ALBUQUERQUE, NM

2024 MARKET AT A GLANCE

OCCUPANCY RATE (Q4 2024)	EFFECTIVE RENT (Q4 2024)	RENT SHARE OF WALLET (Q4 2024)
93.4%	$1,340	21.6%
DOWN 50 BPS YOY	UP 3.5% YOY	UP 10 BPS YOY

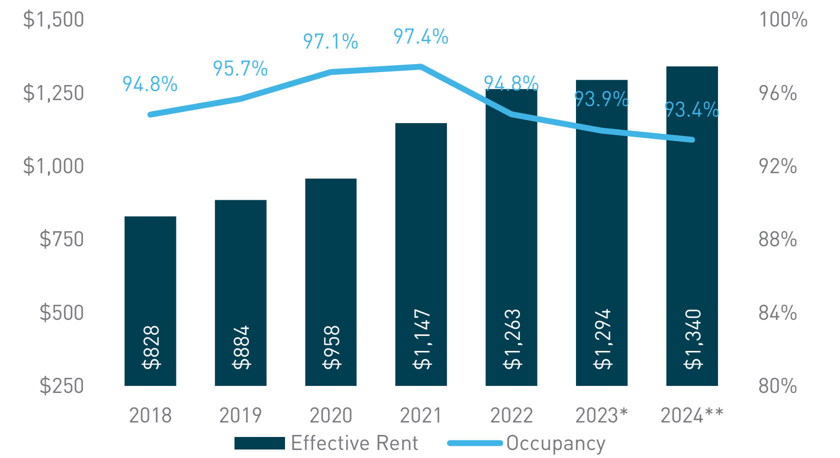
Healthy Apartment Demand in 2024 Projected to Spur 3.5% Rent Growth

Albuquerque will remain an excellent choice in 2024 for renters who desire affordable living and a high quality of life. The metro's cost of living is lower than similar-sized Rocky Mountain metro areas that include Tucson, Colorado Springs, and Provo-Orem, Utah. Local employment is anticipated to tick up 0.3% in 2024, with the service-oriented sectors—private education and healthcare; leisure and hospitality; and trade, transportation, and utilities—leading job growth. The additional service workers will be vital to meet the needs of the 2,500 newly formed households expected metrowide this year. Starting in 2021, developers ramped up construction starts to meet apartment demand that from 2015 to 2019 typically exceeded the number of deliveries. Because of labor shortages and supply chain issues, some apartment communities that were started in 2021 will not finish until this year. These belated completions will account for many of the 2,443 apartments delivered in 2024 that are anticipated to outpace brisk leasing activity. Over one-third of the new apartment units this year will be in the North Valley submarket, which encompasses most of the metro's Interstate 25 corridor and numerous employment hubs. Despite trailing deliveries, elevated net apartment absorption in the metro area will result in 93.4% apartment occupancy in the fourth quarter, nearly on par with the annual average in the five years preceding the pandemic. The healthy apartment demand in 2024 will prompt operators to raise average monthly effective rent a projected 3.5% annually to $1,340 by year-end.

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 2023 are projected values. 2024 figures are forecast projections.

APARTMENT TRENDS

Effective Rent & Occupancy

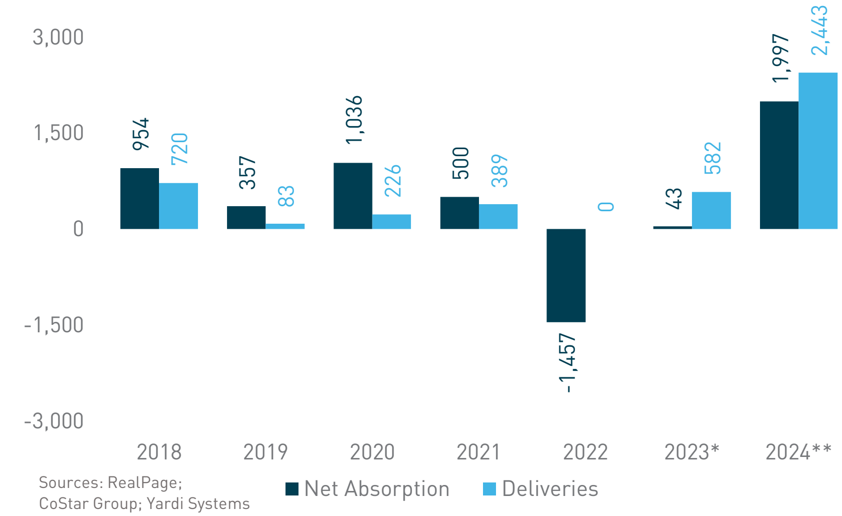


Sources: RealPage; CoStar Group; Yardi Systems

*Projected **Forecast

Note: Effective rent and occupancy reflect stabilized properties and does not include preleased units or properties in lease-up. A newly constructed property is considered stabilized once it becomes 85% occupied.

Absorption & Deliveries



Sources: RealPage; CoStar Group; Yardi Systems

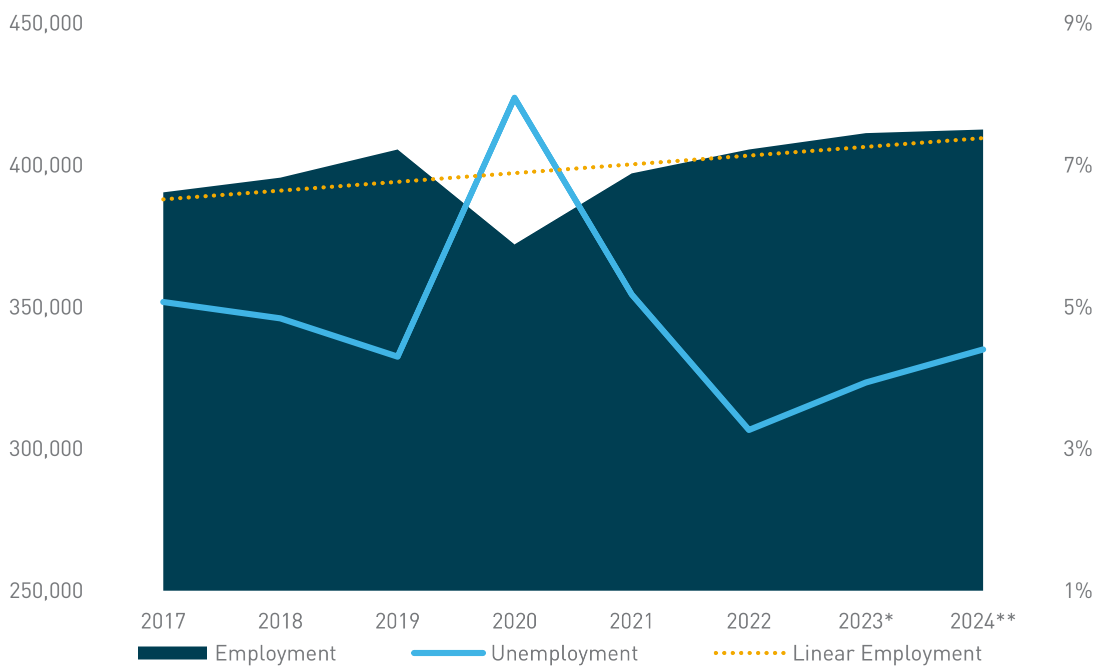
*Projected **Forecast

ALBUQUERQUE, NM

BERKADIA

EMPLOYMENT TRENDS

Market Employment Trends

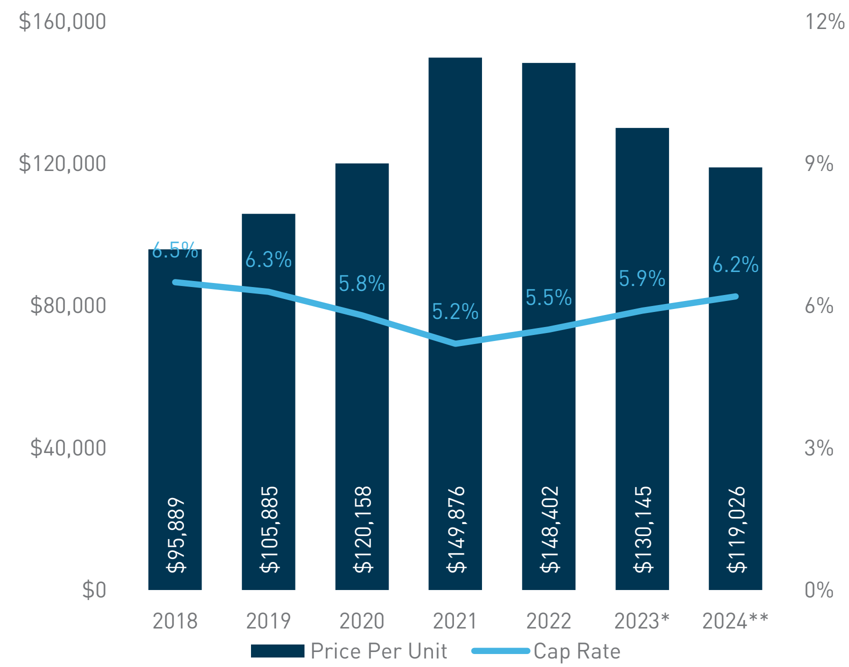


Source: Moody's Analytics

*Projected **Forecast

SALES TRENDS

Price Per Unit & Cap Rate



Sources: Berkadia; CoStar Group; MSCI

*Projected **Forecast

The apartment sales information represents transactions of apartment properties with a sales price of $2.5 million or more, unless otherwise indicated.

EMPLOYMENT
(DEC. 2024)
412,600
UP 0.3% YOY

UNEMPLOYMENT
(DEC. 2024)
4.4%
UP 50 BPS YOY

MEDIAN HOUSEHOLD INCOME
(DEC. 2024 SAAR)
$74,562
UP 3.1% YOY

PRICE PER UNIT
(2024 AVG.)
$119,026
DOWN 8.5% YOY

CAP RATE
(2024 AVG.)
6.2%
UP 30 BPS YOY