

SPRING 2021

COMMERCIAL MARKET REPORT



PJ MORGAN
REAL ESTATE

OMAHA METRO SUMMARY

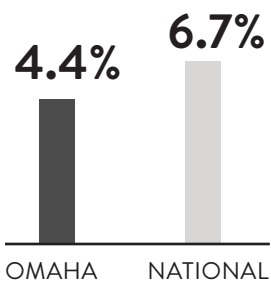
RETAIL	VACANCY RATE	MARKET RENT/SF	ANNUAL RENT GROWTH	TOTAL INVENTORY SF	UNDER CONST SF	12 MO NET ABSORP SF	MARKET SALE PRICE/SF	12 MO SALES VOLUME	12 MO SALES VOL GROWTH	MARKET CAP RATE
Omaha, NE	6.4%	\$14.46	2.0%	64.8 MIL	270 K	-12,549	\$132	218.3 MIL	-22.7%	7.8%
National Index	5.1%	\$21.65	-0.5%	Not Available	45.1 MIL	-16,613,338	\$213	45.1 TRIL	-33.3%	7.1%

OFFICE	VACANCY RATE	MARKET RENT/SF	ANNUAL RENT GROWTH	TOTAL INVENTORY SF	UNDER CONST SF	12 MO NET ABSORP SF	MARKET SALE PRICE/SF	12 MO SALES VOLUME	12 MO SALES VOL GROWTH	MARKET CAP RATE
Omaha, NE	8.8%	\$21.82	-0.3%	46.7 MIL	957 K	-248,445	\$136	94.9 MIL	-61.0%	9.2%
National Index	11.9%	\$34.27	-1.6%	8.13 TRIL	156.4 MIL	-124,848,859	\$317	52.9 TRIL	-58.3%	7.1%

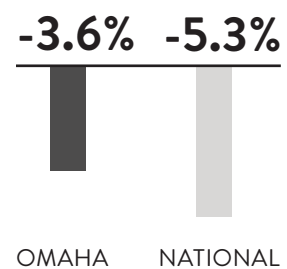
INDUSTRIAL	VACANCY RATE	MARKET RENT/SF	ANNUAL RENT GROWTH	TOTAL INVENTORY SF	UNDER CONST SF	12 MO NET ABSORP SF	MARKET SALE PRICE/SF	12 MO SALES VOLUME	12 MO SALES VOL GROWTH	MARKET CAP RATE
Omaha, NE	3.2%	\$6.24	1.8%	94.6 MIL	4.15 MIL	1,325,340	\$61	116.8 MIL	-37.2%	8.0%
National Index	5.5%	\$9.05	3.9%	Not Available	362.4 MIL	248,165,011	\$114	63.9 TRIL	-30.7%	6.6%

MULTI-FAMILY	VACANCY RATE	ANNUAL RENT GROWTH	INVENTORY UNITS	UNDER CONST UNITS	12 MO ABSORP UNITS	MARKET SALE PRICE/UNIT	12 MO SALES VOLUME	12 MO SALES VOL GROWTH	MARKET CAP RATE
Omaha, NE	6.8%	2.2%	74,061	1,107	1,224	\$86,343	142.1 MIL	-36.6%	6.7%
National Index	6.7%	1.7%	17,505,181	571,011	344,974	\$206,450	103.7 TRIL	-37.0%	5.5%

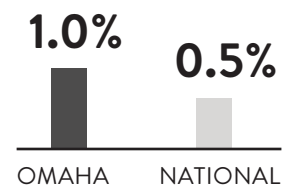
OMAHA POPULATION DATA



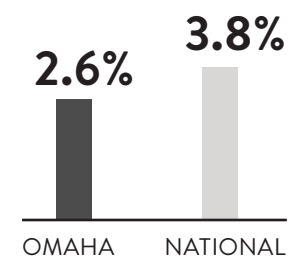
UNEMPLOYMENT RATE



JOB GROWTH



POPULATION GROWTH



MEDIAN HOUSEHOLD
INCOME GROWTH

OMAHA METRO DEVELOPMENT UPDATES



CROSSROADS

Omaha Planning Board approved nearly \$80 million of TIF for the \$500 million venture to revamp the site of the dying shopping mall. The demolition phase of the development is currently underway.



HEARTWOOD PRESERVE

Construction of Applied Underwriter's new Headquarters has been paused for six months. Behind-the-scenes work is taking place to continue this project.



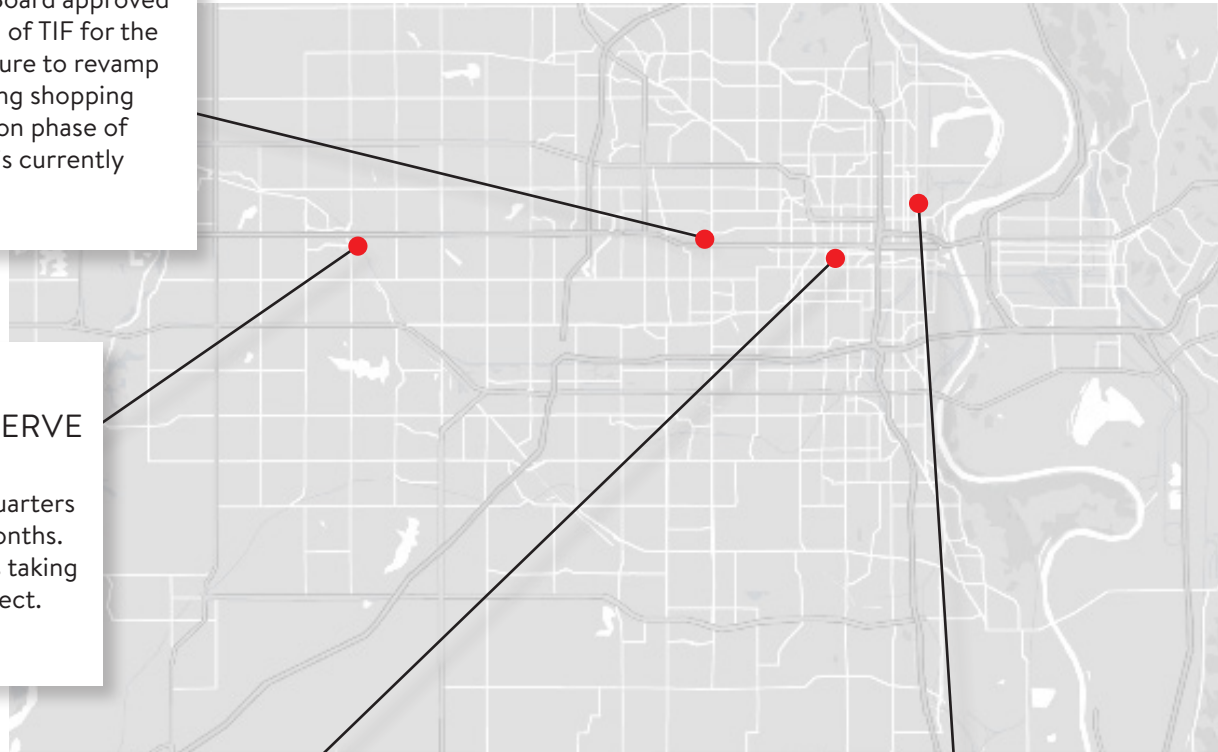
BLACKSTONE

The Backstone Building was built in 1915 and declared an Omaha Landmark in 1983. After a full renovation, it is now known as The Cottonwood Hotel and is officially open to guests!



MILLWORK COMMONS

Construction on Millwork Commons park begins soon! Hello Apartments construction is underway. Five new retail tenants are finishing their spaces to open their doors in 2021!





OFFICE

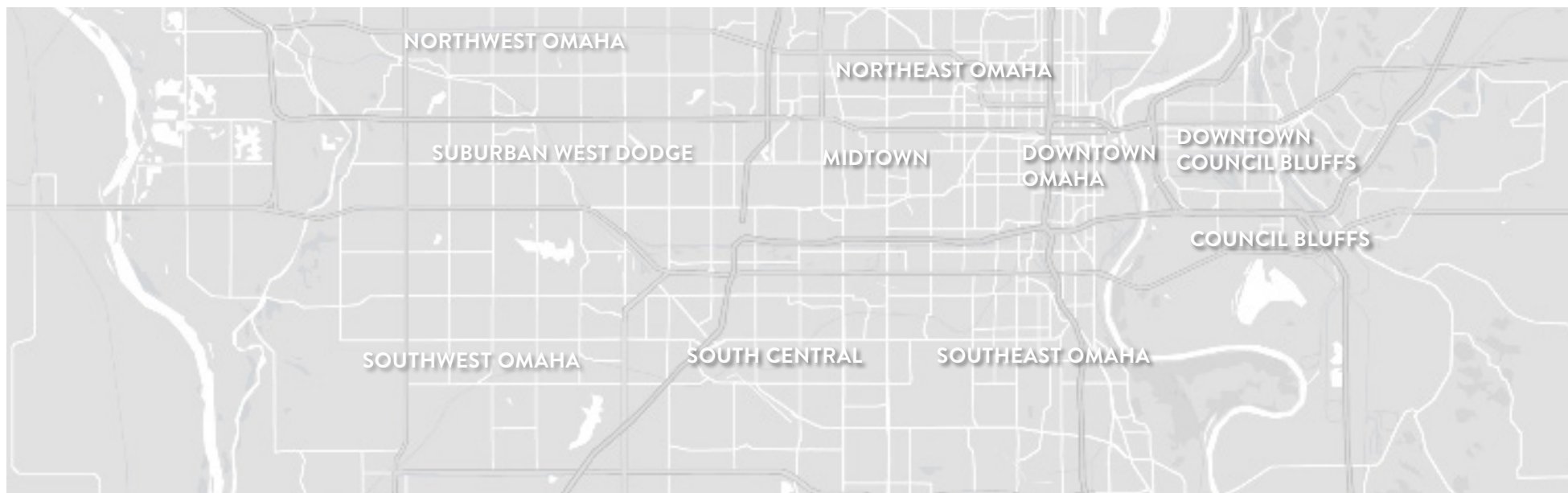
With about a fifth of the workforce still working from home and with many companies presumably still crafting their long-term work-from-home policies, investors continued to retreat from the office commercial real estate market in February 2021, with acquisitions plummeting by 71%. Year-to-date, acquisitions are 60% lower than one year ago.

- *Real Capital Analytics*

FEATURED LISTING

1100 Capitol Ave

A once-in-a-generation opportunity in the heart of the new Capitol District - 1100 Capitol Avenue offers a modern work environment in a creative and energetic urban neighborhood. This 5.4-acre development spans from 10th to 12th Street, creating the city's first designated entertainment district. Multiple amenities will be at your employees' doorstep, including over 20 restaurants, bars and other businesses right in the District. The site also features a public plaza that is home to outdoor concerts, movies, art and exhibits.



SUBMARKET	VACANCY RATE	MARKET RENT/SF	ANNUAL RENT GROWTH	INVENTORY SF	UNDER CONST SF	12 MO NET ABSORP SF	MARKET SALE PRICE/SF	12 MO SALES VOLUME	12 MO SALES VOL GROWTH	MARKET CAP RATE
Central Dodge	12.0%	\$23.06	-0.4%	3,453,093	0	-147,313	\$139	\$7,525,000	-21.3%	9.0%
Council Bluffs	6.6%	\$14.42	0.0%	1,084,234	0	-8,814	\$84	\$0	-100.0%	9.7%
Downtown CB	14.0%	\$19.03	-0.5%	400,034	0	-703	\$96	\$1,300,000	0.0%	9.7%
Downtown Omaha	5.9%	\$21.17	-0.4%	10,229,222	0	135,089	\$148	\$19,843,000	151.2%	9.2%
E Cass County	0.0%	\$15.24	-1.5%	67,326	0	0	\$101	\$0	0.0%	9.7%
E Mills County	0.0%	\$13.90	-1.7%	12,583	0	0	\$79	\$0	0.0%	9.8%
E Pottawattamie	0.0%	\$14.85	-1.5%	76,125	0	0	\$75	\$0	0.0%	10.0%
Harrison County	0.0%	\$15.79	-1.4%	101,237	0	0	\$94	\$0	0.0%	9.6%
Midtown Omaha	9.0%	\$23.66	0.4%	6,450,237	0	-316,577	\$138	\$10,564,942	-45.2%	9.1%
Miracle Hills	14.1%	\$21.39	-1.0%	1,097,256	0	-60,609	\$141	\$7,100,000	407.1%	9.0%
Northeast Omaha	10.4%	\$15.61	-1.3%	809,536	0	14,453	\$100	\$1,205,000	-43.8%	9.6%
Northwest Omaha	13.5%	\$19.32	-0.4%	2,856,885	11,296	-103,630	\$121	\$9,923,800	-56.6%	9.8%
Old Mill	6.6%	\$21.78	-0.5%	2,238,665	0	25,813	\$132	\$1,287,500	-93.3%	9.2%
Regency	10.5%	\$25.36	-0.2%	1,365,665	0	-47,958	\$154	\$1,300,000	-88.7%	8.8%
Sounders County	0.0%	\$15.77	-1.4%	85,787	0	11	\$106	\$0	-100.0%	9.3%
South Central	8.8%	\$18.19	-0.8%	3,346,537	24,000	-55,637	\$111	\$2,161,827	-89.2%	9.4%
Southeast Omaha	14.1%	\$16.94	-0.8%	2,584,790	0	-177,735	\$102	\$20,650,000	388.6%	9.6%
Southwest Omaha	7.2%	\$22.10	-0.4%	5,297,446	472,000	215,074	\$136	\$11,835,614	-66.9%	9.1%
Suburban West Dodge	8.6%	\$28.79	0.1%	4,703,140	450,000	213,062	\$173	\$0	-100.0%	9.1%
W Cass County	18.2%	\$16.09	-1.4%	24,213	0	-4,400	\$107	\$0	0.0%	9.4%
W Mills County	0.0%	\$14.11	-1.7%	99,016	0	3,629	\$80	\$0	0.0%	9.7%
W Pottawattamie Co	0.0%	\$14.22	-1.7%	22,952	0	0	\$74	\$0	0.0%	9.9%
Washington County	0.0%	\$15.40	4.1%	151,086	0	0	\$129	\$0	-100.0%	8.1%



RETAIL

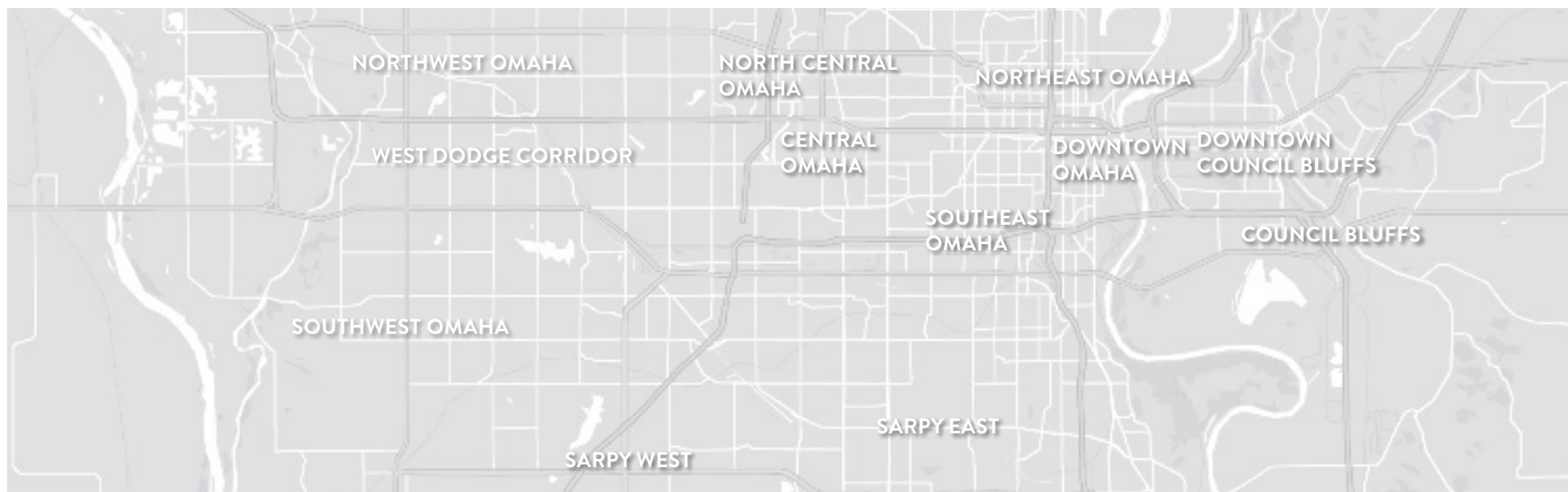
While February saw sales fall in every category with the exception of grocery stores, the decrease is not concerning as year-over-year growth remains quite strong amid boost from vaccine and stimulus.

- Brandon Hardin | NAR Research Economist

FEATURED LISTING

745 N 14th Street

For Lease - \$20 per square foot, NNN
8,347 SF office/street retail space available in North Downtown. Next door to Rally Coffee, Slowdown, Zipline Brewing, TD Ameritrade, and the CHI Convention Center. Two story space with elevator, stock/storage room, and parking.



RETAIL

SUBMARKET	VACANCY RATE	MARKET RENT/SF	ANNUAL RENT GROWTH	INVENTORY SF	UNDER CONST SF	12 MO NET ABSORP SF	MARKET SALE PRICE/SF	12 MO SALES VOLUME	12 MO SALES VOL GROWTH	MARKET CAP RATE
Southwest Omaha	9.4%	\$14.68	1.7%	12,150,101	54,861	-83,890	\$142	\$32,915,806	-47.8%	7.6%
Central Omaha	6.2%	\$16.01	1.7%	8,531,359	5,000	38,355	\$143	\$74,749,874	106.8%	7.6%
Sarpy East	6.3%	\$14.71	2.0%	7,107,187	83,282	-99,125	\$147	\$24,959,966	-40.7%	7.3%
Northwest Omaha	7.3%	\$15.53	1.3%	4,616,916	24,750	-26,077	\$156	\$10,570,000	-63.6%	7.7%
Council Bluffs	8.6%	\$14.37	2.0%	6,213,196	5,000	-65,282	\$89	\$3,039,750	-86.1%	8.3%
West Dodge Corridor	4.5%	\$18.52	1.8%	3,341,219	49,993	43,435	\$156	\$0	-100.0%	7.6%
Southeast Omaha	3.4%	\$13.01	3.3%	3,624,284	6,000	107,235	\$120	\$13,340,000	-17.7%	7.9%
North Central Omaha	10.1%	\$10.62	1.4%	3,474,971	0	-71,788	\$117	\$6,114,000	47.9%	7.9%
Northeast Omaha	2.3%	\$11.47	2.3%	3,064,498	0	-10,835	\$119	\$3,939,456	-74.9%	8.1%
Downtown Omaha	5.2%	\$15.51	1.8%	2,626,337	0	1,114	\$113	\$12,329,990	127.2%	8.1%
South Central Omaha	5.1%	\$12.49	1.8%	2,045,467	0	-38,310	\$136	\$16,236,673	50.9%	7.7%
Sarpy West	2.7%	\$18.73	1.6%	1,055,376	40,781	127,618	\$201	\$0	-100.0%	7.2%
Downtown Council Bluffs	6.6%	\$21.78	-0.5%	2,238,665	0	25,813	\$132	\$1,287,500	-93.3%	9.2%
Washington County	3.8%	\$12.34	2.7%	995,945	0	1,768	\$126	\$2,810,000	-58.9%	8.1%
Sounders County	2.3%	\$13.92	3.8%	913,715	0	-5,093	\$115	\$1,641,000	31.5%	8.3%
Harrison County	0.0%	\$13.50	3.9%	649,422	0	61,850	\$123	\$2,214,500	0.0%	8.3%
E Cass County	4.7%	\$11.04	3.3%	801,316	0	2,551	\$93	\$2,284,440	-31.0%	8.8%
E Pottawattamie County	0.0%	\$14.23	4.0%	480,243	0	0	\$115	\$1,611,852	92.6%	8.3%
W Cass County	0.3%	\$15.21	3.9%	363,125	0	-1,150	\$126	\$315,000	16.7%	8.2%
W Mills County	0.0%	\$12.42	3.7%	520,314	0	1,936	\$88	\$0	-100.0%	8.6%
W Pottawattamie Co	0.0%	\$15.15	3.9%	197,636	0	0	\$133	\$0	-100.0%	7.9%
E Mills County	0.0%	\$15.40	4.1%	151,086	0	0	\$129	\$0	-100.0%	8.1%

INDUSTRIAL

Experts expect the demand for industrial space to remain strong compared to other assets. Working from home, the desire for a place outside urban areas, and the growth of e-commerce will continue to be the primary drivers of growth.

- Gay Coroaton | NAR Senior Economis

FEATURED LISTING

4505 S 84th Street

- 7,558 SF of Industrial/ Flex space with direct access to 84th Street.
- Property is on over a half an acre with 2 drive-in doors, built out office, reception, & restrooms.
- Zoned GI for a multitude of uses.



SUBMARKET	VACANCY RATE	MARKET RENT/SF	ANNUAL RENT GROWTH	INVENTORY SF	UNDER CONST SF	12 MO NET ABSORP SF	MARKET SALE PRICE/SF	12 MO SALES VOLUME	12 MO SALES VOL GROWTH	MARKET CAP RATE
Sarpy West	2.6%	\$6.68	2.3%	18,104,120	3,140,882	1,224,329	\$81	\$15,642,374	-77.6%	7.8%
South Central Omaha	5.6%	\$6.30	2.0%	21,674,294	0	-361,250	\$59	\$28,612,657	-58.0%	8.2%
Southwest Omaha	2.8%	\$6.40	1.8%	9,189,077	0	-23,886	\$63	\$22,216,200	42.0%	8.1%
Northeast Omaha	2.1%	\$5.04	1.7%	11,186,578	0	-15,367	\$44	\$10,389,235	-25.1%	8.4%
Northwest Omaha	4.5%	\$6.74	1.5%	7,222,574	74,837	136,937	\$63	\$2,151,935	-57.6%	8.1%
Southeast Omaha	1.5%	\$5.48	1.7%	9,333,425	0	151,907	\$46	\$1,341,000	-73.5	8.4%
Downtown Council Bluffs	1.5%	\$6.25	1.4%	3,530,672	0	-23,683	\$57	\$1,190,000	22.7%	7.7%
Council Bluffs	3.2%	\$10.62	1.4%	3,474,971	0	-71,788	\$117	\$6,114,000	47.9%	7.9%
W Pottawattamie County	0.6%	\$6.90	0.9%	3,476,775	0	0	\$53	\$0	0.0%	7.2%
Sarpy East	4.6%	\$6.01	1.3%	2,263,458	0	-2,317	\$69	\$27,867,561	2043.7%	7.9%
Washington County	4.1%	\$5.81	2.6%	1,634,186	930,000	3,102	\$46	\$1,865,000	180.5%	8.0%
E Pottawattamie County	0.0%	\$6.82	0.6%	1,485,386	0	1,689	\$52	\$0	0.0%	7.4%
Saunders County	1.0%	\$5.91	1.2%	790,185	0	2,622	\$61	\$2,125,000	-17.3%	8.3%
W Cass County	11.5%	\$7.60	1.8%	406,487	0	18,664	\$61	\$340,000	0.0%	8.4%
W Mills County	0.0%	\$6.21	2.4%	467,633	0	137,000	\$51	\$0	0.0%	8.0%
E Cass County	4.5%	\$5.61	3.1%	442,950	0	9,200	\$48	\$0	-100.0%	8.6%
Harrison County	0.0%	\$7.08	1.6%	340,938	0	0	\$60	\$0	-100.0%	8.1%
E Mills County	0.0%	\$6.82	2.4%	72,150	0	0	\$57	\$0	0.0%	8.3%

MULTI FAMILY

MULTI FAMILY

Apartment buildings are expected to show modest growth, with investors still worried about the ability of renters to pay rent. Nearly 20% of renters are not caught up on rent, according to the Census Bureau's December Household Pulse Survey.

- Gay Coroaton | NAR Senior Economist

FEATURED LISTING

11 Unit Multi-Family on N 24th Street

All 1 Bedroom units with value add potential.

Average submarket rents \$680/month.

Separately metered electrical & on-site laundry.

Opportunity zone.



SUBMARKET	VACANCY RATE	MARKET RENT/SF	ANNUAL RENT GROWTH	INVENTORY SF	UNDER CONST SF	12 MO NET ABSORP SF	MARKET SALE PRICE/SF	12 MO SALES VOLUME	12 MO SALES VOL GROWTH	MARKET CAP RATE
Downtown Omaha	8.3%	\$980	1.1%	13,781	201	334	\$87,340	\$10,259,126	-83.3%	7.2%
Central Omaha	7.4%	\$954	0.7%	9,430	262	43	\$83,537	\$9,605,914	-40.7%	6.7%
Papillion La Vista	6.1%	\$1,003	2.3%	6,302	98	305	\$104,796	\$0	-100.0%	6.4%
Northwest Omaha	6.7%	\$1,006	3.5%	5,985	0	190	\$98,832	\$42,425,000	-13.5%	6.3%
West Omaha	3.2%	\$907	3.4%	6,694	301	9	\$82,774	\$3,780,000	0.0%	6.4%
Elkhorn	9.5%	\$1,134	4.5%	4,255	77	213	\$126,244	\$0	-100.0%	6.3%
Bellevue	8.8%	\$861	1.3%	6,599	0	136	\$67,340	\$3,699,576	80.6%	6.4%
North Omaha	8.5%	\$815	4.3%	6,007	0	-7	\$67,961	\$25,867,000	269.6%	6.8%
Ralston	5.3%	\$815	1.6%	5,513	0	-95	\$72,585	\$1,300,000	-66.7%	6.6%
Millard	2.6%	\$1,006	1.2%	3,241	0	14	\$100,702	\$9,535,648	0.0%	6.5%
Council Bluffs	6.0%	\$896	1.0%	3,020	0	116	\$73,929	\$31,433,047	762.4%	7.5%
Gretna	4.4%	\$922	2.6%	1,833	168	-45	\$97,154	\$0	0.0%	6.3%
Washington County	1.6%	\$797	2.8%	389	0	2	\$63,604	\$0	-100.0%	7.5%
South Omaha	2.4%	\$582	1.9%	493	0	0	\$46,760	\$1,427,950	-19.3%	8.1%
Cass County	8.8%	\$673	3.7%	188	0	-1	\$52,021	\$0	-100.0%	7.9%
Saunders County	5.5%	\$814	1.0%	103	0	2	\$73,585	\$2,000,000	0.0%	7.5%
Mills County	4.3%	\$527	1.4%	113	0	0	\$37,345	\$0	0.0%	8.9%
Springfield	5.7%	not available	not available	70	0	0	\$40,307	\$0	0.0%	7.5%
Pottawattamie County	7.3%	\$635	1.4%	30	0	0	\$55,234	\$734,762	0.0%	8.2%
Harrison County	5.7%	\$441	1.4%	15	0	0	\$34,711	\$0	0.0%	7.7%



WITH YOU FOR LIFE

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