

2024 New Mexico Affordable Housing Needs Assessment

Key Findings





Table of Contents

Key Findings _____	3
Definitions _____	4
Demographic and Economic Profile of New Mexico _____	5
Five Year Population Growth for Southwest States _____	5
Income of Senior Households (65 and older) _____	6
New Mexico Households by Income Range _____	6
Build Homeownership and Wealth Needs _____	7
Homeownership Market _____	7
Median Home Price (NM Association of REALTORS) _____	7
Year Over Year Change _____	7
Population Demographics _____	8
Rental Market _____	9
Median Rent in NM _____	9
Year Over Year Change _____	9
Create More Housing Needs _____	10
Occupied Housing Stock in New Mexico _____	10
Residential Building Permits Issued in New Mexico _____	10
Housing Cost Burden in New Mexico by Households _____	11
Preservation and Redevelopment Needs _____	12
NM Housing Stock Without Complete Plumbing and Kitchen Facilities _____	12
Create Stable Housing Environments for People Experiencing Homelessness and People with Special Needs _____	13

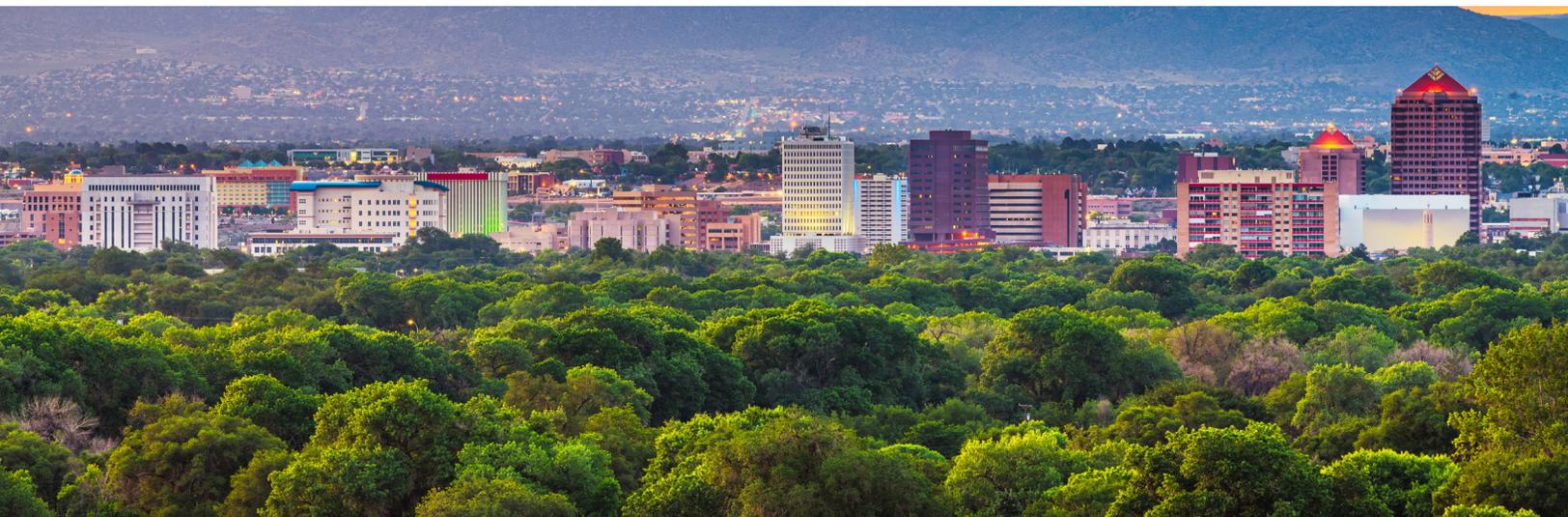
Key Findings

The 2024 Housing Needs Assessment is a comprehensive report on housing issues in New Mexico. Key Findings presents the 2024 Housing Needs Assessment’s most telling state-level indicators related to the demographic and economic profile of New Mexico. It then presents state-level indicators supporting the four strategic impact areas outlined in the New Mexico Housing Strategy:

- Build Homeownership and Wealth
- Create More Housing
- Preserve and Improve Existing Affordable Housing and Catalyze Redevelopment
- Create Stable Housing Environments for People Experiencing Homelessness and People with Special Needs

Data sources include the United States Census Bureau American Community Survey (2022 5-Year Estimates) and Building Permits Survey, the U.S. Department of Housing and Urban Development’s (HUD) Annual Homeless Assessment Report, and the New Mexico Association of REALTORS.

Key Findings data points and visualization figure references correspond to the **2024 Housing Needs Assessment Data Tables** Excel file, which include county level data for most indicators. A presentation version of the data may be accessed here: **2024 New Mexico Affordable Housing Needs Assessment PowerPoint**.



Definitions

Affordable Housing - housing for which the occupant household pays no more than 30 percent of its income for gross housing costs, including utilities.

Cost-Burdened Households - households who pay more than 30 percent of their income for gross housing costs.

Household - all the people who occupy a housing unit. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household.

Housing Stock - the number of existing housing units.

Housing Unit - a house, apartment, group of rooms, or single room occupied, or intended for occupancy, as separate living quarters.

Low-Income Households - households whose combined income does not exceed 80 percent of the median household income for the area.

Moderate-Income Households - households whose combined income is between 80 percent and 150 percent of the median household income for the area.

Manufactured Homes - a structure, transportable in one or more sections, which in the traveling mode is 8 body feet or more in width, or 40 body feet or more in length, or which when erected onsite is 320 or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning, and electrical systems contained in the structure.

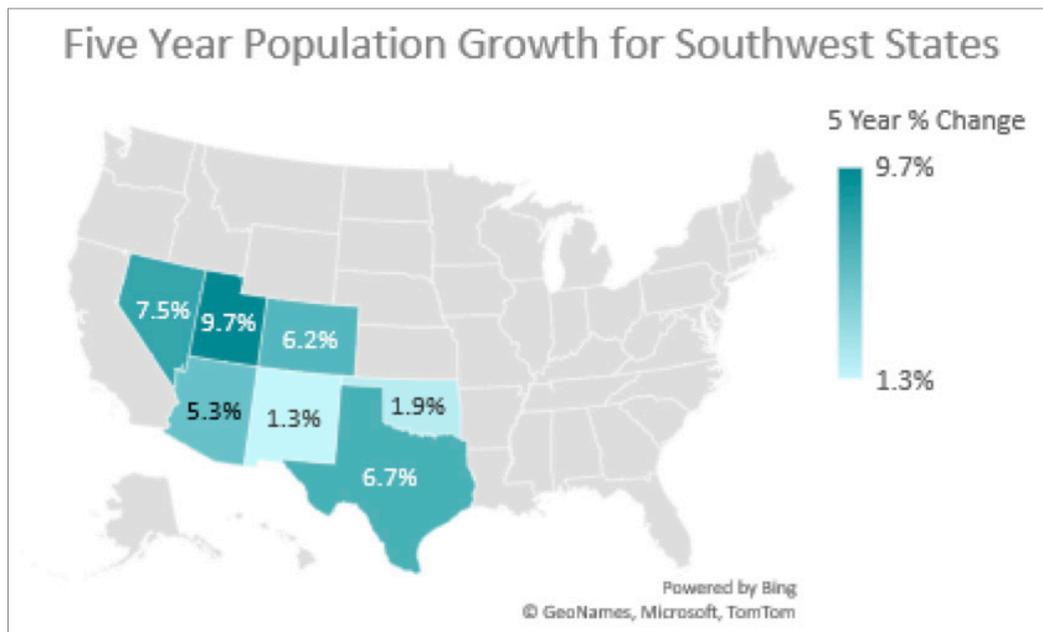
Multifamily Housing - a building with more than four residential rental units.

Severely Cost-Burdened Households - households who pay more than 50 percent of their income for gross housing costs.

Demographic and Economic Profile of New Mexico

- There are 2,112,463 people residing in New Mexico and 812,852 households in the state. (Figure 4, Figure 19 & Figure 20)
- New Mexico's population grew 1.3% over the last five years, a rate which lags its neighboring states: Utah (9.7%), Nevada (7.5%), Texas (6.6%), Colorado (6.2%), and Arizona (5.3%). (Figure 4)

Figure 4

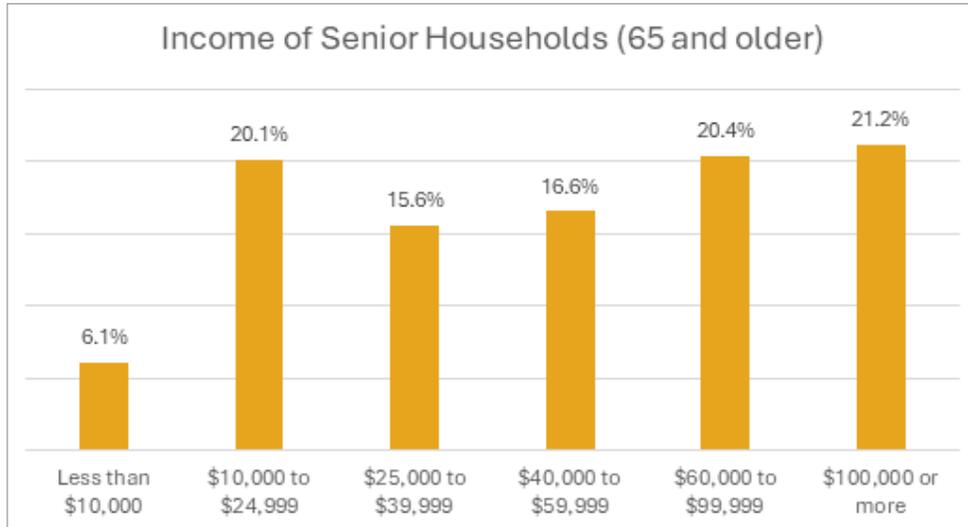


- New Mexico's working population, defined as persons 16 years and older, is primarily employed in education and healthcare, at a rate of 25.7%. (Figure 2) This rate is consistent with national trends. (Figure 3)
- The poverty rate in New Mexico is 18.3% and higher than the national rate of 12.5%. (Figure 7)
- New Mexico's median household income is \$58,722, which is lower than the national median household income of \$75,149. (Figure 8)
- The percentage of the population living with a disability in New Mexico totals 34.4%, which is higher than the national rate of 26.4%. (Figure 16 and 16A)
- The rate of households with seniors (or households with one or more people 65 years of age or older) in New Mexico is 33.8%. Nationwide, the rate of households with seniors is 11.5%. (Figure 15A)

Demographic and Economic Profile of New Mexico

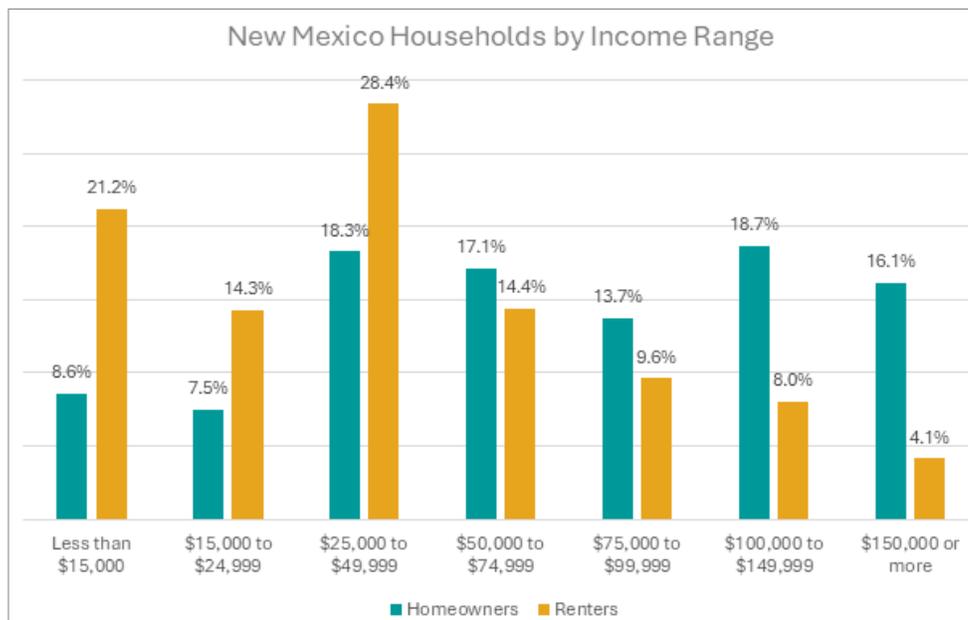
- Many New Mexico senior households are low or moderate income with 41.8% earning less than \$40,000 annually. The national rate is 37.7%. (Figure 15B)

Figure 15B



- The homeownership rate in New Mexico is 70.9%, which is higher than the national rate of 64.8%. (Figure 18)
- 43.2% of New Mexican households earn less than \$50,000 annually. This rate for the country is 33.8%. Renters in New Mexico, like the rest of the nation, are more likely to be low-income compared to homeowners. (Figure 31A and 31B)

Figure 31A and Figure 31B

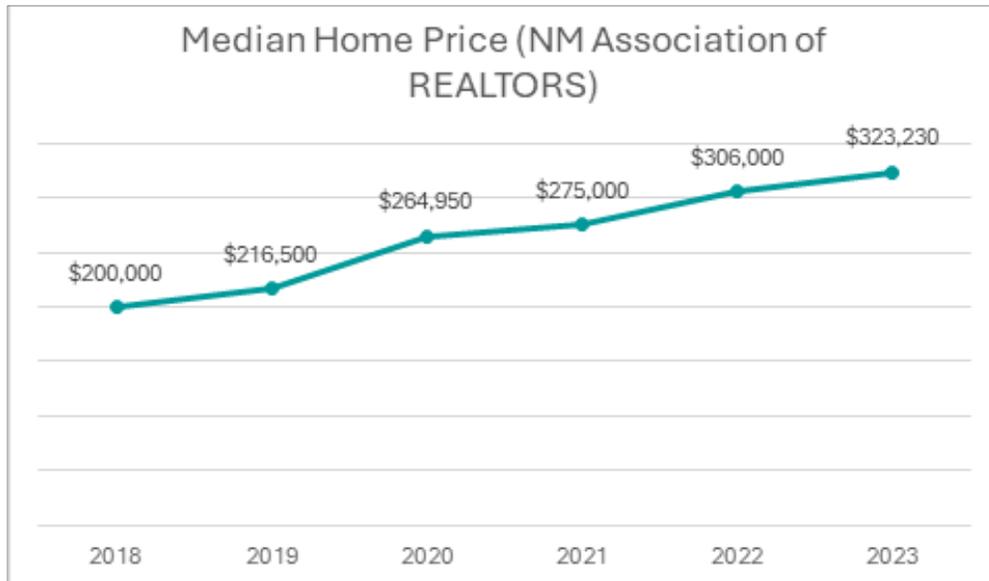


Build Homeownership and Wealth Needs

Homeownership Market

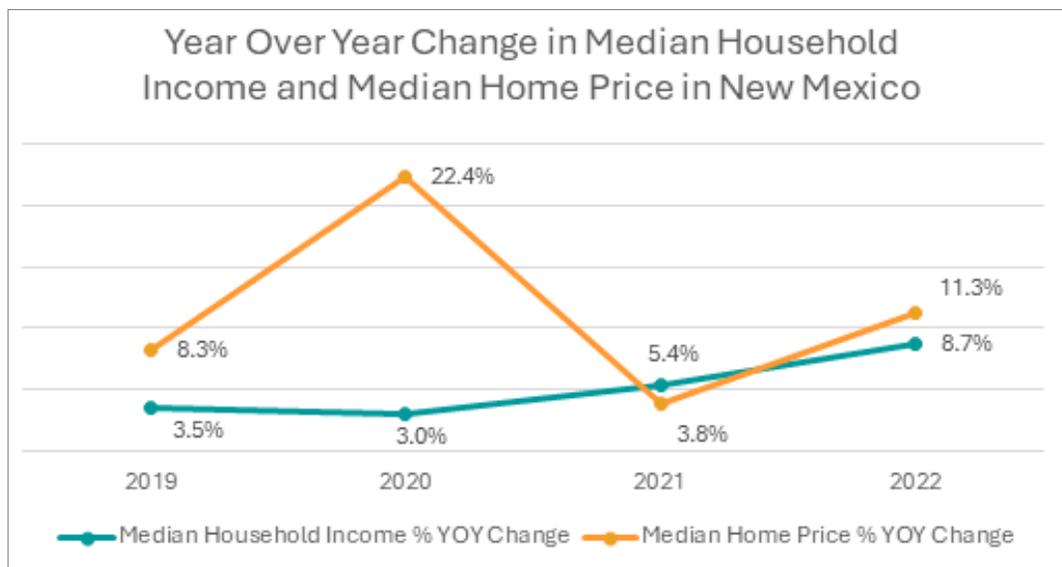
- In New Mexico, the median sale price of a home in 2023 was \$323,230 which increased 5.6% from the prior year. (Figure 33)

Figure 33



- The state's median household income increased 22.2% (from \$48,059 to \$58,722) from 2018 to 2022, while the median home price increased 53.0% (from \$200,000 to \$306,000). As home price increases outpace wage growth, the ability to achieve homeownership becomes more difficult. (Figure 32A)

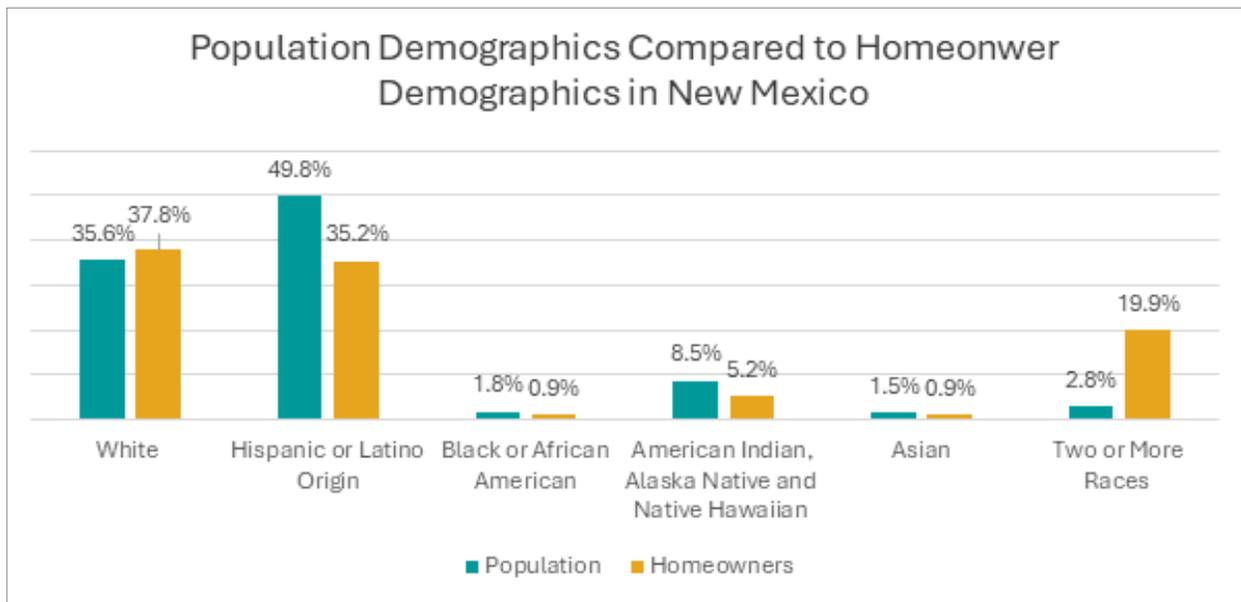
Figure 32A



Build Homeownership and Wealth Needs

- Inequities in homeownership persist. White households comprise 37.8% of homeowners but 35.6% of the population. Hispanic households account for 35.2% of homeowners but 49.8% of the population. The relative rates for Native American households is 5.2% of homeowners and 8.5% of the population. Similarly, Black or African American, Asian and households of two or more races are underrepresented among homeowners. (Figure 14A)

Figure 14A

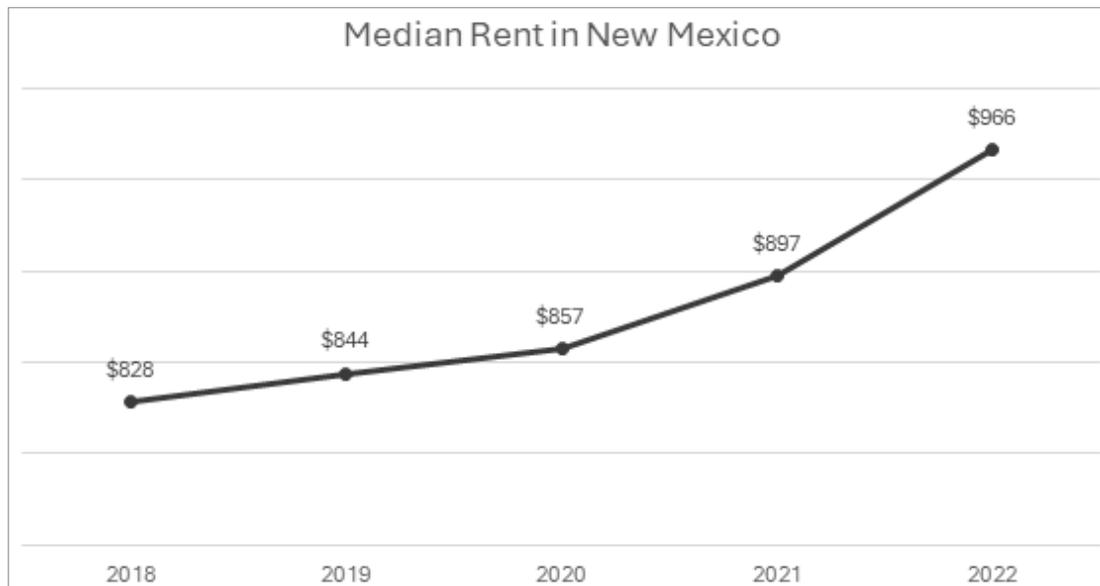


Build Homeownership and Wealth Needs

Rental Market

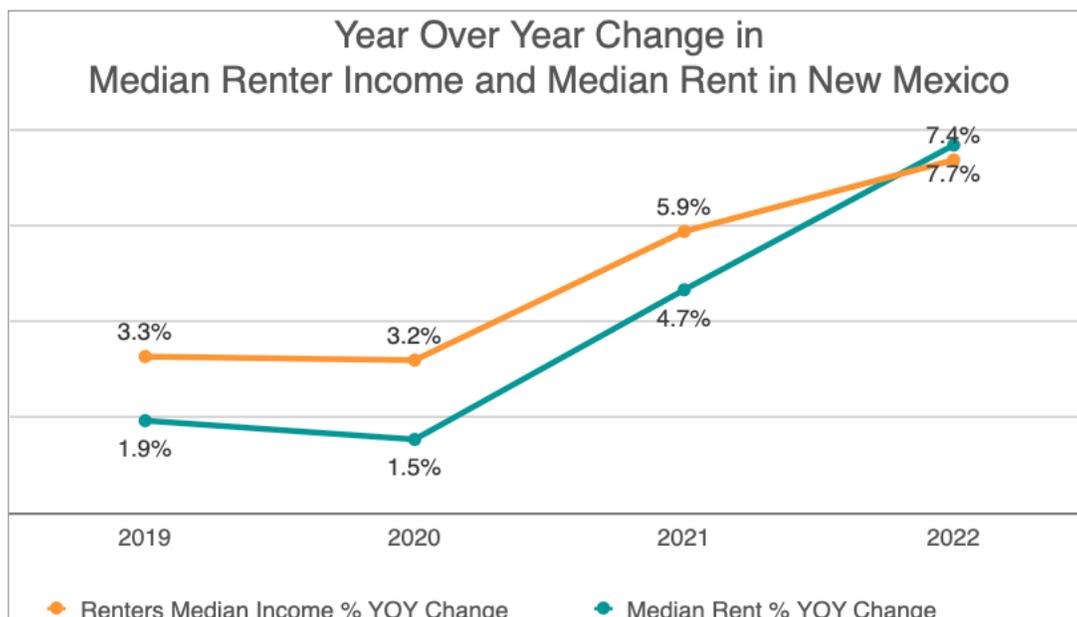
- In New Mexico, the median monthly gross rent in 2022 was \$966, which increased 7.7% from the previous year and 16.7% from 2018. (Figure 34)

Figure 34



- The state's renter median income increased 7.4% (from \$34,837 to \$37,408) from 2021 to 2022, which lagged behind rent price increases. (Figure 32A)

Figure 32A

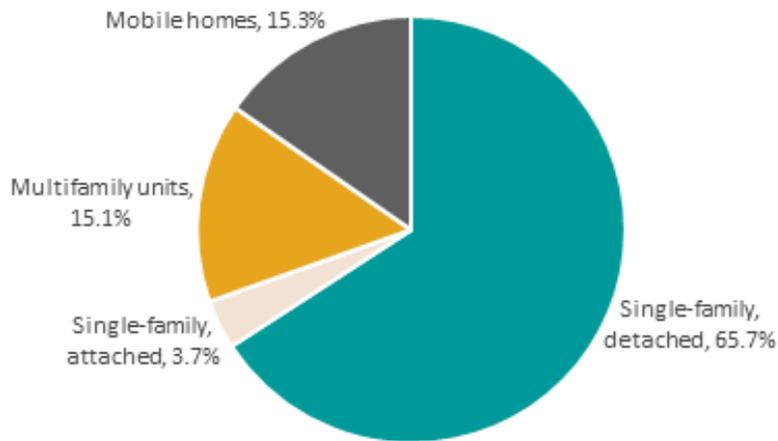


Create More Housing Needs

- Single-family detached homes comprise the majority of New Mexico’s housing stock, followed by a high percentage of mobile or manufactured homes. (Figure 19)

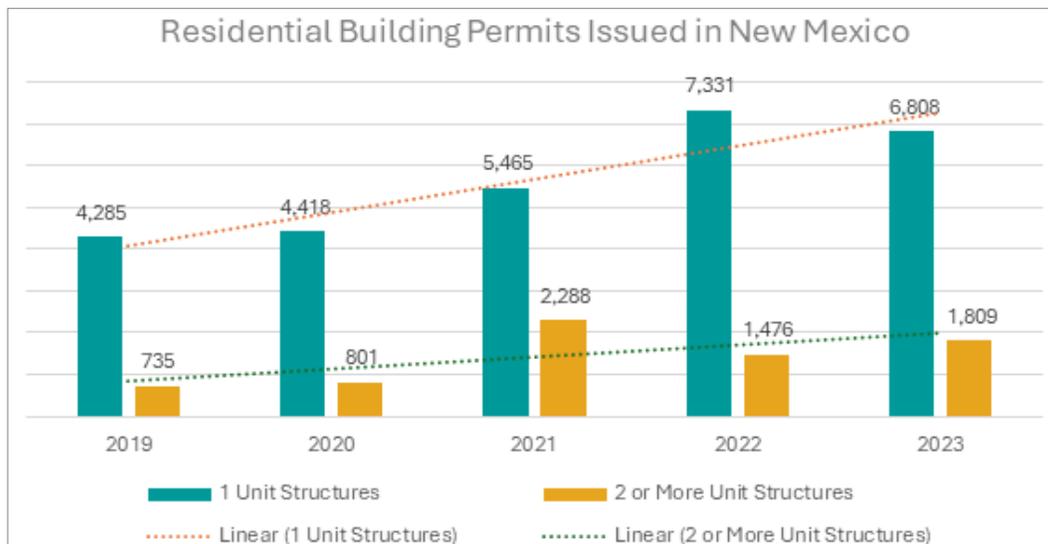
Figure 19

Occupied Housing Stock in New Mexico



- The number of building permits for residential construction issued in 2023 decreased by 2.2% from the prior year. (Figure 24) Despite this dip in the pace of construction, the decades-long trend of depressed building has abated in recent years, with a 71.7% increase from 2019 to 2023.

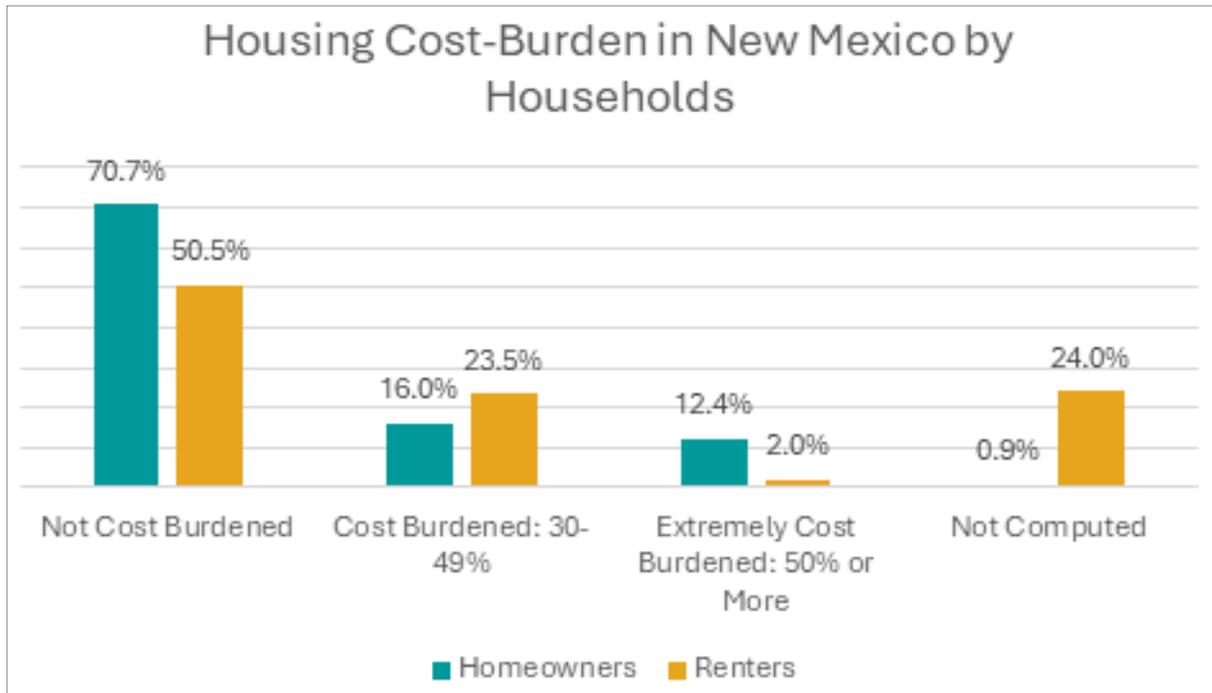
Figure 24



Create More Housing Needs

- Cost-burden among renters (43.9%) is higher than homeowners (28.4%), largely due to lower income levels among renters. A decreasing supply of affordable housing options, for both renters and homeowners, coupled with increasing demand as the state's population grows, threatens to worsen cost burden rates. (Figure 29A) (Figure 30A)

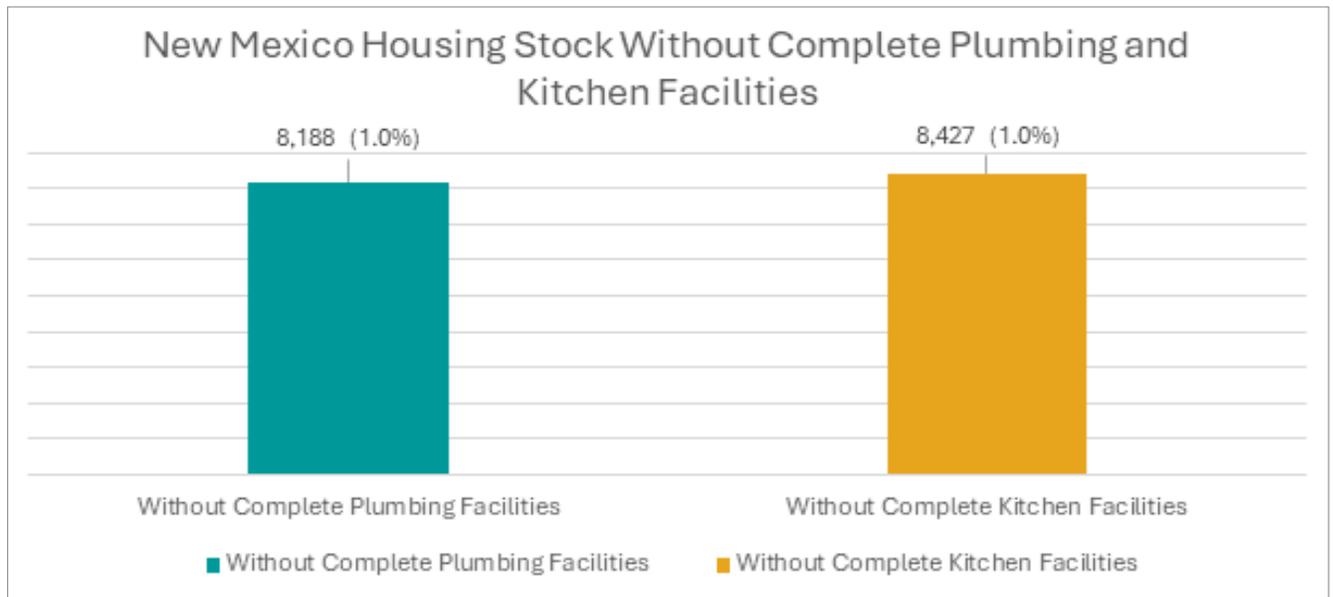
Figure 29A and Figure 30A



Preservation and Redevelopment Needs

- 43.2% of houses in New Mexico were built prior to 1980, which indicates a high need to preserve the stock of existing homes. (Figure 22)
- 15.3% of homes are mobile or manufactured housing units. (Figure 21) Mobile homes built before 1976 do not meet HUD’s Manufactured Home Construction and Safety Standards, which are federal standards for the design and construction of manufactured homes to assure quality, durability, safety, and affordability. Thus, HUD only allows for the replacement of these units rather than rehabilitation.
- 3.3% of households are overcrowded. (Figure 25A)
- 1.0% of households do not have sufficient plumbing facilities and 1.0% lack complete kitchen facilities. (Figure 25A)
- Housing condition issues are exceptionally high in Native American or Tribal areas. Lack of complete plumbing, complete kitchens, sub-standard heating, electrical, and design is more widespread and severe in the homes of Native Americans than the state overall. These conditions create health risks, such as household air pollution and extreme heat and cold. Poor housing conditions are associated with increased risk of contracting asthma and cancer, increased chance of housing-related injuries, and even poorer cognitive development in children.

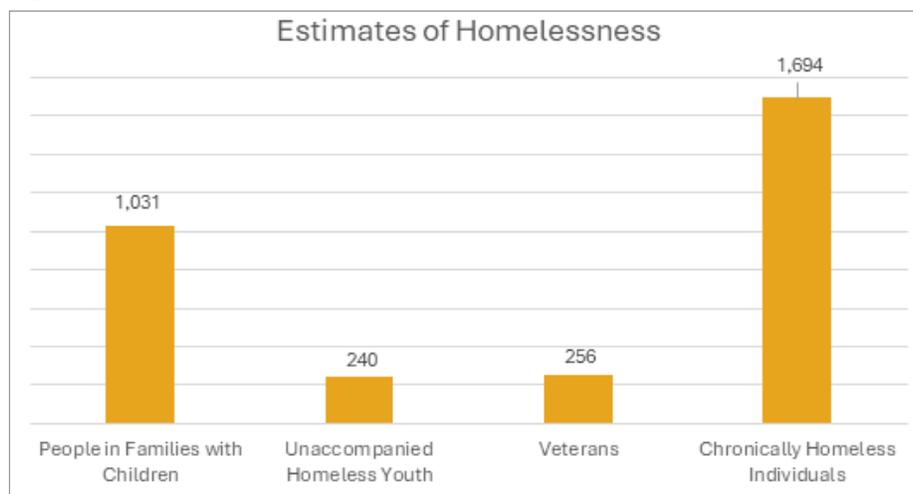
Figure 25A



Create Stable Housing Environments for People Experiencing Homelessness and People with Special Needs

- The total number of homeless individuals in New Mexico increased by 50% from 2022 to 3,842 in 2023, based on HUD’s Point in Time (PIT) count. (Figure 36) **The 2021 HUD Annual Assessment Report was not immediately available as the report was broken into two parts that year.*
- While PIT count data is one of the main measures of homelessness, it does not completely capture the extent of homelessness. PIT count estimates cover the number of people in homeless shelters, transitional housing and unsheltered locations during a single night in January. However, for example, many families and children staying in hotels, living in vehicles or staying in other places not meant for shelter are unlikely to be included in the PIT count. **The 2021 HUD Annual Assessment Report was not immediately available as the report was broken into two parts that year.*
- The number of sheltered homeless individuals totaled 2,242 and the number of unsheltered homeless individuals totaled 1,600. (Figure 37)
- New Mexico’s homeless population copes with different needs. 26.8% (1,031) of the state’s homeless population are families with children, 6.2% (240) are unaccompanied homeless youth, 6.7% (256) are veterans, and 44.1% (1,694) are chronically homeless individuals (1,694). (Figure 38)
- Chronically homeless individuals have experienced homelessness for at least one year and have a severe physical or mental health condition. This segment of the homeless population is likely to live in unsheltered locations. (Figure 38)

Figure 38





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