

# Q1 2021 Market Review

## Summary

### Santa Fe Market Trends

We leave behind a year with challenges and step into 2021, fresh with opportunities thanks to the distribution of vaccines and a gradual return to normalcy.

Despite the pandemic, the **film industry** remains strong in New Mexico. Companies like Netflix and NBC Universal have increased their presence in our state. The City of Santa Fe appeared in the No.2 spot in the *Top Five Small Cities and Towns* category for film workers with Albuquerque coming in at No. 1 for the third year in a row.

**Art** is another category that continues to stand out in the Santa Fe downtown area, seeking to reinvent itself to attract new customers. This is the case with *Ahmyo River Gallery*, which will have a wine garden at the back of the property. This will create a space where art is not only enjoyed and promoted, but also a space where people can meet. It will certainly be a successful concept on Canyon Rd. On the other hand, the historic *Halpin State Records Center* began its transformation last February into a new space for contemporary art. The renovation of this building will be the location for the *Vladem Contemporary Art Museum* featuring a 3,967 square-foot main gallery on the first floor. Additionally, *Maya*, a fine art gallery, opened two new locations at The Santa Fe Plaza. If the Indian Market takes place this year, it will undoubtedly be a great year for art and culture in Santa Fe.

The **retail** division experienced an increase in the price per square foot for both lease and sale spaces. New local businesses are emerging and taking advantage of the opportunities that the pandemic left behind, especially food businesses. Such is the case of *Horno Restaurant* that took the space of Il Piatto Italian Farmhouse Kitchen at 95 West Marcy Street. In addition to strong local retailers,

national retailers are very active in Santa Fe. *HomeGoods* opened a 22,000-square-foot store the last week of February at DeVargas Center, *Jersey Mike's* is scheduled to open its doors in April on the southside, and *Burlington Coat Factory* is taking the former 37,000-square-foot Hobby Lobby location at College Plaza Shopping Center. *Hobby Lobby* was relocated in September 2019 to The Santa Fe Place.

Commercial **land** prices are on the rise as well. Santa Fe being a small city has a limited inventory, especially on high-traffic streets. Industrial-zoned lots are trading at over \$7.00/SF, and there aren't many options in town. In contrast, the **office** division remains stable with an average price per square-foot at \$19.61 and with many options mainly for owner-users. *Los Alamos National Lab* now has a presence in Santa Fe with its two locations— one in the downtown Firestone Building for 75 employees with 28,000 square feet, and two additional office properties with 77,856 square feet at Pacheco St. and St. Michael's Dr. for 500 employees. This will undoubtedly bring a positive impact for our city and its economy.

In this first quarter it was observed that several **apartment** developments are already taking more shape. *Broadstone Rodeo* was completed and stabilized last year and was recently purchased, changing its name to *Olympus Rodeo*. In 2019 there was a vacancy rate of 2.5% according to the *2020 Santa Fe Housing Report*. With more than 1,500 units completed or in process, it is estimated that the multifamily vacancy rate has already doubled.

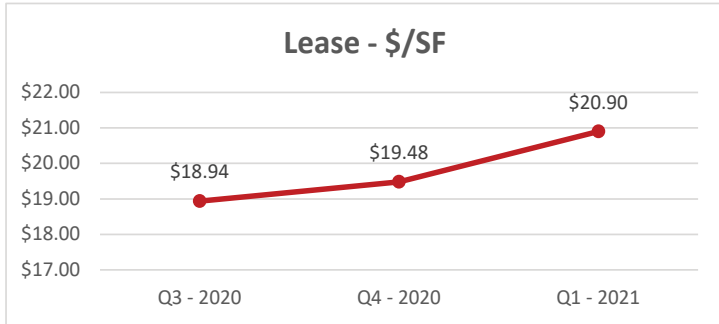
If the first quarter of 2021 looked this good, we are sure the second will be even better.

The information contained herein was obtained from sources deemed to be reliable. We have no reason to doubt the accuracy of information, however, we cannot, and do not, make any guarantees. The information and perspectives contained herein is not a substitute for a thorough due diligence investigation.

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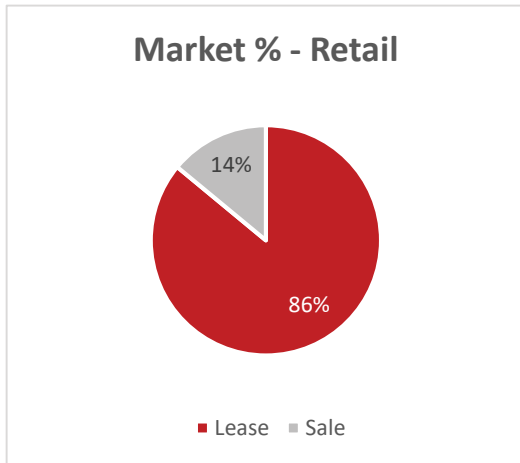
## SANTA FE RETAIL



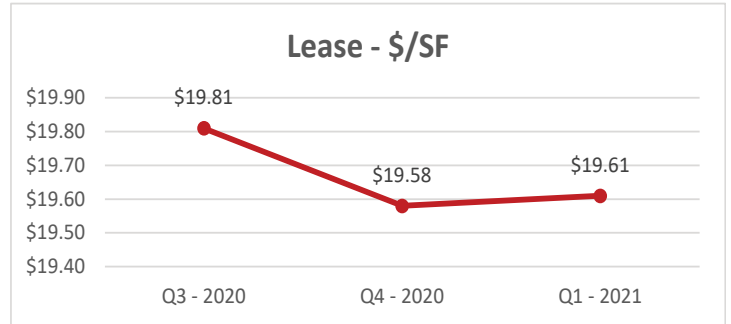
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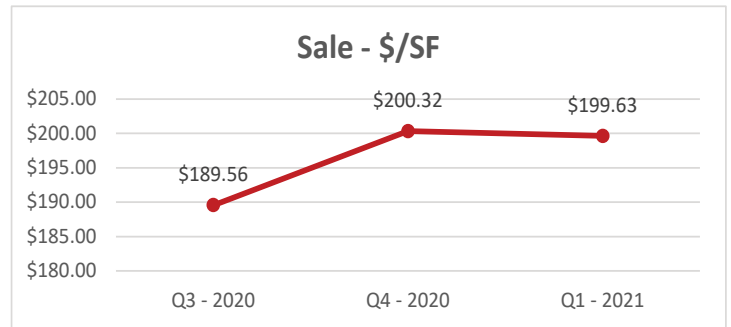
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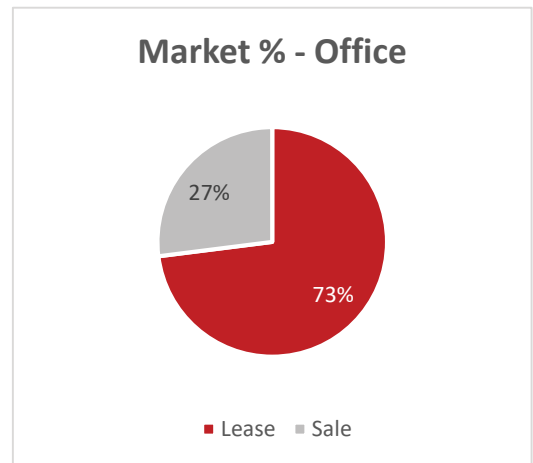
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Average Size: 2,647 SF Average DOM: 694

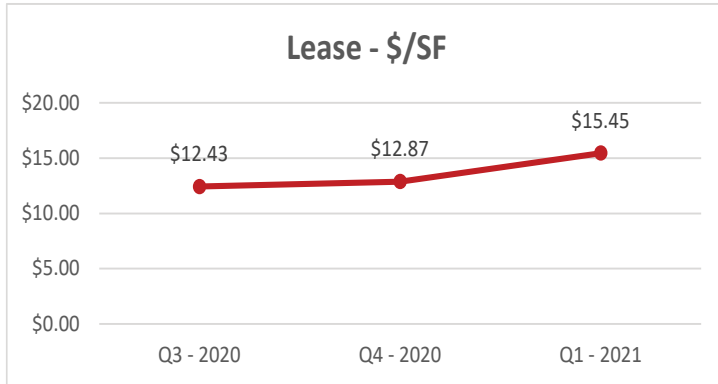


\*Market vacancy rate was obtained by consulting available published market information and gathering information available from property owners and brokers.

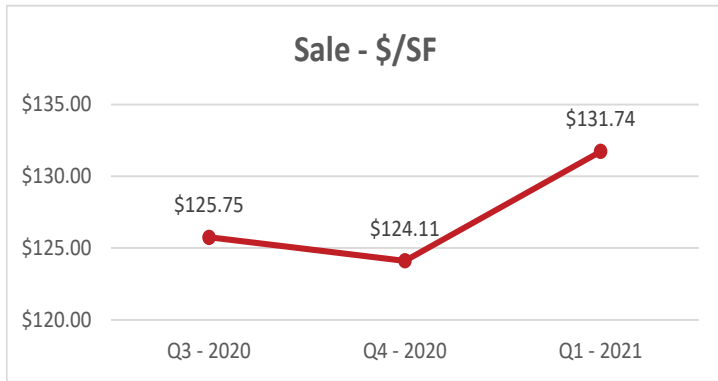
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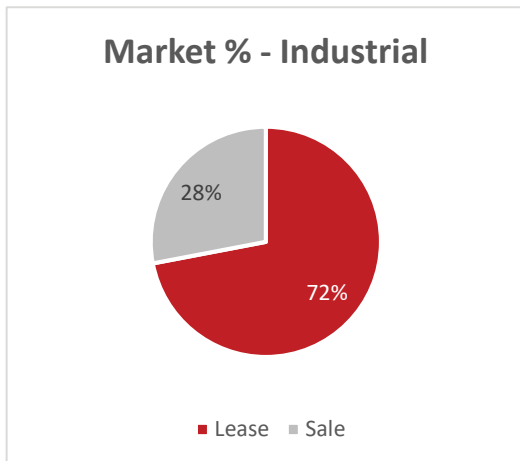
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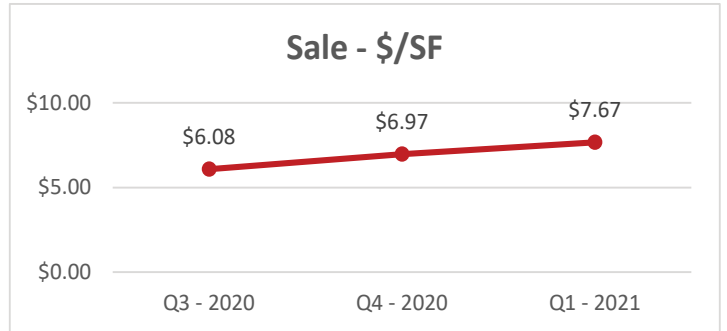
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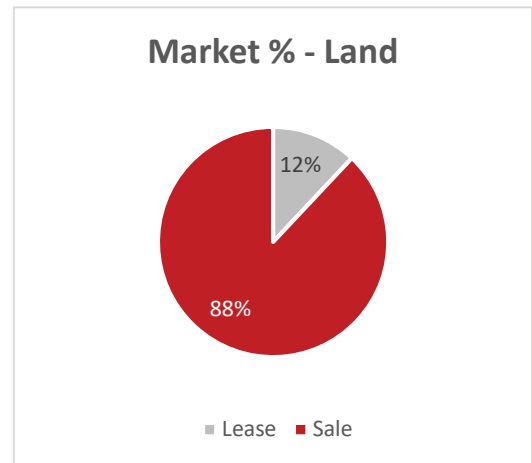
Average Size: 3,646 SF Average DOM: 164



## SANTA FE LAND



Average Size: 10.56 Acres Average DOM: 827



## Meet the Team

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