

YARDI[®] Matrix

Albuquerque Seeks Its Footing

Multifamily Winter Report 2017

Rent Growth Remains Modest

Construction Leads Employment Gains

Deliveries See Deceleration

ALBUQUERQUE MULTIFAMILY

YARDI® Matrix

Market Analysis

Winter 2017

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Duke City Fights to Win

Albuquerque's multifamily market continues its ponderous recovery from the Great Recession. Population growth is slow, employment growth remains well below the 2.3% national average and its crime rate remains among the highest in the country.

Job gains have been limited, focused in the mining, logging and construction, leisure and hospitality, and education and health services sectors. Promising news, however, comes from Los Lunas, south of Albuquerque, where Facebook's new data center broke ground recently, a project with a projected economic impact of nearly \$2 billion over a 10-year period. Furthermore, RIO Real Estate Investment Opportunities started construction of what will become New Mexico's largest rail-served industrial park, which is also considered a central connection between Southern California and Chicago.

Investment slowed and the transaction volume registered a 56% year-over-year drop due to a series of factors that include the feeble population growth and reduced expansion of stock. Construction also decelerated after reaching a cyclical high in 2015, with a development pipeline of 2,400 units, almost 700 of which are under construction. The office market has nearly one-quarter of all space vacant. However, the growth in the number of office-using jobs, the expansion of several companies downtown and the first new construction point to improvement.

Recent Albuquerque Transactions

Green Leaf Cottonwood



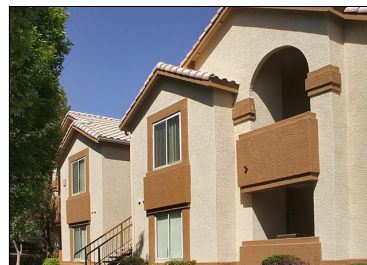
City: Albuquerque, N.M.
Buyer: Green Leaf Partners
Purchase Price: \$35 MM
Price per Unit: \$135,974

Olympus Encantada



City: Albuquerque, N.M.
Buyer: Olympus Property
Purchase Price: \$32 MM
Price per Unit: \$180,000

Presidio at Northeast Heights



City: Albuquerque, N.M.
Buyer: Olympus Property
Purchase Price: \$22 MM
Price per Unit: \$112,265

Nob Hill



City: Albuquerque, N.M.
Buyer: Michael Miller
Purchase Price: \$7 MM
Price per Unit: \$83,338

To Subscribe

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