

# WINTER 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	4.50%	\$15.44	3.80%	64,347,641	362,206	975,953	\$150	\$479 MIL	15.20%	7.40%
National Index	4.20%	\$23.69	3.90%	11,844,649,812	63,760,663	72,502,389	\$242	\$94.2 TRIL	6.70%	6.70%

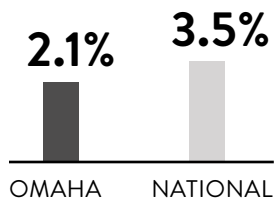
OFFICE	VACANCY RATE	MARKET RENT/SF	ANNUAL RENT GROWTH	TOTAL INVENTORY SF	UNDER CONST SF	12 MO NET ABSORP SF	MARKET SALE PRICE/SF	12 MO SALES VOLUME	12 MO SALES VOL GROWTH	MARKET CAP RATE
Omaha, NE	7.70%	\$23.75	1.70%	47,552,842	479,935	122,870	\$150	\$171 MIL	-40.80%	8.90%
National Index	12.70%	\$35.17	1.00%	8,336,729,465	134,209,083	-18,379,555	\$338	\$79.0 TRIL	-26.80%	6.90%

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	2.00%	\$7.27	6.60%	103,217,850	2,333,542	5,295,594	\$82	\$310 MIL	38.20%	7.30%
National Index	4.10%	\$11.07	10.60%	18,086,167,991	671,831,444	374,482,061	\$157	\$119.1 TRIL	-4.90%	6.00%

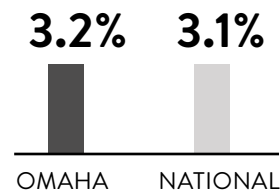
MULTI-FAMILY	VACANCY RATE	MARKET ASKING RENT/UNIT	ANNUAL RENT GROWTH	INVENTORY UNITS	UNDER CONST UNITS	12 MO ABSORP UNITS	MARKET SALE PRICE/UNIT	12 MO SALES VOLUME	12 MO SALES VOL GROWTH	MARKET CAP RATE
Omaha, NE	5.60%	\$1,089	7.10%	78,483	3,757	1,543	\$110,696	\$274 MIL	17.90%	6.00%
National Index	6.10%	\$1,623	3.60%	18,681,925	937,451	177,265	\$260,291	\$220.3 TRIL	-16.20%	4.90%



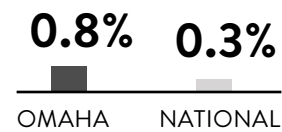
# OMAHA POPULATION DATA



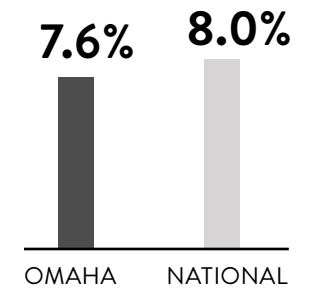
UNEMPLOYMENT RATE



JOB GROWTH



POPULATION GROWTH



MEDIAN HOUSEHOLD INCOME GROWTH

# OMAHA METRO DEVELOPMENT UPDATES



## GOOGLE GROWS

Google seeks to stretch farther into northwest Omaha. Google wants to expand with an additional 187 acres directly next to their current 270-acre data center site that is under construction. This would total more than 2.2 million gross square feet of floor area.



## CHILD SAVING INSTITUTE EXPANSION

Child Saving Institute hopes to begin construction this spring on a \$46 million project expected to expand services and double its campus size at 45th and Dodge Streets.



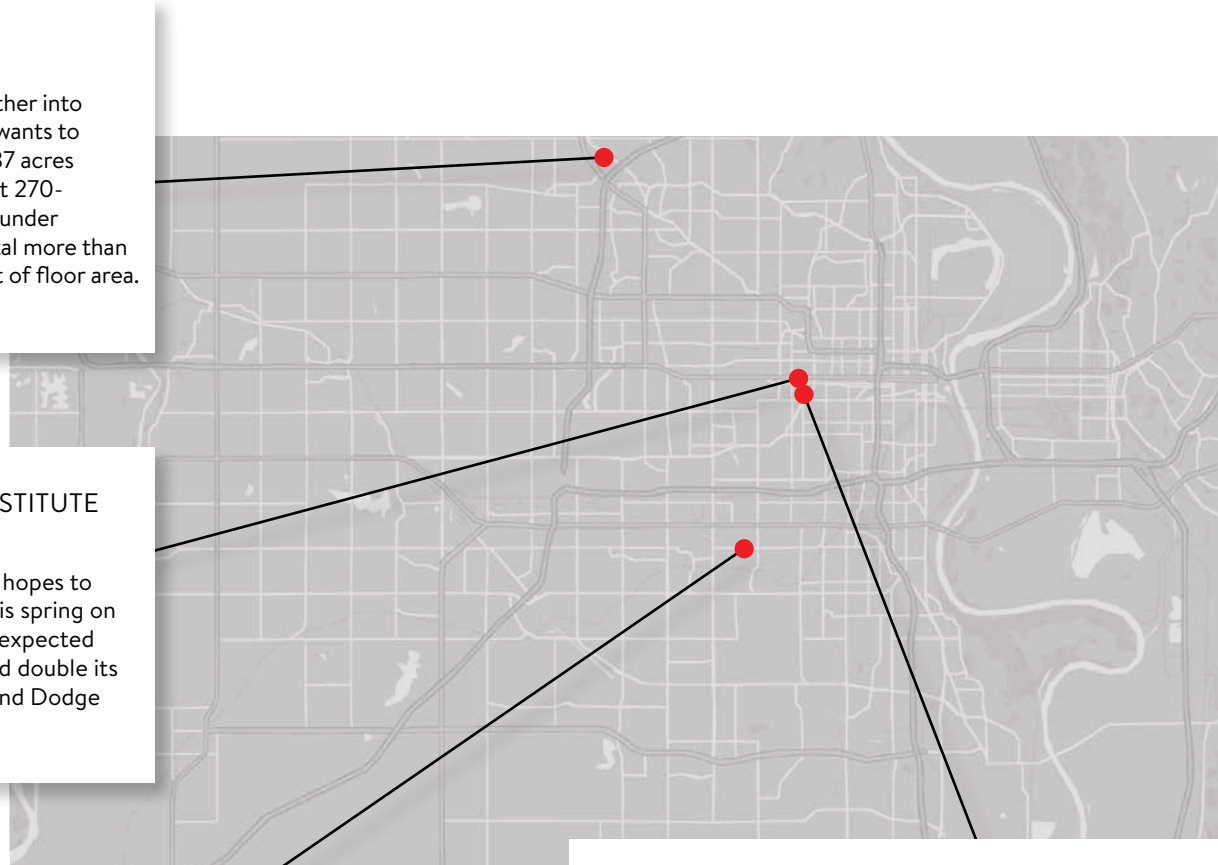
## WARHORSE CASINO

Construction crews are hard at work on the new casino at Horsemen's Park in Omaha. Over two years ago, Nebraska voters approved the project that is expected to open in 2024.



## UNMC INNOVATION HUB

A former old steel castings plant built in 1906 will be repurposed into the Catalyst, a \$60 million entrepreneurial tech hub meant to expand the University of Nebraska Medical Center campus.







## OFFICE

“As the country navigates hybrid work, the office sector continues to struggle. In Q3 2022, about 1.34 million more square feet of office space were vacant and placed on the market than was leased. Although more people returned to their offices, after four quarters with positive net absorption, demand for office space dropped. As a result, the market’s net demand for office spaces decreased relative to supply, and the national vacancy rate rose to 12.4% in Q3 2022 from 12.3% in the previous quarter.”

- CoStar Market Insights Report

## FEATURED LISTING

**1100 Capitol Ave - LEASED!**  
**33,753 square feet remain available**

The downtown Capitol District’s three-story mixed-use building is welcoming its first major office tenant. Deloitte, an international audit and consulting firm, in mid-December will relocate its Omaha workforce to the structure’s top floor, marking the first traditional office-user at the Capitol District site touted primarily as an entertainment district.



# 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	11.9%	\$23.61	1.2%	3,347,180	0	-129,878	\$146	\$23,043,638	144.1%	8.7%
Council Bluffs	4.9%	\$15.08	3.4%	1,117,846	0	27,850	\$103	\$2,230,000	0.0%	9.1%
Downtown Council Bluffs	11.6%	\$20.58	2.3%	422,278	0	-6,608	\$118	\$2,627,234	2001.8%	9.1%
Downtown Omaha	5.7%	\$25.70	1.5%	10,043,083	159,335	-27,439	\$162	\$9,247,820	78.9%	9.1%
E Cass County	7.5%	\$16.85	3.9%	68,327	0	-5,100	\$102	\$504,000	0.0%	9.8%
E Mills County	0.0%	\$15.83	4.5%	12,427	0	0	\$83	\$0	0.0%	9.8%
E Pottawattamie County	0.0%	\$17.04	3.9%	76,125	0	0	\$85	\$0	0.0%	9.7%
Harrison County	0.0%	\$17.47	3.5%	101,237	0	0	\$99	\$0	-100.0%	9.5%
Midtown Omaha	5.4%	\$25.32	1.4%	6,273,337	40,000	82,387	\$159	\$24,172,500	122.6%	8.7%
Miracle Hills	29.4%	\$22.34	2.7%	1,107,337	0	-123,327	\$147	\$7,595,000	-68.6%	8.7%
Northeast	0.7%	\$16.06	2.1%	633,874	0	20,212	\$107	\$0	-100.0%	9.0%
Northeast Omaha	8.8%	\$17.51	2.8%	910,807	0	-494	\$113	\$0	-100.0%	9.1%
Northwest Omaha	12.1%	\$20.04	1.8%	2,881,416	0	27,891	\$127	\$27,608,354	79.6%	9.4%
Old Mill	8.8%	\$23.27	1.6%	2,240,923	0	-37,229	\$150	\$8,274,477	-54.8%	8.7%
Regency	6.2%	\$25.79	1.7%	1,202,067	0	29,018	\$152	\$2,400,000	-53.8%	8.7%
Saunders County	0.0%	\$17.38	3.4%	87,578	0	800	\$102	\$0	-100.0%	9.3%
South Central	7.3%	\$19.29	1.8%	3,354,448	0	19,404	\$120	\$12,034,625	-79.1%	9.0%
Southeast Omaha	3.3%	\$17.81	2.5%	2,589,071	0	86,664	\$106	\$5,596,000	52.4%	9.5%
Southwest Omaha	5.0%	\$23.12	1.8%	5,592,498	260,000	719	\$147	\$30,059,688	-56.7%	8.8%
Suburban West Dodge	10.2%	\$30.35	1.4%	5,681,743	20,600	172,703	\$194	\$14,904,000	-77.8%	8.6%
W Cass County	0.0%	\$17.63	3.4%	24,213	0	0	\$110	\$0	0.0%	9.3%
W Mills County	0.0%	\$17.10	3.7%	113,644	0	1,488	\$94	\$160,000	3.2%	9.6%
W Pottawattamie County	0.0%	\$16.19	4.5%	22,852	0	1,920	\$84	\$0	0.0%	9.6%
Washington County	8.7%	\$17.79	2.9%	282,405	0	2,100	\$118	\$270,000	-43.2%	9.0%



## RETAIL

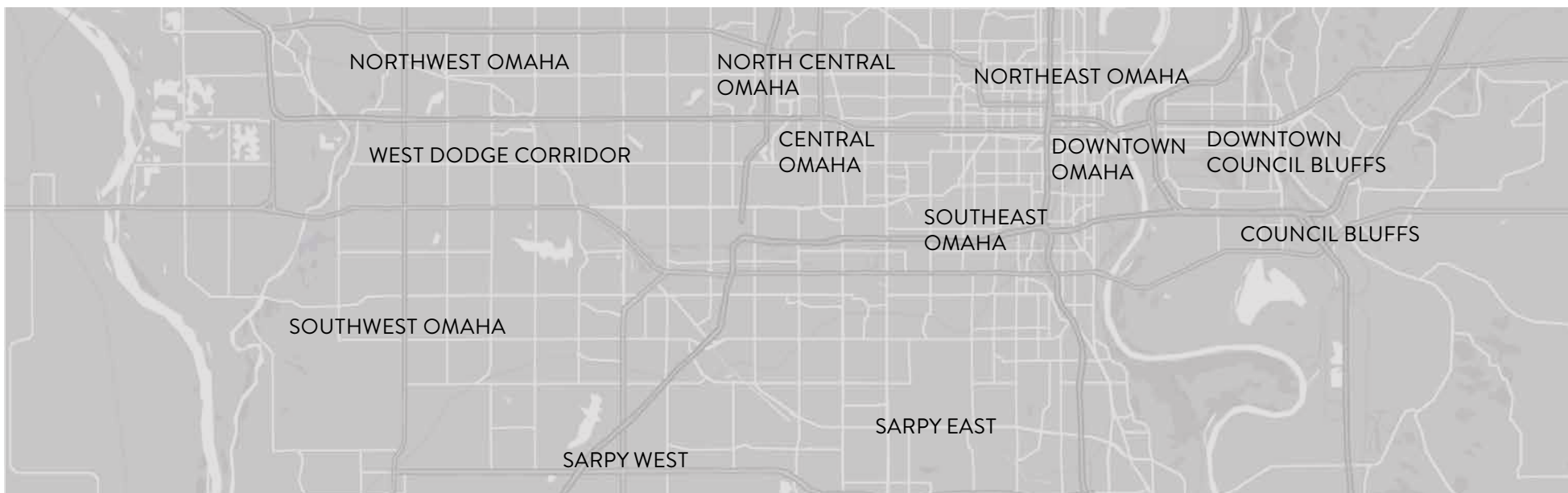
“Although spending slowed this fall, it remained strong in Q3 2022, driving growth in demand for retail spaces for the seventh straight quarter. Retail sales, excluding gas, auto, and non-store retailers, advanced to \$383 billion in August, a 19% increase from August 2019. As a result, net absorption increased to 23.3 million square feet in Q3 2022, a 22% increase from the second quarter. Neighborhood retail that offers in-person services continues to advance even faster. Net absorption for neighborhood centers rose by 35 percentage points compared to the year’s second quarter.”

-NAR Commercial Market Insights Report

## FEATURED LISTING

### 1300 S 72nd Street- FOR LEASE

Rare build to suite drive-thru opportunity along busy 72nd street. Owner will rent existing restaurant/bar space.



# 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	3.9%	\$20.49	4.2%	3,547,710	0	46,306	\$178	\$32,130,129	420.6%	7.10%



## INDUSTRIAL

“Demand for industrial property remains robust. Net absorption was nearly 425 million square feet in the 12 months ending in Q3 2022. Although demand may have tapered, the volume of industrial space absorbed continues to be double that of pre-pandemic times. As a result, this sector had the lowest vacancy rate in Q3 2022, at 4%. With such strong demand, rent growth continues at historic highs, rising 12% year over year in Q3 2022. Rents are rising even faster for logistics space, at 13.5% year over year.”

-NAR Commercial Market Insights Report (October 2022)

## FEATURED LISTING

### 6145 MILITARY AVE - FOR SALE, \$270,000

Great location on the edge of downtown Benson. 2 overhead doors(10' x 10') and 2 walk through doors. Ceiling height is 12' 8" and floor to beam is 10' 4". 100 amp electrical panel. 2 Reznor heating systems. Air vacuum system installed.



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	3.8%	\$7.92	6.9%	3,334,496	0	267,056	\$81	\$9,950,000	194.4%	6.91%
Downtown Council Bluffs	2.4%	\$7.24	7.4%	3,412,227	302,300	-49,826	\$71	\$66,882,500	5015.3%	7.05%
E Cass County	4.5%	\$6.31	4.8%	443,130	0	1,418	\$61	\$2,032,908	0.0%	8.16%
E Mills County	0.0%	\$7.67	4.6%	72,150	0	0	\$69	\$0	0.0%	7.87%
E Pottawattamie County	0.0%	\$8.15	6.7%	1,497,098	0	250	\$62	\$742,000	27.5%	6.91%
Harrison County	0.0%	\$8.23	5.5%	364,938	0	0	\$77	\$3,425,000	500.9%	7.55%
Northeast Omaha	2.1%	\$6.18	6.8%	11,170,641	150,000	-26,486	\$69	\$5,187,012	-71.4%	7.33%
Northwest Omaha	3.8%	\$7.75	6.3%	7,747,749	74,320	174,805	\$90	\$71,282,160	378.8%	7.29%
Sarpy East	3.3%	\$6.97	6.7%	2,301,500	0	-7,854	\$91	\$8,301,000	-70.2%	7.16%
Sarpy West	1.2%	\$7.80	6.9%	25,216,819	876,922	4,195,235	\$99	\$28,605,695	-59.1%	7.19%
Saunders County	7.1%	\$6.96	6.5%	820,250	0	5,571	\$70	\$0	-100.0%	7.90%
South Central Omaha	2.2%	\$7.43	6.4%	21,803,350	0	568,923	\$78	\$80,163,627	40.3%	7.53%
Southeast Omaha	1.8%	\$5.78	6.7%	9,309,657	0	90,888	\$63	\$11,297,900	-17.4%	7.56%
Southwest Omaha	1.9%	\$7.27	6.2%	9,501,440	0	13,979	\$84	\$13,120,460	79.9%	7.39%
W Cass County	12.5%	\$8.87	5.7%	487,405	0	-12,000	\$75	\$1,862,205	235.5%	7.82%
W Mills County	0.0%	\$7.22	6.6%	490,633	0	0	\$66	\$0	-100.0%	7.44%
W Pottawattamie County	0.3%	\$8.19	6.7%	3,528,653	0	21,885	\$66	\$7,493,014	1583.8%	6.65%
Washington County	1.7%	\$6.70	7.0%	1,715,714	930,000	51,750	\$91	\$0	-100.0%	6.47%
West	0.2%	\$7.14	6.6%	6,590,948	0	56,422	\$86	\$15,700,000	53.0%	7.81%

## MULTI FAMILY

“Multifamily absorption and rent growth decelerated in 2022 with absorption in the 60,000–70,000-unit range. That’s below pre-pandemic levels. In the meantime, rents rose year over year, but at a slower pace than a year ago. However, multifamily housing demand remains strong. Given rising mortgage rates and home prices, people may be forced to rent for longer due to decreasing affordability.”

-Lawrence Yun, NAR Chief Economist

## FEATURED LISTING

### 9216 Ohio Street- SOLD!

BRRRR, value add 16-plex located in a great neighborhood just south of 92nd and Maple St. This all-brick apartment has ten 2-bed units and six 1-bed units. Each unit has a full bath and is separately metered for electricity. The building owner currently pays for water, hot water, sewer, gas (heat.) The property is vacant and ready for a full renovation.



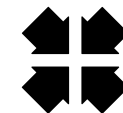
SUBMARKET	VACANCY RATE	MARKET RENT/UNIT	ANNUAL RENT GROWTH	INVENTORY UNITS	UNDER CONST UNITS	12 MO NET ABSORP UNIT	MARKET SALE PRICE/UNIT	12 MO SALES VOLUME	12 MO SALES VOL GROWTH	MARKET CAP RATE
Bellevue	3.9%	\$1,040	8.0%	6,958	60	83	\$91,714	\$79,065,000	379.3%	5.70%
Cass County	4.1%	\$755	4.6%	208	0	6	\$64,339	\$0	-100.0%	7.08%
Central Omaha	4.1%	\$1,036	5.8%	7,128	295	8	\$104,220	\$34,371,000	82.6%	6.09%
Council Bluffs	3.8%	\$1,021	8.8%	3,047	0	4	\$93,256	\$7,492,460	-71.3%	6.88%
Downtown Omaha	8.4%	\$1,241	5.6%	5,870	113	391	\$145,819	\$575,000	-98.9%	5.94%
Elkhorn	6.4%	\$1,321	7.9%	4,793	2,663	295	\$140,618	\$0	0.0%	5.57%
Gretna	13.1%	\$1,137	10.9%	2,508	0	173	\$119,726	\$16,400,000	355.4%	5.86%
Harrison County	4.2%	\$455	1.9%	15	0	0	\$43,564	\$0	0.0%	6.97%
Midtown Omaha	4.5%	\$1,068	5.9%	11,207	172	118	\$113,098	\$49,000,281	-33.1%	6.24%
Millard	2.9%	\$1,143	6.8%	3,315	0	51	\$118,528	\$8,350,000	0.0%	6.06%
Mills County	3.0%	\$545	1.9%	118	0	0	\$47,372	\$0	0.0%	8.06%
North Omaha	7.3%	\$887	6.1%	6,044	0	29	\$81,909	\$10,473,000	18.3%	6.31%
Northwest Omaha	8.4%	\$1,189	6.4%	6,413	33	13	\$123,484	\$43,856,633	305.7%	5.88%
Papillion La Vista	4.4%	\$1,161	8.2%	6,999	325	294	\$120,592	\$13,172,500	60.6%	5.81%
Pottawattamie County	5.3%	\$655	1.9%	46	0	0	\$59,564	\$685,000	0.0%	7.38%
Ralston	4.0%	\$932	9.1%	5,537	0	5	\$89,467	\$10,600,000	200.7%	6.08%
Saunders County	4.0%	\$842	2.0%	120	0	0	\$83,005	\$0	-100.0%	6.95%
South Omaha	1.7%	\$597	1.8%	500	0	1	\$62,859	\$0	-100.0%	7.10%
Springfield	4.1%	\$0	\$0	70	0	0	\$53,464	\$0	0.0%	6.68%
Washington County	1.4%	\$874	6.0%	389	0	0	\$76,976	\$0	0.0%	6.82%
West Omaha	6.6%	\$1,046	7.3%	7,198	96	70	\$100,653	\$0	-100.0%	5.92%





# WITH YOU FOR LIFE

As a team of expert commercial real estate brokers working side by side with professional commercial property managers, we maximize the return on your real estate investments. Call us today for All Things Real Estate!



**PJ MORGAN**  
REAL ESTATE

PJMORGAN.COM | 402-397-7775

*\*The information contained herein has been obtained from sources deemed reliable. While every reasonable effort has been made to ensure its accuracy, we cannot guarantee it. No responsibility is assumed for any inaccuracies. Readers are encouraged to consult their professional advisors prior to acting on any of the material contained in this report. Data supplied by CoStar.*