.03/sf and one year ago the average lease rate was \$14.28.

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. Twenty-five 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	6.3%
10,001 - 20,000	3	6.3%
5,001 -10,000	6	12.5%
2,501 - 5,000	10	20.8%
≤ 2,500	26	54.2%

### Warehousing

At the end of the third quarter there were 27 warehouses available with a combined 442,067 sf. Six warehouse properties left the market, one warehouse property leased a substantial portion of available space and five entered the market over the third quarter of 2017, accounting for a net loss of about 50,000 sf. The APW Wyott building (APW) continued to be the largest warehouse property available; approximately 30,000 sf of the building was leased to WYCO recycling during the third quarter of 2017 and the available lease space has decreased to 181,812 square feet. The next largest unit is 54,341 sf by comparison. The available APW space represents 42 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.

Table 2. Available Warehouse Properties by Square Footage

≥ 20,001	3	11.1%
10,001 - 20,000	6	22.2%
5,001-10,000	11	40.7%
2,501 - 5000	5	18.5%
≤ 2,500	2	7.4%

## Retail

Three retail properties (representing 7,640 sf) left the market over the third quarter of 2017 while eleven properties (representing 36,300 sf) became available, resulting in a net increase of about 20,000 sf in total retail space available for lease and/or sale. The overall vacancy rate for retail properties increased from 10.4 percent to 10.8 percent. The average retail lease rate increased slightly to \$13.47/sf.

Of the 50 retail properties on the market during the third quarter of 2017, 41 were vacant. The largest three vacant properties contain 225,732 sf, represent more than half (51.8%) 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 10 vacant units, including temporary stores, with a total of 43,115 sf available (8.0% vacancy rate). The Cheyenne Plaza Shopping Center had five units available with 21,700 sf (14.0% 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. About one-fourth of the available retail spaces have more than 5,000 sf (24.0%). Another 36.0 percent have 2,500 sf or less.

Table 3. Available Retail Properties by Square Footage

Size (sf)	Units	% of Total
≥ 20,001	5	10.0%
10,001 - 20,000	3	6.0%
5,001-10,000	4	8.0%
2,501 - 5,000	20	40.0%
≤ 2,500	18	36.0%

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

Summary Table Commercial Property For Sale and Lease					
Updated: 9/30/2017			(FR - Final Revision)		
Property Type	# Properties	Square Footage	Avg Lease Rate	Min/Max Rate	Vacancy Rate
<b>Fourth Quarter 2014</b>					
Warehouse	21	432,928	\$8.54	2.12 - 17.00	7.3% <sup>(FR)</sup>
Retail	65	281,530	\$14.45	8.00 - 23.50	5.8% <sup>(FR)</sup>
Office Space	51	338,602	\$14.10	7.00 - 22.00	13.1% <sup>(FR)</sup>
<b>First Quarter 2015</b>					
Warehouse	32	601,283	\$8.86	2.82 - 16.00	9.6% <sup>(FR)</sup>
Retail	58	269,238	\$14.64	8.00 - 23.50	5.5% <sup>(FR)</sup>
Office Space	51	312,436	\$14.67	7.00 - 22.00	13.9% <sup>(FR)</sup>
<b>Second Quarter 2015</b>					
Warehouse	26	467,720	\$8.83	2.82 - 16.00	9.1% <sup>(FR)</sup>
Retail	57	248,238	\$15.19	8.00 - 23.50	5.6% <sup>(FR)</sup>
Office Space	45	301,708	\$14.93	10.00 - 20.45	13.5% <sup>(FR)</sup>
<b>Third Quarter 2015</b>					
Warehouse	18	329,488	\$8.69	6.00 - 15.00	6.4% <sup>(FR)</sup>
Retail	56	270,383	\$15.04	8.00 - 23.50	5.2% <sup>(FR)</sup>
Office Space	42	296,517	\$14.80	6.67 - 27.00	13.5% <sup>(FR)</sup>
<b>Fourth Quarter 2015</b>					
Warehouse	23	446,356	\$9.06	5.88 - 15.00	8.7% <sup>(FR)</sup>
Retail	59	358,084	\$14.64	8.00 - 23.50	7.5% <sup>(FR)</sup>
Office Space	45	303,949	\$15.07	6.67 - 27.00	14.0% <sup>(FR)</sup>
<b>First Quarter 2016</b>					
Warehouse	27	422,238	\$7.62	1.00 - 13.00	7.5%
Retail	54	334,764	\$14.06	8.00 - 20.00	6.8%
Office Space	36	261,183	\$13.43	5.67 - 22.00	12.0%
<b>Second Quarter 2016</b>					
Warehouse	24	433,384	\$7.69	1.00 - 13.00	7.7%
Retail	53	365,346	\$14.64	8.00 - 24.00	7.5%
Office Space	40	240,958	\$13.68	5.67 - 22.00	10.5%
<b>Third Quarter 2016</b>					
Warehouse	21	414,326	\$7.66	1.00 - 13.00	7.4%
Retail	50	369,653	\$14.36	8.00 - 24.00	7.5%
Office Space	45	290,894	\$14.28	6.19 - 22.00	13.3%
<b>Fourth Quarter 2016</b>					
Warehouse	22	443,050	\$8.06	4.50 - 13.00	7.7%
Retail	54	401,434	\$13.25	8.00 - 24.00	8.0%
Office Space	43	269,819	\$13.62	8.00 - 22.00	12.4%
<b>First Quarter 2017</b>					
Warehouse	24	461,908	\$7.98	4.50 - 13.00	8.1%
Retail	44	372,206	\$13.34	8.00 - 24.00	8.2%
Office Space	49	278,295	\$14.05	8.00 - 22.00	12.8%
<b>Second Quarter 2017</b>					
Warehouse	28	492,320	\$8.24	4.50 - 14.50	8.6%
Retail	42	455,448	\$13.00	8.00 - 20.00	10.4%
Office Space	50	274,990	\$14.03	8.00 - 22.00	12.4%
<b>Third Quarter 2017</b>					
Warehouse	27	442,067	\$7.84	4.50 - 14.50	7.7%
Retail	50	474,625	\$13.47	8.00 - 20.00	10.8%
Office Space	48	266,931	\$14.00	10.00 - 22.00	12.1%

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