



COLDWELL BANKER
COMMERCIAL
GREEN & GREEN

2023 Q4

REAL ESTATE
NEWSLETTER



TYLER WARNE
BROKER, OWNER

406.465.9936 | tyler@cbcmt.com



TORI BUGNI
AGENT

406.558.9077
tori@cbcmt.com



J. MICHAEL JOKI
AGENT

406.431.5157
mike@cbcmt.com



MARK RUNDE
AGENT

406.916.2259
mark@cbcmt.com



BEAU STUMBERG
AGENT

406.439.2884
beau@cbcmt.com

REACH OUT

GIVE US A CALL
406.442.1736

STOP BY OUR OFFICE
800 N. Last Chance Gulch



**COLDWELL BANKER
COMMERCIAL**
GREEN & GREEN

2023 Q4

REAL ESTATE NEWSLETTER

Q4 HELENA AREA MARKET STATS

	MULTIFAMILY	LAND	OFFICE AND INDUSTRIAL	BUSINESSES	LEASE
ACTIVE LISTINGS	12	94	34	9	24
AVERAGE PRICE	\$561,075	\$493,931	\$1,640,551	\$901,111	\$825/mo
SOLD PROPERTIES	1	18	4	0	3

Helena Area MLS Stats. Between 10/16/2023 and 12/31/2023

YEAR OVER YEAR COMPARISON

	MULTIFAMILY	LAND	OFFICE AND INDUSTRIAL	BUSINESSES	LEASE
2022 Q1-Q4					
AVERAGE DOM	31-60	365+	365+	365+	61-90
SOLD PROPERTIES	22	129	22	1	20
AVERAGE SALE PRICE	\$549,836	\$251,320	\$898,586	\$59,000	\$1,412/mo
2023 Q1-Q4					
AVERAGE DOM	31-60	0-30	365+	365+	31-60
PENDING PROPERTIES	1	8	1	1	2
SOLD PROPERTIES	18	95	18	0	27
AVERAGE SALE PRICE	\$504,292	\$330,392	\$1,048,972	\$0	\$1,517/mo

Helena Area MLS Stats. Between 1/1/2022 - 12/31/2022, and 1/1/2023 - 12/31/2023

WELCOMING TORI BUGNI TO THE CBC TEAM

My father has been a commercial real estate broker in Florida for over 35 years and I became interested in real estate early on. In 2021, I received my PhD in Economics from the University of Wyoming. As an economist, I have worked for the US Geological Survey in Fort Collins researching the impact of trails, linear projects, and oil and gas developments on property prices. I also worked for Environment for Development and EcoHealth Alliance on various projects in Tanzania and Liberia, respectively. I have previously lived in France and Spain for various parts of my education, and also in West Africa (Senegal) with the Peace Corps as a sustainable agriculture volunteer.

I have always loved giving back to the community and have volunteered with various organizations from a young age. I am currently a member of the General Federation of Women's Clubs and have also volunteered with the Rocky Mountain Elk Foundation in Helena. I met my husband, a fourth generation Montanan, while in Wyoming and was first introduced to Helena through him. It was one of the most beautiful towns I had ever been to and I loved it from the start. We got married here in 2021, were able to move back later that year. I hope to get even more involved in the community in the coming years.

Commercial real estate and economics are closely linked. Understanding basic economics is key to making smart investments. Property values increase when demand is high and supply is low, especially in thriving areas. On the flip side, areas with too many properties may need to be approached with strategic caution. Economic factors like interest rates and market sentiment, or how people feel about the market, also impact the investment landscape. Understanding the fundamentals of economics serves as a practical guide in commercial real estate and helps in navigating the complexities of a dynamic market.



by
TORI BUGNI
AGENT

VALUATION IN HELENA

Valuation Services at Coldwell Banker Commercial Green & Green include commercial property evaluation, business valuation and market rent analysis. Scenarios where these services have proven to be valuable are internal or off market transactions, estate planning, investment analysis, estimated sale value and business succession planning. Each of these services also plays a significant role when listing and marketing a property for sale. With these valuation services our clients, the buyers, the sellers, landlords or tenants, are better served.

Commercial property values in Helena have remained relatively stable while interest rates have slowly risen over the past year. With rising interest rates the cost to borrow money has increased. This in turn has increased capitalization rates for some property types while other property types are seemingly less affected. Some segments of the commercial real estate market have slowed more than others but demand for light industrial property, whether it is for sale or for lease, has remained our strongest segment. Demand for retail and medical office space has remained relatively strong while demand for professional office space is less. From year to year the Helena market continues to get stronger which is evidenced by the expanding footprint for new residential and commercial construction, more 1031 buyers exploring this market, and consistent increases in the market value of most property types.



by
MIKE JOKI
AGENT

MULTIFAMILY STILL AN ATTRACTIVE ASSET

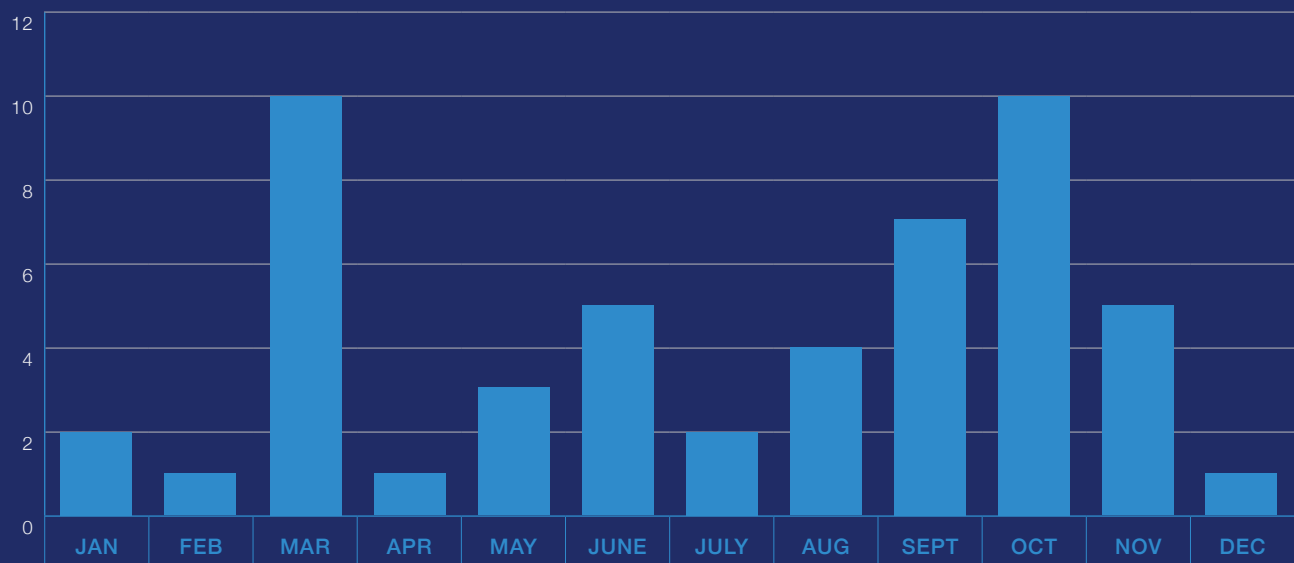
The National Multifamily Housing Council recently released its Quarterly Survey of Apartment Market Conditions for October 2023, shedding light on the state of the multifamily real estate market...

[READ FULL ARTICLE](#)

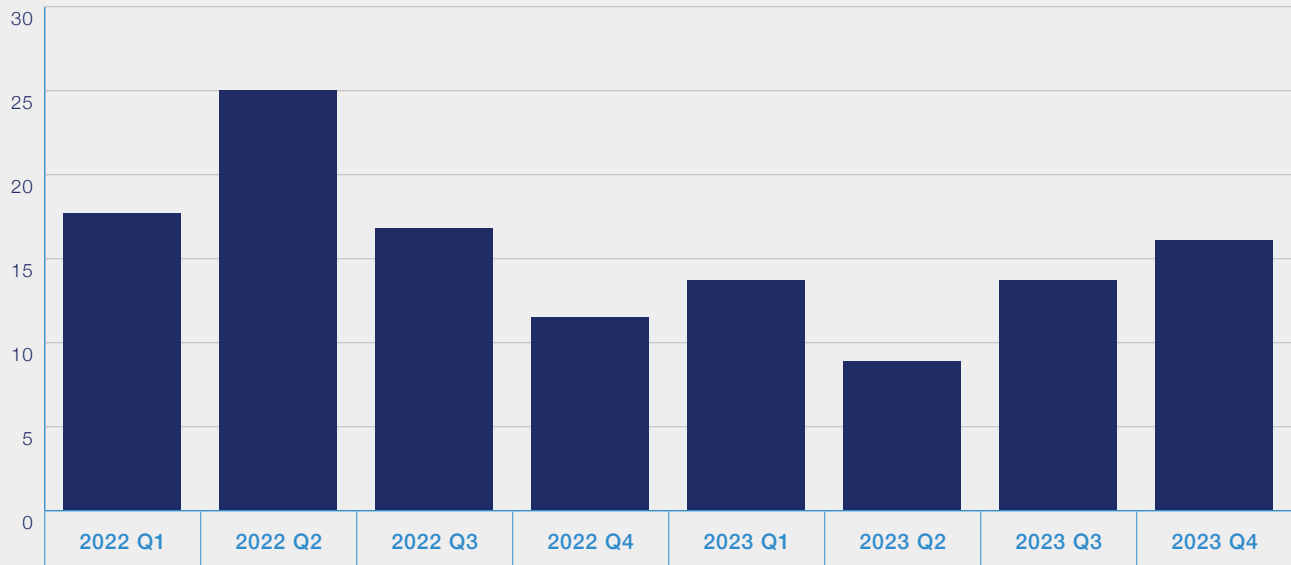
YEARLY ROUND UP REPORTING

In 2023 transactions were down 29% from 2022, while Q4 of 2023 was the only quarter to have more transactions year over year. 9 of 12 months in 2023 had fewer transactions than in the same month of 2022. The most dramatic being Q2 transactions were down 64% from 2022 Q2. Industrial sales comprised a larger share of transactions in 2023 than the year before. 2023 saw several large hotel sales, whereas 2022 saw close to none. 2023 did not see many large storage unit transactions, whereas 2022 saw considerably more.

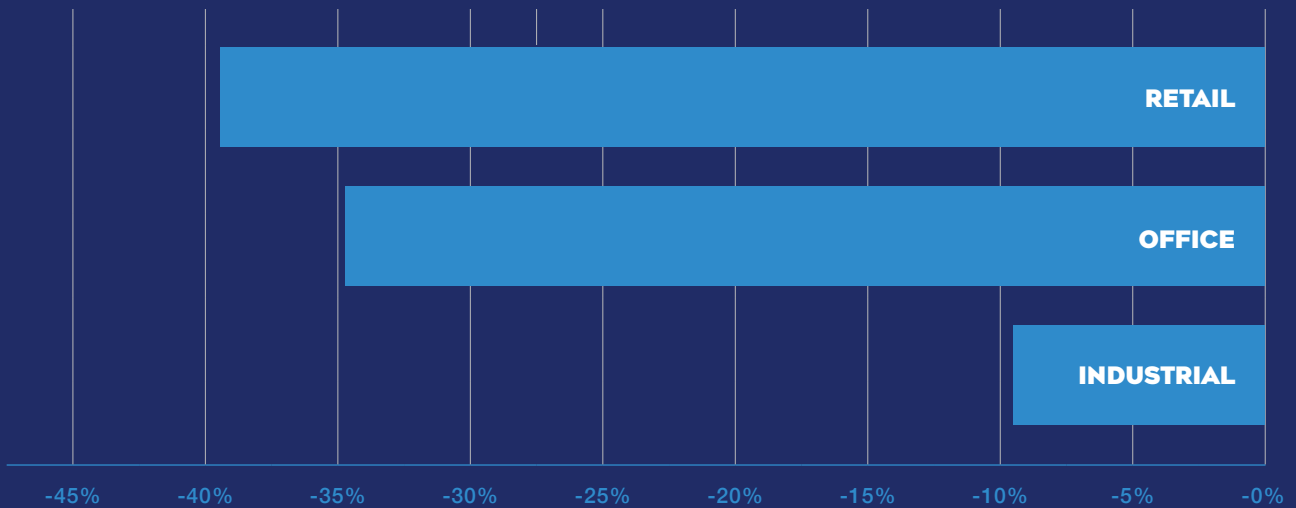
TOTAL NUMBER OF INDUSTRIAL, OFFICE AND RETAIL TRANSACTIONS BY MONTH IN 2023



TOTAL NUMBER OF INDUSTRIAL, OFFICE AND RETAIL TRANSACTIONS BY QUARTER



ANNUAL CHANGE IN NUMBER OF TRANSACTIONS BY ASSET CLASS



by
MARK RUNDE
AGENT

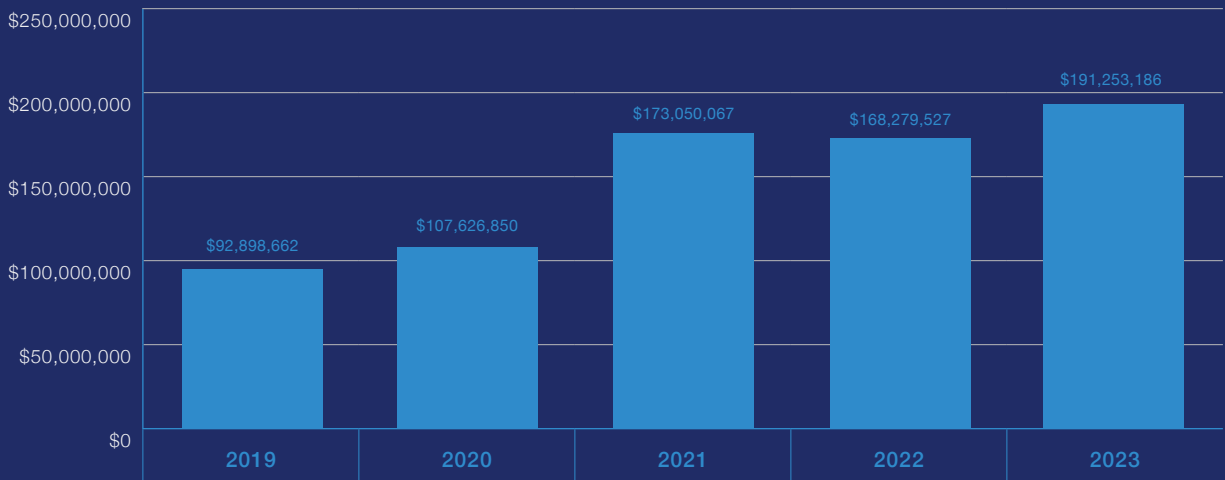
BREAKDOWN OF LOCAL CONSTRUCTION

Reviewing the economic data from the city of Helena over the past few years, we have witnessed a consistent positive trend in the number of construction applications. This increase, extending over the last four years, points toward ongoing development momentum into 2024. Notably, several commercial construction projects are underway in key areas such as Skyway Center, the Capitol Hill Mall vicinity, near Costco, and the anticipated Recreation Center. The potential for speculative building in the urban core is also on the horizon. Additionally, we can expect to see a rise in the construction of commercial, professional, and medical office spaces as Helena continues its steady growth. I am confident that our economy will maintain its strength, offering reliable and steady returns and market stability.

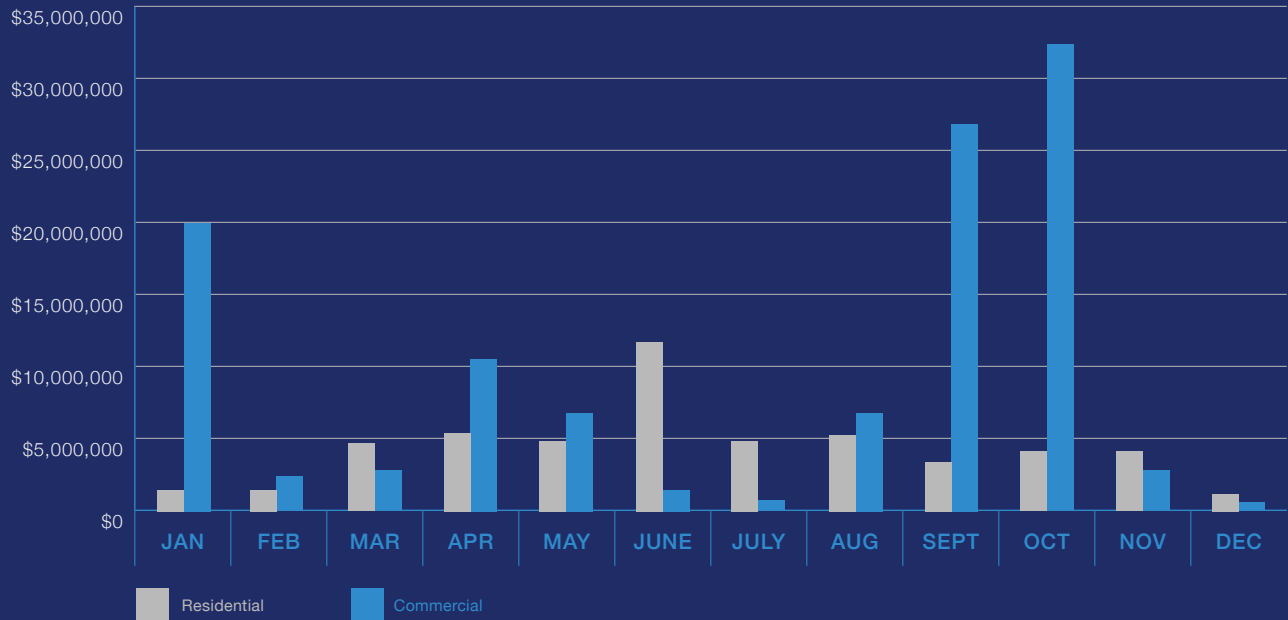
COMMERCIAL DEVELOPMENT

Commercial development typically involves the construction of business premises, such as offices, shops, warehouses, and other types of commercial buildings. A higher application value in commercial development could indicate larger-scale projects or higher construction costs associated with commercial infrastructure. It might also reflect significant investment from businesses in developing new or upgrading existing facilities.

TOTAL CONSTRUCTION 'VALUATION' IN CITY OF HELENA



MONTHLY BUILDING PERMIT APPLICATIONS 'APPLICATION VALUE'



RESIDENTIAL DEVELOPMENT

Residential development involves building or renovating houses, apartments, and other types of housing. Residential development values might be lower on a per-project basis compared to commercial projects, but a high total application value could indicate a robust housing market with many new homes being built or significant renovations being made to existing homes.

ECONOMIC INDICATORS

The construction industry is often seen as a leading indicator of economic performance. A high level of construction activity, whether commercial or residential, can signal investor confidence and a healthy economy.

MARKET IMPLICATIONS

A balance between commercial and residential development is often seen as ideal for sustainable economic growth, providing both employment opportunities and housing to support a growing workforce.



by
TYLER WARNE
BROKER, OWNER

VACANCY RATES IN OFFICE

Helena has traditionally been an office town, with the state government and all its ancillary services housed in the city, but since the pandemic office space in Helena has experienced a slow down. According to the local MLS, the average days on the market for office space is 75 days. This does not take into account those office buildings that were not marketed through the MLS (for example an office building that may be for lease by owner) and taking into account that every building, with its unique location, amenities and so on have different demand in the market, it is difficult to say how long it will take to lease commercial office space in Helena. However, it is plain to see from simply driving around town and very apparent to those of us in commercial real estate, that vacant office space is prevalent in Helena which is causing investors and property managers to lower the prices they are asking, especially when those properties are located in less desirable areas of town. This does not, however, mean that office space is not a desirable and consistent asset class, rather, it means investors need to be prepared for longer vacancy and this places a higher importance on utilizing marketing tools commercial real estate agents have access to get properties leased in a timely manner.



by
BEAU STUMBERG
AGENT

NAVIGATING THE REO PROCESS

Real estate cycles have proven to be cyclical, with highs and lows that ripple through the market, impacting owners, investors, and financial institutions alike. One critical aspect of these cycles is the REO (Real Estate Owned) process, where properties revert...

[READ FULL ARTICLE](#)



**COLDWELL BANKER
COMMERCIAL**
GREEN & GREEN

COMMERCIAL FOR SALE

MULTIFAMILY



TBD Shorthorn Ave, Helena

75 units - 12 currently built
\$7,799,000

BUSINESS AND RE



4 State Highway 518

Turnkey bar, full liquor license
\$3,300,000

OFFICE



1805 Prospect Ave, Helena

18,640 sqft
\$2,990,000

LAND



Lots 8-14 Burnham Ranch, Helena

4.266 acres
\$2,495,000

BUSINESS



1225 Custer Ave E, Helena

Two turnkey locations
\$1,800,000

OFFICE



910 Helena Ave, Helena

15,684 sqft
\$1,700,000

MIXED USE



3196 Us 12, Helena

5.5 acre
\$1,600,000

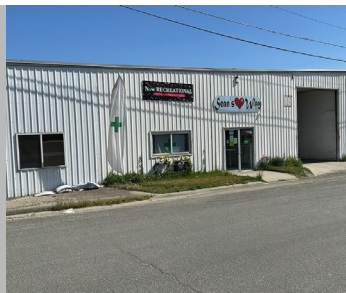
RETAIL



608 N Last Chance Gulch, Helena

2,400 sqft
\$1,550,000

INDUSTRIAL



1200 Bozeman St, Helena

24,000 sqft
\$1,449,000

OFFICE



790 Colleen St, Helena

5,600 sqft
\$925,000



COLDWELL BANKER
COMMERCIAL
GREEN & GREEN

2023 Q4

COMMERCIAL FOR SALE

LAND



3815 Canyon Ferry, E. Helena

5.247 acres
\$899,000

LAND



2961 Canyon Ferry Rd, Helena

9.29 acres
\$799,000

OFFICE



1720 9th Ave, Helena

17,424 sqft
\$775,000

LAND



Lot 5 Burnham Ranch, Helena

1.149 acres
\$749,000

MULTIFAMILY



319 N. Rodney, Helena

Historic four-plex
\$675,000

LAND



Lot 1 Queen Anns St, Helena

1.15 acres
\$576,425

OFFICE



2121 Euclid Ave

1,920 sqft
\$375,000

LAND



Various Lots Burnham Ranch, Helena

0.584 acres - 1.128 acres
\$349,000 - \$699,000

LAND



Various Lots Crossroads Commercial Center, Helena

0.59 acres - 1.78 acres
\$335,000 - \$899,000

BUSINESS



32 S Ewing St, Helena

Mountainside Montessori preschool
\$75,000



SPACE FOR LEASE

MIXED USE



3196 E US Highway 12, Helena

4.5 acres, 15,375 sqft shop
\$6,000/mo

OFFICE



4185 N Montana Unit 3, Helena

1,012 sqft
\$1,200/mo

LAND



TBD Sparrow Rd, E. Helena

1.5 acres
\$1,200/mo

INDUSTRIAL



250 Mill Rd, Helena

4,320 sqft greenhouse
\$1,200/mo

MIXED USE



240 E Lyndale Ave, Helena

Lower main floor space for lease
\$1,100/mo

MIXED USE



608 N Last Chance Gulch, Helena

5,150 sqft garage/storage space
\$5/sqft/yr

MEDICAL OFFICE



2620 Shodair Dr, Helena

6,800 sqft
Price Upon Request

RETAIL



2024 Cromwell Dixon Ln, Helena

5,000 sqft
Price Upon Request

MIXED USE



2735 Colonial C, Helena

3,863 sqft
Price Upon Request



COMMERCIAL REAL ESTATE EXPERTISE

In 2022 Green & Green franchised with Coldwell Banker Commercial. We can now give clients resources from a worldwide brokerage, while keeping our local feel and local expertise. In addition we have retained regional relationships that could only be fostered by two decades of hard work and trust.

LOCAL EXPERTISE WITH WORLDWIDE RESOURCES

Our brokerage has many of the brightest minds with expertise in Montana’s commercial market – expertise that our clients demand to exceed their needs, and would not come across anywhere else. This competence shows in the sales, purchases, leases, analysis, and consulting we provide to create prolific outcomes for our clients.

REPRESENTING COMMERCIAL PROPERTY TYPES

Coldwell Banker Commercial® Green and Green pairs local expertise with global reach to offer intelligent solutions that help turn your goals into maximized returns. Our agents are extensively trained to recognize every economic opportunity and potential pitfall, ensuring that you’re matched with the property that best suits your needs.

REACH OUT

STOP BY OUR OFFICE
800 N. Last Chance Gulch

GIVE US A CALL
406.442.1736

CHECK OUT OUR WEBSITE
cbcm.com