



MARKET INSIGHTS



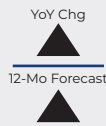
Available Rate

1.75%



Market Rent/SF

\$21.28



CAPITAL MARKET



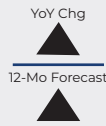
Average Cap Rate

6.6%



Market Sale Price per SF

\$245



US 10-year Treasury Note

4.66%



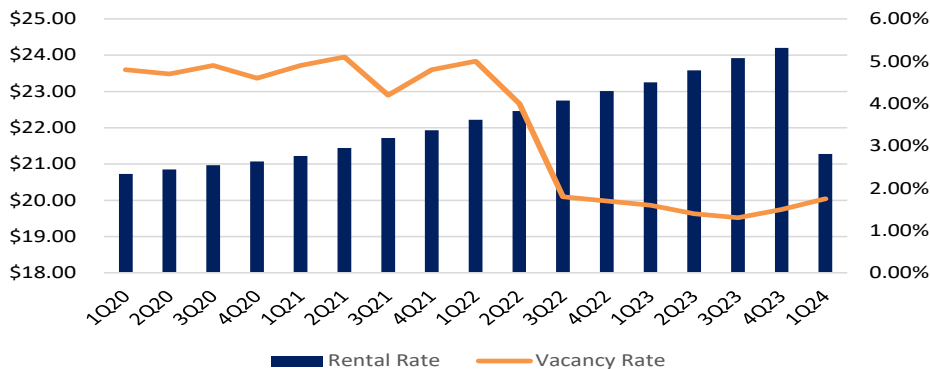
RETAIL MARKET SNAPSHOT

- The Santa Fe retail market maintains a stable and resilient position, boasting a low vacancy rate of 1.75%. While this marks a slight uptick of 0.2% from the previous year, the market remains stable and attractive to investors.
- Negative absorption of 14,000 square feet indicates a reduction in occupied retail space without corresponding new deliveries. This trend highlights evolving market dynamics and potential shifts in tenant preferences.
- Examination of vacancy rates across different asset classes reveals nuanced dynamics within the market. While some segments demonstrate low vacancy rates, others face challenges in leasing and tenant retention.
- Santa Fe's retail market exhibits vacancy levels below both the three-year national average and the current national average, underscoring sustained demand.
- Over the past three years, the market has experienced commendable rent growth of 13.7%, outperforming the national average. This growth trajectory reflects Santa Fe's status as a lucrative investment destination.

RETAIL INVESTMENT MARKET


- 28 sales in the past year, totaling \$8.2 million in volume and 250,000 SF of inventory.
- Average sales price per SF: \$36, below the estimated market price of \$281/SF.
- 24 sales in the past 12 months were of general retail, while 4 transactions involved other retail properties.
- Transaction cap rates over the past three years averaged 6.4%, and currently stand at 6.6%

Vacancy Vs. Rental Rates





KEY SALES TRANSACTIONS

Property	Submarket	Buyer Type	RSF	List Price
 441 Cerrillos Rd	Downtown	Private Investment	1,975	Not Disclosed

KEY LEASE TRANSACTIONS

Property	Submarket	Tenant	RSF
 3513-3517 Zafarano Dr	Southwest Santa Fe	Milan Laser	1,200
 66-70 E San Francisco	Downtown Santa Fe	N/A	432
 418 Cerrillos Rd	Downtown Santa Fe	N/A	700

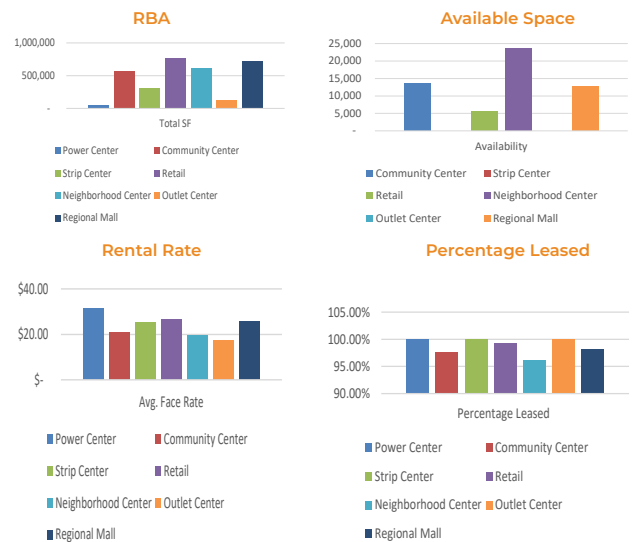
CLASS SNAPSHOT

Class A		Class B		Class C	
Total Square Feet	82,000	Total Square Feet	2,319,104	Total Square Feet	778,475
Availability	-	Availability	0.01%	Availability	0.02%
Avg. Face Rate	\$42.45	Avg. Face Rate	\$23.30	Avg. Face Rate	\$25.65


MARKET STATISTICS

Submarket Name	RBA	Available SF	Available Rate	Face Rate
Southwest Santa Fe	1,903,870	40,010	2.10%	\$20.16
Santa Fe	758,172	14,975	1.98%	\$23.74
Downtown	517,537	640	0.12%	\$33.53
Total	3,179,579	55,625	1.75%	\$21.28

PRODUCT TYPE BREAKDOWN



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RETAIL SNAPSHOT

Retail market data includes non-owner-occupied buildings of ≥10,000 square feet in the Santa Fe MSA. Availability reflects all space currently on the market as well as vacant space. Rent asking rates are based on full service per square foot per year. All information is obtained from sources deemed reliable. While we make every effort to ensure the accuracy of our data, we cannot guarantee accuracy. Readers should consult a real estate professional before making investments decisions based on this data.