

Grubb & Ellis|New Mexico Research



“Redevelopments, large contiguous spaces and mass transit ready to deliver”

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Market Trends Albuquerque

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Downtown Poised for Rebound

The revitalization for Downtown Albuquerque is currently half-way through its ten year plan. As outlined in the 2010 Strategic Plan, the focus during the first three years was to establish an entertainment district and improve neighborhood safety. By most accounts, mission completed. The second three year phase involves increasing the number of residences Downtown. This phase is off to a great start with the successful redevelopment of the Old Albuquerque High School in to apartments and condominiums. Currently there are several high-end condominium projects underway which are trying to lure upper income residents to Downtown. The remaining phase is to increase the employment sector. This phase may occur sooner than later as Downtown's large available contiguous office spaces get leased up.

A new metro area commuter train line called the New Mexico Rail Runner Express is the biggest news expected to increase Downtown interest. The Rail Runner is scheduled to start by this summer and will serve commuters from Belen to Bernalillo. Nine stops along the route will provide excellent coverage for riders. Downtown Albuquerque is poised to benefit the most since commuters can easily walk to most areas in Downtown from the Alvarado Transportation Center (ATC). Additionally, other popular areas in the city like Uptown and the University of New Mexico campus can be accessed from the Rapid Ride bus system that picks up at the ATC. As gas prices continue to climb, the Rail Runner could become extremely popular and position Downtown as the place to work and commute from.

Several exciting projects are currently underway and should bring even more interest to Downtown. The biggest project is the seven million dollar renovation of the La Posada de Albuquerque Hotel. This hotel was originally developed as a Hilton Hotel by hotelier Conrad Hilton in 1939. Renovations include about 8,000 square feet of restaurant space, a second floor Cultural Center featuring the diverse cultural history of Albuquerque, and upgrades to the rooms and mechanical systems. The former American Bank of Commerce building at the northwest corner of Third Street & Central Blvd. was recently redeveloped into a 23,300 square foot project called Third & Central. The upper level has a world-class billiard concept called the Carom Club and the street level retail space is being marketed. To the east is another renovation project called The Banque which was the original First National Bank building completed in 1922. About 26,000 square feet of retail space will be available on the ground floor, basement, and mezzanine areas. The upper floors will feature 27 two-story condominiums that are the most expensive residential project underway Downtown.