

# ALBUQUERQUE, NM

## 2023 MARKET AT A GLANCE

Occupancy Rate

94.0%



DOWN 150 BPS YOY

Effective Rent

\$1,300



UP 4.0% YOY

Rent Share of Wallet

21.2%



UNCHANGED YOY

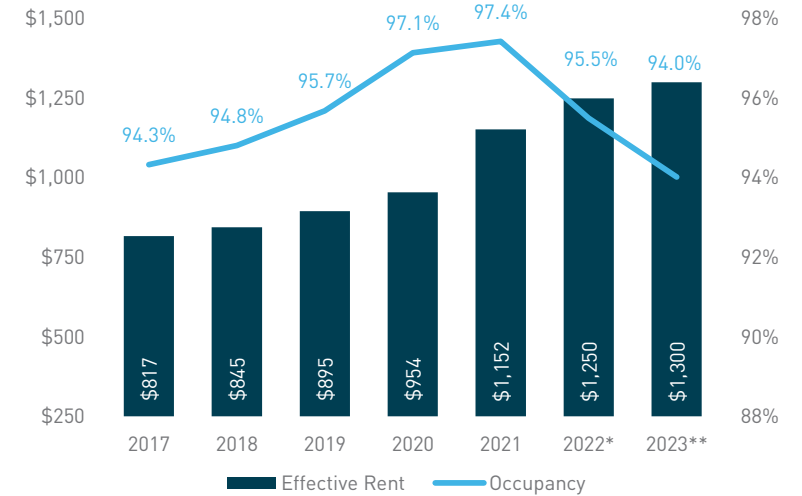
## Albuquerque has Favorable Short- and Long-Term Employment Outlooks

The Albuquerque job market is forecast to expand this year with the net addition of 3,100 jobs. The metro's long-term employment outlook is also favorable. Netflix continues to carry out its \$1 billion, 10-year commitment to production activities in the Albuquerque area. Robust manufacturing sector hiring will also boost the economy. Intel Inc. is on course to complete expansion of its \$3.5 billion semiconductor facility in Rio Rancho, resulting in 700 new, highly paid workers by 2024. In 2025, the \$100 million facility of drug vial manufacturer Curia Global Inc. will be operational in Albuquerque and employ 270 workers. In 2026, Manna Capital Partners and Ball Corp. will open a \$2 billion aluminum can manufacturing plant in Los Lunas that will employ 950 workers earning an average of \$68,000 annually. The positive direction of the local economy will enable apartment operators to keep upward pressure on rents. Average monthly effective rent is forecast to rise 4.0% during 2023, reaching \$1,300 by year-end. The increase will come as multifamily developers complete an estimated 1,280 new apartment units in 2023. Anticipated new apartment stock emerging in the adjacent Westside/Rio Rancho and Northeast Heights submarkets—the most desirable areas in the metro—will account for approximately 58% of deliveries in the metro area this year. The heightened metrowide deliveries will outpace projected positive net apartment absorption, leading to estimated 94.0% occupancy by year-end, within 30 basis points of the annual average occupancy in the 10 years prior to the pandemic.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2022 are projected values. 2023 figures are forecast projections. The apartment sales information represents transactions of apartment properties with a sales price of \$2.5 million or more, unless otherwise indicated.

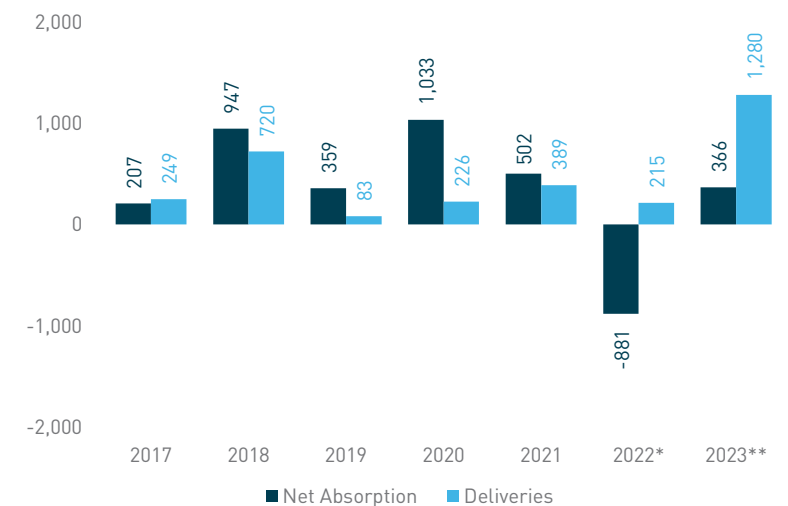
## Apartment Trends

### Effective Rent & Occupancy



\*Projected \*\*Forecast

### Absorption & Deliveries

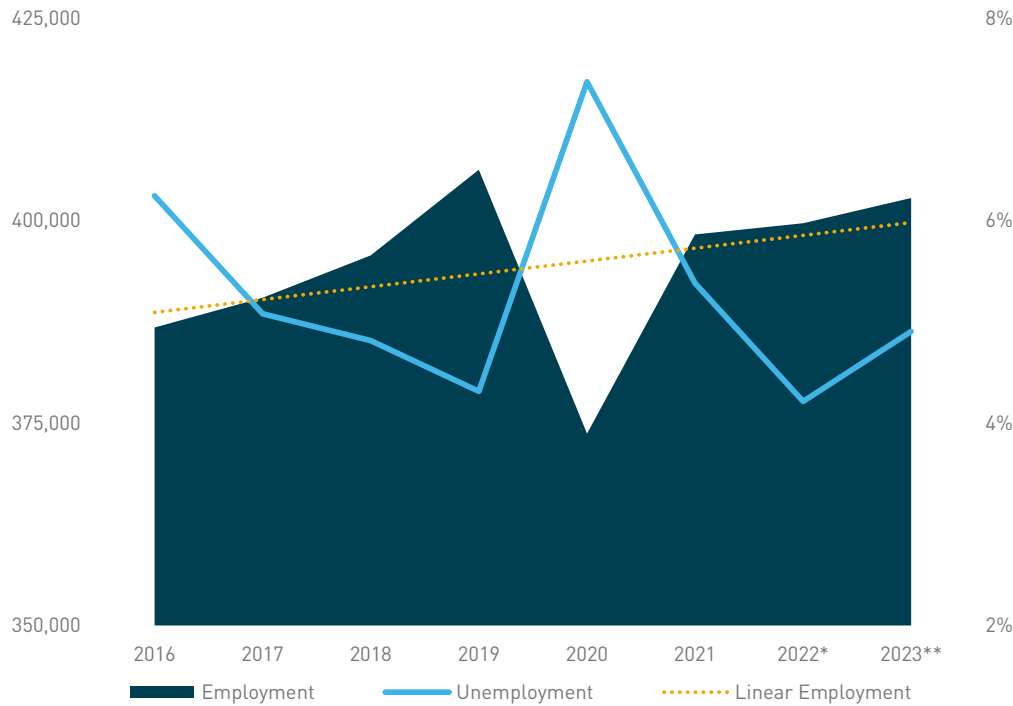


\*Projected \*\*Forecast

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## Employment Trends

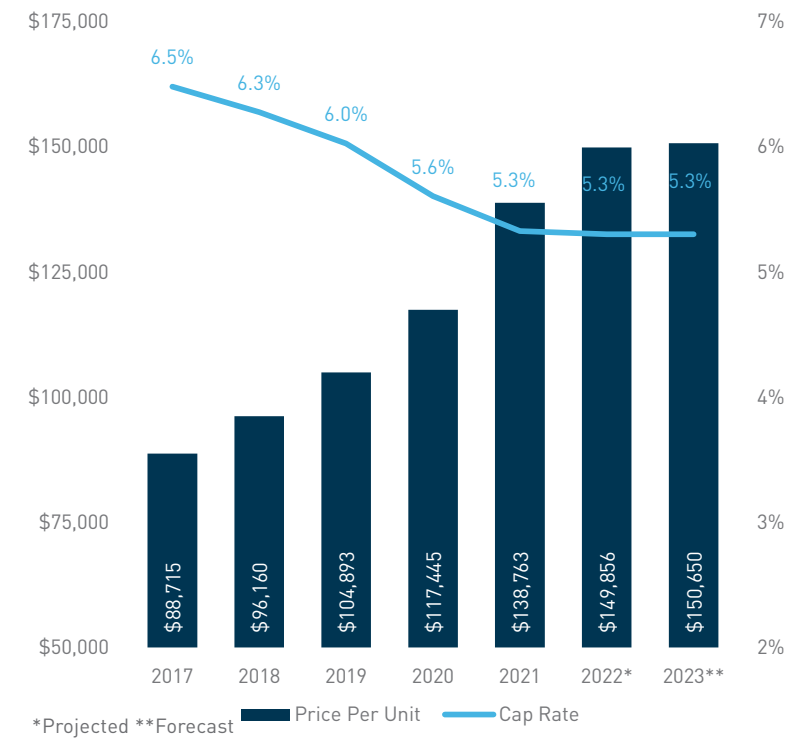
Market Employment Trends



\*Projected \*\*Forecast

## Sales Trends

Price Per Unit & Cap Rate



\*Projected \*\*Forecast

Price Per Unit Cap Rate

Employment

402,800



UP 0.8% YOY

Unemployment

4.9%



UP 70 BPS YOY

Median Household Income

\$73,732



UP 4.2% YOY

Price Per Unit

\$150,650



UP 0.5% YOY

Cap Rate

5.3%



UNCHANGED YOY