

YEAR END 2024 SNAPSHOT



MARKET INSIGHTS



Available Rate  
**1.28%**



Market Rent/SF  
**\$16.46**



CAPITAL MARKET



Average Cap Rate  
**7.0%**



Market Sale Price per SF  
**\$160**



US 10-year Treasury Note  
**4.54%**



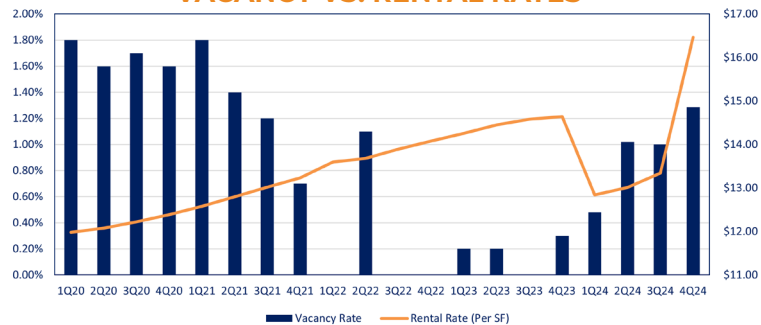
INDUSTRIAL MARKET SNAPSHOT

- **Vacancy and Availability:** The Santa Fe industrial market remains tight, with a vacancy rate of 1.28%, reflecting minimal available space despite the delivery of new developments.
- **Rental Rates:** Average market rents have risen to \$16.46 per square foot, driven by consistent demand from trades, contractors, and specialized industrial users.
- **Supply Constraints:** High construction costs and zoning restrictions continue to limit speculative development. This has resulted in a scarcity of new supply, putting upward pressure on both rents and sale prices.
- **Market Outlook:** Demand is expected to outpace supply in the near term, with limited new inventory planned beyond 2025.

INDUSTRIAL INVESTMENT MARKET




- **Pricing and Capital Trends:** The average cap rate for industrial properties stands at 7.0%, reflecting strong investor confidence despite the rising interest rate environment. Sale prices have stabilized at \$160 per square foot, indicating robust demand for the limited available product.
- **Investment Activity:** Owner-occupant buyers dominate acquisitions, particularly in smaller industrial properties under 30,000 square feet. These buyers seek to secure fixed costs amid rising rents. Limited liquidity persists as current owners hold onto properties for lease renewals at higher rates.

VACANCY VS. RENTAL RATES








KEY SALES TRANSACTIONS

Property	Submarket	RSF	List Price
 2351 Fox Rd	Southwest	19,586	Unpriced
 25 Bisbee Crt Units G,H,I	Santa Fe	7,841	\$1,050,000
 715 St Michaels Dr	Santa Fe	7,269	\$1,900,000

KEY LEASE TRANSACTIONS

Property	Submarket	RSF	Lease Rate
 1143 Siler Park Lane	Santa Fe	5,000	\$14.75
 7537 Old Airport Rd	Santa Fe	3,677	\$12.00
 2778 Agua Fria St	Santa Fe	1,350	\$16.00

CLASS SNAPSHOT

Class A		Class B		Class C	
Total Square Feet	-	Total Square Feet	813,754	Total Square Feet	1,162,460
Availability	-	Availability	1.43%	Availability	1.18%
Avg. Face Rate	-	Avg. Face Rate	\$19.43	Avg. Face Rate	\$13.00

MARKET STATISTICS

Submarket Name	RBA	Available SF	Vacancy Rate	Face Rate
Santa Fe	732,677	18,074	2.47%	\$15.43
Southwest Santa Fe	1,231,006	7,315	0.59%	\$19.00
Downtown	12,531	-	0.00%	-
<b>Total</b>	<b>1,976,214</b>	<b>25,389</b>	<b>1.28%</b>	<b>\$16.46</b>

PRODUCT TYPE BREAKDOWN



INDUSTRIAL SNAPSHOT

Industrial 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.



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