

SUMMER 2023

COMMERCIAL MARKET REPORT



PJ MORGAN
REAL ESTATE

OMAHA METRO SUMMARY

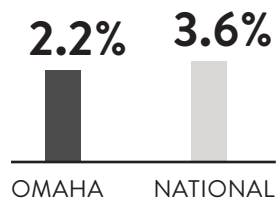
RETAIL	VACANCY RATE	MARKET RENT/SF	ANNUAL RENT GROWTH	TOTAL INVENTORY SF	UNDER CONST SF	12 MO NET ABSORP SF	MARKET SALE PRICE/SF	12 MO SALES VOLUME	12 MO SALES VOL GROWTH	MARKET CAP RATE
Omaha, NE	4.5%	\$16.62	8.6%	64,958,810	245,679	798,419	\$158	\$449.0 MIL	5.0%	7.3%
National Index	4.2%	\$24.25	3.4%	11,944,416,961	61,042,957	49,879,625	\$249	\$65.2 TRIL	-41.3%	6.6%

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	6.8%	\$24.06	1.6%	48,453,509	1,356,935	399,644	\$134	\$213.8 MIL	-36.1%	10.4%
National Index	13.2%	\$35.14	0.8%	8,403,138,179	122,460,357	-44,803,779	\$301	\$46.0 TRIL	-59.9%	8.0%

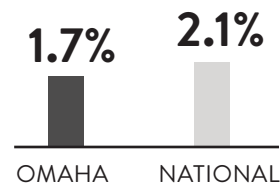
INDUSTRIAL	VACANCY RATE	MARKET RENT/SF	ANNUAL RENT GROWTH	TOTAL INVENTORY SF	UNDER CONST SF	12 MO NET ABSORP SF	MARKET SALE PRICE/SF	12 MO SALES VOLUME	12 MO SALES VOL GROWTH	MARKET CAP RATE
Omaha, NE	2.4%	\$7.72	5.9%	105,964,002	3,465,834	2,906,807	\$80	\$199.8 MIL	-45.0%	8.4%
National Index	4.8%	\$11.61	8.3%	18,425,640,126	571,684,992	270,674,618	\$150	\$88.3 TRIL	-36.7%	7.0%

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	5.9%	\$1,150	4.9%	80,577	2,812	1,597	\$107,739	\$276.1 MIL	-24.4%	6.7%
National Index	6.9%	\$1,674	1.2%	19,084,898	1,040,827	203,984	\$238,607	\$123.0 TRIL	-61.4%	5.6%

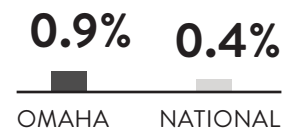
OMAHA POPULATION DATA



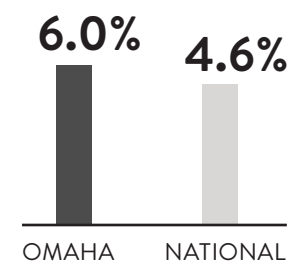
UNEMPLOYMENT RATE



JOB GROWTH



POPULATION GROWTH



MEDIAN HOUSEHOLD
INCOME GROWTH

OMAHA METRO DEVELOPMENT UPDATES



CIVIC SQUARE

An Omaha real estate firm announced it is developing the site of the former Civic Auditorium into a multi-use space. The new space will be known as Civic Square. Plans for the space include a grocery store, something downtown Omaha currently lacks. It will also house a health and wellness outlet, office space and retail spaces, along with affordable and market-rate housing options.



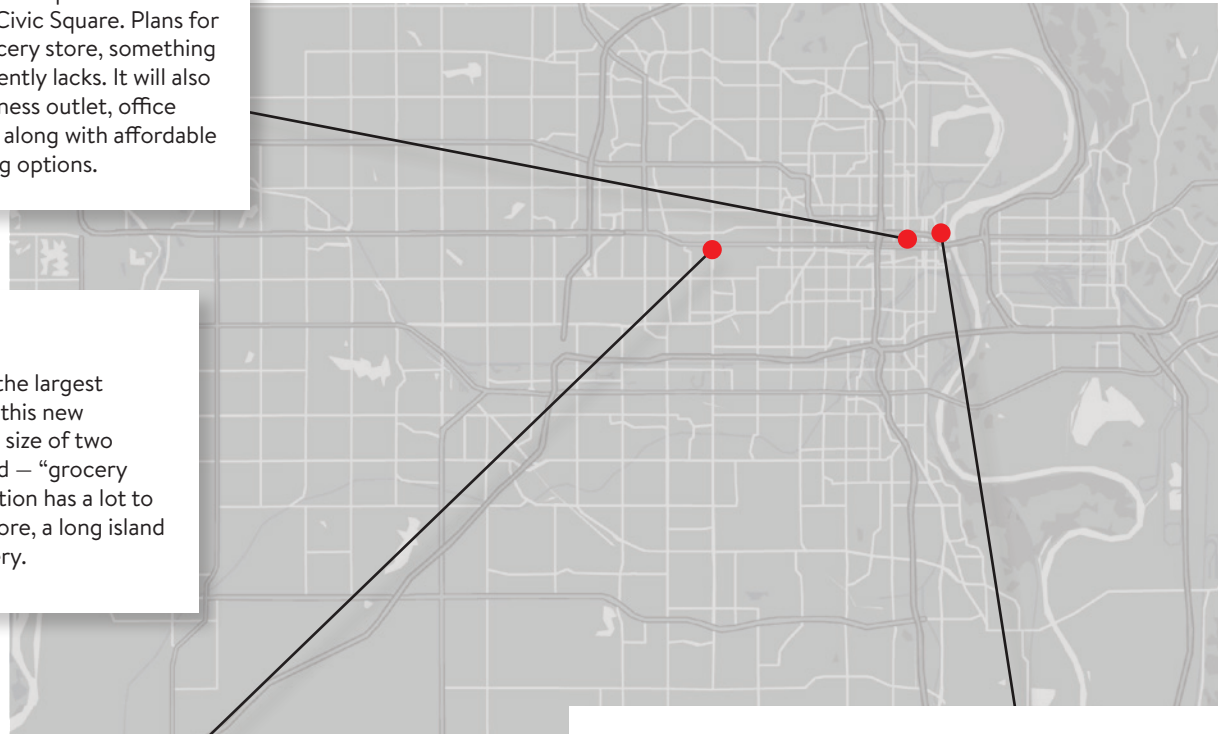
GRETTNA HY-VEE

Nebraska is now home to the largest Hy-vee. The company calls this new store — which is about the size of two normal Hy-Vee's combined — “grocery reimaged.” The new location has a lot to offer, including a sports store, a long island deli and a full-service bakery.



CENTRAL LIBRARY

The remains of the former Do Space building have been hauled off the site at 72nd and Dodge. From here, Omaha Public Library's new \$150 million main branch will soon rise.



THE RIVERFRONT

The years-long overhaul of Omaha's riverfront parks is nearly complete. Heartland of America Park and Lewis & Clark Landing are scheduled to reopen to the public Aug. 18, 2023. These parks are the final pieces in a \$400 million private-public renovation of Omaha's downtown parks.



OFFICE

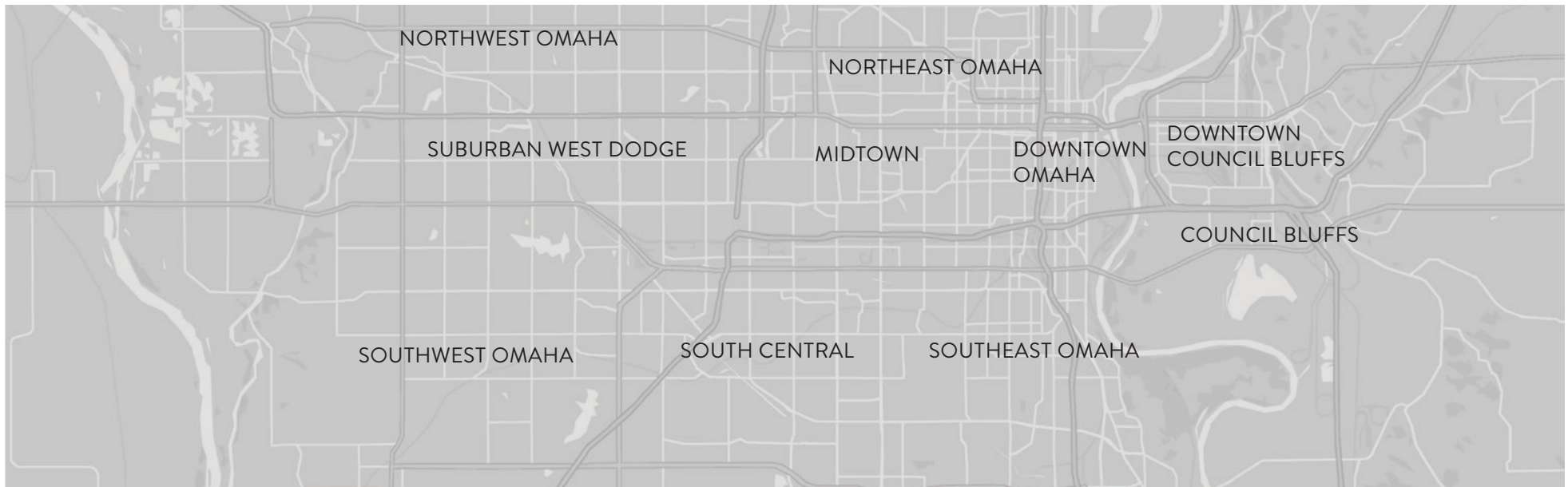
“Most commercial real estate sectors continue to experience slower rent growth and higher vacancy rates compared to the previous year. In the office sector, there are more available spaces for lease than ever. Despite multiple efforts to repurpose unused office spaces, the slow return-to-office movement continues to hurt this sector.”

- National Association of REALTORS® Research Group

FEATURED LISTING

11340 Blondo St, Omaha, NE - FOR LEASE

Two story all brick office building in a park like setting with greater than a 5:1 parking ratio. Second-floor available space can be demised. Currently, the space is mostly wide open with a 7 permitter offices, conference room, and training room. It would be ideal for a call center.



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	10.3%	\$23.75	1.4%	3,355,528	0	-25,250	\$132	\$5,410,000	-82.9%	10.04%
Council Bluffs	5.5%	\$15.92	3.1%	1,123,332	0	-11,995	\$93	\$2,859,500	368.8%	10.43%
Downtown Council Bluffs	11.1%	\$20.88	2.1%	444,832	0	-225	\$135	\$17,352,500	757.0%	10.14%
Downtown Omaha	6.4%	\$24.96	1.7%	10,275,867	959,335	-102,472	\$135	\$13,080,000	21.9%	11.15%
E Cass County	1.2%	\$17.24	3.4%	68,327	0	-800	\$91	\$344,000	115.0%	11.17%
E Mills County	0.0%	\$16.63	4.0%	17,027	0	0	\$77	\$0	0.0%	11.18%
E Pottawattamie County	0.0%	\$17.68	3.5%	78,855	0	0	\$79	\$202,000	0.0%	11.17%
Harrison County	0.0%	\$18.12	3.0%	94,622	0	0	\$92	\$0	0.0%	10.93%
Midtown Omaha	5.8%	\$25.95	1.4%	6,704,023	120,000	9,066	\$143	\$4,947,000	-84.3%	10.25%
Miracle Hills	12.6%	\$23.80	2.6%	1,107,337	0	78,495	\$140	\$0	-100.0%	9.97%
Northeast Omaha	5.0%	\$18.76	2.3%	916,699	0	38,566	\$105	\$1,450,000	152.2%	10.46%
Northwest Omaha	12.5%	\$20.80	1.6%	2,908,824	5,000	-195	\$118	\$11,102,500	-64.1%	10.69%
Old Mill	7.8%	\$23.82	1.7%	2,163,294	0	-24,440	\$138	\$8,465,797	-52.0%	9.94%
Regency	6.6%	\$26.03	1.6%	1,192,681	0	969	\$137	\$7,700,000	54.0%	10.16%
Saunders County	0.0%	\$18.84	2.2%	116,578	0	687	\$102	\$0	-100.0%	10.75%
South Central	5.9%	\$19.64	1.6%	3,348,732	0	90,288	\$109	\$11,925,625	-75.9%	10.45%
Southeast Omaha	4.7%	\$17.99	2.3%	2,581,380	0	5,321	\$94	\$3,667,983	-51.1%	11.17%
Southwest Omaha	5.3%	\$23.68	1.8%	5,617,778	260,000	-38,572	\$133	\$4,999,000	-92.7%	10.17%
Suburban West Dodge	6.3%	\$30.83	1.5%	5,870,119	17,600	347,864	\$177	\$5,341,000	-88.9%	9.98%
W Cass County	0.0%	\$18.15	3.1%	24,213	0	0	\$98	\$0	0.0%	10.79%
W Mills County	0.0%	\$17.76	3.3%	113,644	0	0	\$86	\$115,000	-63.5%	10.98%
W Pottawattamie County	0.0%	\$17.02	4.0%	22,852	0	1,649	\$76	\$0	0.0%	11.11%
Washington County	7.9%	\$16.78	2.5%	309,050	0	1,803	\$102	\$1,897,000	299.4%	10.47%



RETAIL

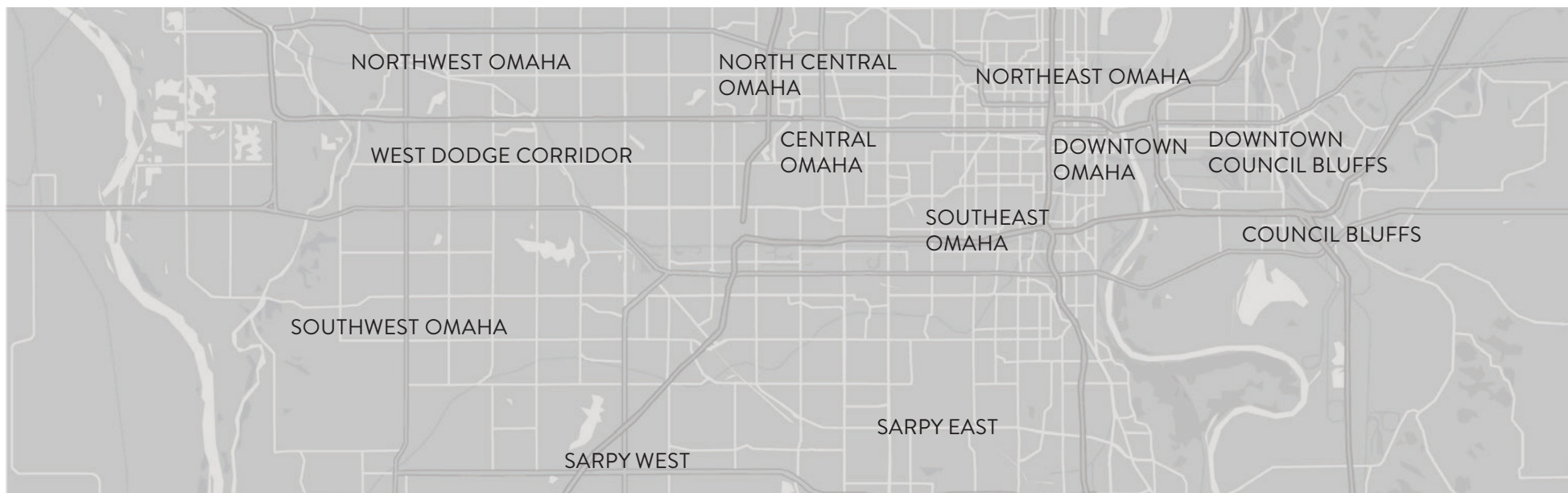
“Although leasing activity continues to slow down in the retail sector, the vacancy rate remains near 4%, the lowest rate in any other sector in commercial real estate.”

-National Association of REALTORS® Research Group

FEATURED LISTING

3585 N 168th Ct, Omaha, NE - FOR LEASE

Beautifully appointed dental office designed with 10 opt rooms! Located at the corner of 168th and West Maple Road in Whispering Ridge. This standalone office is anchored by Target and Petsmart. Featuring building and monument signage your business could be seen by up to 39,000 cars a day. This is a sublease through 1/2025, longer-term options may be available.



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	7.6%	\$18.79	8.9%	7,692,310	10,561	89,698	\$170	\$84,799,954	23.3%	7.17%
Council Bluffs	2.8%	\$17.43	8.5%	5,775,017	0	16,426	\$106	\$11,130,760	17.6%	7.81%
Downtown Council Bluffs	4.4%	\$13.18	9.2%	1,889,476	0	-2	\$138	\$9,076,500	41.9%	7.82%
Downtown Omaha	4.2%	\$18.46	7.7%	2,843,221	3,197	702	\$145	\$4,092,000	-54.3%	7.33%
E Cass County	3.2%	\$12.23	8.8%	835,877	0	-10,844	\$114	\$3,389,914	113.9%	8.16%
E Mills County	0.0%	\$16.30	9.7%	142,712	0	0	\$141	\$141,250	0.0%	7.62%
E Pottawattamie County	0.0%	\$15.26	9.5%	484,981	0	0	\$133	\$7,435,000	2603.6%	7.72%
Harrison County	0.0%	\$14.54	9.3%	667,120	0	0	\$132	\$1,794,226	-46.7%	7.80%
North Central Omaha	8.1%	\$11.93	9.5%	3,460,522	38,000	59,260	\$141	\$17,712,881	-48.5%	7.27%
Northeast Omaha	1.9%	\$12.77	7.8%	3,218,760	0	-34,211	\$141	\$16,351,000	-16.7%	7.61%
Northwest Omaha	4.2%	\$17.77	8.5%	4,782,033	28,500	93,259	\$185	\$20,408,273	-40.2%	7.22%
Sarpy East	5.4%	\$16.62	9.3%	7,135,962	0	-9,842	\$175	\$61,091,980	44.6%	6.97%
Sarpy West	3.6%	\$21.34	8.9%	1,185,199	1,500	43,684	\$251	\$8,500,742	-70.9%	6.74%
Saunders County	0.0%	\$14.77	9.3%	934,317	0	1,835	\$128	\$4,066,000	-32.0%	7.76%
South Central Omaha	2.4%	\$13.82	8.4%	2,058,784	3,520	19,542	\$159	\$32,917,969	143.7%	7.22%
Southeast Omaha	0.7%	\$14.84	9.4%	3,522,425	6,992	-5,356	\$146	\$16,303,170	-41.1%	7.46%
Southwest Omaha	6.4%	\$16.83	8.9%	12,583,055	96,308	509,400	\$170	\$60,713,697	-33.4%	7.18%
W Cass County	0.0%	\$16.33	9.3%	360,582	0	5,150	\$147	\$214,000	-68.8%	7.68%
W Mills County	0.5%	\$13.58	9.0%	522,024	0	-2,800	\$91	\$489,000	-67.2%	8.25%
W Pottawattamie County	0.0%	\$16.41	10.1%	227,848	0	0	\$163	\$1,546,682	-57.2%	7.23%
Washington County	0.9%	\$13.87	8.4%	1,021,222	0	16,994	\$140	\$6,499,000	-19.2%	7.74%
West Dodge Corridor	3.6%	\$22.01	9.0%	3,562,805	16,000	45,184	\$181	\$75,171,000	315.6%	7.23%

INDUSTRIAL

“The performance of the industrial sector has eased from the 2022 record highs, but rent prices for industrial spaces grew more than 8%, significantly faster than pre-pandemic.”

-National Association of REALTORS® Research Group

FEATURED LISTING

7013 Dodge Street, Omaha, NE - FOR LEASE

4,500 square feet of shared lower-level warehouse/storage space available. Great location with close proximity to 72nd & Dodge.



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	3.3%	\$8.31	6.0%	3,335,649	0	241,377	\$78	\$9,060,000	188.5%	7.82%
Downtown Council Bluffs	5.7%	\$7.64	6.2%	3,724,671	0	141,672	\$71	\$2,394,500	-96.3%	8.01%
E Cass County	4.5%	\$6.60	4.6%	443,787	0	0	\$58	\$916,908	-17.8%	9.21%
E Mills County	0.0%	\$8.01	4.5%	72,150	0	0	\$66	\$0	0.0%	8.95%
E Pottawattamie County	0.0%	\$8.55	5.2%	1,491,098	0	11,962	\$61	\$367,000	267.0%	7.82%
Harrison County	0.0%	\$8.59	4.6%	364,938	0	0	\$74	\$0	-100.0%	8.57%
Northeast Omaha	2.2%	\$6.53	6.1%	11,085,980	150,000	-10,028	\$66	\$11,144,012	-17.5%	8.39%
Northwest Omaha	3.0%	\$8.69	5.0%	7,971,653	2,230,800	295,562	\$84	\$15,604,500	-80.6%	8.10%
Sarpy East	2.1%	\$7.25	5.5%	2,301,500	0	17,150	\$90	\$2,536,000	-63.0%	7.99%
Sarpy West	2.9%	\$8.13	6.2%	26,274,856	1,012,434	840,096	\$105	\$76,674,208	4.5%	7.94%
Saunders County	7.2%	\$7.27	5.4%	812,250	0	-34	\$68	\$0	-100.0%	8.95%
South Central Omaha	2.3%	\$7.80	6.0%	21,786,959	0	452,778	\$76	\$46,023,000	-34.3%	8.51%
Southeast Omaha	2.5%	\$6.41	6.0%	9,437,554	0	-42,423	\$62	\$10,237,900	-35.7%	8.59%
Southwest Omaha	1.4%	\$7.69	6.0%	9,455,194	0	19,819	\$82	\$9,032,000	-51.4%	8.33%
W Cass County	12.5%	\$9.16	4.5%	487,405	24,000	-10,304	\$71	\$0	-100.0%	8.87%
W Mills County	0.0%	\$7.57	6.2%	490,633	0	0	\$63	\$250,000	-67.7%	8.44%
W Pottawattamie County	0.3%	\$8.59	5.2%	3,533,261	19,800	0	\$63	\$6,863,014	532.5%	7.55%
Washington County	0.4%	\$7.05	7.0%	2,643,523	0	994,438	\$88	\$1,808,000	0.0%	7.35%

MULTI FAMILY

MULTI FAMILY

“Although rent prices have risen compared to the previous year, the rate of growth has decelerated. In the second quarter of 2023, rents saw a year-over-year increase of 1.1%, which is lower than the 2.8% growth observed in the preceding quarter. Overall, the multifamily sector is gradually returning to its pre-pandemic state.”

-National Association of REALTORS® Research Group

FEATURED LISTING

Capitol Place Apartments, Omaha, NE – NEW MANAGEMENT

Our team is ecstatic to announce that we are now the new property management company for Capitol Place! With over 78 apartment units, and two commercial tenants on the ground level, this building offers spacious floor plans, great views, and an amazing location close to the fun that comes with the College World Series, The Capitol District, and Omaha’s newest concert and event venue, Steelhouse!



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	4.4%	\$1,105	2.8%	7,021	131	66	\$87,331	\$11,525,000	-84.6%	6.34%
Cass County	7.1%	\$794	6.3%	208	0	-6	\$59,066	\$0	-100.0%	7.96%
Central Omaha	3.7%	\$1,090	4.3%	7,025	296	-15	\$103,570	\$5,680,000	-87.2%	6.71%
Council Bluffs	4.0%	\$1,066	7.1%	3,047	0	-22	\$86,030	\$7,642,460	-69.1%	7.68%
Downtown Omaha	8.0%	\$1,297	6.1%	6,243	6	370	\$143,912	\$13,175,000	-67.7%	6.50%
Elkhorn	10.6%	\$1,419	3.9%	5,334	2,512	270	\$144,726	\$52,500,000		6.04%
Gretna	7.7%	\$1,249	7.6%	2,599	182	203	\$122,724	\$16,400,000	4261.7%	6.39%
Harrison County	4.2%	\$546	2.2%	8	0	0	\$52,593	\$0	0.0%	7.78%
Midtown Omaha	5.5%	\$1,117	4.2%	11,524	162	76	\$108,644	\$18,517,000	-74.9%	7.07%
Millard	2.8%	\$1,240	0.6%	3,315	300	29	\$113,912	\$650,000	-91.6%	6.64%
Mills County	3.5%	\$552	2.2%	166	26	0	\$29,372	\$0	0.0%	9.58%
North Omaha	5.7%	\$906	4.4%	6,076	108	100	\$79,835	\$36,298,000	314.1%	6.92%
Northwest Omaha	8.7%	\$1,242	6.7%	6,657	379	204	\$121,748	\$105,550,000	166.1%	6.36%
Papillion La Vista	5.3%	\$1,239	5.4%	7,170	605	135	\$114,322	\$12,272,500	354.5%	6.42%
Pottawattamie County	5.1%	\$665	2.2%	46	0	0	\$55,982	\$0	-100.0%	8.20%
Ralston	4.3%	\$976	6.8%	5,537	0	-65	\$86,493	\$28,200,000	178.5%	6.69%
Saunders County	3.9%	\$854	2.3%	120	0	0	\$95,678	\$0	-100.0%	7.57%
South Omaha	2.2%	\$597	2.1%	530	0	-2	\$55,540	\$267,017	-66.4%	7.98%
Springfield	4.0%			70	0	0	\$49,213	\$0	0.0%	7.54%
Washington County	1.4%	\$887	2.3%	389	0	0	\$72,350	\$0	0.0%	7.66%
West Omaha	4.0%	\$1,085	5.6%	7,287	272	259	\$98,862	\$0	0.0%	6.41%



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!



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