

# Albuquerque Multi-Tenant Office

## 2021 Year End

### Featured Listing

For Sale or Lease  
94,243 SF  
2-Single Story Flex Buildings  
9.8 : 1,000 Parking Ratio



### ALBUQUERQUE METRO MARKET



**15,029,299**  
TOTAL SQUARE FEET



**19.66%**  
VACANCY RATE



**\$16.88**  
AVERAGE FACE RATE



901 Rio Grande Blvd NE  
Suite D-224  
Albuquerque, NM 87104



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# SIGNIFICANT OFFICE TRANSACTIONS



4330 Piccabo St NE			
Rio Rancho Submarket - Albuquerque, NM 87144			
Deal Type	Renewal	Suite Size	76,768 SF
Property Type	Office Class B	Tenant	Bank of America

5421 Jefferson St NE			
North I-25 Submarket - Albuquerque, NM 87109			
Deal Type	Renewal	Suite Size	61,477 SF
Property Type	Office Class B	Tenant	T-Mobile



45 Hotel Cir NE			
Northeast Heights Submarket - Albuquerque, NM 87123			
Deal Type	New Lease	Suite Size	41,240 SF
Property Type	Retail Class C	Tenant	Verus Research

## ALBUQUERQUE OFFICE MARKET UPDATE

Real Estate Advisors tracks 435 multi-tenant non-owner-occupied office buildings over 10,000 square feet in the Albuquerque market. Since the pandemic began in March of 2020, the office market availability rate has increased approximately 33%, from roughly 15% to almost 19.7%.

Despite the current overall availability rate, when you talk with most commercial real estate brokers, they will tell you that Albuquerque is a tight market, and the pandemic has had minimal effect on the market. The basis of this statement is that almost 2/3 of all the office vacancy resides in 25 buildings. Much of the additional availability that has come online since the onset of the pandemic consists of large contact centers and back-office operations.

As most of the Albuquerque Office Tenant base consists of small to medium sized local and regional tenants, the increase in the number of large blocks of space does not change the number of options most tenants have in the market. Outside of the 25 buildings in the market that make up most of the available space, the availability rate in the other 410 buildings is 9.85%. As a result, the overall average market rental rate of \$16.80 has remained relatively the same as that at year end 2019.

The Class A Office Market consists of 1,562,615 square feet. The current availability rate is 25.44%. 5 of the 8 Class A Buildings in the market have an occupancy rate greater than 90%. The availability rate is skewed by two buildings that have occupancy rates of less than 50%: 500 Marquette and 8801 Horizon

The Class B Office Market makes up approximately 75% of the total market. Class B Office space totals 11,298,403 with an 19.40% availability rate. Almost all the contact center and back-office closures occurred in Class B office space. Consequently, the Class B office market has statistically experienced the most significant negative absorption of all the office classes since the onset of the pandemic.

The Class C office market has been the most stable class of building as the tenant base which resides in these buildings are typically smaller local users that have been the least impacted subcategory of users during the pandemic. The Class C office market consist of 2,128,180 square feet with a 17.30% vacancy.

We define three types of products in the market based on their current build out; General Office, Contact Center/Back Office and Medical. In looking at the building by product type, the softness type of space is Contact Center and Back-Office Operations with a 40.96% vacancy rate. The tightest category of product is Medical at 12.86% and the General Office market is 17.29%.



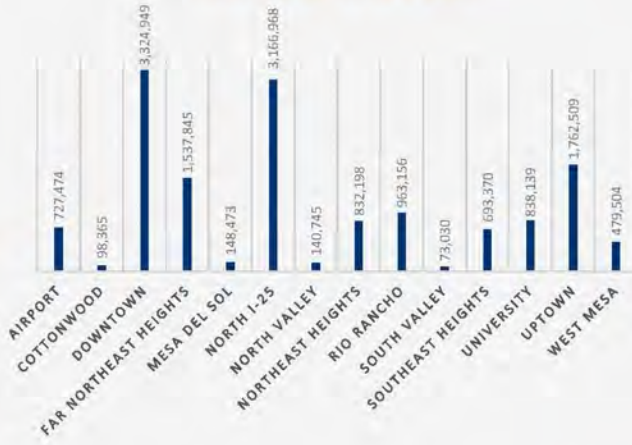
CLASS A	
Total Square Feet	1,562,615
Availability	25.44%
Average Face Rate	\$25.14

CLASS B	
Total Square Feet	11,298,403
Availability	19.40%
Average Face Rate	\$17.07

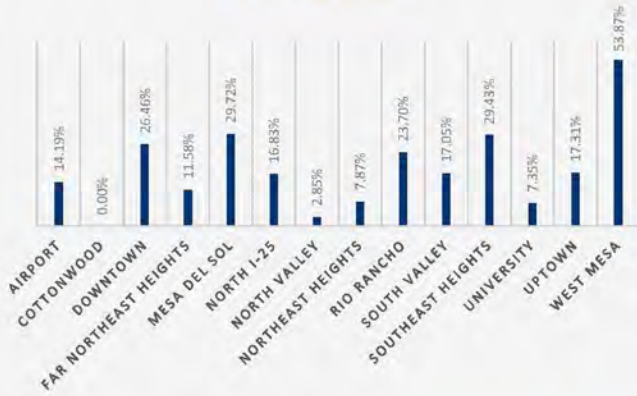
CLASS C	
Total Square Feet	2,122,071
Availability	17.22%
Average Face Rate	\$15.07

## SUBMARKET BREAKDOWN

### TOTAL SQUARE FEET



### AVAILABILITY

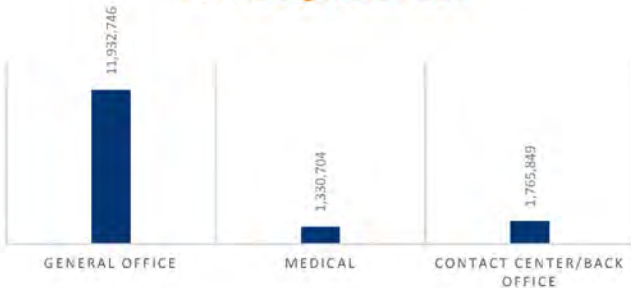


### AVERAGE FACE RATE

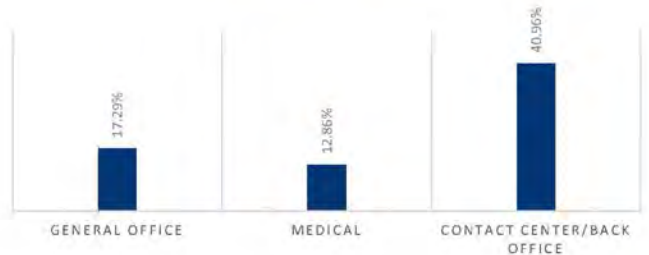


## PRODUCT TYPE BREAKDOWN

### TOTAL SQUARE FEET



### AVAILABILITY





# TOOLS FOR SUCCESS

Our reputation of creating sound solutions for our clients' challenges through application of our knowledge and experience is widely respected. Whether you are an occupier of commercial real estate, a private owner in our local market or an institutional investor with a multimarket presence, our professionals are ready to help. At Real Estate Advisors, Your Success is Our Focus. Below is a list of tools for your use to help achieve this Success:



## MARKET OVERVIEW AND BLOGS

As market leaders, we understand the value of knowing current market trends. Go to the **News** tab on our website for up-to-date, high-level information, trends and happenings in the Albuquerque/Santa Fe Office and Industrial markets. [www.reanm.com/news/](http://www.reanm.com/news/)



## PROPERTY SEARCH

Whether you are an investor or occupier of commercial real estate, knowledge of available properties and space in the market is critical to understanding your market position. To assist you in your research, we have provided you with the following **Property Search** link. [www.reanm.com/property-search](http://www.reanm.com/property-search)



## SPACE CALCULATOR

You may determine your requirement with our Space Calculator. The first step to assist our clients in determining their real estate needs is defining their optimal space. [www.reanm.com/space-calculator](http://www.reanm.com/space-calculator)



## OWN VS LEASE ANALYSIS

The primary economic consideration for any user evaluating whether to own vs lease is to determine whether the return on the investment in a property is greater than the return on the investment in their business. Real Estate Advisors has created a "back of the napkin" Own vs Lease Comparison Analysis along with a handout that highlights some the most common pros vs cons factors for commercial real estate users to consider when evaluating whether to purchase a property. These tools are available on our website below. [Own vs Lease Analysis 11.23.21.xlsx \(live.com\)](#)



## MARKET INSIGHTS

Go to our Market Insights webpage for comprehensive information on the market and specific types of properties. [www.reanm.com/market-insights](http://www.reanm.com/market-insights)

*REA | Real Estate Advisors offer real estate services to owners, investors, and occupiers of commercial real estate. Our mission is creating and enhancing value for our clients, associates, and partners through the implementation of well executed commercial real estate strategies. As leaders in the industry, we provide investors and occupiers with solutions to their commercial real estate needs. Our professionals advise clients on market conditions, create value in the positioning and marketing of properties for lease and sale and represent firms in their search for new space.*