

Santa Fe, NM

Industrial Year End 2023

Market Insights

	YoY Chg	12-Mo. Forecast
0.57% Vacancy Rate	↑	↑
10,134 Vacant SF	↓	↑
\$15.17 Market Rent/SF	↑	—

CAPITAL MARKET

	YoY Chg	12-Mo. Forecast
8.4% Average Cap Rate	↑	↑
\$136 Market Sale Price/SF	↓	—

INDUSTRIAL MARKET

- Santa Fe's industrial market experienced shrinking inventory in 2023.
- Demand for industrial space continued to rise steadily.
- Demand is being fueled by tenants in construction, trades, and government services.
- Despite available industrial land for sale in three quality industrial parks, little new inventory was built in 2023.
- Two significant new industrial buildings were constructed in 2023, both for owner/users;
 - An 8,000sf custom car storage facility in the Oliver Business Park.
 - A 30,000±sf building for the PODS outdoor storage container business in the Hart Business Park.

INDUSTRIAL INVESTMENT MARKET

- Record-setting prices were observed for sales of industrial buildings.
- Rents have been increasing steadily, with new leases ranging from \$13.00 - \$15.00/sf.
- Estimates for construction of new metal buildings range from \$225 - \$275/sf.
- Sales of industrial land in 2023 ranged from \$10.00-12.00/sf depending on location.
- Predictions suggest industrial rents could climb to \$20.00/sf over the next 2 years.
- Speculative industrial space development may resume if rents reach that level.
- Steady demand exists for industrial spaces ranging from 3,000 to 10,000sf.

CLASS SNAPSHOT:

CLASS A		CLASS B		CLASS C	
Total Square Feet:	0	Total Square Feet:	665,016	Total Square Feet:	1,119,417
Availability:	0	Availability:	1,467	Availability:	8,667
Avg. Face Rate:	\$0.00	Avg. Face Rate:		Avg. Face Rate:	



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MARKET STATISTICS

Submarket Name	RBA	Available	Face Rate
Southwest	1,030,912	5,134	\$ 16.39
Santa Fe	753,521	5,000	\$ 15.17

KEY SALES TRANSACTIONS

Property	Submarket	Buyer Type	RSF	List Price
1807 2nd St - Building B	Southwest	Private	14,160	\$ 1,945,549
1807 2nd St - Building E	Southwest	Private	10,062	\$ 1,367,257
2818 Industrial Rd	Southwest	Owner User	7,705	\$ 975,000

KEY LEASE TRANSACTIONS

Property	Submarket	Tenant	RSF
1197 Parkway Drive	Southwest	Performance Maintenance	10,800
7613 Crouch Ct	Southwest	Roto-Rooter	8,500
1091 Siler Rd	Southwest	Hot Tubs De Santa Fe	2,570

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