

Commercial Property Database

December 31, 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 fourth quarter of 2017, there were 122 active properties on the local commercial real estate market, representing a 2.4 percent decrease from the third quarter of 2017 and a 2.5 percent increase from one year ago. The number of available office, retail and warehousing space properties remained relatively flat over the quarter, with each property type declining by one unit.

From the third quarter of 2017 to the fourth quarter of 2017, the number of available warehousing units decreased 3.7 percent (-1 unit), the total square footage increased 3.2 percent and the overall vacancy rate increased from 7.7 percent to 8.0 percent. The average lease rate stayed constant at \$7.85/sf as compared to \$7.84/sf at the end of the third quarter. Total vacant square footage ended the quarter at 448,868 sf as compared to 434,567 sf at the end of the third quarter of 2017, an increase of 3.3 percent.

The number of available retail properties decreased by 2.0 percent (-1 unit) and the overall retail vacancy rate decreased to 9.9 percent from 10.8 percent in the third quarter 2017. Most area mall vacancies remained constant over the quarter. However, vacancy at the Frontier Mall fell substantially from the third quarter to the fourth quarter from 8.0 percent to 3.2 percent. This is primarily due to the addition of Planet Fitness (opening February 2018) occupying the space vacated by Sports Authority. This low vacancy rate is likely temporary, as the space occupied by Sears will be vacant in the near future. Sears currently occupies over 80,000 sf in the Frontier Mall. One large retailer, Hobby Lobby, is vacating approximately 60,000 sf on East Lincolnway in order to occupy approximately 60,000 sf on Dell Range (a portion of the former Kmart). The total amount of vacant retail space ended the quarter at 400,526 sf as compared to 436,046 sf at the end of third 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 2.1 percent by the end of fourth quarter 2017 (-1 unit) and total square footage increased by nearly 50,000 sf. The fully leased Hansen Building (57,000 sf) entered the market during the fourth quarter. The vacancy rate for office properties decreased from 12.1 to 11.7 percent over the quarter. The vacancy rate is down from one year ago when it was 12.4 percent at the end of the fourth quarter 2016. Total vacant office space by the quarter's end stood at 253,006 sf compared to third quarter 2017's total of 261,586 sf. Two large downtown buildings, the Hynds building and the former Z's Furniture, remained vacant and together represent nearly one-third (31.0%) percent of the total vacant square footage of office space.

By the end of the current quarter, the volume of vacant medical space increased to 19,990 sf and the vacancy rate increased to 4.1 percent. One year ago the vacancy rate stood at 4.4 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 accounted for more than two-thirds of vacant office space (170,382 sf) or 67.3 percent of the total. The average lease rate for office space increased over the quarter to \$14.50/sf as of December 31, 2017. At the end of the third quarter of 2017, the average lease rate was \$14.00/sf and one year ago the average lease rate was \$13.62.

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. About one-fourth 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	4	8.5%
10,001 - 20,000	3	6.4%
5,001 -10,000	5	10.6%
2,501 - 5,000	8	17.0%
≤ 2,500	27	57.4%

Warehousing

At the end of the third quarter there were 26 warehouses available with a combined 456,368 sf. Five warehouse properties left the market and four entered the market over the fourth quarter of 2017, accounting for a net gain of about 15,000 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 about 40 percent of the total warehousing square footage available for lease and/or sale.

Table 2 shows the distribution of warehouses by size. More than 45 percent of the available warehouse properties have more than 10,000 sf. About one-fifth have 5,000 sf or less.

Table 2. Available Warehouse Properties by Square Footage

Size (sf)	Units	% of Total
≥ 20,001	3	11.5%
10,001 - 20,000	9	34.6%
5,001-10,000	9	34.6%
2,501 - 5000	3	11.5%
≤ 2,500	2	7.7%

Retail

Nine retail properties left the market over the fourth quarter of 2017 and eight properties became available, resulting in a net decrease in total retail space available for lease and/or sale. The overall vacancy rate for retail properties decreased from 10.8 percent to 9.9 percent and the average retail lease rate decreased from \$13.47/sf to \$11.63/sf over the quarter. Half of the decline in the average lease rate is due to the inclusion of the Hobby Lobby space lease rate (\$5.50/sf); this rate is substantially lower than other area retail lease rates.

Of the 49 retail properties on the market during the fourth quarter of 2017, 42 were vacant. The largest four vacant properties contain approximately 225,000 sf, representing more than half (56.4 percent) of the total vacant square footage, and include the former Sutherland’s building, the former Safeway building at the Cole Shopping Center, the remaining space in the former Kmart building and the soon-to-be vacated Hobby Lobby space.

Within Cheyenne’s shopping malls, Frontier Mall had 8 vacant units, including temporary stores, with a total of 17,384 sf available (3.2% vacancy rate). Sears currently occupies over 80,000 sf within the Frontier Mall and is scheduled to close in January 2018; the addition of this vacant space will significantly increase the vacancy rate. The Cheyenne Plaza Shopping Center had five units available with a total of 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. More than one-fourth of the available retail spaces have more than 5,000 sf (26.5%). Another 28.6 percent have 2,500 sf or less.

Table 3. Available Retail Properties by Square Footage

Size (sf)	Units	% of Total
≥ 20,001	5	10.2%
10,001 - 20,000	3	6.1%
5,001-10,000	5	10.2%
2,501 - 5,000	22	44.9%
≤ 2,500	14	28.6%

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

Summary Table					
Commercial Property For Sale and Lease					
Updated: 12/31/2017			(FR - Final Revision)		
Property Type	# Properties	Square Footage	Avg Lease Rate	Min/Max Rate	Vacancy Rate
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	5.5% (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	5.6% (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	5.2% (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	7.5% (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	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%
Second Quarter 2016					
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%
Third Quarter 2016					
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%
Fourth Quarter 2016					
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%
First Quarter 2017					
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%
Second Quarter 2017					
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%
Third Quarter 2017					
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%
Fourth Quarter 2017					
Warehouse	26	456,368	\$7.85	4.50 - 14.50	8.0%
Retail	49	434,979	\$11.63	5.50 - 17.00	9.9%
Office Space	47	315,920	\$14.50	7.50 - 22.00	11.7%

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