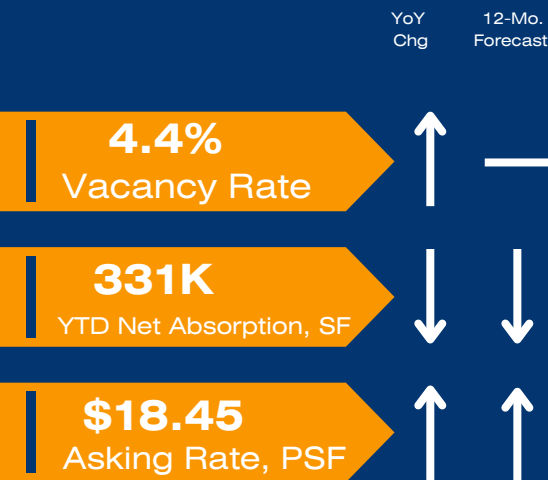


Market Insights



CAPITAL MARKET



OVERALL RETAIL MARKET

- Albuquerque's retail market is robust.
- Low vacancy rates and limited new construction defined the market in 2023.
- A resilient consumer base supports market strength.
- Trailing 12-month absorption turned negative.
- The closure of a major retailer (Walmart -301 San Mateo) led to a 310,000 SF impact on the market.
- Subdued supply pipeline contributes to low vacancies.
- Most construction is build-to-suit or preleased, minimally affecting vacancy rates.
- Discount stores like Goodwill and Dollar General are thriving.
- 2023 saw some of the largest retail leases in recent years.

RETAIL INVESTMENT MARKET

- Annual rents increased by 3.7%.
- But Albuquerque's average rent remains lower than the national index.
- Investment Landscape:
 - California investors active, especially in smaller net-deals under \$5 million.
 - About 70% of transactions involve private buyers.

CLASS SNAPSHOT:

CLASS A		CLASS B		CLASS C	
TOTAL SQUARE FEET:	2,100,000	TOTAL SQUARE FEET:	17,700,000	TOTAL SQUARE FEET:	11,800,000
VACANCY:	0.10%	VACANCY:	5.30%	VACANCY:	3.70%
FACE RATE:	\$21.13	FACE RATE:	\$19.38	FACE RATE:	\$16.56



Retail End of Year 2023

MARKET STATISTICS

Submarket Name	RBA	Available	Vacancy Rate	Face Rate
Airport	266,382	18,500	6.90%	\$22.51
Cottonwood	4,684,546	235,563	4.40%	\$21.49
Downtown	2,612,955	174,078	6.70%	\$18.01
Far Northeast Heights	4,788,130	111,117	2.30%	\$22.54
North I-25	6,300,000	46,682	0.70%	\$18.15
North Valley	2,875,394	77,654	1.70%	\$16.75
Northeast Heights	6,600,000	340,157	4.40%	\$16.64
Rio Rancho	3,782,441	221,365	5.80%	\$19.23
South Valley	3,469,516	44,283	1.20%	\$17.53
Southeast Heights	5,707,898	156,555	2.50%	\$15.29
University	2,783,150	358,548	12.40%	\$17.76
Uptown	3,168,272	10,256	0.20%	\$23.15
West Mesa	4,224,017	79,756	1.60%	\$21.35

KEY SALES TRANSACTIONS

Property	Submarket	Buyer Type	RSF	List Price
6211 4th St NW - Guadalupe Plaza	North Valley	Private Investor	86,929	\$ 7,100,000
4340 San Mateo Blvd NE	Far Northeast Heights	Institutional Investor	16,007	\$ 6,550,000
2820 Central Ave SE - College Plaza	University	Private Investor	16,435	Unpriced

KEY LEASE TRANSACTIONS

Property	Submarket	Tenant	RSF
2100-2110 Carlisle Blvd NE	University	American Home Furniture and Mattress	62,909
5995 Alameda Blvd NE	North I-25	Larry H. Miller American Toyota Albuquerque	38,245
3731-3741 Ellison Dr NW	Cottonwood	Michaels	34,000

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