

# SNAPSHOTS

Albuquerque, NM

Industrial Year End 2023



## Market Insights

YoY Chg    12-Mo. Forecast

2.82%

Vacancy Rate



\$10.57

Market Rent/SF



### CAPITAL MARKET

YoY Chg    12-Mo. Forecast



8.9%

Average Cap Rate



\$103

Market Sale Price per SF



## INDUSTRIAL MARKET :

- Albuquerque's industrial market remains stable and efficient, with minimal supply pressure and a supply pipeline that has been light over the last decade.
- Demand in Albuquerque has consistently outstripped supply, leading to a vacancy rate of just 2.82%, significantly lower than the national average of 6.0%.
- The majority of Albuquerque's industrial inventory is in parks along North I-25, but recent developments have expanded into the South I-25 and West I-40 corridors, including significant projects like Facebook's data center and an Amazon fulfillment center.
- Significant tenants such as FedEx, Amazon, Shamrock Foods, and Core-Mark Holding Company anchor the industrial market in Albuquerque, showcasing its appeal to major businesses.
- Despite a robust rent growth of 3.4% in the last year, Albuquerque's growth rate falls below the national average.

## INDUSTRIAL INVESTMENT MARKET :

- Over the past 12 months, Albuquerque saw 110 industrial market transactions , highlighting a market that, while not highly liquid, has attracted investors looking for rent growth in a tight market.
- Property valuations have seen a rise in cap rates by 100 to150 basis points attributable to the increased cost of debt.

## CLASS SNAPSHOT:

	CLASS A	CLASS B	CLASS C
Total Square Feet:	1,080,958	14,322,943	8,125,065
Availability:	12.74%	2.20%	2.59%
Avg. Face Rate:	\$ 12.32	\$ 11.55	\$ 10.27



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## MARKET STATISTICS:

Submarket Name	RBA	Available SF	Vacancy Rate	Face Rate
Airport	737,888	182,763	24.77%	\$ 9.21
Far Northeast Heights	162,604	-	0.00%	\$ 14.11
Mesa Del Sol	199,272	36,608	18.37%	\$ 10.20
North I-25	9,665,036	208,254	2.15%	\$ 12.37
North Valley	1,760,247	25,450	1.45%	\$ 11.13
Northeast Heights	208,631	-	0.00%	\$ 10.49
Rio Rancho	941,320	51,041	5.42%	\$ 10.20
South Valley	3,163,543	102,881	3.25%	\$ 9.23
Southeast Heights	676,915	-	0.00%	\$ 10.46
University	173,788	-	0.00%	\$ 11.48
Downtown	2,708,204	-	0.00%	\$ 8.43
West Mesa	3,131,518	56,205	1.79%	\$ 11.14

## KEY SALES TRANSACTIONS:

Property	Submarket	Buyer Type	RSF	List Price
1201-1221 S Renaissance Blvd NE	North I-25	Owner User	44,248	\$ 7,400,000
4521 Osuna Rd NE	North I-25	Private Investor	49,500	Unpriced
8509-8519 Jefferson St	North I-25	Private Investor	21,600	\$ 3,000,000

## KEY LEASE TRANSACTIONS:

Property	Submarket	Tenant	RSF
3750 Prince St SE	South Valley	Rio Grande Service Center Pet Food & Supply Di	51,000
9210 Daytona Rd	West Mesa	Scholastic	50,000
700 Comanche Rd NE	North I-25	Pepsi Co	27,000
4500 Alexander Blvd NE	North I-25	Sem-Sol	20,000

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