

BUILDINGS FOR SALE

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| NEW! 2620 Jackson Blvd, Unit B Well located professional office building with 5 individual suites (4 occupied). Located in the highly desired Creekside Professional office complex. The entire facility is in excellent condition and well maintained. The building has a long history of great occupancy with many long term tenants in place. Great opportunity for an investor or owner looking to occupy the vacant suite! | 11,843 SF | \$1,650,000 |
| 625 Flormann St Single Tenant NNN Investment Property. Current business has been in the building since 2019 and remodeled the building specifically for their use. Well located in the Rapid City medical corridor. | 5,527 SF | \$1,049,000 |
| 729 E Watertown Free standing office building and separate warehouse. <i>Also for lease.</i> | 5,632 SF | \$699,500 |
| 7519 Sturgis Rd, Black Hawk Large steel retail building with great exposure on Sturgis Rd. <i>Also for lease.</i> | 9,180 SF | \$925,000 |
| Smokejumper Station Restaurant building that was completely remodeled in 2018 and now stands as a prime destination for those seeking a memorable entertainment experience in the heart of the Black Hills. | 4,960 SF | \$899,000 |
| UNDER CONTRACT 330 Knollwood Mult-level office building just off of I-90. Mix of private offices and open work space. <i>Also for lease.</i> | 5,992 SF | \$1,095,000 |
| UNDER CONTRACT 911 E St Patrick St Former grocery store perfect for multi-use tenant. | 21,600 SF | \$1,512,000 |
| UNDER CONTRACT 1222 Oregon St Completely remodeled office building with beautiful high end finishes! Thoughtfully designed with 11 private offices encircling a large conference room. 1,056 SF warehouse located in the back of the lot with an OH door which provides a useful space for equipment, extra storage, or parking. <i>Also for lease.</i> | 3,912 SF | \$625,000 |

LAND FOR SALE

| | | |
|---|----------------|---------------------|
| 478 E Mall Ct Land parcel zoned light industrial. Prime opportunity at Seger Crossing Industrial Park. Excellent visibility along Interstate-90. The seller would like a long term built to suit lease but is also willing to sell outright. All utilities to lot. | 3.90 Acres | \$650,000 |
| 621 E Mall Dr Just off I-90 this parcel sits in a heavy retail, hospitality and restaurant corridor. | 7.23 Acres | \$1,995,000 |
| 1424 Luna Ave Parcel between Staybridge Suites and Pizza Ranch. South of Sam's Club. Hotel or retail parcel. | 3.50 Acres | \$799,000 |
| 1949 Plaza Blvd Ideally located with convenient access to I-90 via Plaza Drive, offering a quick connection to Deadwood Ave. Approximately 4.55 +/- acres are usable. Zoned for storage units, warehouse, outside storage, or other light industrial use. | 7.48 Acres | \$499,000 |
| 3637 Sturgis Rd Extremely high-visibility corner lot on a busy west-side intersection. | 0.46 Acres | \$199,000 |
| 3775 Dyess Dr Light industrial land just north of I-90 with paved access. | 10.00 Acres | \$650,000 |
| 4600 E Mall Dr Land parcel zoned light industrial. Prime opportunity at Seger Crossing Industrial Park. Excellent visibility along Interstate-90. The seller would like a long-term built to suit lease but is also willing to sell outright. All utilities to lot line. | 4.33 Acres | \$699,000 |
| Elk Vale Rd High visibility, high traffic corner of Elk Vale Rd and E Anamosa St. | 2.78 Acres | \$425,000 |
| N Lacrosse St Highly visible property zoned General Commercial. Currently being subdivided. (16 Acres and 11 Acres) | 26.99 Acres | \$3,500,000 |
| Outfitter Rd Great corner lot with high visibility and traffic count. Neighbors Cabelas and other major retailers. | 1.77 Acres | \$539,000 |
| Old Folsom Rd This property directly borders the new Black Hills Industrial Center. | 13.32 Acres | \$375,000 |
| Pleasant Valley Rd Exit 37 corner lot, ideal for convenience store or truck stop. The exit was recently reconstructed to plan for future development. | 5.00 +/- Acres | \$1,089,000 |
| Stumer Rd, Lots 8-10A Premium development opportunity anchored by Walmart and Black Hills Shopping Center. | 1.1-1.36 Acres | \$12.00/SF |
| Villa Dr Lots Near the newly constructed Liberty Plaza, a 110-acre mixed use project in Box Elder. | 1-2.39 Acres | \$195,349-\$315,810 |
| UNDER CONTRACT Stumer Rd, Lots 13 & 14 Premium development opportunity. | 2.48 Acres | \$1,296,000 |
| UNDER CONTRACT 3056 - 3072 Tower Rd Office commercial lots on south side of Tower Rd overlooking Mt Rushmore Rd. | 1.5-2.00 Acres | \$359,900-\$479,900 |

CAMPGROUNDS FOR SALE

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|---|-------------|
| Firehouse Campground - 23856 Hwy 385, Hill City The perfect location along Spring Creek, just outside of Hill City, and conveniently located close to most major attractions in the Black Hills. Campground is equipped with comfortable accommodations that include amenity-filled cabins, lodge rooms, tent camping sites, and a pet friendly RV park. Open seasonally from May-September. | \$1,299,000 |
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SPACES FOR LEASE

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|--|----------------|---------------------------|
| OFFICE, RETAIL & MULTI-USE FOR LEASE | | |
| NEW! 11 New York St Large anchor unit in Time Square Plaza formerly occupied by the Prairie Market. | 26,773 SF | \$6.00/SF/YR NNN |
| NEW! 36 E Stumer Rd, Suite 109 Beautifully finished, Class A retail suite completely remodeled in early 2024. Great frontage along busy E Catron Blvd and located adjacent to the new Walmart Supercenter. | 1,519 SF | \$22.00/SF/YR NNN |
| NEW! 304 Main St Downtown office in Urban Commercial district. Has up to 6 private offices, breakroom and storage. | 2,275 SF | \$12.00/SF/YR NNN |
| NEW! 325 Omaha St, Suite 9 Class A retail suite inside the busy Tuscany Square. Heavy foot traffic and excellent signage! | 1,000 SF | \$16.00/SF/YR NNN |
| NEW! 731 St Joseph St Originally the building housed the US Post Office and Federal Offices in Rapid City. The building has been restored to its original elegance and glory. The building has been divided into several office suites of various sizes. | 262-1,595 SF | \$400-\$1,500/Mo NNN |
| NEW! 811 Disk Dr, Suite 1 Endcap suite is the only space available in The Shops at Rapid City. | 1,662 SF | \$15.00/SF/YR NNN |
| NEW! 2136 Marlin Dr, Suite 5A Office/showroom area, complete with a restroom and a private office. | 725 SF | \$785/Mo NNN |
| NEW! 2255 Haines Ave, Suite 300 Corner suite with retail showroom in the front and expansive warehouse in the back perfect for stock storage or additional showroom space. A part of the Haines Station Shopping Center, a high visibility location. | 12,000 SF | \$7.50/SF/YR NNN |
| NEW! 2620 Jackson Blvd, Suite F Rare opportunity for office space at the Creekside Professional Offices situated on the high traffic corner at Sheridan Lake and Jackson Blvd. Suite has up to 10 private offices, reception area, 2 restrooms, and storage. | 2,634 SF | \$13.50/SF/YR NNN |
| NEW! 4624 Creek Dr, Suite 3 The suite is made up of two connecting warehouse units with a front office/showroom space. Warehouse has 2 (12'x14') OH doors, mezzanine level storage, and 3 phase power. | 4,290 SF | \$11.00/SF/YR NNN |
| NEW! 5955 Mt Rushmore Rd, Unit F Office/retail space is in vanilla shell condition with finished restrooms and 2 drive-thru windows. Warehouse space also includes an overhead door, mezzanine storage, and plumbing in place. | 3,829-5,629 SF | \$10.00-\$16.50/SF/YR NNN |
| NEW! Liberty Gate Rd New construction co-branding opportunity! Retail unit inside the Sentinel Federal new location. High profile, two window drive-thru ideal for coffee, deli, or donut shop. | 1,850 SF | \$18.00/SF/YR NNN |
| 10 E Mall Dr Multi-level office building, just north of Rushmore Mall. 1 mile from I-90/Haines Ave Exit. | 3,970 SF | \$15.00/SF/YR NNN |
| 426 St Joseph St, 1st Floor The iconic Stockgrowers Association building. Space includes 2 offices, reception, and shared conference room. Includes utilities. | 572 SF | \$1,500/Mo Gross |
| 475 Villa Dr, Box Elder New construction retail or office built out with open floor plan, adjacent large office, 2 restrooms, and close to EAFB. Easy, quick access from I-90 via Liberty Blvd. | 2,181 SF | \$2,908/Mo NNN |
| 519 Kansas City St Located in the City Center, this suite offers unlimited potential for any type of professional office. 2nd floor turn-key office includes 4 private offices, a large conference room, and several individual cubicles. | 3,060 SF | \$15.50/SF/YR NNN |
| 729 E Watertown Free standing office building. Featuring a 16X16 conference room with built in cabinetry, reception & waiting room area, copying center, storage room, and office cubicles. <i>Also for Sale.</i> | 5,632 SF | \$4,725/Mo NNN |
| 1136 Jackson Blvd, Suite 1 & 2 Class A medical office and traditional office space available. | 2,352-5,114 SF | \$18-20.00/SF/YR NNN |
| 1301 W Omaha St Ideally located on one of the busiest arteries through town, Omaha Street (24,000+ vehicles per day). Large parking lot for clients. Professional management on-site. 2 office suites available. | 496-1,300 SF | \$18.00-\$25.57/SF/YR NNN |
| 2507 E St Patrick St New construction of retail and warehouse units. Options are available to combine retail units up to 6,000 SF or combined to have a 12,000 SF warehouse/retail unit. | 1,500-9,000 SF | Negotiable |
| 7201 Mt Rushmore Rd Peaks on the Horizon. Former historic Stamper Factory renovated for multi-tenant retail or office users. Stunning views of the Black Hills to the west, high traffic visibility from Hwy 16 to the east. 2 spaces left! | 3,315-3,610 SF | \$18.00-\$20.00/SF/YR NNN |
| 7519 Sturgis Rd, Black Hawk Retail single-tenant building. High ceilings, easy access, and flexible use type. <i>Also for Sale.</i> | 9,180 SF | \$8.50/SF/YR NNN |
| UNDER CONTRACT 809 Deadwood Ave, Suite 2 Office suite located at the highly desirable southwest corner of Deadwood Ave & Plant St. Previously utilized as a call center, this space has a large open floor plan and includes up to 7 private offices. | 8,800 SF | \$16.00/SF/YR NNN |
| UNDER CONTRACT 1800-1802 Elm Ave 1,440 SF flex building, ideal for office or retail user, and a separate 240 SF space. | 1,680 SF | \$2,250/Mo Gross |
| WAREHOUSE/INDUSTRIAL FOR LEASE | | |
| NEW! 1350 Deadwood Ave Well located warehouse building with great signage! Building includes 2 overhead doors, 14' side walls and 18' center ceiling height, 3 phase power, and 2 industrial overhead heaters. | 18,000 SF | \$8.25/SF/YR NNN |
| NEW! 3612 Galt Ct New construction! Conveniently located just minutes from I-90. Each functional warehouse unit will be equipped with a fully sheetrocked interior, 12'x14' OH door, a restroom, and fire sprinklers. | 2,700-5,400 SF | \$8.50-\$10.00/SF/YR NNN |
| NEW! 5632 Fargo Ln Vanilla shell built out. Clean space, perfect for light manufacturing, workshop, or storage use. | 1,800 SF | \$12.00/SF/YR NNN |
| 353 Americas Way 20-22 ft sidewalls and 6 in reinforced concrete. One 14x16 overhead door. 500 sf of office. Storage lot. | 10,000 SF | \$10.00/SF/YR NNN |
| 1947 Deadwood Ave Well located industrial building with 6 OH doors (14'x14') with drive-in bays (20'x60'). Office with a service desk, waiting area, M/W restrooms, and a private office connected to the shop. Approx. 2,500sf of upper level mezzanine space. | 8,822 SF | \$8.16/SF/YR NNN |
| 2320 S Plaza Dr Clean, open space with a overhead door and restroom. Conveniently located near I-90/Deadwood Ave. | 2,400 SF | \$11.50/SF/YR Gross |
| 4703 S I-90 Service Rd Warehouse with front showroom and office building. Prime visibility with frontage on I-90. | 9,584 SF | \$9.50/SF/YR NNN |
| 4551 & 4501 Seger Dr Premier shop condominiums to be built in a newly developed subdivision right outside of Rapid City limits. Easy access to I-90 and built with best-in-class amenities. Currently under construction. | 1,200-3,600 SF | \$11.50-\$12.25/SF/YR NNN |



YourProperty—OurPrioritySM RapidCityCommercial | 2401 West Main Street, Rapid City, SD 57702 | 605.335.8100
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SEPTEMBER
2024

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WHAT'S INSIDE:

News from Rapid City Commercial—The latest news on the market and our team.

Our Listings—Buildings, land, and businesses for sale and lease.

Market Snapshot—See how Q3 of 2024 compares to the Q3 of 2023, and get the inside scoop on what's happening in Pennington County by sector.



Greetings! With uncertainty surrounding interest rates, elections, and the economy, we often get the question “How are you guys doing with the commercial real estate market?,” and when asked, the person seems to have a note of sympathy in their voice. While we appreciate the concern, our business has continued as usual and hasn't shown signs of letting up. Markets shift, pricing goes up and down, and strategies change, but our goal remains the same: be consistent in the quality of our work and keep providing the services needed by our clients. Other parts of the nation may be feeling a squeeze in commercial real estate, but our area has been insulated from it to a degree, and we haven't slowed down much.

The numbers back that statement up as you'll see from this year's sales data. Through July there is an overall sales volume decrease of only 8% from last year. However, looking at the specific categories you'll notice that they are all up except for Retail and Multifamily and those were influenced by a \$23M retail and \$39M multifamily sale in the first half of 2023 and these asset types are most influenced by interest rate changes. Industrial properties continue to be a strong player with an increasing demand from owner-occupants but admittedly have become more difficult for investors as a high delivery of industrial lease space has hit the market in recent months. Encouragingly, office sales are making a comeback with ten transactions so far, mostly with owner-occupied buyers as well. Like the residential market, it seems that buyers are accepting interest rates where they are and making moves rather than sitting on the sidelines hoping for change

We have seen a slight increase in leasing availability in 2024, but the demand has been there to match the increased supply. Transactions are above what we saw in 2023 and we are seeing an increase in rental rates after a decade of very little rate growth. Turn-key retail and mid-size warehouses continue to be in the highest demand. We're starting to see new inventory hit the market, particularly warehouse and retail. There has been a noticeable increase in office space, specifically downtown, in the last 3 months so if your company is considering a move, now is the time to start your search. If you have space coming available or are looking for space, please reach out to our leasing specialist, Gina Plooster.

Significant closings in the last quarter include:

- ▶ Yak Ridge Cabins – Sale – Vacation Rental Property with Five Cabins Located by Cosmos Mystery Area
- ▶ 1745 Eglin St – Lease – Office/Retail Space Located in Rushmore Crossing
- ▶ Rush No More Campground – Sale – 80 Acres near Sturgis with a Mix of RV Sites, Cabins, and Development Land
- ▶ 1719 W Main St – Sale – Executive Office Suite Building Located in central Rapid City.
- ▶ 502 Main St – Lease – Restaurant Space in Main Street Square

New listings of note:

- ▶ 2620 Jackson Blvd – 5 Suite Multi-Level Investment Building at Creekside Professional Complex - \$1,650,000
- ▶ 1947 Deadwood Ave – 8,822sf High Traffic Shop Building with 6 OH Doors - \$6,000/MO NNN
- ▶ 478 E Mall Ct & 4600 E Mall Dr – +/- 4 Acre Lots/BTS in the Seger Crossing Industrial Park - \$650,000-\$699,000
- ▶ Liberty Gate Rd – 1,850sf Retail Space w Drive-Thru, co-tenant Sentinel FCU – Box Elder - \$18/SF/YR NNN
- ▶ 5955 Mt Rushmore Rd – 3,829sf Anchor Space for Office or Retail along Mt Rushmore Rd - \$16.50/SF/YR NNN
- ▶ 3612 Galt Ct – New Construction Warehouse Units for Lease 2,700-5,400sf - \$8.00-\$10.00/SF/YR NNN

Enclosed is our list of available commercial properties and the latest market stats for Pennington County. For the most recent listing information, visit RapidCityCommercial.com, our team's active commercial listings in the market. If you are looking for a property not on our list, we would love to help. Contact me at (605) 939-4489.

Sincerely,

Chris Long, SIOR, CCIM
Keller Williams Realty Black Hills
Enclosure

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Pennington County Commercial Real Estate Market Statistics 2023 vs. 2024

| TOTAL | BY SEGMENT | | |
|--|---|---|--|
| | VOLUME | TRANSACTIONS | |
| SALES VOLUME \$126,424,991 | RETAIL ↓ -\$37.72M \$11.76M ↓ -11 14 Total | Retail sales continue to lag the rest of the market. The volume is exaggerated by a \$23M sale in 2023 but overall, interest rates continue to put pressure on retail valuations. | |
| | OFFICE ↑ +\$7.50M \$12.76M ↑ +6 10 Total | Office sales activity has been the surprise of 2024 up to this point with nearly all active listings selling quickly and demand outpacing supply, especially for properties under 10,000sf. | |
| | INDUSTRIAL ↑ +\$14.68M \$27.41M ↑ +17 27 Total | As we indicated in our 1st quarter report, industrial demand is consistent and now that we have seen supply to match that demand, it is driving significant year over year growth. | |
| | LAND ↑ +\$7.02M \$22.54M ↓ -1 25 Total | We are still encouraged by the consistency of land sales relative to 2023 but have started to see that activity slow down in the last 3 months so we will be watching this closely heading in the fall. | |
| TRANSACTIONS 95 | MULTI FAMILY ↓ -\$8.56M \$39.82M ↓ -1 10 Total | Interest rate pressure has slowed down the multifamily transactions significantly, but inventory has also been very limited as sellers are aware of the shift in buyer expectations. As rates move lower in the coming months and new inventory is absorbed, we expect this activity to pick back up later in 2024. | |
| | HOSPITALITY ↑ +\$6.00M \$9.75M ↑ +4 7 Total | 2nd quarter saw four more motel sales as the dynamics for post covid travel seem to be understood and reflected in pricing | |
| | OTHER ↑ +\$10,000 \$2.38M ↓ -2 2 Total | The last 3 months have seen no activity in the special purpose category. | |

*Data provided by Pennington County Department of Equalization as of July 2024.

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