

# Housing & Homelessness In New Mexico: Solutions

## “Homelessness is a Housing Problem”

- When households commonly pay more than 32% of income in rent, a community sees a rapid increase in homelessness.
- Median rent increases of \$100/mo correspond with a 9% increase in homelessness.
- NM has seen a 48% increase in homelessness since 2022 due, in part, to income loss from the during the Pandemic.
- Since 2017, NM rents have risen 70% but income has only risen by 15%.

## Most of NM’s Most Vulnerable Renters Do Not Receive Housing Aid

- Of NM’s 69,021 Extremely Low Income (“ELI”) renters, 61% receive no housing assistance at all.
- There are only 36 units affordable and available for every 100 ELI renters in New Mexico.
- ELI renters compete for these units with higher income renters who want to “rent down”, i.e. pay less than 30% of their income in rent.
- 27% of New Mexicans live in mobile homes – the largest source of unsubsidized affordable housing in our state.

## Solutions

1. Fund or subsidize construction, rehab, and/or operations of housing set aside for ELI households, i.e. increase supply at the bottom of the market and prevent “renting down”
2. Make sure all Federal Housing vouchers are used – create incentives for LLs and prohibit voucher discrimination
3. Protect mobile home park residents better by extending the cure period for nonpayment, requiring written ground leases, and giving residents notice and a chance to buy their parks when they’re sold

For further information, contact:



[nmchl.org](http://nmchl.org)

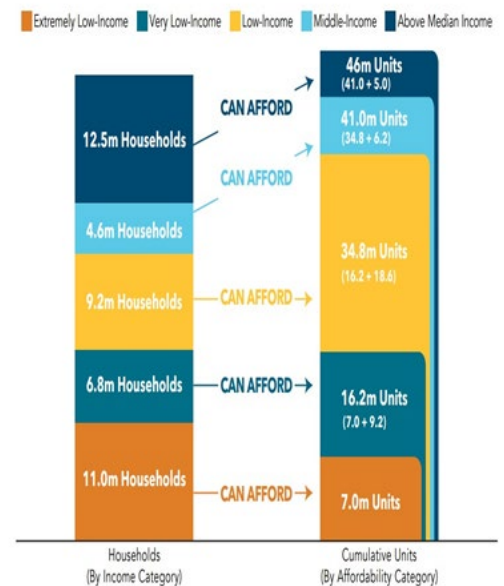
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## Building More Market Rate Housing Won’t Solve the Problem

FIGURE 1: RENTAL UNITS AND RENTERS IN THE US, MATCHED BY AFFORDABILITY AND INCOME CATEGORIES (IN MILLIONS)



- New market rate construction is built for the top of the market where there are nearly 4 units available for every high income renter, i.e. demand for new construction is low.
- While demand is extremely high at the bottom of the market, construction costs make new construction infeasible without subsidy.
- **Solution must target increasing supply for ELI renters at the bottom of the market.**