



## ALBUQUERQUE/SANTA FE COMBINED MARKET INSIGHTS



Vacancy Rate  
**8.2%**



Market Rent per Unit  
**\$1,224**



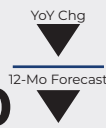
## CAPITAL MARKET



Average Cap Rate  
**6.3%**



Market Sale Price per Unit  
**\$142,000**



US 10-year Treasury Note  
**4.58%**



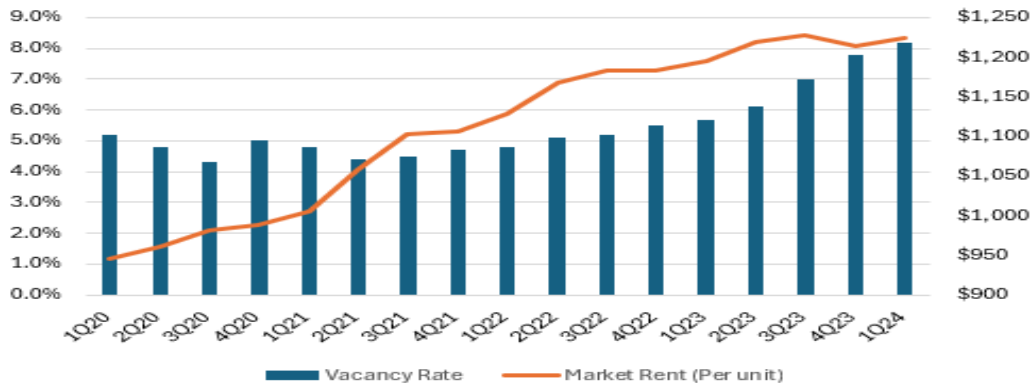
## ALBUQUERQUE MULTI-FAMILY MARKET SNAPSHOT

- Albuquerque's apartment market is seeing a decrease in demand, which coincides with a significant wave of apartment development.
- Currently, nearly 1,900 new apartment units are under construction, approaching a record high for the market.
- The construction boom is set to increase Albuquerque's apartment inventory by 3.4%.
- Over the past year, the Albuquerque vacancy rate has risen to 9.2%, with projections indicating it could reach record levels.
- More than 80% of the new apartments are luxury 4 and 5 Star units, intensifying competition among properties.
- Despite strong competition, Albuquerque's market-level rents have grown by 1.2% over the past year, surpassing the national average.
- The annual rent growth in Albuquerque has decreased from 15.1% at the end of 22Q2 to just 1.2% currently.

## SANTA FE MULTI-FAMILY MARKET SNAPSHOT

- Vacancies in the Santa Fe market dropped to 5.2% in the second quarter of 2024 due to a reprieve in deliveries.
- Active developers have established a robust construction pipeline, expected to increase vacancies soon.
- Approximately 1,700 units are under construction, making up 36.1% of the market's existing inventory.
- High-end apartment renters, capable of managing rising housing costs, are predominantly driving market demand.
- In the past year, the net absorption for 4 & 5 Star apartments increased by 120 units.
- Conversely, net absorption decreased by 42 units in the 3 Star category and by 9 units in the 1 & 2 Star category.
- Demand remains strongest in the high-end segment, despite these properties facing intense competition from numerous new deliveries.
- The fastest rise in vacancies is occurring in the 4 & 5 Star category, where new supply outpaces demand.

Albuquerque/Santa Fe Combined Vacancy Vs. Market Rent





ALBUQUERQUE METRO KEY SALES TRANSACTIONS

Property	Submarket	Buyer Type	Units	List Price
 6200 Eubank Blvd NE	Far Northeast Heights	Private Equity	344	Undisclosed
 3131 Adams St NE	Northeast Heights	Private Investor	280	Undisclosed
 3704 Ladera Dr NW	West Mesa	Private Investor	114	Undisclosed

SANTA FE METRO KEY SALES TRANSACTIONS

Property	Submarket	Buyer Type	Units	List Price
 4499 San Ignacio Rd	Santa Fe	Private Investor	127	Undisclosed
 2029 Calle Lorca	Santa Fe	Private Equity	96	Undisclosed

ALBUQUERQUE CLASS SNAPSHOT

Class A		Class B		Class C	
Total Units	5,116	Total Units	36,075	Total Units	25,240
Availability	12.07%	Availability	7.85%	Availability	7.60%
Avg. Price Per Unit	\$1,550	Avg. Price Per Unit	\$1,151	Avg. Price Per Unit	\$818

SANTA FE CLASS SNAPSHOT

Class A		Class B		Class C	
Total Units	1,119	Total Units	4,197	Total Units	2,574
Availability	6.32%	Availability	5.23%	Availability	5.23%
Avg. Price Per Unit	\$1,902	Avg. Price Per Unit	\$1,430	Avg. Price Per Unit	\$1,125

MARKET STATISTICS

Market Name	# of Units	Units Under Construction	12 Mo Absorption	Vacancy Rate	Rent per Unit	Sales Price Per Unit	Market Cap Rate
Albuquerque	63,077	1,728	545	8.9%	\$1,186	\$135,000	6.3%
Bernalillo	211	-	1	2.3%	\$1,014	\$97,100	6.5%
Los Alamos	848	149	68	2%	\$1,396	\$120,000	6.8%
Los Lunas/Belen	901	-	29	2.2%	\$915	\$106,000	6.8%
Rio Rancho	2,545	410	243	7.7%	\$1,415	\$185,000	5.8%
Santa Fe	7,042	1,570	71	4.6%	\$1,499	\$191,000	6.0%
<b>Total</b>	<b>74,624</b>	<b>3,857</b>	<b>932</b>	<b>8.20%</b>	<b>\$1,224</b>	<b>\$142,000</b>	<b>6.3%</b>

MULTI FAMILY SNAPSHOT

Multi Family data includes properties with 5 or more units in the Albuquerque/Santa Fe metro. Availability reflects all space currently on the market as well as vacant space. Rent asking rates are based on full service per square foot per year. All information is obtained from sources deemed reliable. While we make every effort to ensure the accuracy of our data, we cannot guarantee accuracy. Readers should consult a real estate professional before making investment decisions based on this data.