

COMMERCIAL REAL ESTATE REPORT Q4 2023

Cedar Rapids, IA Metro Area

Select a Metro Area
Cedar Rapids, IA Metro Area

Demographics and Economy

Demographics

0.1%	23.5%	0.9%	Net Migration in Iowa
population growth (2022)	share of renters (2022)	renter household formation (2022)	3,509 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	1,365 (2022)

Economy

6.8%	1,400	1.0%	11.9%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$53,830	3.8%	14.6%	International Migration in Iowa
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	7,112 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	9,355 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **weaker than nationwide** as this area has a slower absorption of office space. Despite weak conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	-49,940	-182,237	1.5%	\$21	6.8%
2022 Q4	30,641	-331,936	3.3%	\$21	5.4%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	13,780,848	0	20,790	\$0.63M	10.8%
2022 Q4	13,760,058	0	0	\$9.12M	10.3%

2. Multifamily

Demand for multifamily space is **stronger than nationwide** as this area has a faster absorption of multifamily space. As a result, rent prices rose faster than nationwide. However, vacancy rate is higher in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	132.0	625.0	1.4%	\$857	\$850	8.0%
2022 Q4	6.0	105.0	2.8%	\$846	\$839	8.4%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo		Market Cap Rate	
2023 Q4	12,932	315	622		8.5%	
2022 Q4	12,310	0	109		7.9%	

3. Retail

Demand for retail space is **weaker than nationwide** as this area has a slower absorption of retail space. As a result, rents rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	20,134	-8,747	2.2%	\$13	1.6%
2022 Q4	23,946	16,555	3.0%	\$13	1.1%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	15,154,850	8.5%	\$2.63M	\$107	
2022 Q4	15,081,589	8.3%	\$4.76M	\$168	

4. Industrial

Demand for industrial space is **stronger than nationwide** as this area has a faster absorption of industrial space. Despite strong conditions, rent prices rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	723,195	1,329,468	4.9%	\$7	2.8%
2022 Q4	220,521	1,895,404	7.6%	\$7	2.8%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	35,878,665	1,002,500	1,381,300	9.8%	\$3.14M
2022 Q4	34,497,365	543,740	888,836	9.1%	\$113.11M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner. To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000



COMMERCIAL REAL ESTATE REPORT Q4 2023

Davenport-Moline-Rock Island, IA-IL Metro Area

Select a Metro Area
Davenport-Moline-Rock Island, IA-IL

Demographics and Economy

Demographics

-0.8%	29.0%	6.1%	Net Migration in Iowa
population growth (2022)	share of renters (2022)	renter household formation (2022)	3,509 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	1,365 (2022)

Economy

7.3%	900	0.5%	-12.6%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$49,080	4.7%	10.9%	International Migration in Iowa
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	7,112 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	9,355 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	-25,011	82,665	1.4%	\$19	2.4%
2022 Q4	70,164	92,588	4.2%	\$19	3.2%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	11,322,556	0	0	\$9.55M	11.5%
2022 Q4	11,322,556	0	3,485	\$4.25M	11.2%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	33	-36	3.5%	\$977	\$970	6.2%
2022 Q4	-86	-87	5.2%	\$944	\$938	6.2%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo			Market Cap Rate
2023 Q4	14,286	38	-46			8.6%
2022 Q4	14,332	92	196			7.8%

3. Retail

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. Despite strong conditions, rent prices rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-4,680	132,997	2.3%	\$14	3.5%
2022 Q4	-41,823	11,094	3.0%	\$13	3.9%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	26,600,443	8.6%	\$11.54M	\$118	
2022 Q4	26,576,901	8.5%	\$19.16M	\$82	

4. Industrial

Demand for industrial space is **stronger than nationwide** as this area has a faster absorption of industrial space. Despite strong conditions, rent prices rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	246,121	772,344	4.8%	\$6	1.8%
2022 Q4	418,159	788,423	7.9%	\$6	1.6%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	57,234,893	251,000	880,601	10.2%	\$206.36M
2022 Q4	56,354,292	376,000	686,300	9.5%	\$20.16M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner. To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000



COMMERCIAL REAL ESTATE REPORT Q4 2023

Des Moines-West Des Moines, IA Metro Area

Select a Metro Area
Des Moines-West Des Moines, IA M.

Demographics and Economy

Demographics

1.4%	29.0%	-3.4%	Net Migration in Iowa
population growth (2022)	share of renters (2022)	renter household formation (2022)	3,509 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	1,365 (2022)

Economy

4.1%	1,500	0.4%	0.6%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$55,310	3.0%	15.5%	International Migration in Iowa
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	7,112 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	9,355 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **weaker than nationwide** as this area has a slower absorption of office space. Despite weak conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	-161,937	-1,515,171	1.7%	\$23	11.4%
2022 Q4	-55,158	109,684	3.2%	\$22	7.2%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	42,356,117	59,230	280,615	\$4.58M	10.8%
2022 Q4	42,075,502	43,000	87,443	\$19.91M	10.3%

2. Multifamily

Demand for multifamily space is **stronger than nationwide** as this area has a faster absorption of multifamily space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	412	1,522	1.4%	\$1,100	\$1,089	7.0%
2022 Q4	-347	731	4.9%	\$1,085	\$1,077	7.0%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo		Market Cap Rate	
2023 Q4	57,636	311	1,648		7.8%	
2022 Q4	55,988	228	1,200		7.0%	

3. Retail

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. Despite strong conditions, rent prices rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	37,757	288,639	2.3%	\$16	3.6%
2022 Q4	306,069	638,895	2.8%	\$15	3.4%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	44,588,834	7.6%	\$19.74M	\$173	
2022 Q4	44,189,262	7.4%	\$65.16M	\$140	

4. Industrial

Demand for industrial space is **stronger than nationwide** as this area has a faster absorption of industrial space. Despite strong conditions, rent prices rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-69,278	2,767,327	4.7%	\$8	5.3%
2022 Q4	965,469	2,864,651	7.3%	\$7	3.5%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	97,729,440	308,798	4,698,769	8.4%	\$17.02M
2022 Q4	93,030,671	1,739,264	3,473,235	7.8%	\$54.62M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner. To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000



COMMERCIAL REAL ESTATE REPORT Q4 2023

Waterloo-Cedar Falls, IA Metro Area

Select a Metro Area
Waterloo-Cedar Falls, IA Metro Area

Demographics and Economy

Demographics

0.1%	31.9%	8.0%	Net Migration in Iowa
population growth (2022)	share of renters (2022)	renter household formation (2022)	3,509 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	1,365 (2022)

Economy

5.9%	600	0.7%	0.9%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$50,270	3.4%	8.0%	International Migration in Iowa
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	7,112 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	9,355 (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **weaker than nationwide** as this area has a slower absorption of office space. Despite weak conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	-71,506	-64,747	1.6%	\$20	5.0%
2022 Q4	47,366	1,787	3.7%	\$20	3.5%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	4,234,415	0	0	\$1.15M	11.3%
2022 Q4	4,234,415	5,700	8,370	\$1.74M	10.6%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	2.0	-8.0	2.2%	\$951	\$947	4.4%
2022 Q4	-2.0	160.0	4.0%	\$931	\$926	4.2%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo		Market Cap Rate	
2023 Q4	3,829	0	0		8.9%	
2022 Q4	3,829	0	169		8.1%	

3. Retail

Demand for retail space is **weaker than nationwide** as this area has a slower absorption of retail space. As a result, rents rose slower than nationwide and vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	13,115	-152,517	2.0%	\$14	8.7%
2022 Q4	-20,301	-19,552	3.1%	\$14	7.2%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	10,328,394	8.3%	\$1.95M	\$128	
2022 Q4	10,315,794	8.3%	\$3.04M	\$66	

4. Industrial

Demand for industrial space is **weaker than nationwide** as this area has a slower absorption of industrial space. As a result, rents rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-71,700	-126,055	4.0%	\$6	0.6%
2022 Q4	-2,500	16,667	7.7%	\$6	0.1%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	23,465,547	0	0	10.0%	\$2.50M
2022 Q4	23,465,547	0	37,500	9.3%	\$7.00M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner. To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000

