

NAR Commercial Real Estate Metro Market Report | 2022.Q1

Albuquerque, NM

Core-Based Statistical Area Code:

10740

The Albuquerque, NM commercial real estate market is stronger compared to the overall U.S. market.

NAR Commercial Real Estate Market Conditions Index*

52.0

Overall economic conditions are stronger than nationally.

The apartment property market is about the same than nationally.

The office property market is stronger than nationally.

The industrial property market is not as strong than nationally.

The retail property market is stronger than nationally.

The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Albuquerque, NM			U.S.			
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	399	400	379	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	20	27	(21)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	5.4%	7.2%	-5.2%	4.6%	4.7%	-4.4%	Job creation is stronger than nationally
Unemployment rate (%)	5.0%	5.7%	6.8%	3.6%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$871	\$811	\$809	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	7.7%	1.2%	-0.9%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-2.8%	2.9%	2.1%	-3.4%	2.3%	2.9%	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	3.0	0.9	0.2	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	917	919	915	331,501	328,330	326,838	
Population growth (%)	-0.18%	0.39%	0.29%	0.97%	0.46%	0.53%	Population growth is slower than nationally

II. Multifamily

Demand indicators	Albuquerque, NM			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	4.5%	4.6%	5.2%	4.9%	4.8%	6.0%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	67	64	189	58,097	61,951	187,113	
Absorption of units in past 12 months	570	692	1,024	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	1.1%	1.4%	2.1%	3.3%	4.1%	3.0%	The area has lower absorption than nationally
Market asking rent per unit	\$1,077	\$1,051	\$937	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	15.0%	15.1%	8.4%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,072	\$1,047	\$932	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	15.0%	15.3%	8.6%	12.2%	12.2%	1.8%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	14.2%	14.8%	13.3%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
	2020	2019	2018	2020	2019	2018	
Supply indicators							
Inventory	50,354	50,287	49,784	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	194	194	694	387,022	391,271	417,342	
Net delivered units, as % of inventory	0.4%	0.4%	1.4%	2.2%	2.3%	2.5%	
Units under construction	1,758	1,311	758	774,864	744,997	732,144	
Units under construction, as % of inventory	3.5%	2.6%	1.5%	4.5%	4.3%	4.4%	Construction is weaker than nationally
Ratio of jobs created to net delivered units (as of latest available month of the quarter)	104.6	139.2	(29.8)	17.1	17.2	(15.9)	More jobs per delivered units than nationally
	2020	2019	2018	2020	2019	2018	
Sales transactions							
Total investment acquisitions (in million \$)	\$110	\$1	\$3	\$50,395	\$113,844	\$30,199	Sales transactions are rising faster than nationally
Transaction sales price per unit	\$213,932	\$80,000	\$5 /,208	\$220,078	\$22 /,36 /	\$15 /,676	Prices are rising faster nationally
Market cap rate	5.4%	5.4%	5.6%	5.1%	5.1%	5.2%	Cap rates are higher than nationally

III. Office

Demand indicators	Albuquerque, NM			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	6.2%	5.8%	6.8%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(136,665)	191,491	(330,815)	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	264,365	70,215	(157,608)	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	0.7%	0.2%	-0.4%	0.1%	-0.6%	-1.7%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$17.5	\$17.5	\$17.2	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	1.9%	2.2%	1.2%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) (as of latest available month of the quarter)	(1.1)	1.8	(1.9)	1,153	1,161	(283)	Stronger office job creation than nationally
	2020	2019	2018	2020	2019	2018	
Supply indicators							
Inventory in sq. ft.	37,048,832	37,185,500	36,784,468	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	(672)	9,328	38,000	54,741,303	57,123,296	47,997,877	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	0.0%	0.0%	0.1%	0.8%	0.8%	0.7%	
Under construction in sq.ft.	-	-	20,750	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	-	-	0.1%	2.0%	2.0%	2.1%	
	2020	2019	2018	2020	2019	2018	
Sales transactions							
Total investment acquisitions (in million \$)	\$44	\$0	\$8	\$26,711	\$35,335	\$17,487	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$107	\$102	\$149	\$324	\$295	\$325	Prices are not rising as fast than nationally
Market cap rate	9.0%	8.9%	8.8%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

- Some data may not be available for the quarter

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Albuquerque, NM

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10740

IV. Industrial

	Albuquerque, NM			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	1.0%	1.1%	2.2%	4.1%	4.2%	5.3%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	61,295	638,578	(57,411)	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	1,254,133	1,135,427	3,068,966	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	2.2%	2.0%	5.5%	3.1%	3.1%	1.6%	<i>The area has lower absorption than nationally</i>
Market rent per sq.ft.	\$10.6	\$10.4	\$9.9	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	6.8%	6.8%	4.4%	11.0%	9.3%	5.5%	<i>Rent growth is slower than nationally</i>
Supply indicators							
Inventory in sq. ft.	56,817,588	56,756,292	55,563,456	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	539,951	563,651	3,098,984	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	1.0%	1.0%	5.6%	1.9%	1.8%	1.8%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	178,667	178,667	703,651	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	0.3%	0.3%	1.3%	3.5%	3.2%	2.4%	<i>Less delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	-	\$3	\$20	\$21,817	\$51,629	\$16,323	
Transaction sale price per sq.ft.	-	\$85	\$27	\$140	\$136	\$105	
Market cap rate	7.3%	7.2%	7.2%	6.3%	6.3%	6.3%	<i>Cap rates are higher than nationally</i>

V. Retail

	Albuquerque, NM			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	3.3%	4.6%	4.9%	4.5%	4.7%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	789,099	135,615	70,050	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	936,510	217,461	423,163	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	1.7%	0.4%	0.8%	0.8%	0.7%	-0.2%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$17.1	\$16.9	\$16.3	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	4.6%	4.1%	1.3%	3.9%	3.1%	1.1%	<i>Rents are rising faster than nationally</i>
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	2.10	2.30	(0.10)	570.90	382.90	(187.70)	<i>The area has weaker retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	55,546,744	54,757,644	54,610,232	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	24,511	75,944	196,355	19,624,738	21,905,704	37,703,262	<i>Relatively fewer units delivered than nationally</i>
Net delivered units, as % of inventory	0.0%	0.1%	0.4%	0.2%	0.2%	0.3%	<i>Less delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	60,943	70,571	46,986	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.1%	0.1%	0.1%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$25	\$19	\$17	\$22,755	\$33,245	\$12,773	<i>Sales transactions are not rising as fast than nationally</i>
Transaction sale price per sq.ft.	\$346	\$245	\$107	\$219	\$226	\$182	<i>Prices are rising faster nationally</i>
Market cap rate	7.2%	7.2%	7.2%	6.8%	6.8%	6.8%	<i>Cap rates are higher than nationally</i>

VI. Hotel/Lodging

	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	42.9	41.3	34.7	14,939	14,804	12,876	
Y/Y change ('000)	8.2	11.1	(9.0)	2,063.0	2,337.0	(2,869.0)	<i>Job creation in the leisure industry is weaker than nationally</i>
% share to nonfarm payroll employment	10.7%	10.3%	9.2%	10.0%	9.8%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

- Some data may not be available for the quarter

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area

(New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

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Farmington, NM

Core-Based Statistical Area Code:

22140

The Farmington, NM commercial real estate market is not as strong compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 38.1

Overall economic conditions are not as strong than nationally.
 The apartment property market is not as strong than nationally.
 The office property market is about the same than nationally.
 The industrial property market is about the same than nationally.
 The retail property market is about the same than nationally.

I. Economic and Demographic

Economic	Farmington, NM			U.S.			
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	45	44	42	149,912	150,352	143,308	
Y/Y chg. in nonfarm payroll employment ('000)	3	3	(4)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	6.4%	6.5%	-9.1%	4.6%	4.7%	-4.4%	<i>Job creation is stronger than nationally</i>
Unemployment rate (%)	6.3%	7.3%	8.6%	3.6%	3.9%	6.0%	<i>Unemployment rate is higher than nationally</i>
Average weekly wages	\$716	\$727	\$762	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	-6.0%	-1.5%	-7.5%	4.7%	5.2%	6.9%	<i>Wages are rising at a slower pace than nationally</i>
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-4.2%	1.9%	-5.9%	-3.4%	2.3%	2.9%	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	(0.9)	(1.9)	(1.8)	0	0	0	<i>Area is experiencing net domestic out-migration</i>
Population ('000)	121	124	126	331,501	328,330	326,838	
Population growth (%)	-2.09%	-1.29%	-1.09%	0.97%	0.46%	0.53%	<i>Population growth is slower than nationally</i>

II. Multifamily

Demand indicators	Farmington, NM			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	2.2%	2.8%	3.8%	4.9%	4.8%	6.0%	<i>The area has a lower vacancy rate than nationally</i>
Absorption of units over the quarter	10	(3)	11	58,097	61,951	187,113	
Absorption of units in past 12 months	28	29	72	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	1.7%	1.7%	4.4%	3.3%	4.1%	3.0%	<i>The area has lower absorption than nationally</i>
Market asking rent per unit	\$768	\$761	\$739	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	4.0%	2.7%	0.1%	11.4%	11.3%	2.4%	
Effective rent per unit	\$766	\$759	\$736	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	4.1%	2.7%	-0.1%	12.2%	12.2%	1.8%	<i>Rents are rising more slowly than nationally</i>
Rent as a percent of 2-person annual wage income	12.3%	12.0%	11.1%	16.5%	16.3%	15.4%	<i>Renting is more affordable than nationally</i>
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Supply indicators							
Inventory	1,675	1,665	1,647	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	-	-	-	387,022	391,271	417,342	
Net delivered units, as % of inventory	-	-	-	2.2%	2.3%	2.5%	
Units under construction	-	-	-	774,864	744,997	732,144	
Units under construction, as % of inventory	-	-	-	4.5%	4.3%	4.4%	
Ratio of jobs created to net delivered units (as of latest available month of the quarter)	-	-	-	17.1	17.2	(15.9)	
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	-	-	-	\$50,395	\$113,844	\$30,199	
Transaction sales price per unit	-	-	-	\$220,078	\$227,367	\$157,676	
Market cap rate	6.4%	6.4%	6.5%	5.1%	5.1%	5.2%	<i>Cap rates are higher than nationally</i>

III. Office

Demand indicators	Farmington, NM			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	8.6%	8.5%	4.9%	12.2%	12.1%	11.7%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(1,394)	(49,012)	(10,130)	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	(50,648)	(59,384)	(19,932)	5,610,472	(41,726,112)	(119,807,672)	<i>The area has lower absorption than nationally</i>
Absorption in past 12 months as % of inventory	-4.1%	-4.8%	-1.5%	0.1%	-0.6%	-1.7%	
Market rent per sq.ft.	\$21.3	\$21.2	\$20.6	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	3.4%	3.2%	0.3%	0.8%	0.4%	-2.1%	<i>Rents are rising faster than nationally</i>
Y/Y chg. in professional/business services jobs ('000) (as of latest available month of the quarter)	-	-	-	1,153	1,161	(283)	
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Supply indicators							
Inventory in sq. ft.	1,247,542	1,248,936	1,298,190	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	-	-	-	54,741,303	57,123,296	47,997,877	
Net delivered units, as % of inventory	-	-	-	0.8%	0.8%	0.7%	
Under construction in sq.ft.	-	-	-	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	-	-	-	2.0%	2.0%	2.1%	
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	\$4	\$0	\$0	\$26,711	\$35,335	\$17,487	
Transaction sale price per sq.ft.	\$205	\$0	\$0	\$324	\$295	\$325	
Market cap rate	9.0%	8.9%	8.9%	7.0%	7.0%	7.0%	<i>Cap rates are higher than nationally</i>

- Some data may not be available for the quarter

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Farmington, NM

Core-Based Statistical Area Code:

22140

IV. Industrial

	Farmington, NM			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	2.4%	4.3%	8.3%	4.1%	4.2%	5.3%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	37,791	25,094	(10,841)	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	114,175	65,543	(10,051)	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	6.0%	3.5%	-0.6%	3.1%	3.1%	1.6%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$9.2	\$9.1	\$8.7	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	6.6%	6.6%	4.4%	11.0%	9.3%	5.5%	Rent growth is slower than nationally
Supply indicators							
Inventory in sq. ft.	1,889,227	1,851,436	1,775,052	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	-	-	-	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	-	-	-	1.9%	1.8%	1.8%	
Under construction in sq.ft.	-	-	-	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	-	-	-	3.5%	3.2%	2.4%	
Sales transactions							
Total investment acquisitions (in million \$)	-	-	-	\$21,817	\$51,629	\$16,323	
Transaction sale price per sq.ft.	-	-	-	\$140	\$136	\$105	
Market cap rate	7.4%	7.4%	7.3%	6.3%	6.3%	6.3%	Cap rates are higher than nationally
V. Retail							
Demand indicators							
Vacancy rate	2.7%	3.0%	2.2%	4.5%	4.7%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	11,809	12,868	90,912	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	(11,786)	67,317	108,192	94,035,968	73,627,144	(22,757,808)	The area has lower absorption than nationally
Absorption in past 12 months as % of inventory	-0.2%	1.3%	2.1%	0.8%	0.7%	-0.2%	
Market rent per sq.ft.	\$15.2	\$15.0	\$14.5	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	5.1%	4.5%	1.3%	3.9%	3.1%	1.1%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	-	-	-	570.90	382.90	(187.70)	
Supply indicators							
Inventory in sq. ft.	5,250,662	5,238,853	5,262,448	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	18,200	18,200	-	19,624,738	21,905,704	37,703,262	More delivered space relative to inventory than nationally
Net delivered units, as % of inventory	0.3%	0.3%	-	0.2%	0.2%	0.3%	
Under construction in sq.ft.	-	-	18,200	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	-	-	0.3%	0.5%	0.5%	0.5%	
Sales transactions							
Total investment acquisitions (in million \$)	-	\$3	\$4	\$22,755	\$33,245	\$12,773	
Transaction sale price per sq.ft.	-	\$564	\$36	\$219	\$226	\$182	
Market cap rate	7.2%	7.2%	7.2%	6.8%	6.8%	6.8%	Cap rates are higher than nationally
VI. Hotel/Lodging							
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	-	-	-	14,939	14,804	12,876	
Y/Y change ('000)	-	-	-	2,063.0	2,337.0	(2,869.0)	
% share to nonfarm payroll employment	-	-	-	10.0%	9.8%	9.0%	

- Some data may not be available for the quarter

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area

(New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

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NAR Commercial Real Estate Metro Market Report | 2022.Q1

Las Cruces, NM

Core-Based Statistical Area Code:

29740

The Las Cruces, NM commercial real estate market is stronger compared to the overall U.S. market.
NAR Commercial Real Estate Market Conditions Index* 60.0

Overall economic conditions are stronger than nationally.
 The apartment property market is about the same than nationally.
 The office property market is stronger than nationally.
 The industrial property market is about the same than nationally.
 The retail property market is stronger than nationally.
 The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Las Cruces, NM			U.S.			
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	75	75	71	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	5	4	(4)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	6.3%	6.2%	-5.6%	4.6%	4.7%	-4.4%	Job creation is stronger than nationally
Unemployment rate (%)	5.3%	6.2%	6.8%	3.6%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$844	\$805	\$741	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	14.0%	7.8%	3.4%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-5.1%	2.3%	2.0%	-3.4%	2.3%	2.9%	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	1.2	(0.1)	0.2	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	220	219	217	331,501	328,330	326,838	
Population growth (%)	0.47%	0.64%	0.58%	0.97%	0.46%	0.53%	Population growth is slower than nationally

II. Multifamily

Demand indicators	Las Cruces, NM			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	1.2%	1.3%	1.3%	4.9%	4.8%	6.0%	The area has a lower vacancy rate than nationally
Absorption of units over the quarter	11	(25)	17	58,097	61,951	187,113	
Absorption of units in past 12 months	9	15	124	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	0.1%	0.2%	1.7%	3.3%	4.1%	3.0%	The area has lower absorption than nationally
Market asking rent per unit	\$894	\$854	\$794	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	12.5%	8.9%	3.5%	11.4%	11.3%	2.4%	
Effective rent per unit	\$891	\$852	\$792	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	12.5%	8.9%	3.7%	12.2%	12.2%	1.8%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	12.1%	12.2%	12.3%	16.5%	16.3%	15.4%	Renting is more affordable than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Supply indicators							
Inventory	7,195	7,184	7,186	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	-	-	-	387,022	391,271	417,342	
Net delivered units, as % of inventory	-	-	-	2.2%	2.3%	2.5%	
Units under construction	-	-	-	774,864	744,997	732,144	
Units under construction, as % of inventory	-	-	-	4.5%	4.3%	4.4%	
Ratio of jobs created to net delivered units (as of latest available month of the quarter)	-	-	-	17.1	17.2	(15.9)	
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	\$0	-	\$1	\$50,395	\$113,844	\$30,199	Sales transactions are not rising as fast than nationally
Transaction sales price per unit	\$41,429	-	\$51,136	\$220,078	\$227,367	\$157,676	Prices are not rising as fast than nationally
Market cap rate	6.8%	6.8%	6.7%	5.1%	5.1%	5.2%	Cap rates are higher than nationally

III. Office

Demand indicators	Las Cruces, NM			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	2.5%	5.2%	9.7%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	116,589	66,815	8,634	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	318,087	210,132	(44,833)	5,610,472	(41,726,112)	(119,807,672)	The area has stronger absorption than nationally
Absorption in past 12 months as % of inventory	7.4%	5.0%	-1.1%	0.1%	-0.6%	-1.7%	
Market rent per sq.ft.	\$20.9	\$20.8	\$20.1	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	3.7%	3.6%	0.5%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) (as of latest available month of the quarter)	0.4	(0.2)	(0.3)	1,153	1,161	(283)	Stronger office job creation than nationally
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Supply indicators							
Inventory in sq. ft.	4,292,463	4,175,874	3,974,376	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	-	4,000	4,000	54,741,303	57,123,296	47,997,877	
Net delivered units, as % of inventory	-	0.1%	0.1%	0.8%	0.8%	0.7%	
Under construction in sq.ft.	-	-	-	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	-	-	-	2.0%	2.0%	2.1%	
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Sales transactions							
Total investment acquisitions (in million \$)	\$9	\$0	\$0	\$26,711	\$35,335	\$17,487	
Transaction sale price per sq.ft.	\$193	\$0	\$0	\$324	\$295	\$325	
Market cap rate	8.7%	8.7%	8.7%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

- Some data may not be available for the quarter

NAR Commercial Real Estate Metro Market Report | 2022.Q1

Las Cruces, NM

Core-Based Statistical Area Code:

29740

IV. Industrial

	Las Cruces, NM			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	2.3%	6.2%	9.4%	4.1%	4.2%	5.3%	<i>The area has lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	320,502	(5,527)	(51,251)	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	586,737	214,984	(8,105)	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	7.4%	2.8%	-0.1%	3.1%	3.1%	1.6%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$6.7	\$6.6	\$6.2	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	7.4%	7.3%	5.0%	11.0%	9.3%	5.5%	<i>Rent growth is slower than nationally</i>
Supply indicators							
Inventory in sq. ft.	7,937,618	7,617,116	7,350,881	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	12,532	329,532	317,000	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	0.2%	4.3%	4.3%	1.9%	1.8%	1.8%	<i>Less deliveries relative to inventory than nationally</i>
Under construction in sq.ft.	364,500	-	12,532	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	4.6%	-	0.2%	3.5%	3.2%	2.4%	<i>More delivered space relative to inventory than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	-	\$3	\$1	\$21,817	\$51,629	\$16,323	
Transaction sale price per sq.ft.	-	\$116	\$63	\$140	\$136	\$105	
Market cap rate	7.6%	7.5%	7.5%	6.3%	6.3%	6.3%	<i>Cap rates are higher than nationally</i>

V. Retail

	Las Cruces, NM			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	3.6%	2.8%	6.4%	4.5%	4.7%	5.1%	<i>The area has a lower vacancy rate than nationally</i>
Absorption in sq.ft. over the quarter	(58,597)	245,117	13,946	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	253,314	325,857	(212,858)	94,035,968	73,627,144	(22,757,808)	
Absorption in past 12 months as % of inventory	3.3%	4.2%	-2.9%	0.8%	0.7%	-0.2%	<i>The area has stronger absorption than nationally</i>
Market rent per sq.ft.	\$14.7	\$14.6	\$13.9	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	6.1%	5.4%	1.5%	3.9%	3.1%	1.1%	<i>Rents are rising faster than nationally</i>
Y/Y chg. in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.40	0.40	(0.20)	570.90	382.90	(187.70)	<i>The area has stronger retail trade job creation than nationally</i>
Supply indicators							
Inventory in sq. ft.	7,688,453	7,747,050	7,435,139	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	25,437	23,999	-	19,624,738	21,905,704	37,703,262	
Net delivered units, as % of inventory	0.3%	0.3%	-	0.2%	0.2%	0.3%	<i>More delivered space relative to inventory than nationally</i>
Under construction in sq.ft.	6,654	8,092	27,306	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	0.1%	0.1%	0.4%	0.5%	0.5%	0.5%	<i>Construction activity is slower than nationally</i>
Sales transactions							
Total investment acquisitions (in million \$)	\$6	-	\$1	\$22,755	\$33,245	\$12,773	<i>Sales transactions are rising faster than nationally</i>
Transaction sale price per sq.ft.	\$2,883	-	\$133	\$219	\$226	\$182	<i>Prices are rising faster nationally</i>
Market cap rate	6.8%	6.8%	7.1%	6.8%	6.8%	6.8%	<i>Cap rates are lower than nationally</i>

VI. Hotel/Lodging

	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	8.7	8.6	6.5	14,939	14,804	12,876	
Y/Y change ('000)	2.2	2.6	(1.9)	2,063.0	2,337.0	(2,869.0)	<i>Job creation in the leisure industry is weaker than nationally</i>
% share to nonfarm payroll employment	11.5%	11.4%	9.2%	10.0%	9.8%	9.0%	<i>Higher fraction of workers in leisure industry than nationally</i>

- Some data may not be available for the quarter

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

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(New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

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Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

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NAR Commercial Real Estate Metro Market Report | 2022.Q1

Santa Fe, NM

Core-Based Statistical Area Code:

42140

The Santa Fe, NM commercial real estate market is stronger compared to the overall U.S. market.

NAR Commercial Real Estate Market Conditions Index*

56.0

Overall economic conditions are stronger than nationally.

The apartment property market is about the same than nationally.

The office property market is stronger than nationally.

The industrial property market is not as strong than nationally.

The retail property market is stronger than nationally.

The hotel/lodging property market is about the same than nationally.

I. Economic and Demographic

Economic	Santa Fe, NM			U.S.			
	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Total non-farm employment ('000)	62	61	57	149,912	150,352	143,308	
Y/Y chg.in nonfarm payroll employment ('000)	5	6	(5)	6,604	6,747	(6,644)	
Y/Y % chg. in nonfarm payroll employment	8.2%	10.1%	-8.7%	4.6%	4.7%	-4.4%	Job creation is stronger than nationally
Unemployment rate (%)	4.7%	5.4%	6.6%	3.6%	3.9%	6.0%	Unemployment rate is higher than nationally
Average weekly wages	\$918	\$966	\$818	\$1,099	\$1,092	\$1,049	
Wage growth, year-over-year	12.2%	6.8%	6.4%	4.7%	5.2%	6.9%	Wages are rising faster than nationally
	2020	2019	2018	2020	2019	2018	
GDP growth (%)	-8.7%	-0.3%	2.0%	-3.4%	2.3%	2.9%	
	2020	2019	2018	2020	2019	2018	
Demographic							
Net domestic migration ('000)	1.0	0.7	0.3	0	0	0	Area is experiencing net domestic in-migration
Population ('000)	155	151	150	331,501	328,330	326,838	
Population growth (%)	2.67%	0.55%	0.29%	0.97%	0.46%	0.53%	Population is growing faster than nationally

II. Multifamily

Demand indicators	Santa Fe, NM			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	10.8%	12.0%	8.7%	4.9%	4.8%	6.0%	The area has a higher vacancy rate than nationally
Absorption of units over the quarter	50	19	118	58,097	61,951	187,113	
Absorption of units in past 12 months	358	426	292	568,362	697,378	498,721	
Absorption in past 12 months as % of inventory	9.5%	11.5%	8.6%	3.3%	4.1%	3.0%	The area has stronger absorption than nationally
Market asking rent per unit	\$1,547	\$1,530	\$1,336	\$1,587	\$1,553	\$1,425	
Market asking rent per unit, y/y % chg	15.8%	14.7%	2.2%	11.4%	11.3%	2.4%	
Effective rent per unit	\$1,534	\$1,520	\$1,323	\$1,578	\$1,543	\$1,406	
Effective rent per unit, y/y % chg	16.0%	14.8%	1.4%	12.2%	12.2%	1.8%	Rents are rising faster than nationally
Rent as a percent of 2-person annual wage income	19.2%	18.1%	18.6%	16.5%	16.3%	15.4%	Renting is less affordable than nationally
	2020	2019	2018	2020	2019	2018	
Supply indicators							
Inventory	3,752	3,702	3,394	17,251,546	17,194,020	16,685,925	
Net delivered units in past 12 months	490	610	447	387,022	391,271	417,342	
Net delivered units, as % of inventory	13.1%	16.5%	13.2%	2.2%	2.3%	2.5%	
Units under construction	600	600	730	774,864	744,997	732,144	
Units under construction, as % of inventory	16.0%	16.2%	21.5%	4.5%	4.3%	4.4%	Construction is stronger than nationally
Ratio of jobs created to net delivered units (as of latest available month of the quarter)	9.6	9.2	(12.1)	17.1	17.2	(15.9)	Fewer jobs per delivered units than nationally
	2020	2019	2018	2020	2019	2018	
Sales transactions							
Total investment acquisitions (in million \$)	-	-	-	\$50,395	\$113,844	\$30,199	
Transaction sales price per unit	-	-	-	\$220,078	\$227,367	\$157,676	
Market cap rate	5.2%	5.2%	5.3%	5.1%	5.1%	5.2%	Cap rates are higher than nationally

III. Office

Demand indicators	Santa Fe, NM			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Vacancy rate	3.3%	2.9%	4.4%	12.2%	12.1%	11.7%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(34,000)	28,632	(10,372)	3,410,230	11,127,334	(43,926,356)	
Absorption in sq.ft. over 12 months	78,492	102,120	(90,939)	5,610,472	(41,726,112)	(119,807,672)	
Absorption in past 12 months as % of inventory	1.1%	1.5%	-1.3%	0.1%	-0.6%	-1.7%	The area has stronger absorption than nationally
Market rent per sq.ft.	\$22.6	\$22.5	\$21.8	\$34.7	\$34.6	\$34.4	
Market rent growth, y/y % chg.	3.6%	3.3%	0.3%	0.8%	0.4%	-2.1%	Rents are rising faster than nationally
Y/Y chg.in professional/business services jobs ('000) (as of latest available month of the quarter)	0.3	0.4	(0.2)	1,153	1,161	(283)	Stronger office job creation than nationally
	2020	2019	2018	2020	2019	2018	
Supply indicators							
Inventory in sq. ft.	7,004,816	7,038,816	6,926,324	7,256,351,232	7,252,931,072	7,250,434,560	
Net delivered over 12 months, in sq.ft.	-	-	-	54,741,303	57,123,296	47,997,877	
Net delivered units, as % of inventory	-	-	-	0.8%	0.8%	0.7%	
Under construction in sq.ft.	-	-	-	143,665,184	143,194,512	153,944,000	
Under construction, as % of inventory	-	-	-	2.0%	2.0%	2.1%	
	2020	2019	2018	2020	2019	2018	
Sales transactions							
Total investment acquisitions (in million \$)	\$25	\$17	\$3	\$26,711	\$35,335	\$17,487	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$173	\$119	\$169	\$324	\$295	\$325	Prices are rising faster nationally
Market cap rate	8.7%	8.7%	8.7%	7.0%	7.0%	7.0%	Cap rates are higher than nationally

- Some data may not be available for the quarter

NAR Commercial Real Estate Metro Market Report | 2022.Q1

Santa Fe, NM

Core-Based Statistical Area Code:

42140

IV. Industrial

	Santa Fe, NM			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	0.0%	0.3%	1.3%	4.1%	4.2%	5.3%	The area has lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	11,296	14,594	10,504	98,463,552	139,649,760	92,218,864	
Absorption in sq.ft. over 12 months	41,960	41,168	18,371	521,957,216	515,712,512	267,819,536	
Absorption in past 12 months as % of inventory	1.3%	1.3%	0.6%	3.1%	3.1%	1.6%	The area has lower absorption than nationally
Market rent per sq.ft.	\$13.6	\$13.4	\$12.8	\$10.2	\$9.9	\$9.2	
Market rent growth, y/y % chg.	6.7%	6.5%	3.9%	11.0%	9.3%	5.5%	Rent growth is slower than nationally
Supply indicators							
Inventory in sq. ft.	3,284,546	3,273,250	3,242,586	16,970,607,616	16,872,123,392	16,448,452,608	
Net delivered over 12 months, in sq.ft.	-	-	-	316,015,277	299,570,240	290,668,397	
Net delivered units, as % of inventory	-	-	-	1.9%	1.8%	1.8%	
Under construction in sq.ft.	33,861	33,861	-	591,536,384	531,512,224	391,175,904	
Under construction, as % of inventory	1.0%	1.0%	-	3.5%	3.2%	2.4%	Less delivered space relative to inventory than nationally
Sales transactions							
Total investment acquisitions (in million \$)	\$1	-	\$0	\$21,817	\$51,629	\$16,323	Sales transactions are rising faster than nationally
Transaction sale price per sq.ft.	\$230	-	\$258	\$140	\$136	\$105	Prices are not rising as fast than nationally
Market cap rate	7.0%	6.9%	6.8%	6.3%	6.3%	6.3%	Cap rates are higher than nationally

V. Retail

	Santa Fe, NM			U.S.			
	2022 Q1	2021 Q4	2021 Q1	2022 Q1	2021 Q4	2021 Q1	
Demand indicators							
Vacancy rate	2.1%	1.9%	2.5%	4.5%	4.7%	5.1%	The area has a lower vacancy rate than nationally
Absorption in sq.ft. over the quarter	(14,351)	(18,870)	72,599	24,405,304	24,416,072	3,996,477	
Absorption in sq.ft. over 12 months	47,884	134,834	(5,103)	94,035,968	73,627,144	(22,757,808)	The area has lower absorption than nationally
Absorption in past 12 months as % of inventory	0.5%	1.4%	-0.1%	0.8%	0.7%	-0.2%	
Market rent per sq.ft.	\$21.2	\$20.9	\$20.2	\$22.9	\$22.6	\$22.0	
Market rent growth, y/y % chg.	4.9%	4.2%	1.3%	3.9%	3.1%	1.1%	Rents are rising faster than nationally
Y/Y chg.in retail trade payroll employment ('000) (as of latest available month of the quarter)	0.20	0.00	(0.20)	570.90	382.90	(187.70)	The area has stronger retail trade job creation than nationally
Supply indicators							
Inventory in sq. ft.	9,633,317	9,647,668	9,585,433	11,256,099,840	11,231,675,392	11,161,937,920	
Net delivered over 12 months, in sq.ft.	-	-	5,950	19,624,738	21,905,704	37,703,262	
Net delivered units, as % of inventory	-	-	0.1%	0.2%	0.2%	0.3%	
Under construction in sq.ft.	-	-	-	54,194,816	56,052,512	54,297,696	
Under construction, as % of inventory	-	-	-	0.5%	0.5%	0.5%	
Sales transactions							
Total investment acquisitions (in million \$)	-	-	\$1	\$22,755	\$33,245	\$12,773	
Transaction sale price per sq.ft.	-	-	\$323	\$219	\$226	\$182	
Market cap rate	6.7%	6.7%	6.7%	6.8%	6.8%	6.8%	Cap rates are lower than nationally

VI. Hotel/Lodging

	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	2022 Q1 (March)	2021 Q4 (Dec)	2021 Q1 (March)	
Leisure and hospitality payroll workers ('000)	10.7	10.6	7.7	14,939	14,804	12,876	
Y/Y change ('000)	3.0	4.2	(3.4)	2,063.0	2,337.0	(2,869.0)	Job creation in the leisure industry is weaker than nationally
% share to nonfarm payroll employment	17.3%	17.3%	13.5%	10.0%	9.8%	9.0%	Higher fraction of workers in leisure industry than nationally

- Some data may not be available for the quarter

Sources of data used: CoStar®, US Census Bureau, US Bureau of Labor Statistics, and US Bureau of Economic Analysis.

*An index below 50 means local market conditions are weaker than nationally, above 50 means local market conditions are stronger, and 50 means local market conditions are about the same as nationally.

NAR derived the index by assigning 1 point for each indicator where local market conditions are better than the national (US) condition.

The total points for each local market are divided by the number of variables that are available at the local area, with 25 indicators if all the data are available. The fraction is multiplied by 100 to get the index.

Economic data may not be available for all markets. In some submarkets or metropolitan divisions (e.g., Long Island) reported by CoStar®, the economic data that is reported (e.g. employment) is of the metropolitan area (New York-Newark-Jersey City). The 390 markets in this report are based on the CoStar® market areas.

NAR reserves the right to add new variables or drop variables that comprise the index based on its analysis of variables that impact market trends.

Market cap rate is based on CoStar proprietary model that is based on both sales transaction cap rates and modeled cap rates based on characteristics of comparable properties in the geographic area.

Data may not be available for some markets or property types.

For information about this report, email data@nar.realtor.

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