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**Market trends achieved in the first two quarters of 2016 appear indicative of a stable, healthy environment for both buyers and sellers.**

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## Santa Fe Real Estate Market Update 2nd Quarter 2016

### OVERALL MARKET – SINGLE FAMILY HOMES

Sales in Santa Fe for residential real estate for the first half of 2016 were flat compared to 2015 (1243 for 2015 versus 1244 for 2016). Remarkably, 2007 saw 1242 sales through the first half of the year – so all 3 of these years had almost the exact same number of sales for the first 6 months of the year. To say we are back to pre-recession levels, from a sales volume standpoint, would be accurate.

Appreciation (as measured by an increase in average sale price) was also modest, climbing from \$375,134 in 2015 to \$388,785 in 2016. Here is where we are still seeing the effects of the recession, because the average price for a home sold in the first half of 2007 stood at \$464,092. With inventory levels dropping somewhat dramatically from 2015 to 2016 (from 1893 to 1656) and pending transactions up sharply (365 in 2015 to 478 in 2016) – there is a clear, discernible pattern that has been emerging in Santa Fe for a number of years. Buyers in lower price ranges have been grumbling about lack of quality inventory, and many have lost good homes in either multiple offers or from just being slow to react.

### OVERALL MARKET – LAND

Due to the value existing homes represent throughout the entire Greater Santa Fe area, buyers of land have been distracted by this inventory. With the price of many homes well below what it costs just to build a home (exclusive of land costs), it is easy to see why. But as the inventory of homes continues to get picked through, the scales are slowly tipping towards land and building, for all of the familiar reasons. Being able to get what one wants tops the list of why buyers are buying land and building, followed by the allure of a brand new home (versus some of the tired homes that dot the Santa Fe Landscape). "Santa Fe Style" is constantly being redefined, and today's buyers lean much more heavily towards Santa Fe homes with contemporary influences (both in esthetics and lifestyle), rather than say Pueblo Revival dripping with overdone adornments. Lastly some people coming to Santa Fe have a history of building homes, and they enjoy the process.

Land sales improved from 122 in 2015 to 141 in 2016, with the average price actually dropping from \$122,668 in 2015 to 116,156 in 2016. With the recession making many of us recalibrate what we want in a home, buyers are aiming lower in the size of home they eventually want, and they want a lower basis for their dirt. Inventory increased from 1371 lots on the market last year, to 1394 this year. In it's heyday, Santa Fe cranked out lots and subdivision as fast as the city and county could approve them. But clearly, with absorption and supply that tops 5 years worth of inventory, the landscape for lots looks destined to remain in the pattern we have seen for the last few years – lots of options, desperate sellers, and low prices. However, as I have stated in previous newsletters, high-quality lots are hard to find, and are commanding premium prices. Almost the Tale of Two Cities.....

# Las Campanas

## HOMES

It was a record first half for home sales in Las Campanas. The 31 sales represent a high water mark dating all the way back through 2007 – due to the relative value of the homes that are on the market, and an average sale price still hovering around \$260 per square foot. The lower price per square foot is attributable to 2 factors – the emergence of many smaller homes, town homes, and production builders that have lower price points (effecting the average compared to years gone by when there were virtually no homes for sale under \$1 million), and the issues with dated interiors that cause buyers to discount heavily. Over 100 projects are being monitored by the Las Campanas Homeowners Association, with over 60% of those being remodels, additions, and alterations – whereas 41 are new homes being built. Inventory has stayed constant with 71 homes active today versus 66 last year. The "shadow market" is slowly rearing it's head as some homeowners have been sitting on the sidelines yearning for the good ole days realize this is the new Las Campanas. Finally, there is a demographic issue at Las Campanas whereby older homeowners are looking to downsize or move on to other living situations – which will continue to contribute to the amount of inventory we see in years ahead.

## LAND

The 18 lots that have sold through the first part of 2016 are average for the last 4 years. The preceding 4 years were 8, and the 3 years before that were over 20. The significant trend that is exciting for land owners is a huge jump in the average price of a lot in Las Campanas – almost a 100% increase in the average price from 2015 to 2016! From the all-time low last year of \$70,141, this year it has climbed back to a more respectable \$138,861. Sure it is down from 2007 and the staggering \$460,786 number that was posted, but we all know what has happened since then. The developer has put many high-quality lots on the market in the Estancias with tantalizing prices, and buyers have responded enthusiastically, commenting on the amazing prices they are purchasing "A" lots for – which have been priced dramatically lower than the Lyle Anderson days. And yet, some buyers have moaned that regardless of price, there are not many "high-quality" lots available. So I perceive things tightening up and inventory dwindling for the "best of the best"....whereas the average Las Campanas lots are there in abundance. With over 900 empty lots in one form or another, the Las Campanas landscape for lots will be interesting to watch in the years ahead.

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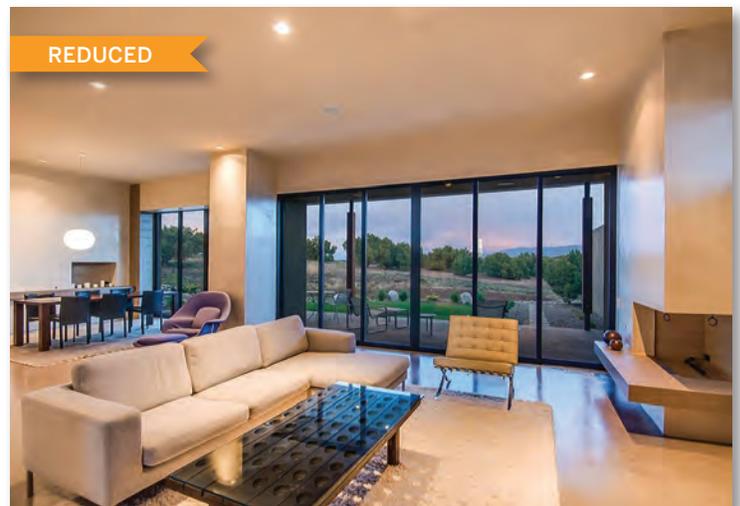
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**18 GREEN MEADOW LOOP**

**LAS CAMPANAS**

Pueblo Revival home with classic Santa Fe elements. Generous room sizes with openness and light describing the feeling throughout the house. Luxurious multi-room master suite and private guest suites. Outstanding outdoor living with a generous portal with fireplace and barbecue area. New roof and stucco with in-floor heating and central air conditioning. 3 bed / 3.5 bath. 4,685 sq. ft. \$1,349,000 #201602876



**48 VIOLET CIRCLE**

**LAS CAMPANAS**

Trey Jordan, custom design contemporary home perched on the northern part of Las Campanas and overlooking hundreds of acres of undeveloped land with spectacular views of the Sangre de Cristo's. Featuring a luxurious master suite and separate guesthouse. 3 bed / 4 bath. 3,400 sq. ft. \$1,295,000 #201504565

# Monte Sereno

## HOMES & LAND

Land sales screeched to a halt in 2016, with only one pending lot sale at the time of this newsletter. Couple the 90 lots for sale in Las Campanas with the 27 in Monte Sereno, and the number is 117 – compared to the 3 lots pending in the 2 subdivisions – land is clearly still a tough sale – no matter the pedigree. The new developer in Monte Sereno is methodically weighing his options regarding the hospitality site and density product on the north end of the subdivision – as well as the 100+ remaining lots he controls. The prospect of the Langham Group developing Bishop's Lodge has many in the hospitality industry guessing what they are really going to do – with commencement of construction well beyond the projected dates that had been announced. The projections of what it will cost to renovate Bishop's Lodge (\$60 to \$80 million is the range we are hearing) is casting a pale on of much of Santa Fe, as many facets of the

Santa Fe real estate market scratch their head at what will really come out of the ground there. Home sales in Monte Sereno continued to be some of the strongest in all of Santa Fe, where premium homes on great view lots have consistently topped \$400 per square foot for the last few years. A home I listed and sold in several weeks was listed for \$1,795,000 – and we had 3 offers in those few weeks it was for sale. Currently, there is one home for sale in all of Monte Sereno.

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**Home sales in Monte Sereno continued to be some of the strongest in all of Santa Fe, where premium homes on great view lots have consistently topped \$400 per square foot for the last few years.**

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## Current Listings – Featured Property



### 53 CANON DEL CERRO

### POJOAQUE

Sited on one of the most spectacular view lots in Northern New Mexico, this contemporary masterpiece captures both the panoramic views and the essence of modern design. Inspired by the Barrancas in the Pojoaque Valley below, the home features limestone floors, gourmet kitchen with stainless appliances, pigmented plaster and stucco. Small gated community affords the privacy only a sanctuary like this can afford. With views encompassing Navajo Peak in Colorado, the Jemez, Sandias and Ortiz Mountains, few homes in all of New Mexico capture the breadth of landscape one enjoys from virtually every room.

**3 bed / 2.5 bath / 4,000 sq. ft.  
\$1,195,000  
#201602918**

# \$1M+ MARKETPLACE



**84 CIRCLE DRIVE COMPOUND**

**CIRCLE DRIVE**

Poised in the most private part of the gated Circle Drive Compound, this Kim Unger built Pueblo Revival home is perched on the hill with extraordinary views of the Sangre de Cristo Mountains, Tesuque Valley, and Ski Basin. Great portal and outdoor entertaining space capture the views. 3 bed / 4 bath. 4,432 sq. ft. 5 acres. \$1,885,000 #201504598



**NEW PRICE**

**1062 SIERRA DEL NORTE**

**SIERRA DEL NORTE**

This traditional New Mexico Estate sits on a very private 2.5 acres, 180 feet uphill from its dedicated entry gate, and almost completely encircled by adjoining, non-buildable public and private hills. Enjoy panoramic, unobstructed mountain and sunset views. 3.3 miles to downtown. 5 bed / 5 bath. 6,540 sq. ft. \$2,250,000 #201600881



**10 VIA VECINO**

**NORTHSIDE**

Northwest of Bishop's Lodge Road, this home features spectacular views of the Sangre de Cristo Mountains. Main living room/dining is open and spacious, stunning center-island kitchen with deep dining portal. Features high ceilings throughout, generous outdoor portal spaces, A/C, and a heated 2-car garage. 3 bed / 4 bath. 4,000 sq. ft. \$1,195,000 #201602023



**REDUCED**

**22 VUELTA MARIA**

**LAS DOS**

Embracing all the best elements of Santa Fe Style and Contemporary Design, this true adobe home on 11.73 acres boasts extraordinary views and elegant design. The open floor plan is centered around a true cook's kitchen, a spacious yet intimate master suite and 2 bedrooms. New roof and stucco in 2015. 3 bed / 4 bath. 5,276 sq. ft. \$1,295,000 #201503049



**NEW LISTING**

**2323 OLD ARROYO CHAMISO**

**NORTHSIDE**

Northern New Mexico home with gourmet kitchen open to the dining area – ala Betty Stewart. Soaring ceilings and lots of windows make for open, bright space. Generous outdoor portal spaces with spectacular views and outdoor garden areas. Great 3 room lofted master suite with large closet space. 3 bed / 3 bath. 3,541 sq. ft. \$1,100,000 #201603368



**NEW LISTING**

**2020 CALLE LEJANO**

**EASTSIDE**

Private oasis featuring tranquil views just minutes from downtown. Master suite with forward sitting room, generous closet space and kiva fireplace. Attached guest suite features large main room, high ceilings and corner fireplace, bedroom area, 3/4 bathroom and large custom closet space. 3 bed / 3 bath. 3,950 sq. ft. \$1,195,000 #201603002

# 2nd Quarter Sold Statistics

## OVERALL SANTA FE HOMES MARKET

YEAR	# SOLD	AVERAGE PRICE	SQ FT	\$/SQ FT	DOM	ACTIVE LISTINGS	PENDING
2016	1,244	\$388,785	1,841	\$185	155	1,656	478
2015	1,243	\$375,134	2,082	\$181	181	1,893	365
2014	1,067	\$376,406	1,917	\$174	187	2,193	371
2013	966	\$368,867	1,967	\$187	188		
2012	927	\$375,344	2,193	\$171	265		
2011	819	\$422,455	2,210	\$191	299		
2010	885	\$378,596	2,102	\$180	268		
2009	694	\$381,426	2,067	\$184	260		
2008	878	\$460,159	2,036	\$226	228		
2007	1,242	\$464,092	2,021	\$229	182		

## OVERALL SANTA FE LAND MARKET

YEAR	# SOLD	AVERAGE PRICE	DOM	ACTIVE LISTINGS	PENDING
2016	141	\$116,156	398	1,394	46
2015	122	\$122,668	407	1,371	40
2014	118	\$100,910	384		
2013	137	\$114,125	466		
2012	96	\$106,968	452		
2011	97	\$162,165	347		
2010	99	\$136,437	314		
2009	88	\$181,185	314		
2008	147	\$205,841	307		
2007	316	\$212,074	237		

## HOMES OVER \$1 MILLION

YEAR	# SOLD	AVERAGE PRICE	SQ FT	\$/SQ FT	DOM	ACTIVE LISTINGS	PENDING
2016	62	\$1,407,078	4,299	\$320	221	286	22
2015	55	\$1,468,176	3989	\$368	220	285	12
2014	45	\$1,583,438	4,661	\$365	213		
2013	38	\$1,622,226	4,974	\$321	241		
2012	41	\$1,416,569	4,156	\$340	293		
2011	55	\$1,632,356	4,620	\$353	473		
2010	39	\$1,487,778	4,566	\$325	458		
2009	24	\$1,366,549	4,317	\$316	269		
2008	56	\$1,941,216	4,990	\$389	377		
2007	82	\$1,470,015	4,100	\$358	314		

## MONTE SERENO LAND

YEAR	# SOLD	AVERAGE PRICE	DOM	ACTIVE LISTINGS	PENDING
2016	0	\$0	0	27	1
2015	3	\$314,166	291	26	1
2014	1	\$285,000	387		
2013	2	\$112,500	671		
2012	4	\$200,499	407		
2011	3	\$195,000	516		
2010	5	\$260,380	318		
2009	2	\$264,000	279		
2008	7	\$350,843	138		
2007	10	\$325,680	198		

## LAS CAMPANAS HOMES

YEAR	# SOLD	AVERAGE PRICE	SQ FT	\$/SQ FT	DOM	ACTIVE LISTINGS	PENDING
2016	31	\$990,600	3,877	\$261	218	71	9
2015	28	\$936,218	3,453	\$250	227	66	10
2014	28	\$1,053,181	3,960	\$266	269		
2013	13	\$892,151	3,294	\$268	266		
2012	26	\$958,961	3,700	\$258	433		
2011	27	\$1,031,257	3,994	\$258	625		
2010	12	\$1,029,441	3,945	\$261	513		
2009	20	\$1,008,845	3,477	\$290	267		
2008	23	\$1,452,083	3,981	\$364	485		
2007	28	\$1,292,769	3,810	\$339	287		

## LAS CAMPANAS LAND

YEAR	# SOLD	AVERAGE PRICE	DOM	ACTIVE LISTINGS	PENDING
2016	18	\$138,861	411	90	2
2015	17	\$70,141	352	90	4
2014	14	\$84,642	549		
2013	20	\$92,111	458		
2012	8	\$72,625	356		
2011	7	\$172,143	306		
2010	5	\$130,000	422		
2009	11	\$176,545	571		
2008	17	\$278,676	396		
2007	33	\$460,786	368		



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## Current Listings



**1275 SPANISH HILL**

**SUMMIT**

Tierra Concepts home in gated community with paved roads, hiking trails and minutes to downtown. Wonderfully detailed home includes hand carved custom fireplace mantel / iron work and library with floor to ceiling bookshelves. Living room has a bricked portal with outdoor fireplace and magnificent views. 3 bed / 3 bath. 3,100 sq. ft. \$1,095,000 #201601485



**521 CAMINO DON MIGUEL**

**EASTSIDE**

Classic Santa Fe style with beautiful private courtyards and balcony. Two-story entrance with expansive living room and staircase leading to the second floor master suite/studio space and new additional bedroom. The main floor features a private guest wing with large office/family space and two more bedrooms. 3 bed / 4.5 bath. 3,802 sq. ft. \$899,900 #201502980



**1012 SIERRA DEL NORTE**

**SIERRA DEL NORTE**

Delightful home radiates Old World charm yet full of modern conveniences. The main level features an open-plan living room, dining room, and kitchen area ideal for entertaining. The lower level has 2 beds / 1 bath, media room, and office space — all opening to a back patio that is private and utterly inviting. 3 bed / 3 bath. 3,600 sq. ft. \$899,000 #201503335



**247 ARROYO HONDO TRAIL**

**OLD LAS VEGAS HIGHWAY**

Northern New Mexico Style in Arroyo Hondo. House and Studio / Guest House. Travertine tile floors, plaster walls and Cathedral ceilings with beams. Beautiful open kitchen / dining / informal living room. Upstairs bonus room makes a great den, library or media room. 3 bed / 4 bath. 4,135 sq. ft. \$895,000 #201504192