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Policy Development & Research

Analysis of the Albuquerque, New Mexico Housing Market

As of January 1, 2003



ECONOMIC RESEARCH

U.S. Department of Housing and Urban Development

Foreword

This analysis has been prepared for the assistance and guidance of the U.S. Department of Housing and Urban Development (HUD) in its operations. The factual information, findings, and conclusions may be useful also to builders, mortgagees, and others concerned with local housing conditions and trends. The analysis does not purport to make determinations with respect to the acceptability of any particular mortgage insurance proposals that may be under consideration in a particular locality or the housing market area.

The factual framework for this analysis was developed by HUD's Economic and Market Analysis Division. Estimates and judgments were developed as thoroughly as possible on the basis of information available on the "as-of" date from both local and national sources. As such, they may be modified by subsequent developments. We wish to express our appreciation to those industry sources and government officials who provided data and information on local economic and housing market conditions.

This analysis takes into consideration changes in the economic, demographic, and housing inventory characteristics of the market area during three periods: 1990 to 2000, 2000 to the as-of date of the analysis ("Current date") and from the Current date to a "Forecast date." The analysis presents counts and estimates of employment, population, households, and housing inventory as of the 1990 and 2000 Censuses, the Current date, and Forecast date. For the purposes of this analysis the forecast period is 24 months.

The prospective demand expressed in the analysis should not be construed as a Forecast of building activity; rather, it presents the prospective housing production that would maintain a reasonable balance in demand-supply relationship given the market's condition on the as-of date of the analysis. This analysis was prepared by Ms. Carol A. Covington, a Field Economist with HUD's Fort Worth Regional Office. If there are any questions regarding the findings and conclusions of the analysis, she may be reached at (817) 978-5537 and at Carol_A._Covington@hud.gov.

Housing Market Area

The Albuquerque Housing Market Area (HMA) is coterminous with the Albuquerque Metropolitan Statistical Area (MSA) that includes Bernalillo, Sandoval, and Valencia Counties. The Albuquerque HMA in north central New Mexico is the state's largest metropolitan area.

Summary

The economy of the Albuquerque metropolitan area was stable throughout 2002: All employment sectors expanded in the 10 years between 1990 and 2000. Employment trends are expected to remain stable in the near term with a slow economic recovery averaging 4,000 jobs annually, lower than the two previous periods.

Population growth is expected to remain healthy during the next 2 years. In-migration will continue, but also at a lower rate.

Demand for sales housing continues to be strong. Sales of single-family homes continue to set records despite the slowing economy. It is estimated that there will be a demand for approximately 4,300 homes annually during the 2-year forecast period. More than 80 percent of the demand is expected to be met by conventionally built single-family detached housing.

Conditions in the rental market have become more competitive and somewhat soft in recent months. The overall occupancy rate in apartments in the HMA was approximately 90 percent at the end of 2002. The slower economy, the movement of renter households to homeownership, and recent higher volumes of construction have contributed to the softer conditions. The market is competitive but rent concessions are not widespread. Concessions are being given in some new properties but are seen most often in older, less competitive developments where vacancy rates of more than 10 percent are reported.

Economy of the Area

The Albuquerque HMA is the predominant financial, trade, and service center in the state of New Mexico. Although the economy is diversifying, it is still heavily reliant on governmental institutions such as Kirtland Air Force Base (AFB), Sandia Laboratories, the University of New Mexico, and The Veterans Affairs Medical Center. Tourism is also an important contributor to the area's economy. Tourism has been given an additional boost by the local Indian tribes who are developing casinos, some of which have convention centers and hotels.

One of the major supports in the economy of the Albuquerque HMA is Kirtland AFB, located in southeast Bernalillo County. The base is the third largest installation in Air Force Material Command and employs approximately 27,500 persons, including 6,500 military personnel. The installation is home to the 377th Air Base Wing. The mission of the wing is to provide munitions maintenance, readiness, and training as well as operations support to approximately 76 federal and 384 private sector tenants and

associated units at the installation. The combined workforce, including more than 21,000 contractors, is the largest single employer in the HMA. Sandia Laboratories, with 7,500 employees, is the largest single organization within the Kirtland complex.

Also important to the Albuquerque economy is the University of New Mexico. During the fall of 2002 the university had approximately 19,000 students enrolled on the Albuquerque campus. The University of New Mexico has formed a nonprofit Science and Technology Corporation that provides seed money to spur economic development from research performed by university students and faculty in technology.

The economy is diversified and employment has steadily increased since 1980. However, in the past 24 months growth has been much slower. The slower growth pattern is likely to continue at least through the first half of 2003, paralleling the pace of the recovery nationwide. By the third quarter of 2003 the gains in the local economy should begin to pick up.

The trends in annual average civilian labor force and total employment and nonagricultural wage and salary employment by industry sector from 1991 through the Current date are presented in Tables 1 and 2, respectively.

In 2002 nonfarm employment in the Albuquerque HMA area remained essentially unchanged compared with 2001. During the year employment was only 100 jobs below the prior year's average. Before stalling in 2002 employment in Albuquerque had grown an average of approximately 3 percent annually since 1991. Manufacturing employment as a share of total employment remains fairly stable, representing approximately 7 percent of the total as of the Current date. Recent employment gains have been concentrated in the service-providing sector, primarily in trade and services. Private-sector employment was flat throughout the year, with small increases in the service-providing sectors canceled by losses in good-producing jobs. Goods-producing employment continued to lose ground throughout the year, with job losses reported in both construction and manufacturing.

Average employment in the construction and mining sector declined 7 percent in 2002 to 23,100 jobs due to the completion in the first quarter of the year of two major construction projects: one at Intel and the other the "Big I" Interstate highway project. Manufacturing jobs for the year were also down 8 percent, or 2,200 jobs. Losses in electronics manufacturing employment have decreased and local workers hope that Intel's Rio Rancho facility will avoid the company's recently announced job cuts of 4,000 worldwide. The Albuquerque HMA is home to more than 25 call centers that employ an estimated 12,000 workers. Service-providing employment increased by 3,800 jobs in 2002, primarily in education and health services, and leisure and hospitality services.

Local economic development forecasts anticipate minor improvement in manufacturing employment as a result of new businesses attracted to the Sandia Science and Technology Park adjacent to Sandia Laboratories. Currently there are 11 tenants with almost 600

employees at the park. Manufacturing products include ceramic filters, silicon wafers, surgical sutures, and aircraft flight control systems.

The nonfarm employment is expected to reach 367,000 jobs by the end of the forecast period, reflecting an average annual gain of 4,000 jobs, or slightly more than 1 percent. Construction employment is expected to get a boost when two large residential projects, one on Albuquerque's west side and the other in south Albuquerque, begin construction.

Household Incomes

The HUD median family income for the Albuquerque metropolitan area for 2003 is \$51,400 compared with \$48,300 as of 2000, an increase of 6.4 percent.

Population

The population of the Albuquerque metropolitan area increased by an average of 12,360 persons annually, or 1.9 percent between 1990 and 2000. The growth was much higher in the first half of the decade, reflecting the trend in economic expansion. Employment increased rapidly between 1992 and 1995 primarily due to the construction by Intel of a plant in Rio Rancho in Sandoval County in the early 1990s.

By 2000 the population of the Albuquerque HMA was 712,738 persons. Approximately 77 percent of the population resides in Bernalillo County. As of the Current date the population of the Albuquerque HMA was estimated to be 734,200 persons, or an average annual gain of 7,800 for a 1.1 percent increase. The decline in the rate of growth is a direct reflection of the dramatic slowdown in the economy and lower job growth and subsequent in-migration in recent years. Table 3 presents the trends and forecast in population and households from 1990 through the Forecast date.

Continued moderate growth in population is anticipated during the forecast period. During the period the total population is forecast to increase by approximately 9,050 annually, or 1.1 percent. Net in-migration is expected to account for 31 percent of the growth during the forecast period compared with 53 percent between 1990 and 2000.

Households

Between 1990 and 2000 an average of 5,346 new households were added to the Albuquerque HMA annually, for a 2.2-percent rate of growth. Households increased at a faster rate than population between 1990 and 2000, resulting in a continuing decline in average household size. Some of the decline is attributable to the increased number of retirees who moved to the area. From 2000 to the Current date household growth slowed with the changes in the economy. It is estimated that the number of households increased by 5,260 annually during the period to 289,500. Included in that number is approximately 1,800 military families living on Kirtland AFB and an estimated 3,000 military families living off base in the community.

By the end of the forecast period in January 2005 there will be an estimated 298,600 households in the HMA, or an average annual gain of 4,550. The substantial decline in the rate of growth during the forecast period reflects the expectation of a recovery in the economy but a continued slow net increase in total employment.

Housing Inventory, Occupancy, and Vacancy

As of the Current date housing inventory in the Albuquerque HMA is estimated to be 312,400 units, or an average annual increase of 5,025 units annually since 2000. In comparison, the inventory increased by an average of 5,690 units annually during 1990s. Table 4 presents the trends in housing inventory, occupancy, and vacancy by tenure from 1990 through the Current date.

There has been a continuous increase in the rate of homeownership since 1990. As of the Current date 68.8 percent of the households in the HMA were homeowners, compared with 67.6 percent in 2000 and 64.3 percent in 1990. The rise in homeownership reflects the in-migration of retirees as well as the significant growth in incomes as a result of economic expansion, the low mortgage interest rates in recent years, and the relatively affordable price of homes as a result of ample supplies of land available for development.

Homebuilding activity in the HMA has mirrored the changes in the local economy and population, increasing during the past 13 years. Single-family building permit activity has gone from 2,040 units in 1990 to more than 5,800 homes in 2002. The activity in multifamily construction has been much more cyclical. From 1990 through 1993 multifamily building permit activity averaged approximately 300 units annually. However, with the rapid economic growth beginning in 1994 permit activity increased dramatically. From 1994 through 1997 activity averaged 1,630 units annually. As a result of the significant increase in production the rental market became overbuilt. In response to the increasingly softer market conditions apartment developers cut way back. From 1998 to 2001 activity averaged 400 units annually. In 2002 permits have been issued for more than 1,200 units. As of January 2003 an estimated 1,050 units were under construction. The trends in building permit activity from 1991 to the Current date are presented in Table 5.

Manufactured housing makes up a significant portion of housing production in the HMA, particularly in the outlying areas such as Valencia County. Between 1990 and 2000 the inventory of manufactured homes in Valencia County increased by 2,692, according to data from the 2000 Census, compared with 3,253 conventionally built single-family homes during the same period. During the decade the number of manufactured homes in Sandoval County increased by 990, and 1,250 were added in Bernalillo County. Local sources indicate that manufactured home activity has tapered off since 2000 due to the affordability of conventionally single-family homes and the closure in 2000 of a large manufactured home company in the HMA.

As of 2000 the vacancy rate for sales housing in the HMA was 1.9 percent, and 11.5 percent for rental housing. Despite the recent slowdown in the economy and corresponding slower growth in demand the vacancy rate has remained essentially

unchanged. The substantial reduction in apartment construction, beginning in 1998, has allowed the rental market to improve, but the rate remains relatively high. As of the Current date the HMA had an overall rental vacancy rate of 10.5 percent.

Sales Market Conditions

The average sales price of a single-family home in 2002 was \$161,150, a 6-percent increase over the average price in 2001. The sales market remains strong. In 2002 sales of both new and existing homes totaled 9,617 compared with 8,000 sales in 2001 and 6,700 in 2000. Even though demand is high some builders are offering incentives to clear inventories of unsold speculatively built homes. Single-family attached patio homes, townhouses, and condominiums typically comprise approximately 10 percent of the sales in the HMA. The sales price for existing homes in this category has remained relatively flat during the past 24 months, averaging \$103,000 in both 2001 and 2002. Condominiums are expected to remain a small portion of the sales market and housing inventory due to the affordability of single-family homes. A number of condominium developments in the planning stages are targeted toward retirees and empty nesters.

The price of homes in the HMA ranges from \$76,000 in southwest Albuquerque to \$319,000 in the Far Northeast Heights area. South of the airport the proposed Mesa Del Sol master-planned community will offer affordable housing to several thousand families. Rapidly growing sections of town on the West Mesa offer a large selection of homes at affordable prices. The North Valley I-25 corridor includes both the older, rural North Valley and new suburban housing.

Rental Market Conditions

After the overbuilding and soft market conditions in the second half of the 1990s the Albuquerque rental market had been steadily improving and was relatively balanced until the third quarter of 2002. However, with the increase in apartment construction beginning in 2001 and increasing still further in 2002 conditions have softened again. Through the third quarter of 2002 the Albuquerque apartment market was emerging from a 5-year slump, but occupancy dropped in the fourth quarter with the downturn in the economy. Based on local surveys the average occupancy had increased from 88.4 percent in 1998 to 94 percent as of the third quarter before falling to 90 percent by the end of 2002. The vacancy rate in Class A properties has increased to approximately 10 percent. Subsequently average rents have fallen in these high-end units. Many of these high-end rental properties are in the Far Northeast Heights submarket. As of the Current date older apartment properties built in the late 1980s had the highest occupancy, 96 percent, while some newer developments built in the early 1990s had rates as low as 87 percent.

The lower end of the rental market is recovering more slowly primarily due to competition with newer more amenity-rich projects financed with low-income housing tax credits. As a result vacancy rates in these lower-end older properties are reported to range from 10 to as high as 20 percent, and rents are as low as 50 cents per square foot.

Despite the currently slow economy developers are continuing with planned projects in anticipation of the recovery and increased economic growth in the HMA. It is estimated that as of the Current date there were 1,050 units under construction and another 700 units in the planning stages that are expected to start construction sometime in 2003.

The market for assisted rental housing in the HMA remains very tight despite the soft conditions in the market rate segment of the market. Occupancy rates in assisted housing in the HMA are consistently high and many developments have long waiting lists. In addition to the project-based assistance, all three Section 8 voucher programs in the HMA reported 100 percent occupancy and extensive waiting lists as of the date of this report.

Forecast Housing Demand

Based on current market conditions and anticipated growth in the HMA economy, it is estimated the market could support the construction of 8,600 sales units and 1,000 rental units during the 2-year forecast period. Approximately 80 percent of the annual sales demand will be in single-family detached homes. Townhouses and condominiums could comprise 10 percent of the demand and manufactured housing approximately 8 percent. Table 6 presents an estimate of the distribution of the sales demand by price range during the 2-year forecast period.

While the current pipeline is sufficient to meet demand during the forecast, there will be a need for new development to enter the pipeline during the second year beginning in early 2004 to maintain a balanced market. The distribution of the demand for new market rate rental housing by rent range is presented in Table 7.

Table 1

Labor Force and Employment Trends

Albuquerque HMA

1991 to 2002

| | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 |
|--------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Labor Force | 305,400 | 311,900 | 324,800 | 333,200 | 342,900 | 345,100 | 354,600 | 361,200 | 353,200 | 376,800 | 380,500 | 385,600 |
| Employment | 287,700 | 296,200 | 302,600 | 318,500 | 328,900 | 326,700 | 339,400 | 344,700 | 339,400 | 364,300 | 366,400 | 367,300 |
| Unemployment | 17,600 | 15,700 | 22,300 | 14,700 | 13,900 | 18,500 | 15,200 | 16,500 | 13,800 | 12,600 | 14,100 | 18,300 |
| Rate (%) | 5.8 | 5.0 | 6.9 | 4.4 | 4.1 | 5.4 | 4.3 | 4.6 | 3.9 | 3.3 | 3.7 | 4.7 |

Source: New Mexico Department of Labor

Table 2

Nonfarm Employment by Industry

Albuquerque HMA

1991 to 2002

| | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 |
|--------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Goods-Producing | 35,500 | 37,800 | 42,300 | 48,700 | 50,600 | 49,900 | 49,800 | 48,500 | 47,800 | 50,800 | 51,800 | 48,000 |
| Manufacturing | 22,000 | 23,100 | 24,600 | 27,000 | 27,700 | 27,600 | 27,900 | 27,500 | 26,400 | 27,400 | 27,000 | 24,800 |
| Durables | 18,200 | 18,600 | 19,900 | 21,300 | 21,800 | 22,200 | 22,800 | 22,500 | 20,600 | 21,400 | 21,500 | 20,400 |
| Construction and Mining | 13,400 | 14,700 | 17,700 | 21,600 | 22,800 | 22,300 | 21,900 | 21,000 | 21,300 | 23,300 | 24,800 | 23,100 |
| Service-Providing | 231,100 | 238,200 | 247,100 | 258,400 | 269,600 | 276,400 | 283,600 | 289,900 | 296,300 | 304,100 | 307,300 | 311,100 |
| Information | 5,200 | 5,100 | 5,400 | 7,000 | 7,000 | 7,000 | 7,600 | 8,900 | 10,300 | 11,000 | 11,400 | 11,000 |
| Trade, Transportation, and Utilities | 53,200 | 55,100 | 57,100 | 58,800 | 61,300 | 62,100 | 64,200 | 65,300 | 65,000 | 66,000 | 65,300 | 65,100 |
| Financial Activities | 15,100 | 15,300 | 16,000 | 16,200 | 16,500 | 17,100 | 17,600 | 18,100 | 19,500 | 19,300 | 19,500 | 18,200 |
| Professional and Business Services | 41,500 | 41,900 | 43,200 | 46,300 | 50,400 | 52,300 | 52,800 | 54,000 | 55,900 | 58,300 | 58,000 | 57,100 |
| Education and Health Services | 25,700 | 27,800 | 28,400 | 29,500 | 31,400 | 32,700 | 34,300 | 35,100 | 36,100 | 37,300 | 39,200 | 41,500 |
| Leisure and Hospitality | 25,900 | 26,700 | 28,500 | 30,500 | 31,500 | 32,100 | 31,900 | 31,800 | 32,000 | 33,200 | 33,800 | 34,500 |
| Other Services | 8,900 | 9,100 | 9,500 | 10,100 | 10,300 | 10,400 | 10,600 | 10,700 | 10,700 | 10,900 | 11,100 | 11,600 |
| Government | 55,300 | 56,800 | 58,600 | 59,800 | 60,800 | 62,300 | 64,100 | 65,700 | 66,500 | 67,800 | 69,000 | 71,500 |
| Federal | 14,300 | 14,600 | 14,700 | 14,700 | 14,300 | 14,000 | 14,000 | 14,000 | 13,800 | 13,900 | 13,700 | 14,000 |
| Total Nonfarm | 266,600 | 276,100 | 289,500 | 307,200 | 320,200 | 326,300 | 333,400 | 338,400 | 344,200 | 354,900 | 359,100 | 359,000 |
| Percent Change | N/A | 3.6 | 4.9 | 6.1 | 4.2 | 1.9 | 2.2 | 1.5 | 1.7 | 3.1 | 1.2 | 0.0 |

Note: N/A = Not available.

Source: Bureau of Labor Statistics

Table 3

Population and Household Trends

Albuquerque HMA

1990 to January 2005

| | April 1, 1990 | April 1, 2000 | Current Date* | Forecast Date** | Average Annual Change | | | | | |
|-------------------|------------------|------------------|------------------|--------------------|-----------------------|----------|-----------------|----------|---------------------|----------|
| | | | | | 1990 to 2000 | | 2000 to Current | | Current to Forecast | |
| | | | | | Number | Rate (%) | Number | Rate (%) | Number | Rate (%) |
| <u>Population</u> | | | | | | | | | | |
| Albuquerque MSA | 589,131 | 712,738 | 734,200 | 752,300 | 12,361 | 1.9 | 7,800 | 1.1 | 9,050 | 1.2 |
| Bernalillo County | 480,577 | 556,678 | 572,553 | 584,253 | 7,610 | 1.6 | 7,938 | 1.4 | 5,850 | 1.0 |
| Sandoval County | 67,319 | 89,908 | 94,908 | 99,208 | 2,259 | 3.4 | 2,500 | 2.6 | 2,150 | 2.2 |
| Valencia County | 45,235 | 66,152 | 67,752 | 68,802 | 2,092 | 4.6 | 800 | 1.2 | 525 | 0.8 |
| <u>Households</u> | | | | | | | | | | |
| Albuquerque MSA | 221,567 | 275,028 | 289,500 | 298,600 | 5,346 | 2.2 | 5,260 | 1.9 | 4,550 | 1.6 |
| Bernalillo County | 185,582 | 220,936 | 233,054 | 238,488 | 3,535 | 1.9 | 6,059 | 2.6 | 2,717 | 1.1 |
| Sandoval County | 20,815 | 31,411 | 33,771 | 35,850 | 1,060 | 5.1 | 1,180 | 3.5 | 1,040 | 2.9 |
| Valencia County | 15,170 | 22,681 | 23,814 | 24,856 | 751 | 5.0 | 567 | 2.4 | 521 | 2.1 |

Notes: *January 2003.

** January 2005.

Rate of change calculated on a compound basis.

Source: 1990 and 2000—U.S. Census Bureau

Current and Forecast—Estimates by Analyst

Table 4
 Housing Inventory Tenure and Vacancy
 Albuquerque HMA
 April 1990 to January 2003

| | <u>1990</u> | <u>2000</u> | <u>Current</u> |
|-------------------------|-------------|-------------|----------------|
| Total housing inventory | 241,683 | 298,583 | 312,400 |
| Occupied units | 221,567 | 275,028 | 289,500 |
| Owners | 142,507 | 185,926 | 199,100 |
| % | 64.3 | 67.6 | 68.8 |
| Renters | 79,060 | 89,102 | 90,400 |
| % | 35.7 | 32.4 | 31.2 |
| Vacant units | 20,064 | 23,555 | 23,000 |
| Available units | 11,641 | 15,237 | 14,500 |
| For sale | 2,547 | 3,655 | 3,860 |
| Rate (%) | 1.8 | 1.9 | 1.9 |
| For rent | 9,094 | 11,582 | 10,600 |
| Rate (%) | 10.3 | 11.5 | 10.5 |
| Other vacant | 8,380 | 8,318 | 8,500 |

Note: Data do not add because of rounding.

Source: 1990 and 2000—U.S. Census Bureau
 Current—Estimates by Analyst

Table 5

Housing Units Authorized by Building Permits

Albuquerque HMA

1991 to 2002

| | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | Total Units 1991–2002 |
|--------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------------------------|
| Albuquerque MSA | | | | | | | | | | | | | |
| Total | 2,407 | 3,251 | 4,335 | 6,505 | 6,581 | 5,755 | 6,097 | 5,366 | 5,311 | 4,773 | 5,925 | 7,022 | 63,328 |
| Single-family | 2,121 | 3,187 | 3,982 | 4,678 | 4,650 | 4,662 | 4,430 | 4,947 | 4,927 | 4,663 | 5,240 | 5,803 | 53,290 |
| Multifamily | 286 | 64 | 353 | 1,827 | 1,931 | 1,093 | 1,667 | 419 | 384 | 110 | 685 | 1,219 | 10,038 |
| 2 units | 2 | 0 | 2 | 2 | 14 | 12 | 10 | 0 | 4 | 0 | 0 | 0 | 46 |
| 3–4 units | 0 | 8 | 22 | 4 | 7 | 46 | 69 | 31 | 109 | 40 | 39 | 98 | 473 |
| 5 or more units | 284 | 56 | 329 | 1,821 | 1,910 | 1,035 | 1,588 | 388 | 271 | 70 | 646 | 1,121 | 9,519 |
| Bernalillo County | | | | | | | | | | | | | |
| Total | 1,792 | 2,466 | 3,075 | 5,184 | 5,204 | 4,344 | 4,539 | 3,821 | 4,441 | 3,847 | 4,693 | 5,818 | 38,713 |
| Single-family | 1,532 | 2,406 | 2,748 | 3,387 | 3,313 | 3,306 | 2,935 | 3,466 | 4,057 | 3,737 | 4,023 | 4,606 | 30,887 |
| Multifamily | 260 | 60 | 327 | 1,797 | 1,891 | 1,038 | 1,604 | 355 | 384 | 110 | 670 | 1,212 | 7,826 |
| 2 units | 2 | 0 | 2 | 2 | 14 | 12 | 8 | 0 | 4 | 0 | 0 | 0 | 44 |
| 3–4 units | 0 | 4 | 16 | 4 | 7 | 46 | 69 | 31 | 109 | 40 | 24 | 91 | 326 |
| 5 or more units | 258 | 56 | 309 | 1,791 | 1,870 | 980 | 1,527 | 324 | 271 | 70 | 646 | 1,121 | 7,456 |
| Sandoval County | | | | | | | | | | | | | |
| Total | 451 | 613 | 974 | 980 | 947 | 1,016 | 1,075 | 1,116 | 449 | 576 | 876 | 864 | 8,197 |
| Single-family | 425 | 613 | 954 | 950 | 907 | 961 | 1,014 | 1,052 | 449 | 576 | 864 | 857 | 7,901 |
| Multifamily | 26 | 0 | 20 | 30 | 40 | 55 | 61 | 64 | 0 | 0 | 12 | 7 | 296 |
| 2 units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3–4 units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 12 | 7 | 0 |
| 5 or more units | 26 | 0 | 20 | 30 | 40 | 55 | 61 | 64 | 0 | 0 | 0 | 0 | 296 |
| Valencia County | | | | | | | | | | | | | |
| Total | 164 | 172 | 286 | 341 | 430 | 395 | 483 | 429 | 421 | 350 | 356 | 340 | 3,471 |
| Single-family | 164 | 168 | 280 | 341 | 430 | 395 | 481 | 429 | 421 | 350 | 353 | 340 | 3,459 |
| Multifamily | 0 | 4 | 6 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 3 | 0 | 12 |
| 2 units | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| 3–4 units | 0 | 4 | 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 0 | 10 |
| 5 or more units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Note: Multifamily permits include all structures with two or more units.

Source: HUD's State of the Cities Data System Building Permits Database

Table 6

Estimated Qualitative Demand for
New Market Rate Sales Housing

Albuquerque HMA

January 2003 to January 2005

| Demand at sales price range or lower (\$) | Number of Homes | | Percent of Total |
|--|---------------------------|---------------------------|---------------------|
| | Single-family Detached | Single-family Attached | |
| Less than 70,000 | 350 | 100 | 6 |
| 70,000 to 89,000 | 400 | 200 | 8 |
| 90,000 to 119,000 | 1,280 | 440 | 22 |
| 120,000 to 149,000 | 2,130 | 40 | 27 |
| 150,000 to 199,000 | 1,100 | 0 | 14 |
| 200,000 to 299,000 | 1,560 | 0 | 20 |
| 300,000 or more | 300 | 0 | 4 |

Source: Estimates by HUD Analyst

Table 7

Estimated Qualitative Demand for
New Market Rate Rental Housing

Albuquerque HMA

January 2003 to January 2005

| | Number of Bedrooms | | | |
|--------------------------|--------------------|-------|-------|-----------|
| | 0 | 1 | 2 | 3 or more |
| Minimum Gross Rent (MGR) | \$495 | \$650 | \$850 | \$1,100 |
| Demand starting at MGR | 40 | 270 | 260 | 30 |
| MGR + \$50 and higher | 35 | 230 | 215 | 25 |
| MGR + \$100 | 30 | 210 | 190 | 20 |
| MGR + \$150 | 30 | 190 | 165 | 20 |
| MGR + \$200 | 25 | 150 | 135 | 20 |
| MGR + \$250 | 20 | 125 | 110 | 15 |
| MGR + \$300 | 15 | 100 | 85 | 15 |
| MGR + \$400 | 10 | 80 | 65 | 10 |
| MGR + \$500 | 0 | 60 | 50 | 10 |
| MGR + \$600 | 0 | 45 | 40 | 0 |
| MGR + \$700 | 0 | 30 | 30 | 0 |
| MGR + \$800 | 0 | 25 | 0 | 0 |
| MGR + \$900 | 0 | 15 | 0 | 0 |
| MGR + \$1,000 and higher | 0 | 0 | 0 | 0 |

Note: Distribution above is noncumulative. Demand of fewer than 10 units is shown as 0.

Source: Estimate by Analyst