



MULTIFAMILY REPORT

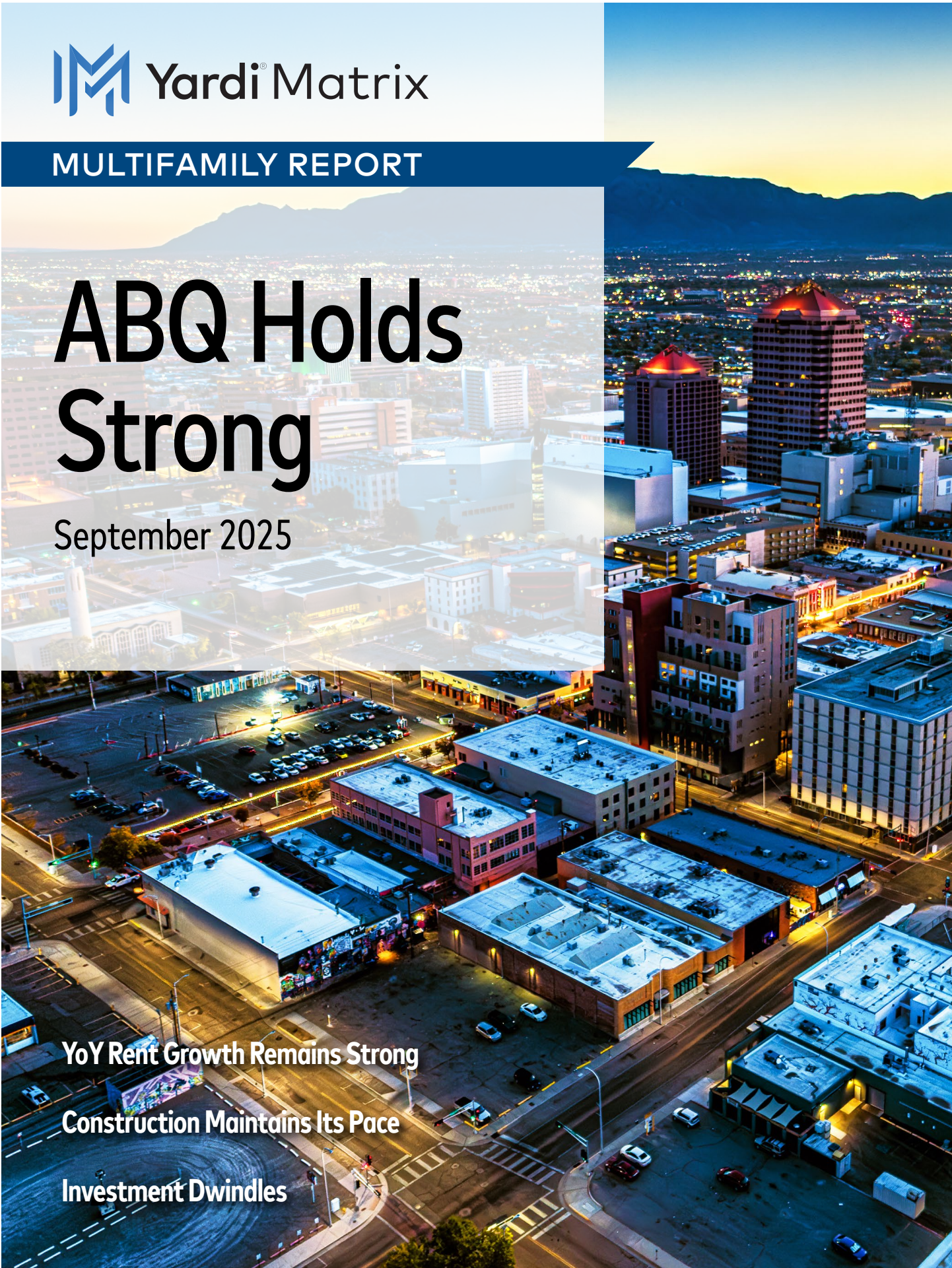
ABQ Holds Strong

September 2025

YoY Rent Growth Remains Strong

Construction Maintains Its Pace

Investment Dwindles



ALBUQUERQUE MULTIFAMILY



Rent Growth on Par With US, Supply Strong

Albuquerque's multifamily market, which started the year with mixed results, maintained a similar trend through the beginning of the third quarter. Average advertised asking rents were up 0.3%, on a trailing three-month basis through July, to an average of \$1,394. Year-over-year, rates were up 1.8%, which is more than double the 0.8% national figure. An influx of new supply in the past two years led to a slight drop in occupancy—the average slid 30 basis points, to 94.7%, on par with the U.S. rate.

Albuquerque's job gains remained strong, at 2.0% year-over-year through May, while the national figure stood at 0.8%. The metro's unemployment rate was 4.5% in June, up 30 basis points from the start of the year and 40 basis points above the national figure, according to preliminary data from the Bureau of Labor Statistics. Albuquerque continues to expand as a tech and manufacturing hub. ABB Electrification opened a new, \$55 million facility that more than doubled its capacity for some of its products and created 150 jobs, while SolAero Technologies aims to expand its semiconductor manufacturing plant with a \$100 million project.

In the past two years, Albuquerque recorded its highest supply growth, and the trend seems to be continuing. Developers delivered 983 units year-to-date through July and had another 3,070 units under construction.

Recent Albuquerque Transactions

Villa Hermosa



City: Albuquerque
Buyer: Dominion
Purchase Price: \$23 MM
Price per Unit: \$79,167

Market Analysis | September 2025

Contacts

Jeff Adler

Vice President & General
Manager of Yardi Matrix
Jeff.Adler@Yardi.com
(303) 615-3676

Ron Brock, Jr.

Industry Principal, Matrix
JR.Brock@Yardi.com
(480) 663-1149 x14006

Doug Ressler

Media Contact
Doug.Ressler@Yardi.com
(480) 695-3365

Author

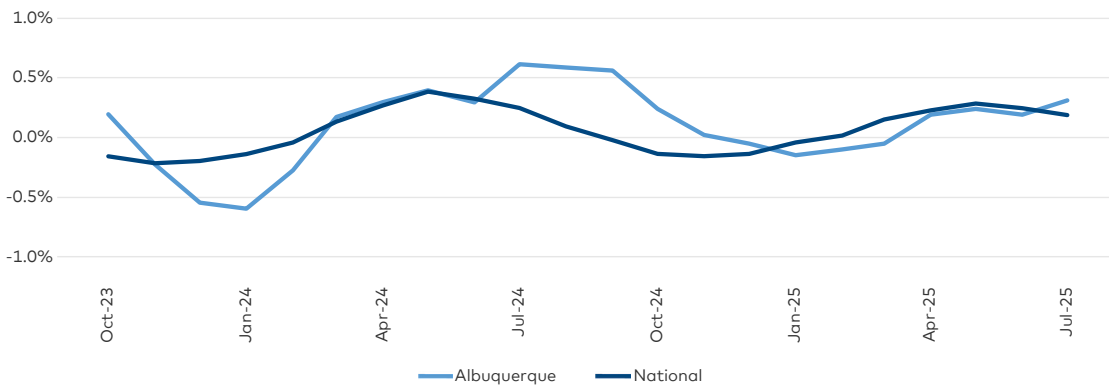
Tudor Scolca-Seuşan

Senior Associate Editor

RENT TRENDS

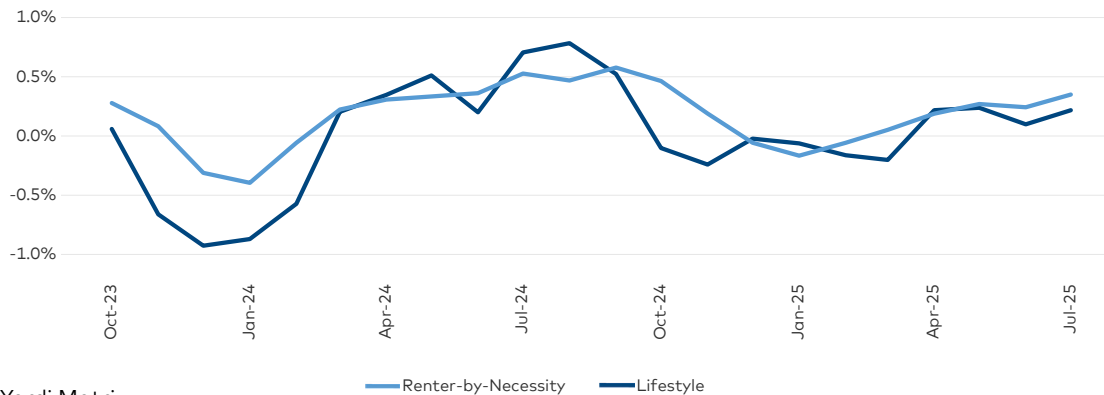
- ▶ Albuquerque's advertised asking rents were up 0.3%, on a trailing three-month (T3) basis through July, to an average of \$1,394. The rate surpassed the national average by 10 basis points and has been on a slight upward trend since the start of the year. In 2024, Albuquerque's rent growth stood ahead of the national average, except for the last two months, when it contracted. Rents in the metro were up 1.8% year-over-year through July, more than double the 0.8% national figure.
- ▶ Advertised asking rents for the working-class, Renter-by-Necessity segment were up 0.4%, on a T3 basis through July, to \$1,237. Rates for the upscale, Lifestyle segment were up 0.2%, to \$1,686. This pointed to a slower recovery following last year's contractions.
- ▶ Following the past two years' outstanding supply growth, Albuquerque's overall occupancy registered a 30-basis-point downtick year-over-year through June, to 94.7%, on par with the national average. Occupancy for the Lifestyle segment saw a steeper decline, down 50 basis points to 95.0%, while the RBN figure slid 30 basis points, to 94.5%.
- ▶ A mix of suburban and urban submarkets led year-over-year advertised asking rent growth: Albuquerque-South Valley (up 5.5% to \$1,216), Albuquerque-La Cuesta (4.9% to \$1,145), Albuquerque-Westside (3.8% to \$1,510), Albuquerque-Central (3.5% to \$1,176) and Albuquerque-Northeast (3.5% to \$1,588). Santa Fe remained the most expensive submarket, with the average at \$1,838.

Albuquerque vs. National Rent Growth (Trailing 3 Months)



Source: Yardi Matrix

Albuquerque Rent Growth by Asset Class (Trailing 3 Months)



Source: Yardi Matrix

ECONOMIC SNAPSHOT

- ▶ Albuquerque's employment growth was 2.0% year-over-year through May, more than double the 0.8% U.S. average. Bucking nationwide trends, the metro's job growth momentum continued. The rate increased 50 basis points from the start of the year and was up 60 basis points since May 2024.
- ▶ The metro's unemployment rate clocked in at 4.5% in June, up 70 basis points month-over-month and 30 basis points since the start of the year, according to preliminary BLS data. After a brief improvement at the start of the year, Albuquerque's unemployment started ticking up again in May. New Mexico's rate stood at 4.2%, while the national figure was 4.1%.
- ▶ Over the 12-month period ending in May, Albuquerque added 11,600 net jobs, with most sectors on a positive track. Education and health services led gains with 5,200 positions, followed by professional and business services (2,500) and government (2,100).
- ▶ Contributing to Albuquerque's growth as a tech and manufacturing hub, ABB Electrification opened a new, \$55 million facility earlier this year that doubled the output for some of its products and created 150 jobs. Meanwhile, Rocket Lab subsidiary SolAero is expanding its semiconductor facility with a new, \$100 million project, expected to add between 70 and 100 jobs after completion.

Albuquerque Employment Share by Sector

Code	Employment Sector	Current Employment	
		(000)	% Share
65	Education and Health Services	86.9	17.5%
60	Professional and Business Services	76.4	15.4%
90	Government	100.9	20.4%
40	Trade, Transportation and Utilities	79.2	16.0%
15	Mining, Logging and Construction	31.8	6.4%
80	Other Services	16.6	3.4%
30	Manufacturing	17.7	3.6%
55	Financial Activities	22	4.4%
70	Leisure and Hospitality	57.7	11.6%
50	Information	6.1	1.2%

Sources: Yardi Matrix, Bureau of Labor Statistics

Population

- ▶ Albuquerque's population grew 0.3% from 2021 to 2022, lagging the U.S. by 10 basis points.
- ▶ From 2010 to 2022, the metro gained 53,803 residents, which represented a 6.2% expansion.

Albuquerque vs. National Population

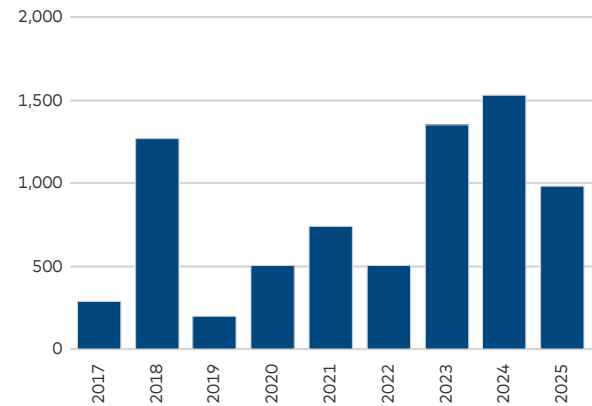
	2019	2020	2021	2022
National	324,697,795	326,569,308	329,725,481	331,097,593
Albuquerque Metro	912,108	915,986	913,388	915,968

Source: U.S. Census

SUPPLY

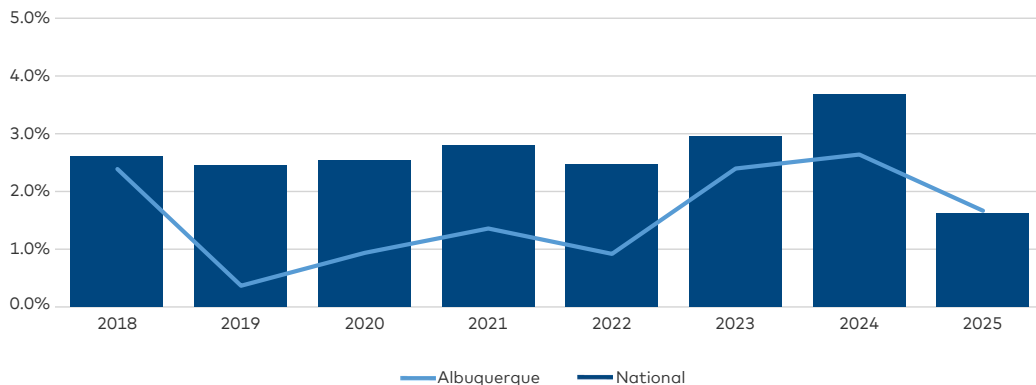
- ▶ Albuquerque developers had 3,070 units under construction as of July, along with an additional 11,000 units in the planning and permitting stages. In line with nationwide trends, more than two-thirds of all units under construction were in Lifestyle developments, while the rest were equally split between RBN and fully affordable projects.
- ▶ Developers completed 983 units across the metro year-to-date through July. This represented 1.7% of existing stock and was 10 basis points ahead of the U.S. average. This year's supply growth ranks fourth place for growth over the past eight years. Annual completions amounted to an average of 800 per year since 2017, while 2018, 2023 and 2024 were outliers—adding 1,269, 1,353 and 1,530 units, respectively. Should market conditions hold, Yardi Matrix expects roughly 1,800 units to come online in 2025, which would make it the metro's best-performing year since at least 2017.
- ▶ Developers broke ground on two projects encompassing 560 units year-to-date through July, on par with the three developments and 491 units that started construction during the same period last year.
- ▶ Santa Fe was the only submarket to cross the 1,000-unit mark for total units under construction, with 1,291 underway in July. Albuquerque–Academy (345 units), and Albuquerque–Westside (344) rounded out the top three, while also being the only submarkets that recorded any recent investment activity.
- ▶ LaTerra Development's Bedrock at the Trails was the largest community under construction in July, with 344 units.

Albuquerque Completions (as of July 2025)



Source: Yardi Matrix

Albuquerque vs. National Completions as a Percentage of Total Stock (as of July 2025)

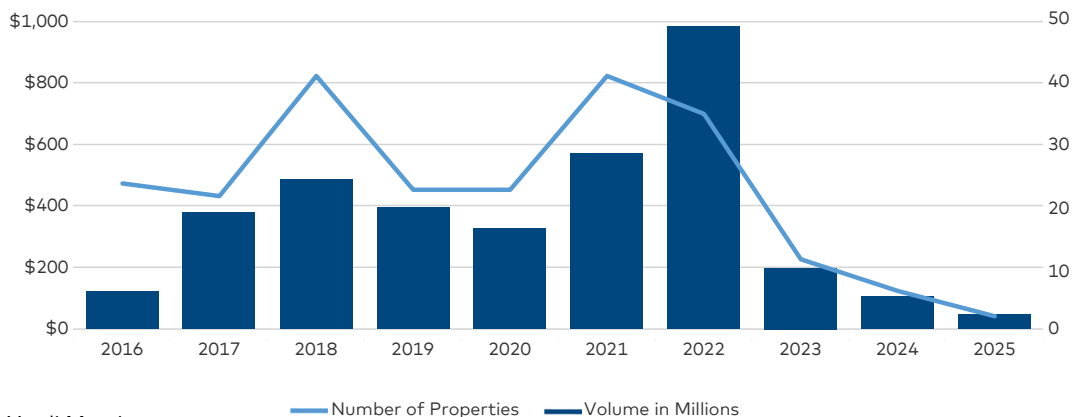


Source: Yardi Matrix

TRANSACTIONS

- ▶ Albuquerque investors traded only three multi-family assets of 50 units or more year-to-date through July, for a total of \$47 million. Volume decreased 42.7% compared to the same period last year. Investment activity continued its downward trend from 2022, when \$983 million traded. In the past two years, each segment remained under the decade's annual average of \$378 million. In 2024, seven assets traded in Albuquerque, for a total of \$105 million.
- ▶ While this year's sales were too few to accurately assess an average per-unit price in Albuquerque, the figure grew 7.1% year-over-year through December 2024, to \$143,956. The national average increased 3.0%, to \$192,939, in the same time frame. Over the past five years, Albuquerque's average per-unit price rose nearly 10.0%.
- ▶ Over the 12-month period ending in July, only two submarkets recorded activity, amounting to \$69 million in total.

Albuquerque Sales Volume and Number of Properties Sold (as of July 2025)



Source: Yardi Matrix

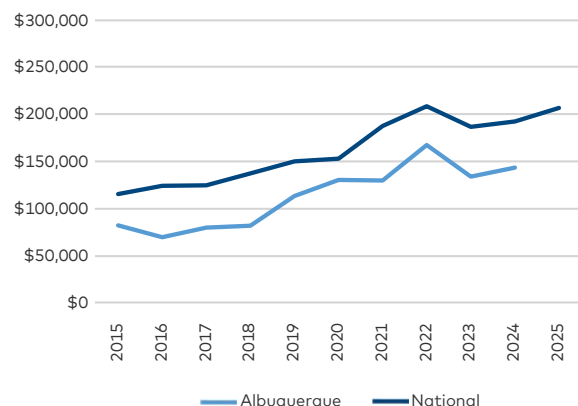
Top Submarkets for Transaction Volume¹

Submarket	Volume (\$MM)
Albuquerque–Academy	47
Albuquerque–Westside	23

Source: Yardi Matrix

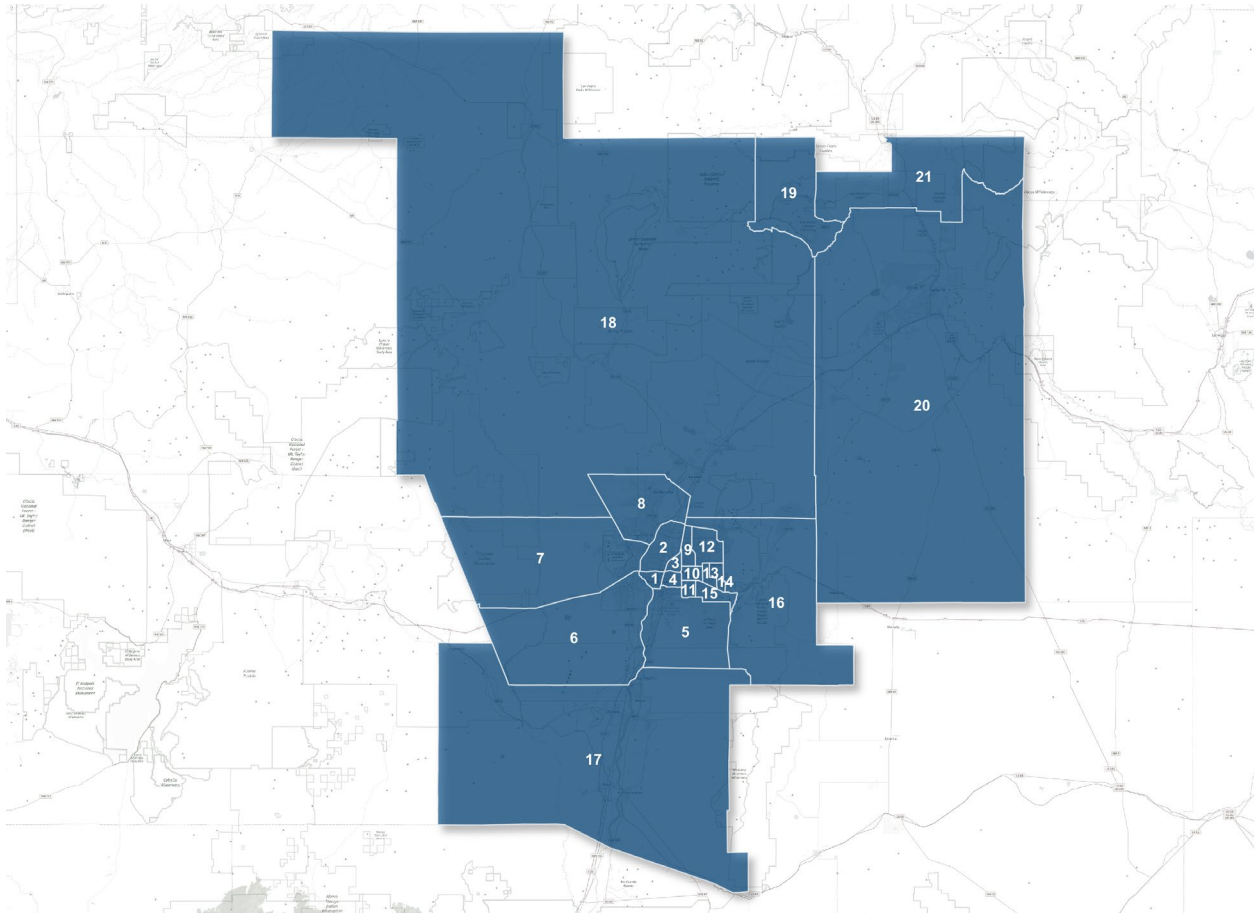
¹ From August 2024 to July 2025

Albuquerque vs. National Sales Price per Unit



Source: Yardi Matrix

ALBUQUERQUE SUBMARKETS



Area No.	Submarket
1	Albuquerque-Central
2	Albuquerque-North Valley
3	Albuquerque-Montgomery
4	Albuquerque-University
5	Albuquerque-South
6	Albuquerque-South Valley
7	Albuquerque-Westside
8	Albuquerque-Paradise Hills
9	Albuquerque-Academy
10	Albuquerque-Uptown
11	Albuquerque-International District

Area No.	Submarket
12	Albuquerque-Northeast
13	Albuquerque-La Cuesta
14	Albuquerque-Chelwood Park
15	Albuquerque-Southeast
16	Bernalillo County-East
17	Valencia County
18	Sandoval County
19	Los Alamos
20	Santa Fe
21	Espanola

DEFINITIONS

Lifestyle households (renters by choice) have wealth sufficient to own but have chosen to rent. Discretionary households, most typically a retired couple or single professional, have chosen the flexibility associated with renting over the obligations of ownership.

Renter-by-Necessity households span a range. In descending order, household types can be:

- *A young-professional*, double-income-no-kids household with substantial income but without wealth needed to acquire a home or condominium;
- *Students*, who also span a range of income capability, extending from affluent to barely getting by;
- *Lower-middle-income ("gray-collar") households*, composed of office workers, policemen, firemen, technical workers, teachers, etc.;
- *Blue-collar households*, which barely meet rent demands each month and likely pay a disproportionate share of their income toward rent;
- *Subsidized households*, which pay a percentage of household income in rent, with the balance of rent paid through a governmental agency subsidy. Subsidized households, while typically low income, extend to middle-income households in some high-cost markets, such as New York City;
- *Military households*, subject to frequency of relocation.

These differences can weigh heavily in determining a property's ability to attract specific renter market segments. The five-star resort serves a very different market than the down-and-outer motel. Apartments are distinguished similarly, but distinctions are often not clearly definitive without investigation. The Yardi® Matrix Context rating eliminates that requirement, designating property market positions as:

Market Position	Improvements Ratings
Discretionary	A+ / A
High Mid-Range	A- / B+
Low Mid-Range	B / B-
Workforce	C+ / C / C- / D

The value in application of the Yardi® Matrix Context rating is that standardized data provides consistency; information is more meaningful because there is less uncertainty. The user can move faster and more efficiently, with more accurate end results.

The Yardi® Matrix Context rating is not intended as a final word concerning a property's status—either improvements or location. Rather, the result provides reasonable consistency for comparing one property with another through reference to a consistently applied standard.

To learn more about Yardi® Matrix and subscribing, please visit www.yardimatrix.com or call Ron Brock, Jr., at 480-663-1149 x14006.



Yardi[®] Matrix

Power your business
with the industry's
leading data provider



MULTIFAMILY KEY FEATURES

- Pierce the LLC every time with true ownership and contact details
- Leverage improvement and location ratings, unit mix, occupancy and manager info
- Gain complete new supply pipeline information from concept to completion
- Find acquisition prospects based on in-place loans, maturity dates, lenders and originators
- Access aggregated and anonymized residential revenue and expense comps



Yardi Matrix Multifamily
provides accurate data on
nearly **23 million** units, covering
over **92%** of the U.S. population.



(800) 866-1144

Learn more at yardimatrix.com/multifamily

Contact
US



DISCLAIMER

Although every effort is made to ensure the accuracy, timeliness and completeness of the information provided in this publication, the information is provided "AS IS" and Yardi Matrix does not guarantee, warrant, represent or undertake that the information provided is correct, accurate, current or complete. Yardi Matrix is not liable for any loss, claim, or demand arising directly or indirectly from any use or reliance upon the information contained herein.

COPYRIGHT NOTICE

This document, publication and/or presentation (collectively, "document") is protected by copyright, trademark and other intellectual property laws. Use of this document is subject to the terms and conditions of Yardi Systems, Inc. dba Yardi Matrix's Terms of Use (<http://www.yardimatrix.com/Terms>) or other agreement including, but not limited to, restrictions on its use, copying, disclosure, distribution and decompilation. No part of this document may be disclosed or reproduced in any form by any means without the prior written authorization of Yardi Systems, Inc. This document may contain proprietary information about software and service processes, algorithms, and data models which is confidential and constitutes trade secrets. This document is intended for utilization solely in connection with Yardi Matrix publications and for no other purpose.

Yardi®, Yardi Systems, Inc., the Yardi Logo, Yardi Matrix, and the names of Yardi products and services are trademarks or registered trademarks of Yardi Systems, Inc. in the United States and may be protected as trademarks in other countries. All other product, service, or company names mentioned in this document are claimed as trademarks and trade names by their respective companies.

© 2025 Yardi Systems, Inc. All Rights Reserved.