COMMERCIAL REAL ESTATE REPORT Q3 2024
Albuquerque, NM Metro Area

Demographics and Economy

Demographics

0.0%	31.1%	9.1%	Net Migration
			2,153 (2023)
population growth (2023)	share of renters (2023)	renter household formation (2023)	
U.S.: 0.5%	*U.S.: 34.7%*	*U.S.: 1.0%*	**2,576** (2022)

Economy

7.4%	8,800	2.1%	-0.1%
GDP growth (2023)	12-month job creation (October 2024)	1-year job growth (October 2024)	1-year wage growth (October 2024)
U.S.: 6.6%		*U.S.: 1.4%*	*U.S.: 3.7%*

$48,120	4.1%	12.6%	International Migration
			1,829 (2023)
Average wage per year (October 2024)	unemployment rate (October 2024)	share of workers teleworking (2023)	
U.S.: $63,100	*U.S.: 4.1%*	*U.S.: 13.8%*	**2,622** (2022)

Commercial Real Estate by Sector

1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2024 Q3	-47,921	-57,413	2.4%	$20	4.8%
2023 Q3	-16,840	102,195	5.9%	$19	4.7%

	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2024 Q3	39,630,646	0	-11,332	$7.78M	11.3%
2023 Q3	39,641,978	-6,444	99,985	$6.36M	10.4%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide. However, vacancy rate is higher in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2024 Q3	379	1,259	1.6%	$1,268	$1,256	7.9%
2023 Q3	78	-254	2.4%	$1,248	$1,240	7.5%

	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate
2024 Q3	55,990	0	1,619	6.3%
2023 Q3	54,371	489	736	6.1%

3. Retail

Demand for retail space is **weaker than nationwide** as this area has a slower absorption of retail space. As a result, rents rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2024 Q3	-26,464	-81,339	2.2%	$19	3.6%
2023 Q3	-164,043	-120,711	4.4%	$18	3.0%

	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF
2024 Q3	57,963,698	7.4%	$5.27M	$632
2023 Q3	57,731,128	7.3%	$15.99M	$286

4. Industrial

Demand for industrial space is **weaker than nationwide** as this area has a slower absorption of industrial space. As a result, rents rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2024 Q3	-208,043	-583,773	1.6%	$12	3.2%
2023 Q3	88,740	1,927,807	5.4%	$12	1.8%

	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2024 Q3	60,677,597	0	268,115	9.3%	$9.75M
2023 Q3	60,409,482	301,574	1,506,216	8.5%	$0.00M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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