



MULTIFAMILY REPORT

Albuquerque: Mixed Results

April 2023

Deliveries, Investment Paused

Unemployment at Record Lows

Rent Expansion on Par With US

ALBUQUERQUE MULTIFAMILY



Oscillating Multifamily Fundamentals

New Mexico's strategic location, lower cost of living compared to neighboring states and economical business opportunities have boosted interest in Albuquerque. This has benefited the rental sector, and fundamentals have improved consistently this decade. However, some moderation has started, with rent movement recently turning negative, down 0.1% on a trailing three-month basis as of February, to \$1,283. Occupancy in stabilized properties declined 100 basis points year-over-year as of January, but remained healthy at 95.3%.

Albuquerque's unemployment stood at a record low 3.5% in January, on par with the state and 10 basis points below the U.S. average, according to preliminary data from the Bureau of Labor Statistics. The job market expanded 1.7% year-over-year as of December, trailing the 3.7% national rate. Three sectors contracted for a combined 3,400 jobs lost, while education and health services and leisure and hospitality led gains with 1,600 positions each. Intel, Netflix and Manna Capital Partners and Ball Corp.'s partnership are among the entities with planned expansions, which will prop up the metro's economy.

Sales and deliveries paused, with no sales or completions registered through February. Still, the construction pipeline had 3,241 units underway, and last year marked an all-time high in transaction volume, with \$934 million in multifamily sales.

Market Analysis | April 2023

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Recent Albuquerque Transactions

Olympus de Santa Fe



City: Santa Fe, N.M.
Buyer: Olympus Property
Purchase Price: \$56 MM
Price per Unit: \$310,519

Vista Grande



City: Rio Rancho, N.M.
Buyer: Tailwind Investment Group
Purchase Price: \$18 MM
Price per Unit: \$105,159

Valley



City: Albuquerque, N.M.
Buyer: TriWest Development
Purchase Price: \$16 MM
Price per Unit: \$117,143

Sun Plaza



City: Albuquerque, N.M.
Buyer: TriWest Development
Purchase Price: \$14 MM
Price per Unit: \$91,614