

FALL 2022

COMMERCIAL MARKET REPORT



OMAHA METRO SUMMARY

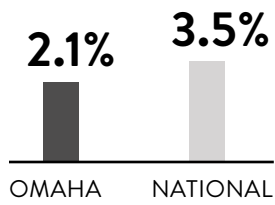
RETAIL	VACANCY RATE	MARKET RENT/SF	ANNUAL RENT GROWTH	TOTAL INVENTORY SF	UNDER CONST SF	12 MO NET ABSORP SF	MARKET SALE PRICE/SF	12 MO SALES VOLUME	12 MO SALES VOL GROWTH	MARKET CAP RATE
Omaha, NE	5.0%	\$15.12	2.2%	64,279,833	310,936	593,811	\$145	\$466 MIL	23.3%	7.6%
National Index	4.4%	\$23.44	4.2%	11,821,726,243	61,798,502	77,656,718	\$239	\$108.4 TRIL	53.0%	6.8%

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	7.6%	\$23.60	0.8%	47,618,408	413,298	577,857	\$150	\$288 MIL	42.7%	8.9%
National Index	12.5%	\$35.12	1.2%	8,314,703,117	143,414,117	2,785,365	\$340	\$101.3 TRIL	7.0%	6.9%

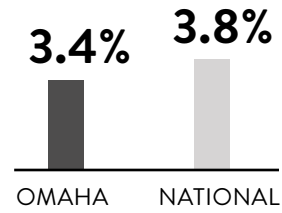
INDUSTRIAL	VACANCY RATE	MARKET RENT/SF	ANNUAL RENT GROWTH	TOTAL INVENTORY SF	UNDER CONST SF	12 MO NET ABSORP SF	MARKET SALE PRICE/SF	12 MO SALES VOLUME	12 MO SALES VOL GROWTH	MARKET CAP RATE
Omaha, NE	2.2%	\$7.18	7.2%	102,844,000	3,062,362	7,067,615	\$82	\$361 MIL	120.9%	7.2%
National Index	4.0%	\$10.85	11.8%	17,930,083,181	715,716,070	419,275,384	\$155	\$148.9 TRIL	45.2%	6.0%

MULTI-FAMILY	VACANCY RATE	MARKET ASKING RENT/UNIT	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	5.0%	\$1,080	7.2%	77,883	4,041	1,904	\$110,938	\$314 MIL	58.3%	6.0%
National Index	5.4%	\$1,633	5.6%	18,518,120	890,270	268,493	\$261,733	\$286.2 TRIL	46.1%	4.9%

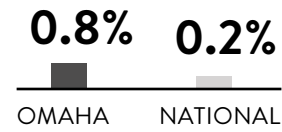
OMAHA POPULATION DATA



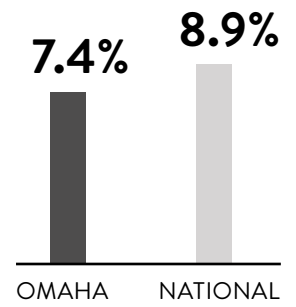
UNEMPLOYMENT RATE



JOB GROWTH



POPULATION GROWTH



MEDIAN HOUSEHOLD INCOME GROWTH

OMAHA METRO DEVELOPMENT UPDATES



48TH & DODGE

A 330 unit apartment building is proposed for a busy section of Dodge street near Dundee. While this is mostly new construction, developers will repurpose the structure at 4629 Dodge street. This building was built by Omaha's first African American veterinarian, Dr. Arthur B. Pittman.



NEBRASKA MULTISPORT COMPLEX

Over a decade after the project broke ground, the complex will host its first competitions this fall. Phase one will have a dozen artificial turf fields with lighting that can be used for soccer, baseball, fast-pitch softball, lacrosse, rugby and flag football. The complex is projected to have a \$9.9 million annual economic impact, generating \$401,000 in sales and lodging taxes.



W. DALE CLARK MAIN LIBRARY

The doors have officially closed and all of the books have been moved from 215 S 15th Street to the Interim Branch Library at 1410 Howard Street. The former main library will be razed in the remaining months of 2022 to make way for the future Mutual of Omaha Tower, with construction scheduled to begin early 2023.



DIZZY MULE

Millwork Common's newest project recently received approval for TIF financing. The project will blend renovated warehouse buildings with new construction, featuring 18,000 square feet of commercial space and 172 apartment units. Developers plan to allocate 5% of the units to help fill the affordable housing gap.



OFFICE

“The Omaha office market can be categorized as one of the nation’s larger metros, with 149 office deals in the past year. That marked a pick-up in transaction activity from the five-year norm. Annual sales volume has averaged \$238 million over the past five years, and the 12-month high in investment volume hit \$338 million over that stretch. In the past 12 months specifically, \$282 million worth of office assets sold. Deals involving 3 Star office buildings propelled that sales volume in the past year, with \$150 million in transaction volume.”

- CoStar Market Insights Report

FEATURED LISTING

7001 Dodge Street- SOLD!

PJ Morgan Real Estate is excited to announce that in Quarter 3 of 2022 we moved to our new office at 7001 Dodge Street! This location allows us more room to better serve our clients!



OFFICE

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	11.3%	\$23.54	0.3%	3,452,988	0	-31,105	\$148	\$31,134,738	397.0%	8.60%
Council Bluffs	4.7%	\$14.90	2.7%	1,117,846	0	23,560	\$103	\$2,085,000	0.0%	9.04%
Downtown Council Bluffs	11.6%	\$20.38	1.6%	422,278	0	-5,837	\$118	\$2,024,734	1519.8%	9.04%
Downtown Omaha	5.4%	\$25.52	0.5%	10,136,790	40,000	-37,020	\$164	\$11,872,820	-36.7%	8.97%
E Cass County	0.0%	\$16.82	3.1%	67,326	0	0	\$107	\$160,000	0.0%	9.50%
E Mills County	0.0%	\$15.67	3.9%	12,427	0	0	\$84	\$0	0.0%	9.66%
E Pottawattamie County	0.0%	\$16.47	3.2%	76,125	0	0	\$83	\$0	0.0%	9.67%
Harrison County	0.0%	\$17.27	2.7%	101,237	0	0	\$100	\$0	-100.0%	9.45%
Midtown Omaha	6.5%	\$25.13	0.5%	6,344,821	0	167,044	\$157	\$30,944,694	316.5%	8.71%
Miracle Hills	28.3%	\$22.03	2.5%	1,124,423	0	-157,693	\$148	\$10,410,000	-51.4%	8.65%
Northeast	1.9%	\$15.87	2.1%	633,874	0	14,775	\$108	\$525,000	-87.6%	8.96%
Northeast Omaha	8.7%	\$17.26	1.9%	910,807	0	164	\$113	\$0	-100.0%	9.05%
Northwest Omaha	11.9%	\$19.82	1.0%	2,882,409	0	36,701	\$128	\$27,872,404	41.7%	9.36%
Old Mill	6.5%	\$23.16	0.8%	2,234,180	0	14,914	\$153	\$22,953,477	537.6%	8.57%
Regency	5.3%	\$25.57	0.8%	1,207,445	0	52,571	\$155	\$2,400,000	-53.8%	8.61%
Saunders County	0.0%	\$17.18	2.6%	87,578	0	43	\$104	\$665,000	0.0%	9.24%
South Central	8.3%	\$18.91	0.9%	3,357,916	0	-6,557	\$120	\$56,291,047	435.0%	8.99%
Southeast Omaha	4.0%	\$17.68	1.6%	2,589,071	0	63,168	\$107	\$5,921,000	-49.2%	9.40%
Southwest Omaha	5.3%	\$23.21	1.1%	5,505,030	260,000	280,817	\$149	\$49,603,412	-1.8%	8.72%
Suburban West Dodge	9.8%	\$30.22	0.7%	5,544,597	113,298	172,908	\$194	\$33,047,000	-25.7%	8.53%
W Cass County	0.0%	\$17.57	2.6%	24,213	0	0	\$112	\$0	0.0%	9.24%
W Mills County	0.0%	\$16.93	3.0%	113,644	0	85	\$96	\$160,000	3.2%	9.48%
W Pottawattamie County	0.0%	\$16.00	3.9%	22,852	0	104	\$84	\$0	0.0%	9.60%
Washington County	8.7%	\$17.58	2.0%	282,405	0	3,991	\$119	\$520,000	131.1%	8.96%



RETAIL

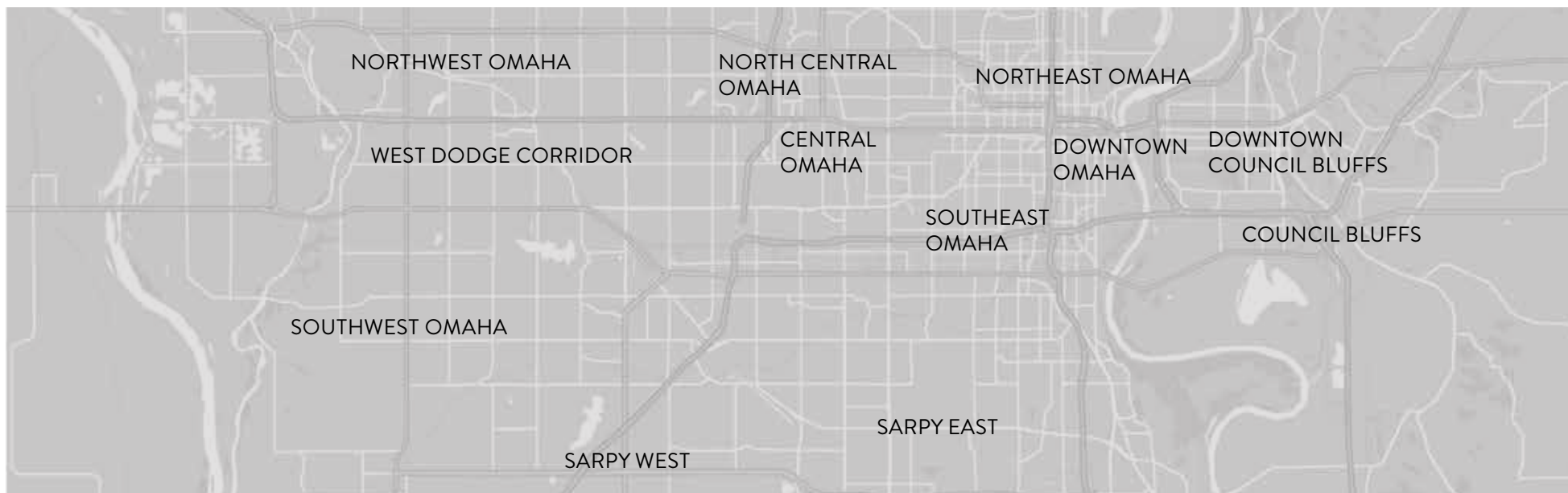
“Although the spending power of consumers has decreased due to elevated inflation, the retail sector continues to be solid. Retail sales – excluding gas, auto, and non-store retailers advanced to \$383 billion in August – a 19 percent increase from pre-pandemic levels (August 2019). As a result, U.S. net absorption remained positive for seven straight quarters, increasing in the third quarter of 2022 to 3.3 million square feet – a 22 percent increase from the second quarter.”

-NAR Commercial Market Insights Report

FEATURED LISTING

7215 Blondo Street- FOR SALE

4,231 sq ft of bar/restaurant space right at the corner of 72nd and Blondo. Featuring high ceilings, open concept, large kitchen and plenty of storage, this space is ready for its new owner. Additional 2,448 sq ft in the basement.



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
Central Omaha	7.5%	\$17.13	2.2%	7,678,240	30,561	14,761	\$157	\$109,563,587	147.1%	7.30%
Council Bluffs	2.4%	\$16.07	2.5%	5,674,959	5,000	48,248	\$93	\$14,689,875	-75.1%	8.40%
Downtown Council Bluffs	4.4%	\$12.13	1.5%	1,889,057	0	7,710	\$121	\$7,881,500	-33.7%	8.40%
Downtown Omaha	4.3%	\$15.89	2.6%	2,610,763	0	10,554	\$128	\$10,709,724	36.2%	7.70%
E Cass County	3.6%	\$11.52	2.7%	836,926	0	-8,917	\$109	\$2,537,000	150.0%	8.20%
E Mills County	0.0%	\$15.13	1.2%	142,712	0	0	\$139	\$0	-100.0%	7.70%
E Pottawattamie County	0.0%	\$14.20	1.7%	480,243	0	0	\$126	\$0	-100.0%	8.00%
Harrison County	0.0%	\$13.57	2.1%	666,803	0	11,377	\$129	\$3,487,515	-12.6%	8.00%
North Central Omaha	8.9%	\$10.92	2.4%	3,437,498	0	10,694	\$130	\$45,401,525	356.7%	7.50%
Northeast Omaha	1.5%	\$11.79	2.2%	3,214,099	0	13,923	\$130	\$7,516,062	-57.5%	7.80%
Northwest Omaha	4.8%	\$16.22	1.8%	4,767,229	47,274	126,952	\$173	\$23,205,500	-34.1%	7.40%
Sarpy East	5.2%	\$15.10	2.4%	7,127,787	0	89,710	\$162	\$51,691,928	44.2%	7.10%
Sarpy West	3.4%	\$19.65	2.3%	1,136,726	54,305	48,748	\$234	\$19,950,000	7.9%	6.90%
Saunders County	0.0%	\$14.06	2.1%	933,033	0	17,977	\$123	\$4,180,000	44.1%	8.00%
South Central Omaha	3.8%	\$12.57	2.0%	2,039,661	3,000	12,395	\$141	\$19,387,969	-38.3%	7.50%
Southeast Omaha	0.7%	\$13.36	2.3%	3,602,963	6,992	57,769	\$130	\$26,780,478	44.3%	7.80%
Southwest Omaha	7.7%	\$15.43	2.0%	12,294,867	159,804	132,615	\$158	\$89,778,374	30.5%	7.30%
W Cass County	0.3%	\$15.24	2.0%	356,582	4,000	0	\$134	\$109,265	-81.1%	8.00%
W Mills County	0.0%	\$12.70	2.6%	520,574	0	0	\$88	\$1,399,000	237.1%	8.40%
W Pottawattamie County	0.0%	\$15.13	1.4%	227,848	0	10,640	\$149	\$2,765,500	91.4%	7.60%
Washington County	3.0%	\$12.87	2.5%	1,050,278	0	23,861	\$126	\$6,362,000	48.5%	8.00%
West Dodge Corridor	6.3%	\$19.18	1.7%	3,529,952	0	-35,206	\$167	\$18,633,246	393.2%	7.30%

INDUSTRIAL

“The industrial sector continued to outperform. Demand is very strong as net absorption was nearly 425 million SF in the last 12 months ending in Q3 2022. Although demand may have tapered, the volume of industrial space absorbed continues to be double that of prepandemic times. As a result, this sector had the lowest vacancy rate at 4% of any other sector in the commercial real estate market.”

-NAR Commercial Market Insights Report (October 2022)

FEATURED LISTING

13705 B Street - FOR LEASE

Great Flex space near the I-80 and I-680 interchange. Currently there's 600+sf of shop/warehouse space with a 12x14 drive-in door, multiple offices, a break room and conference room/flex space. There's also a mezzanine for additional storage!



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
Council Bluffs	4.3%	\$7.79	7.3%	3,056,233	270,000	-6,700	\$79	\$10,040,000	190.6%	6.91%
Downtown Council Bluffs	1.1%	\$7.14	7.6%	3,409,409	302,300	-486	\$68	\$65,181,000	7082.5%	7.08%
E Cass County	4.5%	\$6.24	5.8%	443,130	0	1,418	\$61	\$1,116,000	0.0%	8.04%
E Mills County	0.0%	\$7.56	5.6%	72,150	0	0	\$69	\$0	0.0%	7.79%
E Pottawattamie County	0.8%	\$8.01	6.6%	1,497,098	0	-11,948	\$57	\$467,000	-19.8%	7.04%
Harrison County	0.0%	\$8.07	5.8%	364,938	0	0	\$77	\$3,645,000	941.4%	7.48%
Northeast Omaha	1.9%	\$6.06	7.5%	11,147,636	150,000	-10,994	\$69	\$12,565,656	39.9%	7.18%
Northwest Omaha	6.1%	\$7.74	6.7%	7,677,049	43,720	48,610	\$90	\$73,584,682	606.8%	7.19%
Sarpy East	2.9%	\$6.83	6.9%	2,294,329	0	3,000	\$91	\$6,860,000	-75.8%	7.10%
Sarpy West	1.0%	\$7.70	7.5%	25,242,740	1,355,842	6,308,238	\$99	\$57,989,695	36.2%	7.13%
Saunders County	7.1%	\$6.84	6.7%	820,250	0	10,354	\$70	\$3,500,000	174.9%	7.82%
South Central Omaha	2.6%	\$7.35	7.2%	21,779,913	10,500	524,130	\$78	\$90,053,407	82.1%	7.44%
Southeast Omaha	1.9%	\$5.70	7.4%	9,317,654	0	49,464	\$63	\$16,195,947	228.8%	7.47%
Southwest Omaha	1.7%	\$7.21	6.8%	9,522,146	0	84,931	\$84	\$17,528,265	136.5%	7.30%
W Cass County	12.5%	\$8.73	6.3%	487,405	0	-12,000	\$75	\$1,862,205	235.5%	7.72%
W Mills County	0.0%	\$7.09	7.6%	467,633	0	0	\$63	\$0	-100.0%	7.46%
W Pottawattamie County	0.0%	\$8.01	6.6%	3,528,653	0	37,253	\$62	\$630,000	41.6%	6.75%
Washington County	1.7%	\$6.66	8.3%	1,715,634	930,000	44,597	\$90	\$0	-100.0%	6.39%

MULTI FAMILY

“Omaha is bigger than most apartment markets in the United States, and it saw 80 market-rate apartment transactions close over the past year, above average for its cohort. Annual sales volume has averaged \$211 million over the past five years, and the 12-month high in investment volume hit \$330 million over that stretch. In the past 12 months specifically, \$310 million worth of multifamily assets sold.”

-Lawrence Yun, NAR Chief Economist

FEATURED LISTING

324 North 38th Street, Omaha, NE 68131- UNDER CONTRACT

Beautiful, meticulously maintained, all brick 8-plex conversion near Joslyn Castle. Original wood work, flooring and stained glass. One attached 2-car garage and a detached 2-car along with ample off-street parking. 6- 1-bed units and 2 studio units.

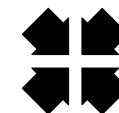


SUBMARKET	VACANCY RATE	MARKET RENT/UNIT	ANNUAL RENT GROWTH	INVENTORY UNITS	UNDER CONST UNITS	12 MO NET ABSORP UNIT	MARKET SALE PRICE/UNIT	12 MO SALES VOLUME	12 MO SALES VOL GROWTH	MARKET CAP RATE
Bellevue	4.1%	\$1,054	10.0%	6,957	60	63	\$93,271	\$80,845,000	449.4%	5.70%
Cass County	4.0%	\$751	5.1%	208	0	1	\$63,942	\$0	-100.0%	7.10%
Central Omaha	3.3%	\$1,030	7.6%	7,144	295	68	\$104,167	\$39,623,000	145.0%	6.10%
Council Bluffs	2.8%	\$1,004	7.6%	3,047	0	19	\$94,417	\$7,490,000	-61.3%	6.90%
Downtown Omaha	6.9%	\$1,243	5.5%	5,495	488	191	\$146,397	\$19,732,341	-37.0%	5.90%
Elkhorn	7.2%	\$1,325	10.3%	4,797	2,663	337	\$141,550	\$0	0.0%	5.60%
Gretna	14.0%	\$1,110	8.4%	2,508	15	237	\$118,722	\$16,400,000	355.4%	5.90%
Harrison County	3.6%	\$453	1.8%	15	0	0	\$43,436	\$0	0.0%	7.00%
Midtown Omaha	4.2%	\$1,063	6.3%	11,178	172	167	\$112,991	\$74,015,281	57.6%	6.30%
Millard	4.4%	\$1,137	6.7%	3,309	0	2	\$117,655	\$8,350,000	0.0%	6.10%
Mills County	2.8%	\$542	1.9%	113	0	0	\$46,673	\$0	0.0%	8.10%
North Omaha	6.8%	\$888	6.4%	6,022	0	-23	\$88,156	\$10,618,000	-64.3%	6.30%
Northwest Omaha	5.4%	\$1,163	6.1%	6,278	168	130	\$121,849	\$30,516,633	142.7%	5.90%
Papillion La Vista	4.0%	\$1,154	7.9%	6,952	84	445	\$118,319	\$13,800,000	84.0%	5.80%
Pottawattamie County	4.5%	\$652	1.9%	46	0	0	\$59,657	\$685,000	0.0%	7.40%
Ralston	2.8%	\$922	8.1%	5,537	0	76	\$88,941	\$11,025,000	748.1%	6.10%
Saunders County	3.3%	\$838	2.0%	120	0	0	\$81,979	\$988,000	-1.2%	7.00%
South Omaha	1.6%	\$595	1.8%	500	0	1	\$62,301	\$0	-100.0%	7.20%
Springfield	3.4%	\$0	0.0%	70	0	0	\$52,670	\$0	0.0%	6.80%
Washington County	1.0%	\$851	6.2%	389	0	0	\$76,208	\$0	0.0%	6.90%
West Omaha	4.9%	\$1,019	5.2%	7,231	96	213	\$99,867	\$0	-100.0%	5.90%



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