

## MARKET AT A GLANCE



### OCCUPANCY RATE

95.4%

Up 50 bps since 1Q19



### EFFECTIVE RENT

\$881

Up 4.9% since 1Q19



### DELIVERIES

0

Units YTD

## MARKET IMPACT ANALYSIS

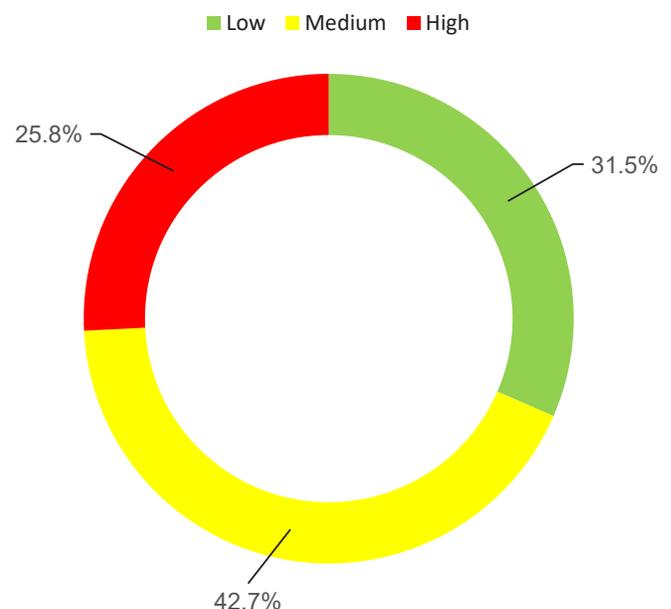
### LAYOFFS & OIL INDUSTRY UPHEAVAL DAMPEN ALBUQUERQUE ECONOMY

The Albuquerque metro area is grappling with economic disruption brought on by the COVID-19 pandemic and the historic drop in oil prices. Heightened petroleum production by OPEC amid a steep reduction in worldwide demand has sparked supply excesses, driving West Texas Intermediate crude oil to record lows on April 20, 2020. New Mexico's petroleum industry generated \$3.1 billion in revenue for the state in 2019, 39% of all general fund revenues. Continued revenue deterioration is expected as oil prices languish, and this reduction will likely trickle down to pressure county and municipal budgets. Furthermore, some petroleum and shale companies are in danger of permanent closure, threatening energy industry employment statewide. Widespread business closure in response to the pandemic is also affecting city coffers. In the city of Albuquerque, Mayor Keller indicated the 2020 budget through June will have a \$17 million shortfall. The city's \$54 million rainy-day fund can fill that gap, but that action would likely be detrimental to the city's bond rating. In the health care industry, workers not directly involved in coronavirus care are facing furloughs or reduced hours, including 640 employees at Lovelace Health System. Construction, deemed essential, does move forward on many projects. Albuquerque is taking advantage of reduced traffic volume on city streets, aggressively working on \$70 million of infrastructure projects to make getting around easier when businesses reopen.

### INDUSTRY COMPOSITION

Risk Level	% of Market	National Avg
<b>LOW</b>		
Agriculture, forestry, fishing, & hunting	0.2%	1.1%
Finance & insurance	4.1%	4.7%
Health care & social assistance	18.4%	16.0%
Information	1.9%	2.2%
Mining, quarrying, & oil & gas extraction	0.1%	0.5%
Transportation & warehousing	2.8%	4.4%
Utilities	0.3%	0.4%
Wholesale trade	3.7%	4.7%
<b>Total</b>	<b>31.5%</b>	<b>33.9%</b>
<b>MEDIUM</b>		
Administrative & waste services	8.4%	7.4%
Educational services	1.8%	2.3%
Manufacturing	5.5%	10.1%
Other services, except public administration	3.3%	3.6%
Professional & technical services	10.7%	7.5%
Retail trade	13.1%	12.2%
<b>Total</b>	<b>42.7%</b>	<b>43.1%</b>
<b>HIGH</b>		
Accommodation & food services	12.9%	11.1%
Arts, entertainment, & recreation	1.8%	1.9%
Construction	8.0%	6.1%
Management of companies & enterprises	1.3%	1.9%
Real estate & rental & leasing	1.8%	1.8%
Unclassified	0.1%	0.1%
<b>Total</b>	<b>25.8%</b>	<b>23.0%</b>

### JOBS EXPOSURE



Analysis based on RealPage Market Analytics' first quarter 2020 data, which sources more than 3 million units across more than 400 U.S. markets in real time. Data may be revised in future publications as additional information becomes available after the initial release. Risk level based on the percentage of essential vs. nonessential jobs for that sector, along with work-from-home opportunity and impacted revenue.



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