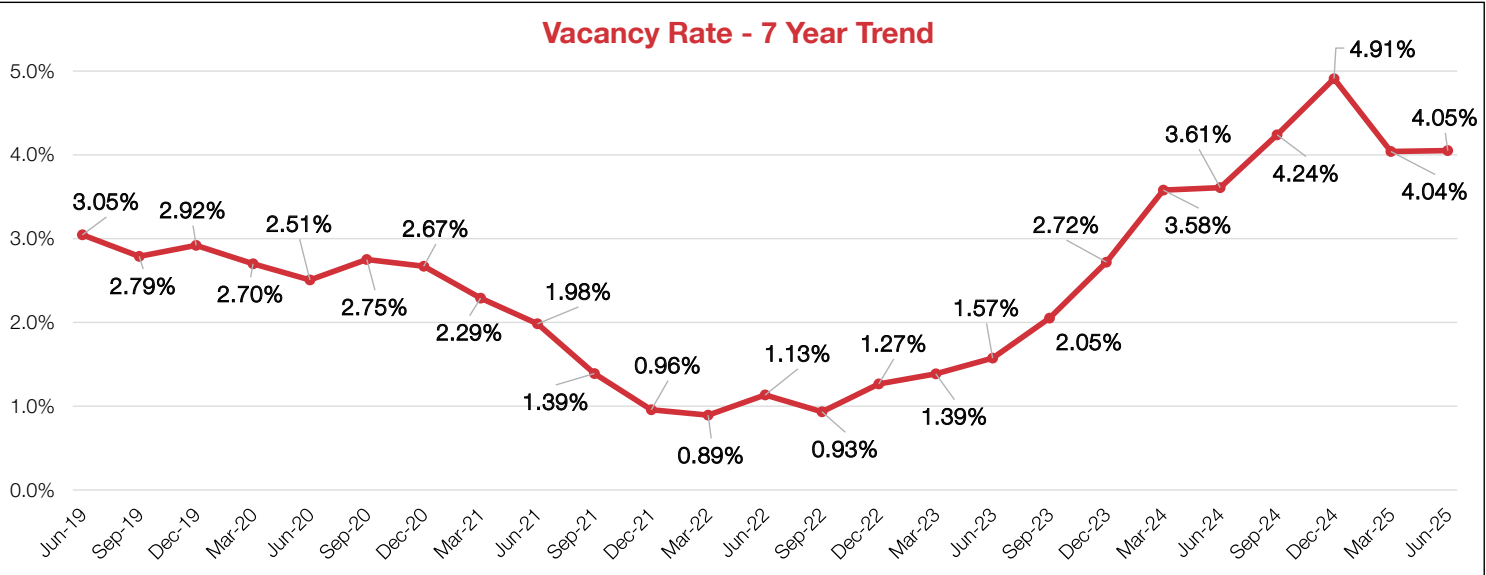


2025 Q2 Lease Market Overview

ALBUQUERQUE | INDUSTRIAL REAL ESTATE

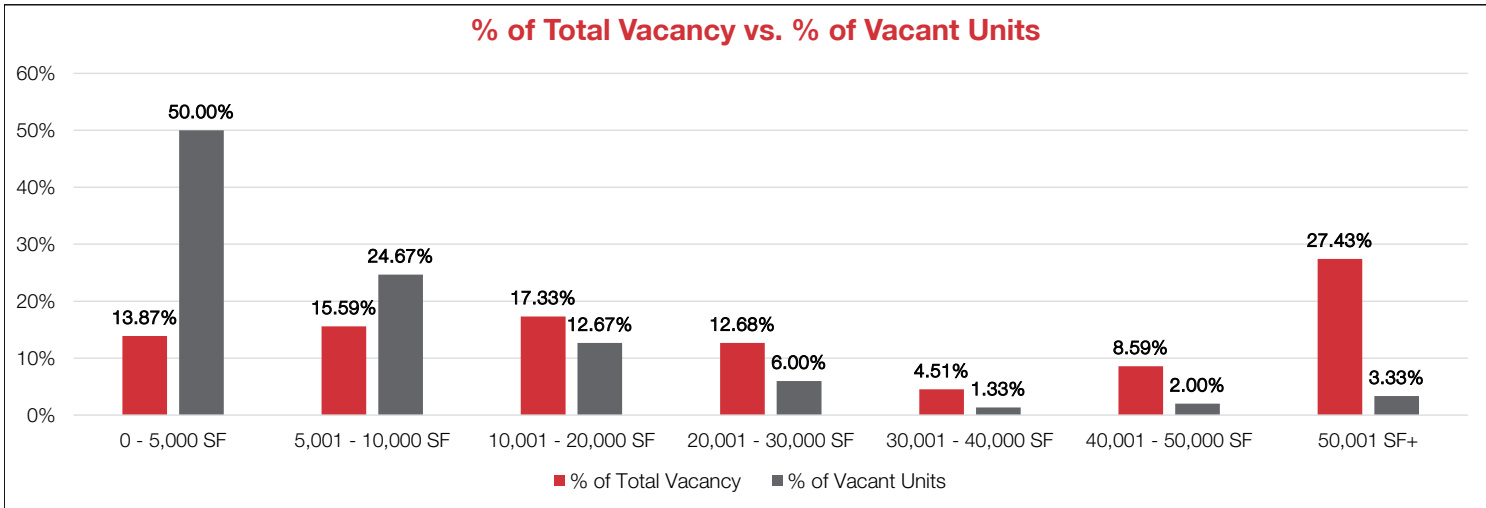
Stabilizing vacancy rate and steady rents mark Q2

At the end of last year, the vacancy rate for industrial real estate in Greater Albuquerque peaked at 4.91%, following nine straight quarterly increases. But in the last six months it has dropped to just over 4%, indicating a possible stabilization of the market.



As of this writing, 150 independent units are available for lease. Of those, 50% (75 units) measure at 5,000 square feet or less. Availability steadily declines as unit size increases: 37 units are available in the 5,001 – 10,000 SF range; 19 units are available in the 10,001 – 20,000 SF range; 9 units are available in the 20,001 – 30,000 SF range; 2 units are available in the 30,001 – 40,000 SF range; and 3 units are available in the 40,001 – 50,000 SF range.

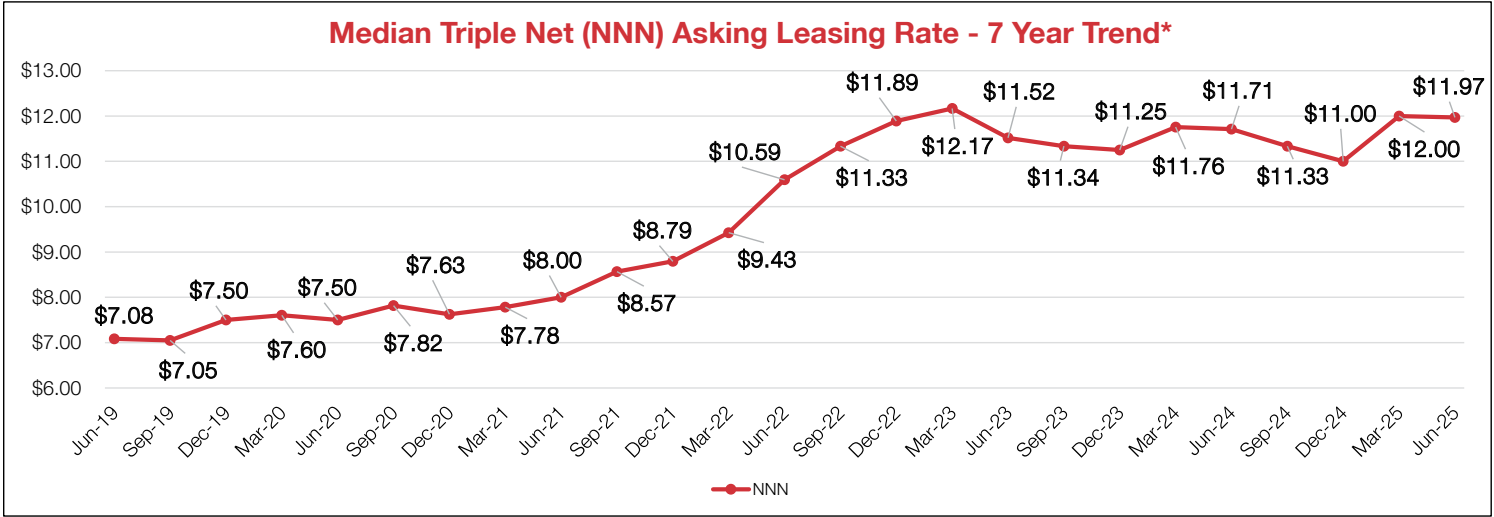
However, there remains an oversupply of units in the 50,000 SF+ range (5). Large, bulk spaces like these are challenging to lease in the current market. The tenants that occupy them (typically large, multinational companies) have been holding off on relocating or expanding amid tariff uncertainty and the lingering high interest environment, among other factors.



2025 Q2 Lease Market Overview

ALBUQUERQUE | INDUSTRIAL REAL ESTATE

Stabilizing vacancy rate and steady rents mark Q2



After decreasing steadily throughout 2024, asking lease rates have stabilized. The median triple-net (NNN) asking rent figure is currently \$11.97/SF, down very slightly from \$12.00/SF in Q1 but up from \$11.00/SF at the end of last year.

The median asking rent has remained at or above \$11.00/SF for eleven consecutive quarters, a noteworthy streak. Record low vacancy in 2022 pushed lease rates to current levels, and despite economic headwinds, those rates have held steady. This suggests that double-digit lease rates are now the norm in Albuquerque's industrial real estate market.

NEW CONSTRUCTION OVERVIEW:

Under Construction	Q1 2025	Q2 2025	% Change
Total Square Footage	97,039	97,039	0.00%
Number of Buildings	3	3	-
Average Project Size (SF)	32,346	32,346	-
Proposed/Marketed	Q1 2025	Q2 2025	% Change
Total Square Footage	714,021	722,721	1.20%
Number of Buildings	6	7	-
Average Project Size (SF)	119,004	103,246	-

CONTACT FOR MORE INFORMATION:

Riley McKee, CCIM, SIOR
Director, Industrial Real Estate
riley@sunvista.com
505 998 1656

NAI SunVista understands the unique real estate needs of the land and industrial communities. Our Land and Industrial Division advisors have extensive experience in developing customized solutions for our clients in manufacturing, assembly, warehousing and distribution, as well as those looking for vacant land.



Scan below to learn more about the NAI SunVista Industrial Team:



The information contained herein was obtained from sources deemed to be reliable. We have no reason to doubt the accuracy of information, however, we cannot, and do not, make any guarantees. The information and perspectives contained herein is not a substitute for a thorough due diligence investigation.