

Housing New Mexico | MFA

New Mexico Housing Strategy
2026 Updated Report

Prepared for MFA
Legislative Oversight
Committee

May 18, 2026





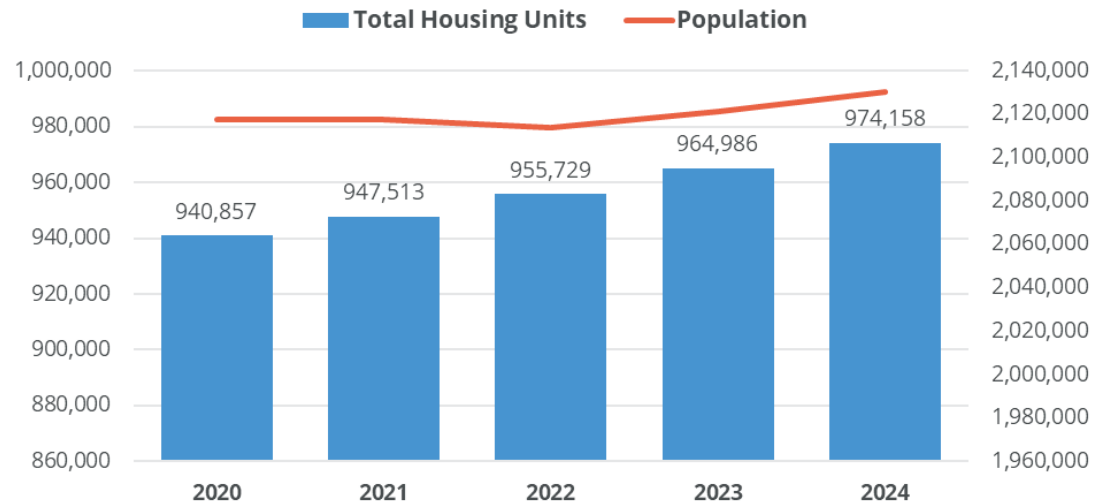
Background

In 2022, Housing New Mexico engaged Root Policy Research to develop the New Mexico Housing Strategy—the state’s first comprehensive roadmap to advancing housing opportunity and stability.

Impact Area	Goal
Produce housing across the income continuum	Goal: Increase housing production across the housing continuum. Goal: Create flexibility within state and local programs and policies to respond to housing needs and market fluctuations.
Preserve and improve existing affordable housing, both privately and publicly owned, and redeveloping underutilized and vacant properties to increase supply and catalyze economic development	Goal: Catalyze the potential of underutilized properties to be redeveloped into new housing. Goal: Preserve existing naturally occurring affordable housing and publicly subsidized housing stock. Goal: Build assurance among property owners and property managers of the economic feasibility of housing formerly homeless and special needs residents, thereby stabilizing housing for low income renters.
Build homeownership opportunities to retain the state’s high homeownership rate, especially among low and moderate-income, and racially and ethnically diverse, households	Goal: Create flexibility within state programs and policies to respond to housing needs and market fluctuations. Goal: Ensure that manufactured homes continue to be a housing solution for homeowners and renters.
Create housing stability for people vulnerable to and experiencing homelessness and residents with special housing needs	Goal: Expand successful housing+services models tailored to local needs. Goal: Strengthen supportive service programs that foster housing stability. Goal: Strengthen support for emergency homelessness interventions.

Population Trends

Housing Units and Population, New Mexico, 2020-2024



Source: U.S. Census Annual Estimates of the Resident Population and Housing Units for Counties in New Mexico: April 1, 2020 to July 1, 2024.

Population and housing units:

- Between 2020 and 2024, the population is estimated to have grown by 12,701 (0.6%) residents and the housing stock is estimated to have increased by 33,301 units (3.5%).
- Increased production helped address needs and respond to population changes.

Population Trends

Population and households:

- Between 2010 and 2023—households grew faster (9% increase) than residents (5% increase). This demographic trend is reflective of declining household sizes due to an aging population, declining birth rates, and fewer families with children.
- Population growth was concentrated in Doña Ana, Sandoval, Valencia, Santa Fe, and Otero counties; but according to Census Address Count Files, all counties gained housing units. Housing was built regardless of population loss.

Population and Households by County, 2010-2023

Source: U.S. Census Annual Estimates of the Resident Population and Housing Units for Counties in New Mexico: April 1, 2020 to July 1, 2024.

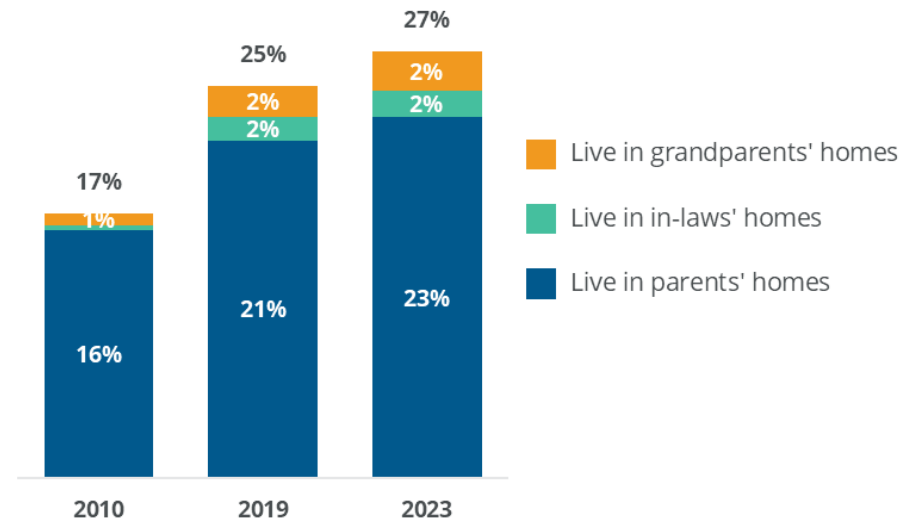
	Population				Households			
	2010	2023	# Change	% Change	2010	2023	# Change	% Change
New Mexico	2,013,122	2,114,768	101,646	5%	756,112	825,021	68,909	9%
Bernalillo	646,881	674,357	27,476	4%	259,165	283,609	24,444	9%
Catron	3,652	3,685	33	1%	1,824	1,645	-179	-10%
Chaves	64,268	64,446	178	0%	23,479	23,605	126	1%
Cibola	27,179	27,059	-120	0%	8,089	8,353	264	3%
Colfax	13,827	12,336	-1,491	-11%	5,768	5,413	-355	-6%
Curry	46,924	47,932	1,008	2%	17,318	18,471	1,153	7%
De Baca	1,772	1,580	-192	-11%	784	727	-57	-7%
Doña Ana	201,670	221,665	19,995	10%	71,748	83,530	11,782	16%
Eddy	52,665	61,114	8,449	16%	19,320	23,245	3,925	20%
Grant	29,706	27,856	-1,850	-6%	12,531	11,069	-1,462	-12%
Guadalupe	4,698	4,379	-319	-7%	1,492	1,451	-41	-3%
Harding	943	748	-195	-21%	321	282	-39	-12%
Hidalgo	4,964	4,097	-867	-17%	1,705	1,501	-204	-12%
Lea	62,503	73,154	10,651	17%	21,255	24,568	3,313	16%
Lincoln	20,502	20,227	-275	-1%	8,629	9,376	747	9%
Los Alamos	18,091	19,374	1,283	7%	7,566	8,211	645	9%
Luna	25,252	25,420	168	1%	9,204	9,082	-122	-1%
McKinley	70,663	71,172	509	1%	17,631	21,088	3,457	20%
Mora	4,923	4,176	-747	-15%	1,815	1,991	176	10%
Otero	62,782	68,235	5,453	9%	24,031	24,285	254	1%
Quay	9,002	8,616	-386	-4%	3,840	4,102	262	7%
Rio Arriba	40,195	40,165	-30	0%	14,934	14,980	46	0%
Roosevelt	19,372	19,002	-370	-2%	6,794	7,211	417	6%
San Juan	127,517	121,178	-6,339	-5%	41,767	41,053	-714	-2%
San Miguel	29,321	27,036	-2,285	-8%	11,786	11,924	138	1%
Sandoval	124,263	151,538	27,275	22%	44,860	55,741	10,881	24%
Santa Fe	141,702	155,175	13,473	10%	60,144	69,348	9,204	15%
Sierra	11,938	11,511	-427	-4%	4,747	5,419	672	14%
Socorro	17,964	16,308	-1,656	-9%	5,996	5,222	-774	-13%
Taos	32,574	34,516	1,942	6%	13,146	14,459	1,313	10%
Torrance	16,467	15,290	-1,177	-7%	5,849	5,774	-75	-1%
Union	4,388	4,039	-349	-8%	1,739	1,504	-235	-14%
Valencia	74,554	77,382	2,828	4%	26,835	26,782	-53	0%

Population Trends

Adults living with older relatives:

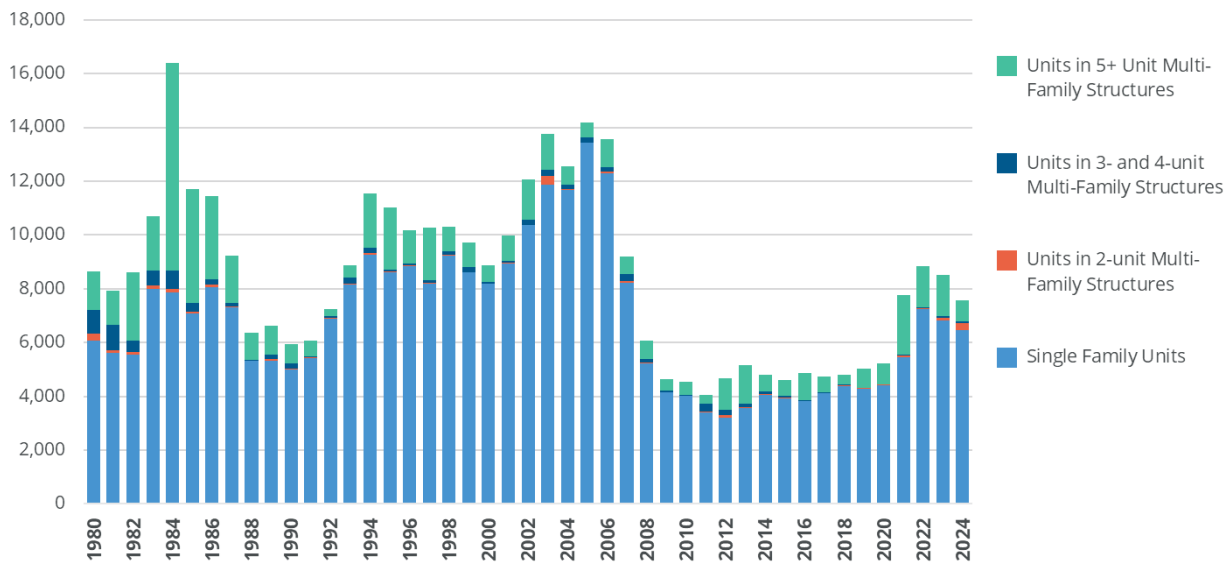
- Approximately 27% of New Mexico young adults aged 25 to 34 live in the homes of older relatives as of 2023, up from a much lower 17% in 2010, suggesting significant pent-up housing demand.

Share of Adults Aged 25 to 34 Living in Homes of Older Relatives, New Mexico, 2010, 2019, and 2023



Source: U.S. Census Annual Estimates of the Resident Population and Housing Units for Counties in New Mexico: April 1, 2020 to July 1, 2024.

Building Permits, 1980-2024



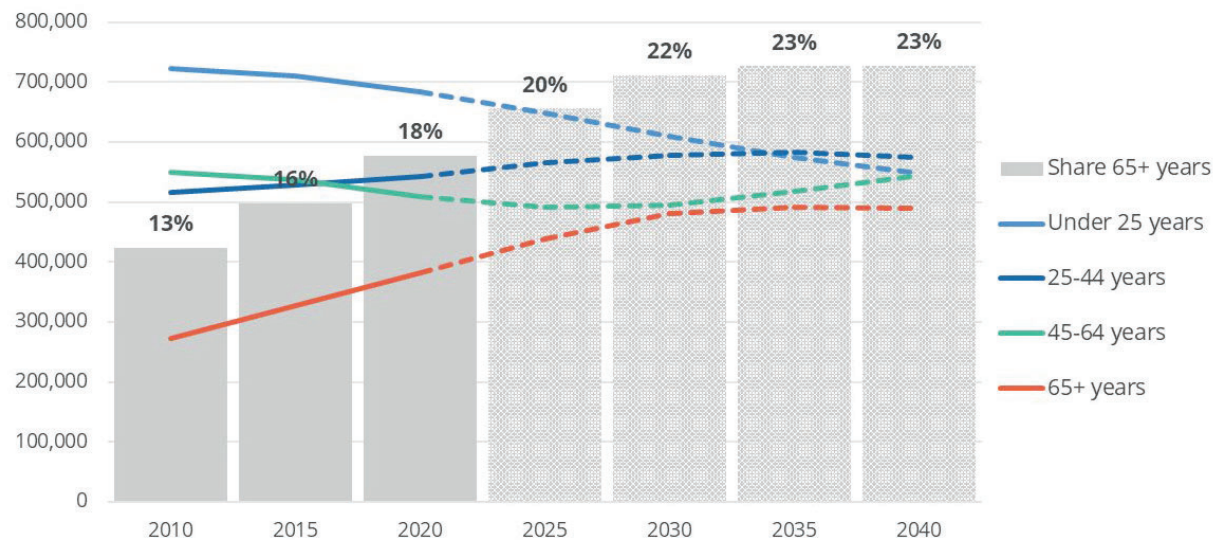
Source: U.S. Census Building Permit Survey, and Root Policy Research.

Permit trends:

- The vast majority of new housing built has been single family detached homes, which made up 80% of residential permits issued between 2020 and 2024.
- This underscores the continued need for more diverse housing types to meet the full range of household sizes, incomes, and housing preferences across the state.
- While permitting of multifamily units increased in 2021 and duplex permitting rose notably in 2024, these unit types remain a small share of overall production.

Population and Population Projection

Population and Population Projections, 2010-2040



Source: The University of New Mexico Geospatial and Population Studies, and Root Policy Research.

An aging population:

- The share of residents aged 65 and older is projected to nearly double, from 13% in 2010 to 23% by 2035.
- Older adults have the highest household formation rate of any age group at 64%—meaning that a rapidly increasing share of New Mexico’s households will be older adults.
- Most will remain in their homes as they age.

Projected Housing Needs

Population and Household Projections

	Population		Households	
	Total	% Change from 2025	Total	% Change from 2025
2025	2,143,658	0.0%	852,511	0.0%
2030	2,161,645	0.8%	875,508	2.7%
2035	2,164,780	1.0%	884,758	3.8%
2040	2,153,964	0.5%	894,008	4.9%
2045	2,131,015	-0.6%	890,760	4.5%
2050	2,098,886	-2.1%	887,512	4.1%

Note: 2010 and 2020 data are from the Decennial Census.

Source: The University of New Mexico Geospatial and Population Studies, ACS 2023 5-year estimates, and Root Policy Research.

An aging population:

- Given older adults' higher household formation rates, household growth will continue even as the overall population declines.
- The number of households is projected to grow through 2040 before tapering slightly, meaning housing demand will remain elevated longer than population trends alone would suggest.

Projected Housing Needs

Total projected needs:

- Statewide, nearly 58,000 new units will be needed by 2045 to accommodate projected household growth.
- Need is heavily concentrated in four counties. Bernalillo, Sandoval, Doña Ana, and Santa Fe together account for nearly 90% of the projected unit need statewide.

Projected Total Units Needed by 2045, by County, AMI

County	Total	Percent of AMI				
		0-30%	30-50%	50-80%	80-100%	100%+
Total Units	57,979	7,645	6,168	9,047	5,638	29,482
Bernalillo	21,600	3,114	2,388	3,335	2,131	10,632
Sandoval	10,607	922	813	1,663	1,177	6,031
Doña Ana	10,174	1,587	1,211	1,643	830	4,902
Santa Fe	9,292	1,088	1,027	1,514	912	4,753
Eddy	1,925	259	246	247	181	991
Lea	1,825	267	173	273	170	942
McKinley	902	205	122	126	81	368
Valencia	817	111	102	158	82	364
Curry	286	33	28	43	26	157
Los Alamos	282	25	22	14	24	198
Taos	211	27	28	25	19	113
Rio Arriba	58	7	8	9	5	30

Note: Holding 2023 household formation rates and 2021 AMI distributions constant. Numbers assume a 2% ownership vacancy rate and a 5% rental vacancy rate.

Source: The University of New Mexico Geospatial and Population Studies, 2023 5-year ACS, 2021 CHAS, and Root Policy Research.

Projected Housing Needs

Projected needs for ownership units:

- The ownership needs of very low income (0-50% AMI) households will largely be met by older residents aging in place, as long as they can afford to remain in their homes, and if their homes meet their mobility needs.
- As such, the ownership very low income needs estimates can be thought of as an upper bound estimate of need and are largely reflective of owner households who need assistance with utilities, home maintenance, and home rehabilitation.

Projected Ownership Units Needed by 2045, by County, AMI

County	Total	Percent of AMI				
		0-30%	30-50%	50-80%	80-100%	100%+
Total Units	39,338	3,364	3,227	5,307	3,751	23,691
Bernalillo	13,409	1,149	1,023	1,710	1,268	8,258
Sandoval	8,371	543	531	1,142	892	5,262
Doña Ana	6,529	554	586	879	560	3,951
Santa Fe	6,569	598	626	941	636	3,769
Eddy	1,348	147	159	164	103	774
Lea	1,236	123	89	178	120	726
McKinley	631	126	89	97	56	262
Valencia	665	72	75	139	66	313
Curry	160	11	15	22	16	96
Los Alamos	208	15	9	9	18	158
Taos	168	22	19	18	12	95
Rio Arriba	45	5	5	6	4	25

Note: Holding 2023 household formation rates and 2021 AMI distributions constant. Numbers assume a 2% ownership vacancy rate.

Source: The University of New Mexico Geospatial and Population Studies, 2023 5-year ACS, 2021 CHAS, and Root Policy Research.

Projected Housing Needs

Projected needs for rental units:

- The projected rental units needed show need for tenant subsidies and new construction of affordable units. The split between tenant subsidies and new construction will be driven by the actual filtering of older units into more affordable price brackets, income changes, the in- and out-migration of renters, and broader economic conditions.
- While new construction is essential to improving overall housing affordability, it is unlikely on its own to reach very low-income households. Deliberate efforts to build income-restricted units and provide rental subsidies are therefore necessary.

Projected Rental Units Needed by 2045, by County, AMI

County	Total	Percent of AMI				
		0-30%	30-50%	50-80%	80-100%	100%+
Total Units	18,641	4,281	2,941	3,740	1,887	5,792
Bernalillo	8,191	1,965	1,365	1,624	863	2,374
Sandoval	2,236	379	282	521	285	769
Doña Ana	3,644	1,033	625	764	270	952
Santa Fe	2,723	490	401	573	276	984
Eddy	578	112	88	82	78	217
Lea	588	144	84	94	50	216
McKinley	271	78	33	28	25	106
Valencia	152	39	27	18	16	51
Curry	127	22	13	21	10	61
Los Alamos	74	11	13	5	6	40
Taos	43	5	8	7	7	17
Rio Arriba	13	3	2	2	1	5

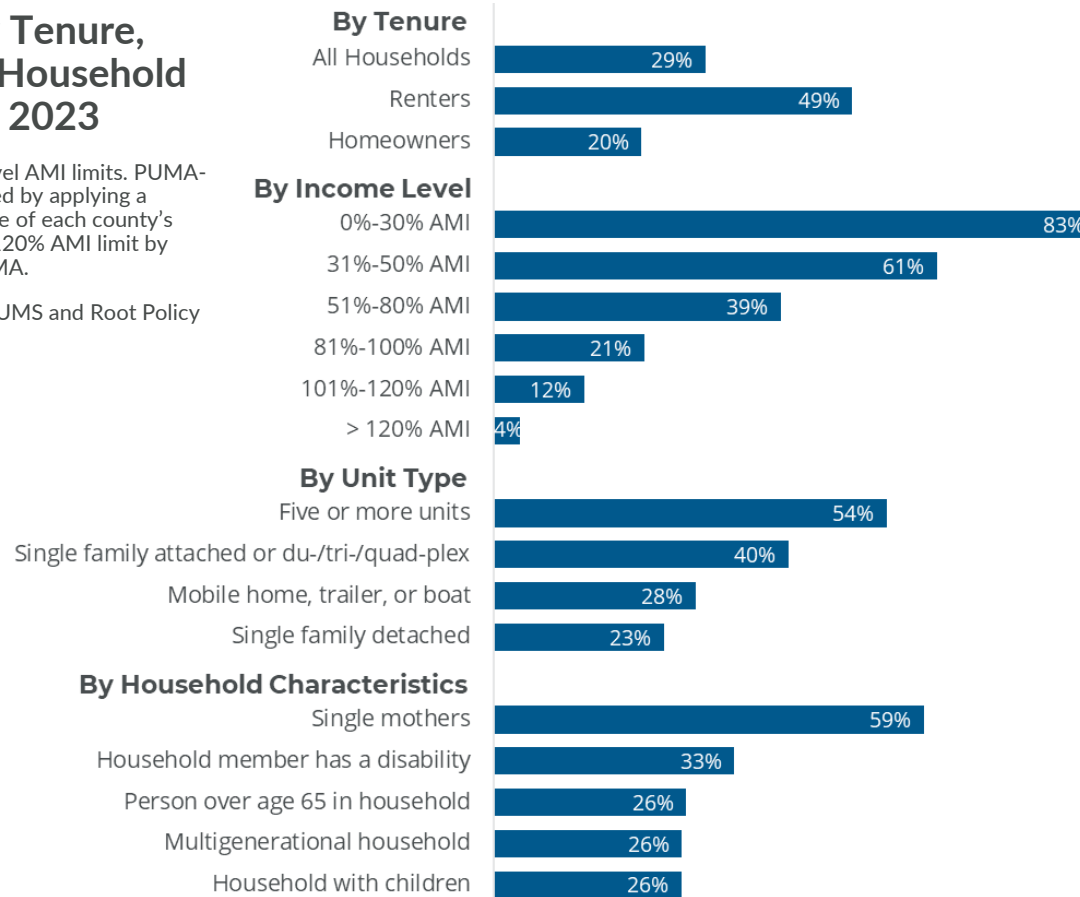
Note: Holding 2023 household formation rates and 2021 AMI distributions constant. Number assume a 5% rental vacancy rate.
 Source: The University of New Mexico Geospatial and Population Studies, 2023 5-year ACS, 2021 CHAS, and Root Policy Research.

Current Housing Needs

Cost Burden by Tenure, Unit Type, and Household Characteristics, 2023

Note: Figure uses PUMA-level AMI limits. PUMA-level AMI limits are calculated by applying a population-weighted average of each county's 30%, 50%, 80%, 100% and 120% AMI limit by household size for each PUMA.

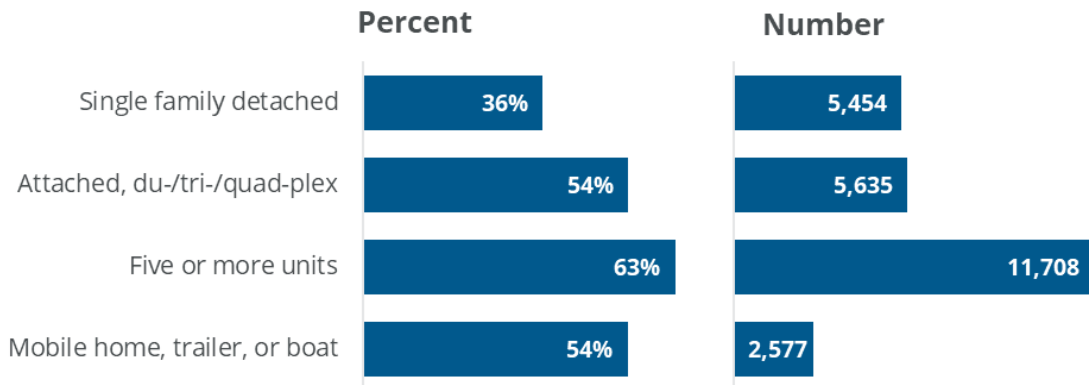
Source: 2023 ACS 5-year IPUMS and Root Policy Research.



- Nearly half of renters (49%) and one in five homeowners (20%) face cost burden.
- This issue is particularly acute for households below 30% AMI, affecting more than four in five of them (83%), as well as single-mother households (59% are cost burdened).

Current Housing Needs

Percent and Number of Cost Burdened Senior Renter Households by Housing Type, 2023



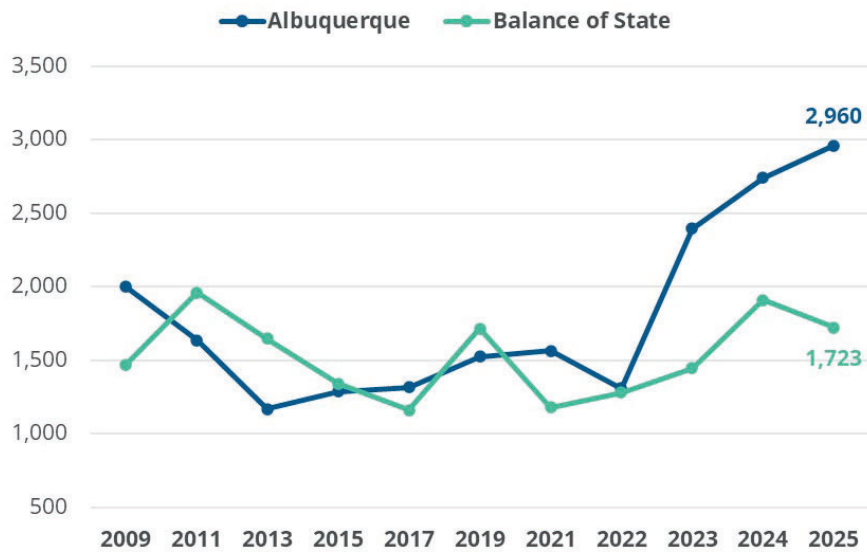
- Sixty-three percent of seniors renting in multifamily developments are cost burdened, up from 58% in 2019.
- Senior renters in mobile homes have seen the sharpest increase in cost burden (from 41% in 2019 to 54% in 2023), driven by a 53% increase in average rents for that type of housing between 2019 and 2023.

Note: Includes renter households with at least one person over age 65 in the household.
 Source: 2023 ACS 5-year IPUMS and Root Policy Research.

Current Housing Needs

- The 2025 PIT Count identified 2,960 persons experiencing homelessness in Albuquerque and 1,723 in the Balance of State.
- Approximately 84% of households who accessed homelessness services in New Mexico through CoC agencies in 2025 contained only adults, 11% contained adults and children, and 3% contained only children.

Point-in-Time (PIT) Counts, 2009–2025



Source:
2025 Point-In-Time Count

Households who Accessed Homelessness Services by Household Type, 2025

	Number of Households	Percent of Households
All Households	10,362	100%
By Household Type		
With only adults	8,734	84%
With children and adults	1,178	11%
With only children	282	3%
Unknown household type	168	2%

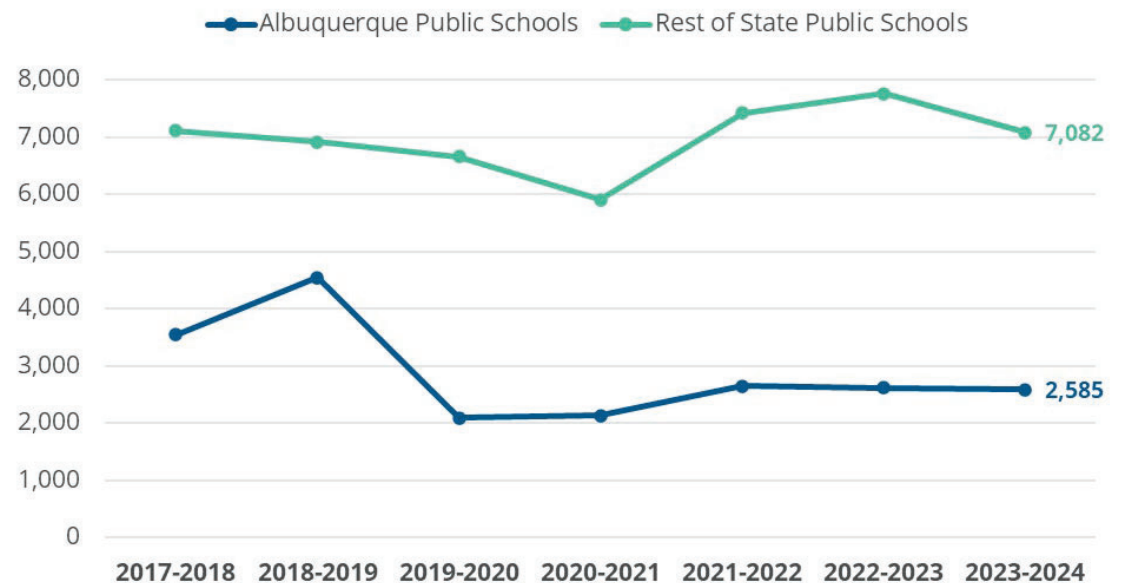
Source: ABQ CoC HMIS and NM BoS CoC HMIS.

Current Housing Needs

Homelessness trends:

- In academic year 2023-2024, the most recent year with complete data available, there were 9,667 students experiencing homelessness in New Mexico public schools, down 7% from 10,374 in 2022-2023.

Children Enrolled in New Mexico Public Schools Experiencing Homelessness



Source: New Mexico Public Education Department Homeless Student Counts and Root Policy Research.

Current Housing Needs

Number and Percent of Occupied Housing Units Built Before 1970 by Tenure and County

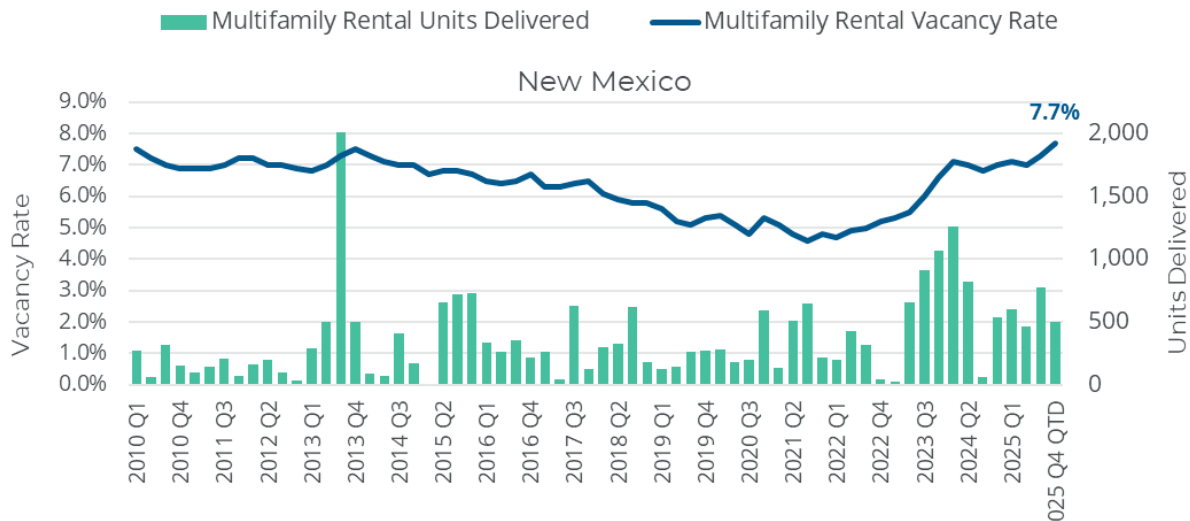
Source: 2023 ACS 5-year, and Root Policy Research.

Population and households:

- More than one in four occupied housing units (26%) statewide were built before 1970, with significantly higher concentrations in rural counties.

	Number of units built before 1970			Percent of units built before 1970		
	Total	Owner	Renter	Total	Owner	Renter
New Mexico	213,369	142,655	70,714	26%	25%	28%
Bernalillo	81,383	52,239	29,144	29%	29%	29%
Catron	385	320	65	23%	22%	32%
Chaves	11,020	8,156	2,864	47%	50%	39%
Cibola	2,532	1,679	853	30%	29%	35%
Colfax	2,499	1,730	769	46%	44%	51%
Curry	6,893	4,328	2,565	37%	38%	36%
De Baca	316	150	166	43%	30%	74%
Doña Ana	14,425	8,305	6,120	17%	15%	21%
Eddy	9,471	6,883	2,588	41%	40%	44%
Grant	3,935	2,571	1,364	36%	32%	46%
Guadalupe	529	396	133	36%	35%	42%
Harding	153	110	43	54%	50%	70%
Hidalgo	502	416	86	33%	37%	23%
Lea	9,078	6,467	2,611	37%	38%	35%
Lincoln	1,873	1,489	384	20%	20%	20%
Los Alamos	3,473	2,573	900	42%	42%	43%
Luna	3,137	2,017	1,120	35%	32%	40%
McKinley	4,889	2,761	2,128	23%	19%	32%
Mora	635	540	95	32%	30%	44%
Otero	5,400	3,438	1,962	22%	22%	23%
Quay	2,467	1,857	610	60%	62%	55%
Rio Arriba	3,509	2,679	830	23%	23%	25%
Roosevelt	2,292	1,616	676	32%	36%	25%
San Juan	7,902	5,333	2,569	19%	19%	21%
San Miguel	4,354	2,848	1,506	37%	33%	47%
Sandoval	4,292	3,350	942	8%	7%	10%
Santa Fe	13,747	9,106	4,641	20%	19%	23%
Sierra	1,524	986	538	28%	26%	33%
Socorro	1,677	1,236	441	32%	32%	32%
Taos	3,550	2,780	770	25%	24%	25%
Torrance	800	583	217	14%	12%	20%
Union	776	592	184	52%	58%	38%
Valencia	3,951	3,121	830	15%	14%	17%

Multifamily Rental Vacancy Rate and Units Delivered, 2010 Q1-2025 Q4 QTD



Source: CoStar.

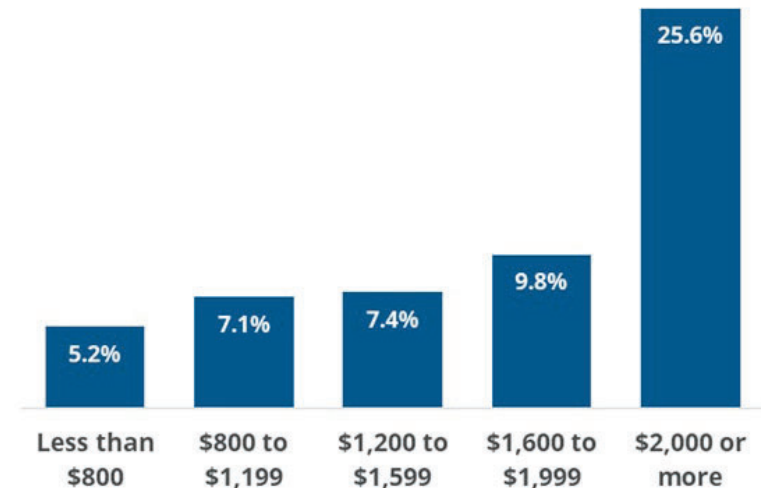
Rental market trends:

- New Mexico's multifamily rental vacancy rate fell to a low of around 4.6% during the pandemic before rebounding to approximately 7.7% in Q4 2025, driven by strong trends in new construction.
- Excluding recently built units still in lease-up, the effective vacancy rate is about 6.5%.

Rental market trends:

- The vacancy rate for units priced below \$800/month is 5.2%, compared to rates over 7% for higher priced units.
- Renters with lower incomes who need units priced at or below \$800 to avoid cost burden face a much tighter market than renters who can afford units at higher price points.

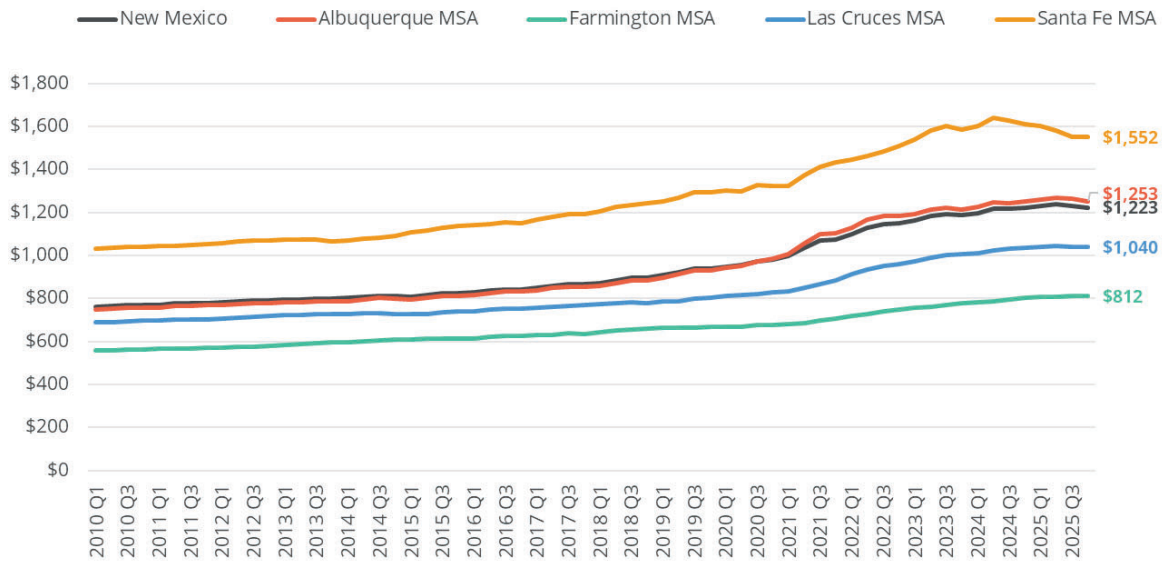
Multifamily Rental Vacancy Rate by Average Effective Rent, 2025 YTD



Source: CoStar.

Market Trends

Average Effective Rent for Units in Multifamily Buildings, by MSA, 2010 Q1-2025 Q4 QTD



Source: CoStar.

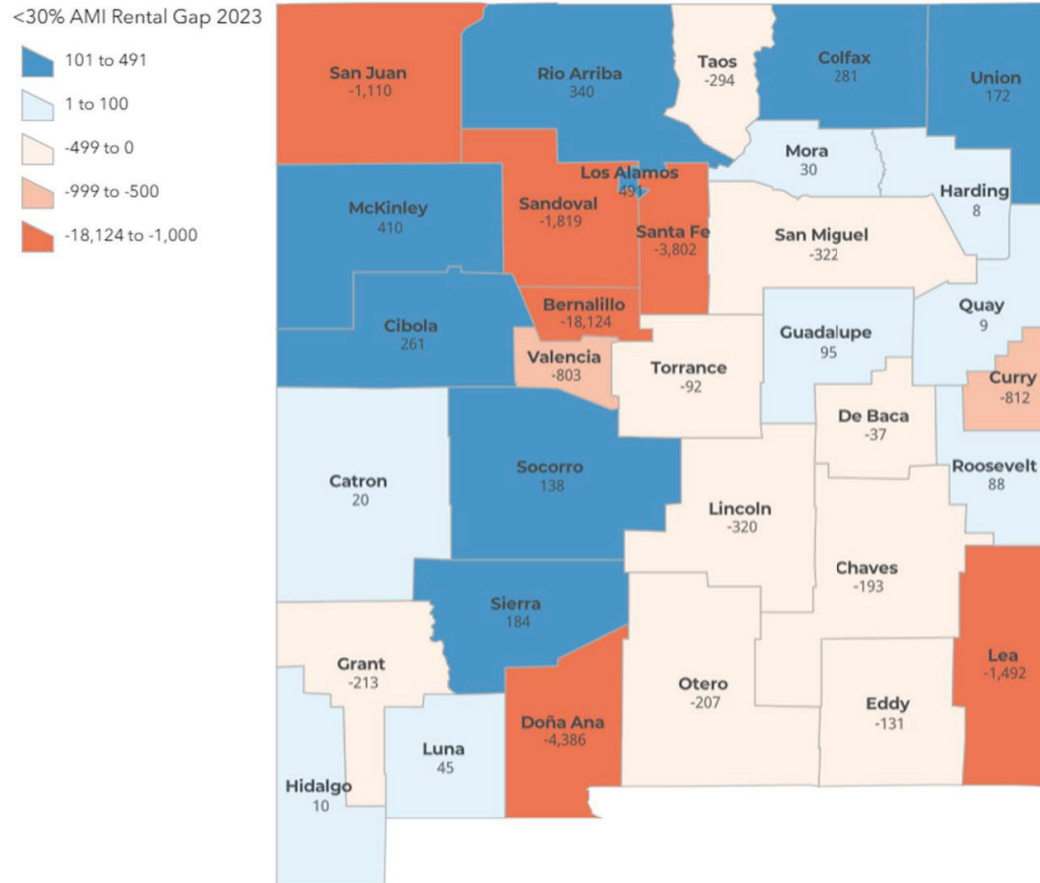
Rental market trends:

- Average multifamily rents in New Mexico increased 48% over the past decade, from \$826 in Q4 2015 to \$1,223 in Q4 2025.
- Rent growth is now stabilizing statewide.

Market Trends

Rental Gap for Households Below 30% AMI by County, 2023

Source: 2023 5-year ACS, and Root Policy Research.



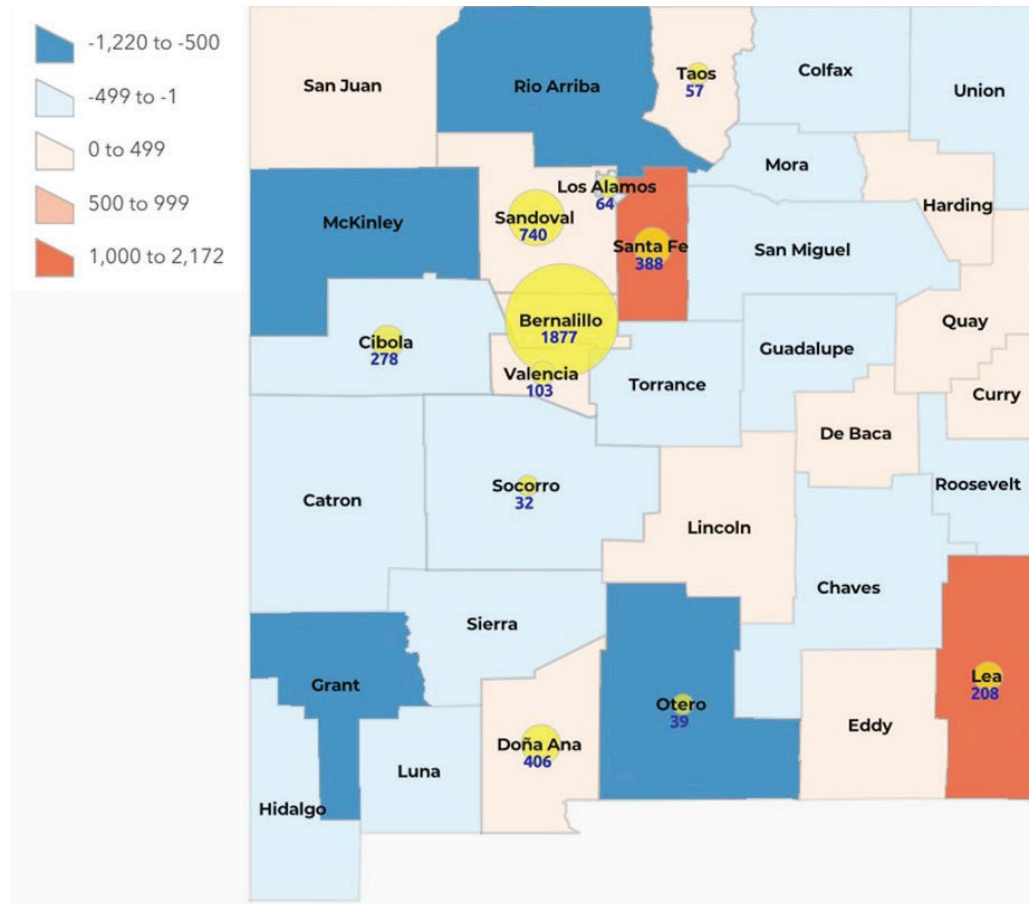
Rental market trends:

- The statewide rental gap for households below 30% AMI grew from approximately 32,000 units in 2019 to 34,000 in 2023.
- Given the significant increase in rents, a widening of the gap was expected.
- The growth of the rental gap is modest, which is reflective of the state's efforts to add housing affordable to very low income households.

Market Trends

Change in Rental Gap for Households Below 30% AMI and Tax Credit Units Produced by County, 2019-2023

Source: 2019 and 2023 5-year ACS, and Root Policy Research, Housing New Mexico.



Rental market trends:

- Production was concentrated in urban counties that experienced the largest gaps. Despite strong production in Santa Fe and Lea Counties, the rental gaps expanded significantly between 2019 and 2023.
- In Taos, Sandoval, Bernalillo, Valencia, and Doña Ana, the production coincided with a smaller increase in the gap, and in Cibola, Los Alamos, Otero, and Socorro, affordable housing production coincided with a reduction in the gap.



Market Trends

Ownership market trends:

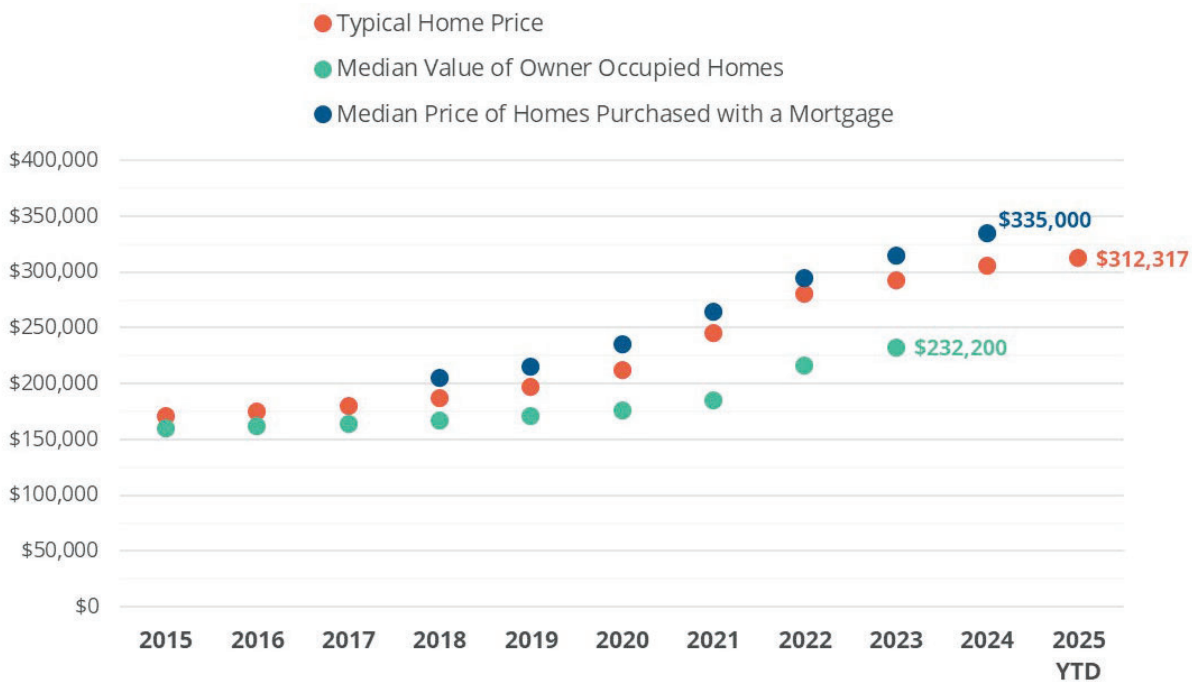
- Rising property values have significantly increased down payment barriers.
- A 20% down payment on the statewide median home now requires \$67,000, up from \$47,000 in 2020; in Los Alamos and Santa Fe, a 20% down payment exceeds \$100,000.

Median Property Value of Originated Mortgages and Estimated Down Payment Requirements by County, 2020 and 2024

Source: HMDA and Root Policy Research.

	Median Property Value		3.5% Down payment		10% Down payment		20% Down payment	
	2020	2024	2020	2024	2020	2024	2020	2024
New Mexico	\$235,000	\$335,000	\$8,225	\$11,725	\$23,500	\$33,500	\$47,000	\$67,000
Bernalillo	\$245,000	\$345,000	\$8,575	\$12,075	\$24,500	\$34,500	\$49,000	\$69,000
Catron	\$305,000	\$260,000	\$10,675	\$9,100	\$30,500	\$26,000	\$61,000	\$52,000
Chaves	\$175,000	\$235,000	\$6,125	\$8,225	\$17,500	\$23,500	\$35,000	\$47,000
Cibola	\$145,000	\$195,000	\$5,075	\$6,825	\$14,500	\$19,500	\$29,000	\$39,000
Colfax	\$195,000	\$210,000	\$6,825	\$7,350	\$19,500	\$21,000	\$39,000	\$42,000
Curry	\$185,000	\$225,000	\$6,475	\$7,875	\$18,500	\$22,500	\$37,000	\$45,000
De Baca	\$95,000	\$180,000	\$3,325	\$6,300	\$9,500	\$18,000	\$19,000	\$36,000
Doña Ana	\$215,000	\$315,000	\$7,525	\$11,025	\$21,500	\$31,500	\$43,000	\$63,000
Eddy	\$255,000	\$305,000	\$8,925	\$10,675	\$25,500	\$30,500	\$51,000	\$61,000
Grant	\$175,000	\$250,000	\$6,125	\$8,750	\$17,500	\$25,000	\$35,000	\$50,000
Guadalupe	\$125,000	\$205,000	\$4,375	\$7,175	\$12,500	\$20,500	\$25,000	\$41,000
Hidalgo	\$95,000	\$155,000	\$3,325	\$5,425	\$9,500	\$15,500	\$19,000	\$31,000
Lea	\$215,000	\$255,000	\$7,525	\$8,925	\$21,500	\$25,500	\$43,000	\$51,000
Lincoln	\$255,000	\$335,000	\$8,925	\$11,725	\$25,500	\$33,500	\$51,000	\$67,000
Los Alamos	\$420,000	\$595,000	\$14,700	\$20,825	\$42,000	\$59,500	\$84,000	\$119,000
Luna	\$145,000	\$195,000	\$5,075	\$6,825	\$14,500	\$19,500	\$29,000	\$39,000
McKinley	\$185,000	\$225,000	\$6,475	\$7,875	\$18,500	\$22,500	\$37,000	\$45,000
Mora	\$315,000	\$315,000	\$11,025	\$11,025	\$31,500	\$31,500	\$63,000	\$63,000
Otero	\$185,000	\$255,000	\$6,475	\$8,925	\$18,500	\$25,500	\$37,000	\$51,000
Quay	\$105,000	\$145,000	\$3,675	\$5,075	\$10,500	\$14,500	\$21,000	\$29,000
Rio Arriba	\$245,000	\$345,000	\$8,575	\$12,075	\$24,500	\$34,500	\$49,000	\$69,000
Roosevelt	\$165,000	\$185,000	\$5,775	\$6,475	\$16,500	\$18,500	\$33,000	\$37,000
Sandoval	\$255,000	\$375,000	\$8,925	\$13,125	\$25,500	\$37,500	\$51,000	\$75,000
San Juan	\$195,000	\$275,000	\$6,825	\$9,625	\$19,500	\$27,500	\$39,000	\$55,000
San Miguel	\$195,000	\$265,000	\$6,825	\$9,275	\$19,500	\$26,500	\$39,000	\$53,000
Santa Fe	\$385,000	\$525,000	\$13,475	\$18,375	\$38,500	\$52,500	\$77,000	\$105,000
Sierra	\$135,000	\$215,000	\$4,725	\$7,525	\$13,500	\$21,500	\$27,000	\$43,000
Socorro	\$145,000	\$215,000	\$5,075	\$7,525	\$14,500	\$21,500	\$29,000	\$43,000
Taos	\$325,000	\$425,000	\$11,375	\$14,875	\$32,500	\$42,500	\$65,000	\$85,000
Torrance	\$155,000	\$245,000	\$5,425	\$8,575	\$15,500	\$24,500	\$31,000	\$49,000
Union	\$110,000	\$165,000	\$3,850	\$5,775	\$11,000	\$16,500	\$22,000	\$33,000
Valencia	\$205,000	\$305,000	\$7,175	\$10,675	\$20,500	\$30,500	\$41,000	\$61,000

Estimates of Average Home Prices, New Mexico, 2015–2025



Source: 5-year ACS estimates, HMDA, Zillow Home Value Index, and Root Policy Research.

Ownership market trends:

- New Mexico's typical home value according to Zillow rose 85% over the past decade to approximately \$312,000 in 2025, with prices more than doubling in Los Alamos, Valencia, and Sandoval counties.
- The median price of homes purchased with a mortgage increased 63% from 2018 to 2024.

Market Trends

Ownership market trends:

- Building material costs remain well above pre-pandemic levels, contributing to slower residential construction and resulting in higher-priced housing.
- Softwood lumber and steel saw the largest price increases, and while both have partially moderated, neither has returned to 2019 levels.

Estimates of Average Home Prices, New Mexico, 2015–2025

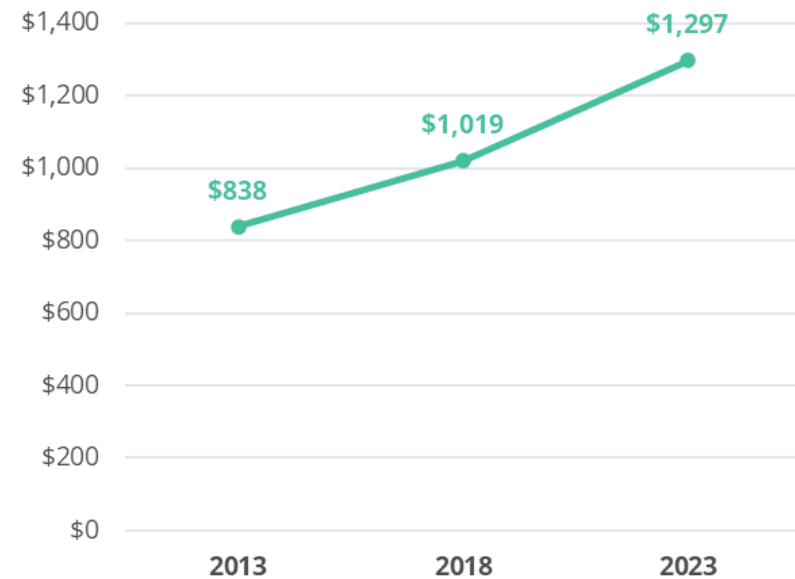


Source: U.S. Bureau of Labor Statistics Producer Price Index by Commodity, FRED from the Federal Reserve of St. Louis.

Ownership market trends:

- New Mexico homeowners paid \$1,297 annually for homeowner's insurance on average in 2023.
- This is up 27% from \$1,019 in 2018 and up 55% from \$838 in 2013.

Average Annual Amount Paid for Homeowner's Insurance, New Mexico, 2013, 2018, and 2023



Source: 2023 ACS 5-year IPUMS and Root Policy Research.

Ownership market trends:

- Insurers in New Mexico raised average premiums by \$459 or 19% from 2021 to 2024.
- New Mexico’s premiums increased at a slower rate than premiums in the United States overall.

Change in Average Quoted Homeowner’s Insurance Premiums, New Mexico and United States, 2021-2024

	Average Quoted Premium		Percent Change
	2021	2024	
New Mexico	\$2,458	\$2,917	19%
United States	\$2,656	\$3,303	24%

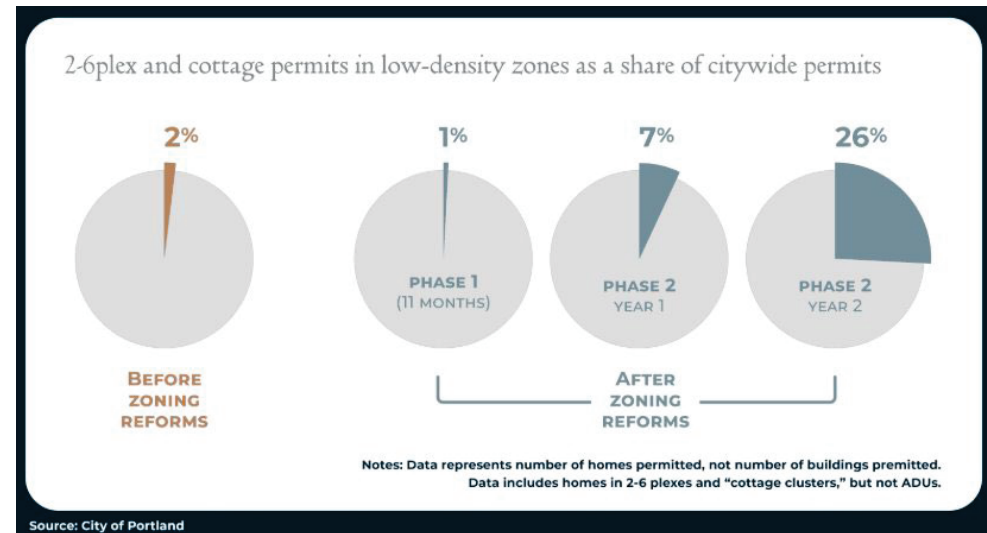
Source: Consumer Federation of America and Quadrant Information Services.

Housing Production Strategies

Oregon Example:

- In 2019, House Bill 2001 mandated that cities with populations over 10,000 allow duplex construction. Additionally, cities with populations exceeding 25,000 are required to permit duplexes, triplexes, and quadplexes on lots previously zoned for single-family homes.
- It is too early to determine the long-term impact of these smaller housing options. However, data indicate that they have significant potential; within three years of their legalization in Portland, these units accounted for 26% of new residential units approved in the city—and Portland went above and beyond the statewide mandate.

Missing Middle Percent of Citywide Permits in Low Density Zones



Housing Production Strategies

Minneapolis Example:

- “Minneapolis 2040” land-use reform: Allows residential or mixed-use buildings up to six stories as-of-right in designated commercial and transit-corridor areas. Allows up to three units in residential parcels that previously allowed only detached single family homes.
- The Federal Reserve Bank of Minneapolis created a data dashboard to track impacts of the Minneapolis 2040 Plan using a synthetic control of comparable cities.
 - The tool shows **little change so far**; expectations are that any evidence of impact will take more time after the plan’s implementation to appear.
 - Dashboard shows **no statistically significant difference in the volume of multifamily housing construction**.
 - **Missing-middle production remains low**. However, Hennepin County District Court issued an order that blocked development of housing with 3+units in previously single-family zoned areas. Minnesota Court of Appeals lifted this injunction in May 2024.
 - The Fed emphasizes that **implementation lags, phased zoning changes, litigation, and limited post-reform time** mean impacts may not be visible yet.

Housing Production Strategies

In summary:

- Direct investments in affordable housing—like New Mexico and localities have recently achieved—have the most immediate and targeted impact on affordable housing shortages. Relying on market rate development (filtering) alone can take decades and is less effective in high demand markets.
- Several studies have found that adding larger market rate developments can modestly reduce area rents, but local factors such as pent-up demand, demand for second homes, and out-of-metro migration mean the effects market-rate construction can have on rents may be slow to materialize.
- Given that market developers do not have incentives to provide adequate inventory at levels where the required affordable rent is lower than the operating costs, subsidies and continued investment in affordable housing will be necessary.

Questions?

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