

# New Mexico Mortgage Finance Authority

## 2024 New Mexico Housing Needs Assessment

*Prepared for  
Legislative Oversight Committee  
July 2024*



# Strategy Areas for the Statewide Housing Needs Assessment

1. Build Homeownership and Wealth
2. Create More Housing
3. Preserve and Improve Existing Affordable Housing and Catalyze Redevelopment
4. Create Stable Housing Environments for People Experiencing Homelessness and with Special Needs
5. Federal Advocacy

# Methodology

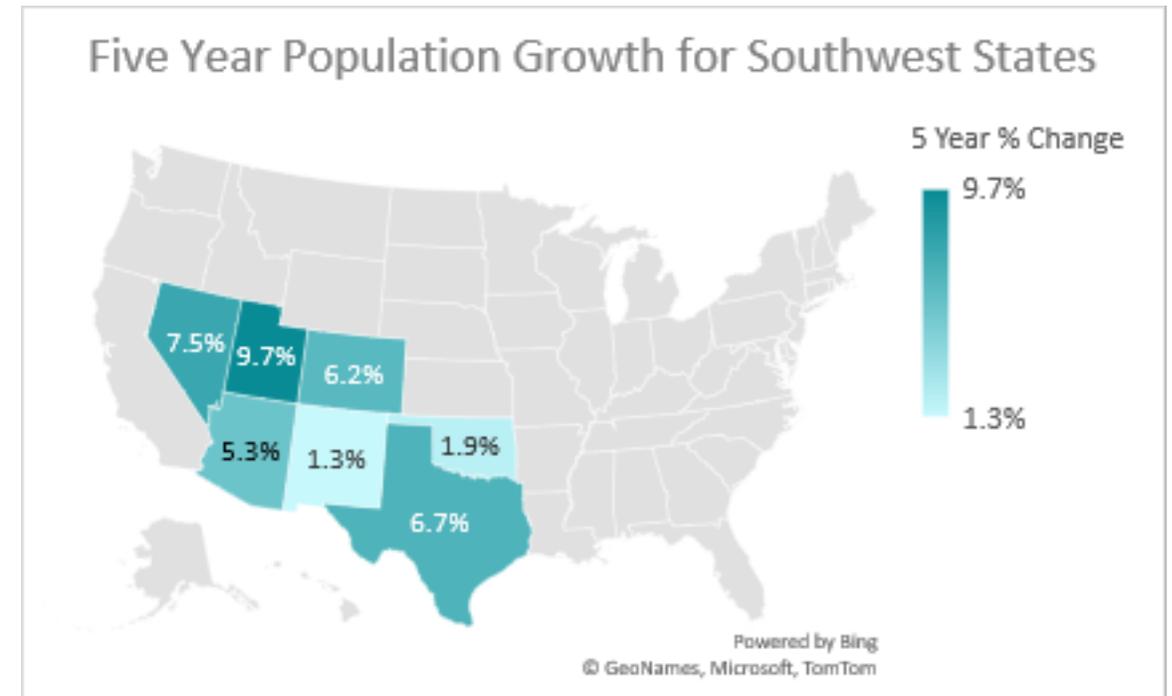
Data sources include the United States Census Bureau American Community Survey and Building Permits Survey, the Department of Housing and Urban Development's Annual Homeless Assessment Report, and the New Mexico Association of REALTORS.



# Demographic Profile of New Mexico

There are 2,112,463 people residing in New Mexico and 812,852 occupied housing units.

The poverty rate in New Mexico is 18.3% and is 5.8% higher than the national rate.

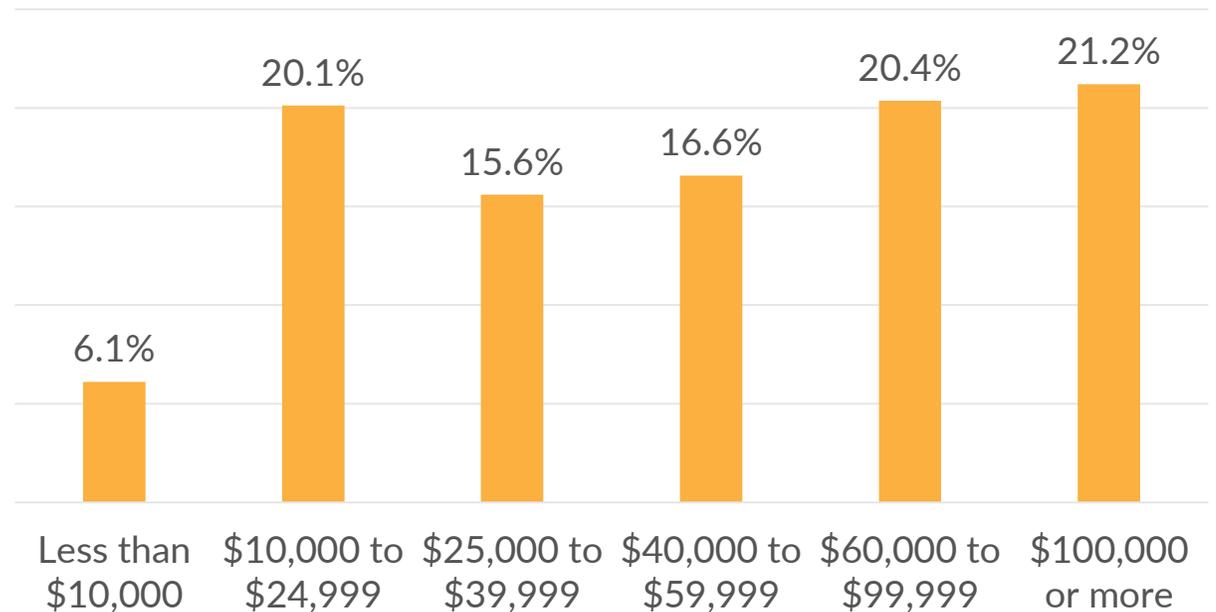


\*Data source: United States Census Bureau American Community Survey

# Economic Profile of New Mexico

- The rate of households with seniors (or households with one or more persons aged 65 years or older) in New Mexico is 33.8%. Nationwide the rate of households with seniors is 11.5%.
- Many New Mexico senior households are low- or moderate-income with 41.8% earning less than \$40,000 annually, compared to the national rate of 37.7%.

Income Range of Senior Households  
(households with one or more people 65 years and older)

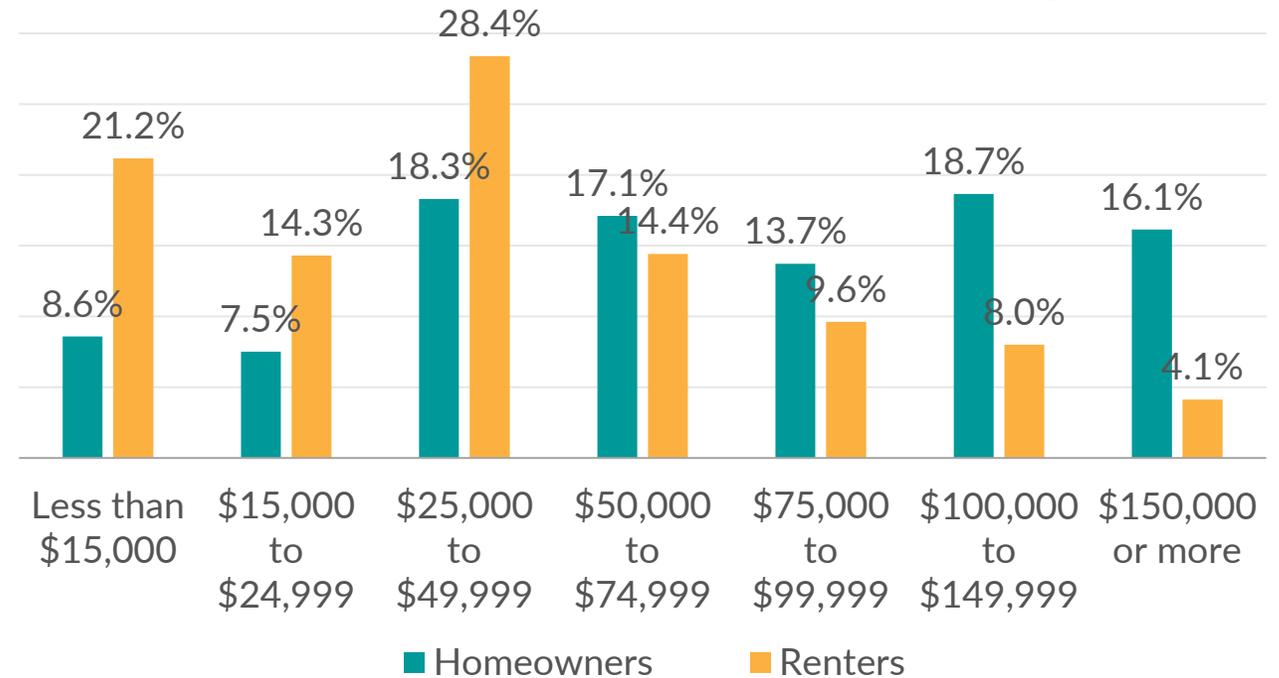


\*Data source: United States Census Bureau American Community Survey

# Economic Profile of New Mexico

- The state's homeownership rate is 70.9% which is higher than the national rate of 64.8%.
- 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.

New Mexico Households by Income Range



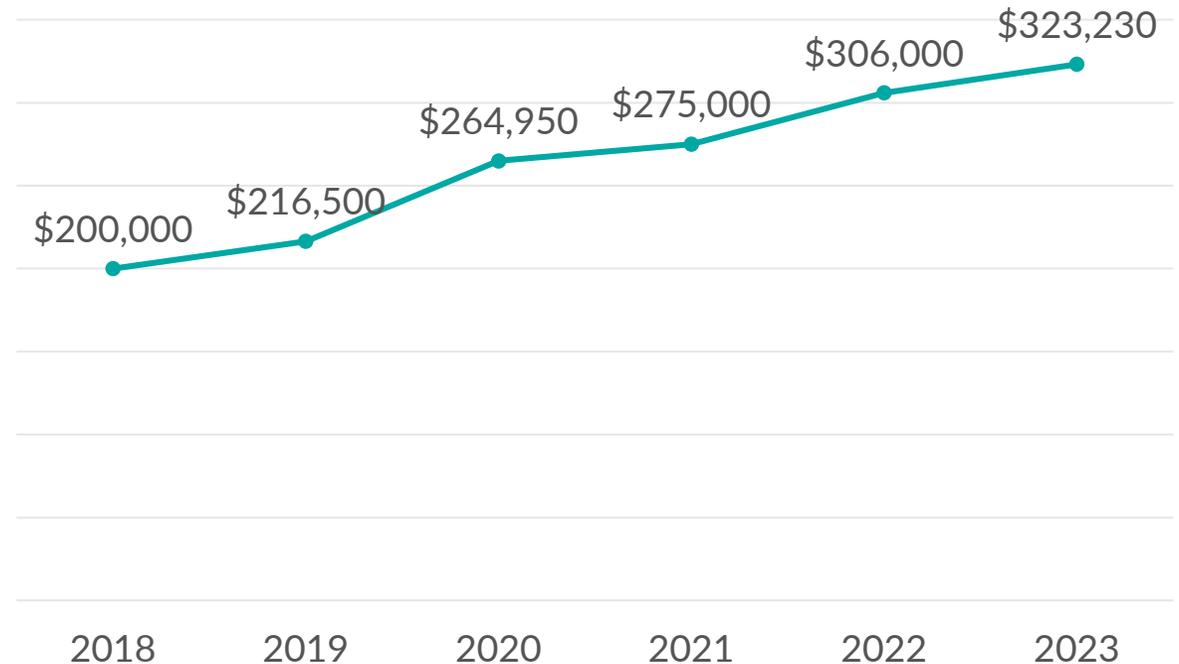
\*Data source: United States Census Bureau American Community Survey

# Homeownership Market

## Build Homeownership and Wealth

- According to HUD, no more than 30% of monthly household income should go to housing costs, including utilities and insurance to be considered affordable.
- The median monthly household income is \$4,894, meaning monthly housing cost for this income level should not exceed \$1,468.
- Currently, the median sold price of a home is \$323,320, which means the monthly mortgage is approximately \$2,660. This payment would consume 58% of the median monthly household income in New Mexico.

Median Home Price in New Mexico

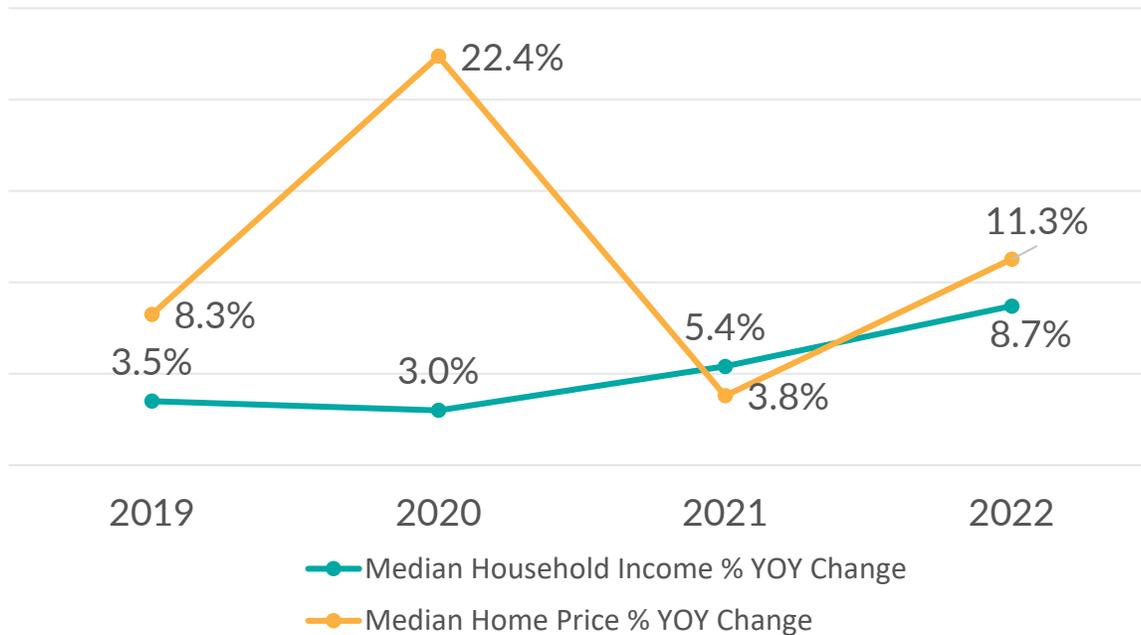


\*Data source: New Mexico Association of REALTORS

# Homeownership Market

## Build Homeownership and Wealth

Year Over Year Change in Median Household Income and Median Home Price in New Mexico

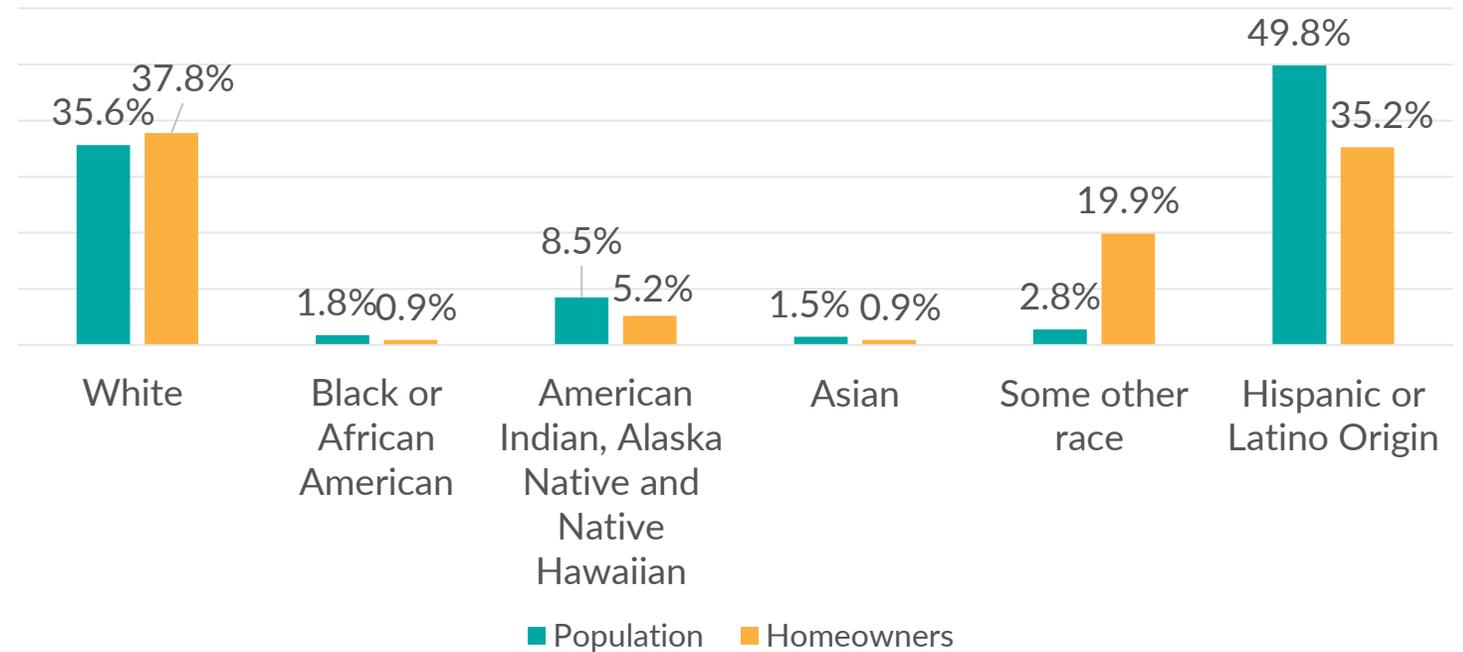


- The state’s median household income increased 22.2% (from \$48,059 to \$58,722) from 2018 to 2022, while the median home price increased 53.0% (from \$200,000 to \$306,000). As home price increases outpace wage growth, the ability to achieve homeownership becomes more difficult.

\*Data source: United States Census Bureau American Community Survey

- Inequities in homeownership persist, with White households comprising 37.8% of homeowners, followed by Hispanic households comprising 35.2%.
- Black or African American households make up .9% of homeowners in the state.

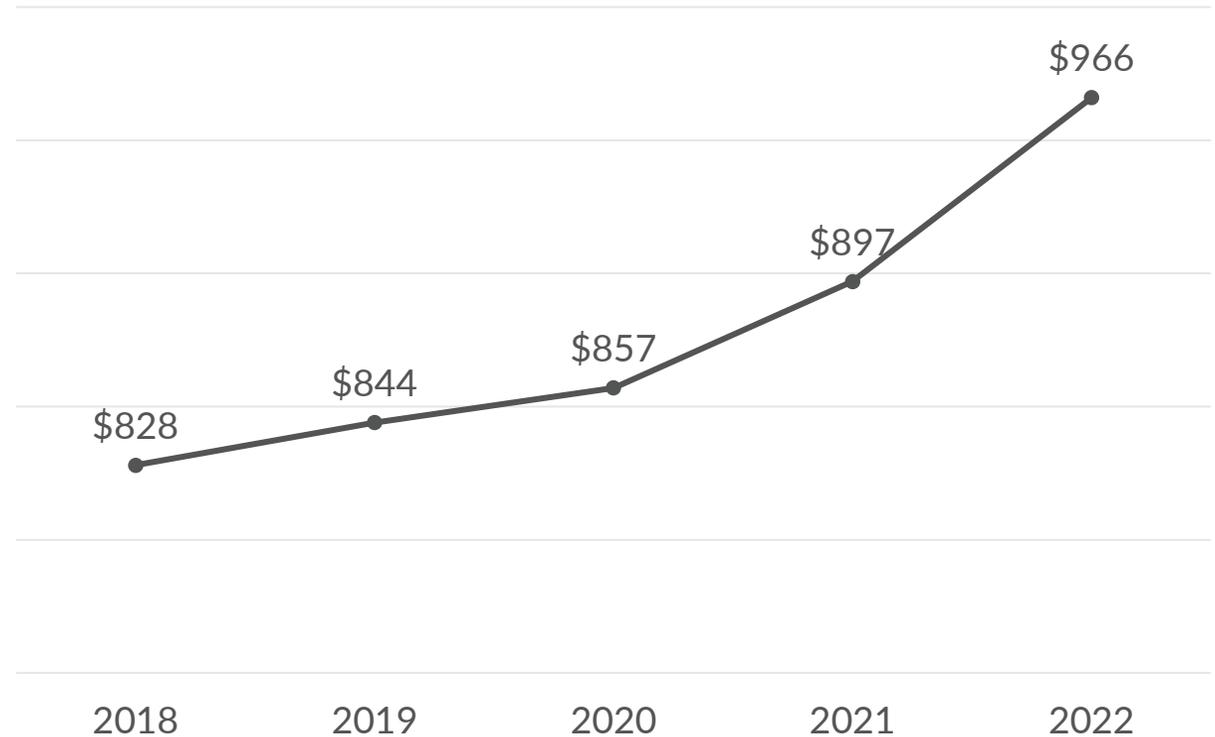
Population Demographics Compared to Homeowner Demographics in New Mexico



\*Data source: United States Census Bureau American Community Survey

- With rents climbing faster than renter wage growth, housing security for low-income renters is increasingly threatened and demonstrated by the 14.5% increase in median rent from 2018 to 2022.

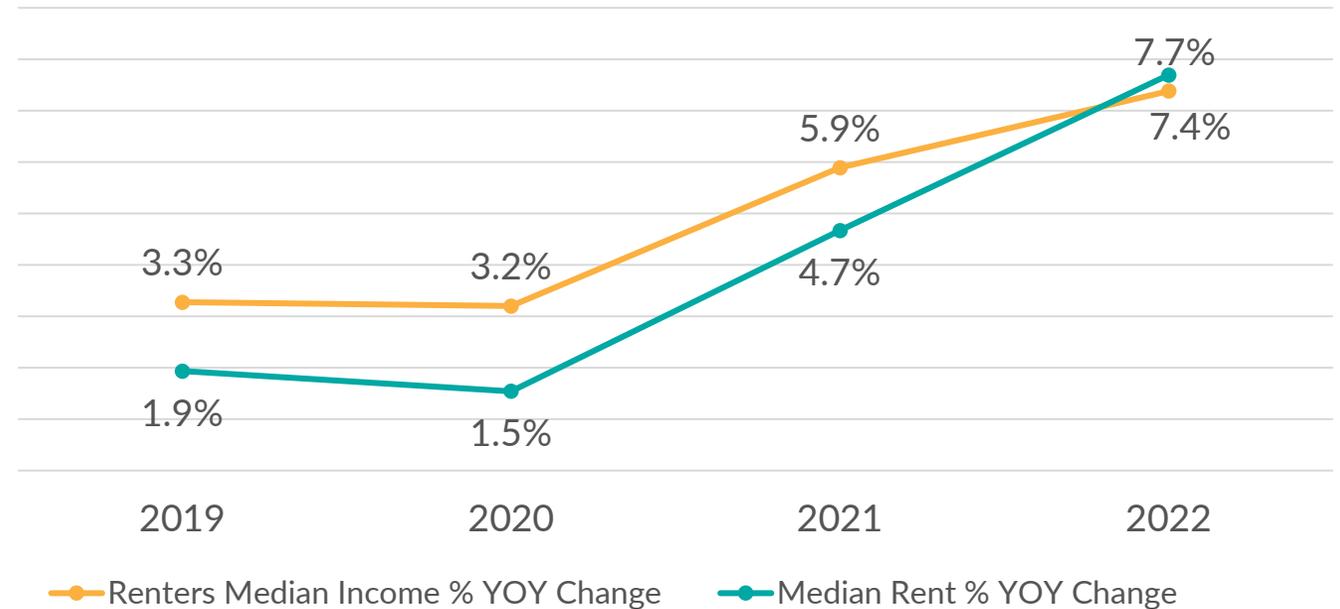
Median Rent in New Mexico



\*Data source: United States Census Bureau American Community Survey

- The renter's median income in 2022 increased by 7.4% from 2021 while the median rent price increased by 7.7%.

Year Over Year Change in Median Renter Income and Median Rent in New Mexico



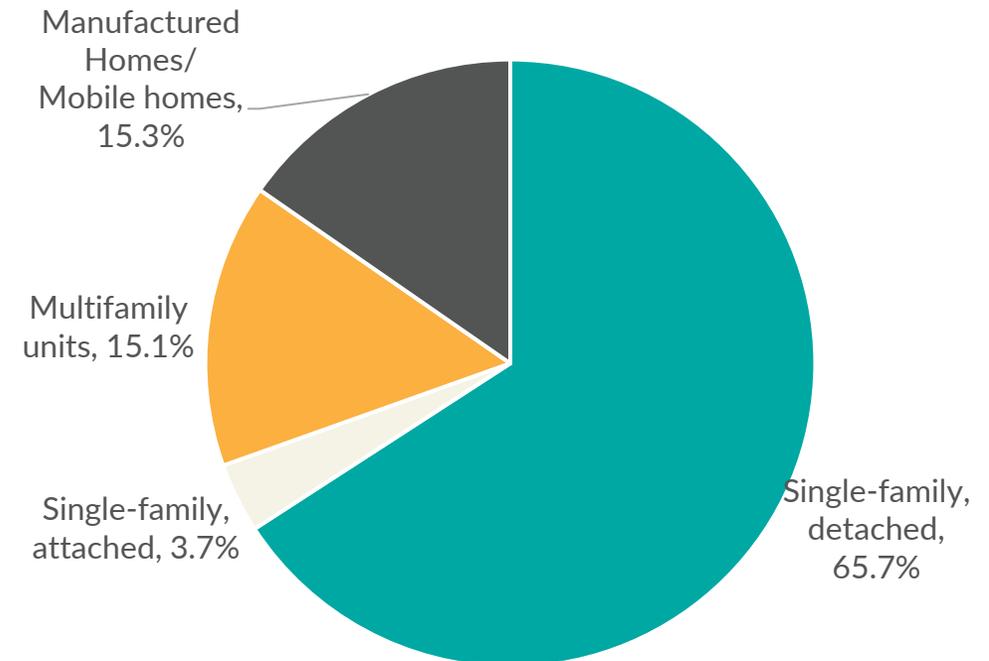
*\*Data source: United States Census Bureau American Community Survey*

# Housing Stock in New Mexico

Create More Housing

- Single-family detached homes comprise the majority of New Mexico's housing stock, followed by a high percentage of mobile or manufactured homes.
- A healthy housing market provides a diverse housing stock that allows renters and homeowners options.

Occupied Housing Stock in New Mexico



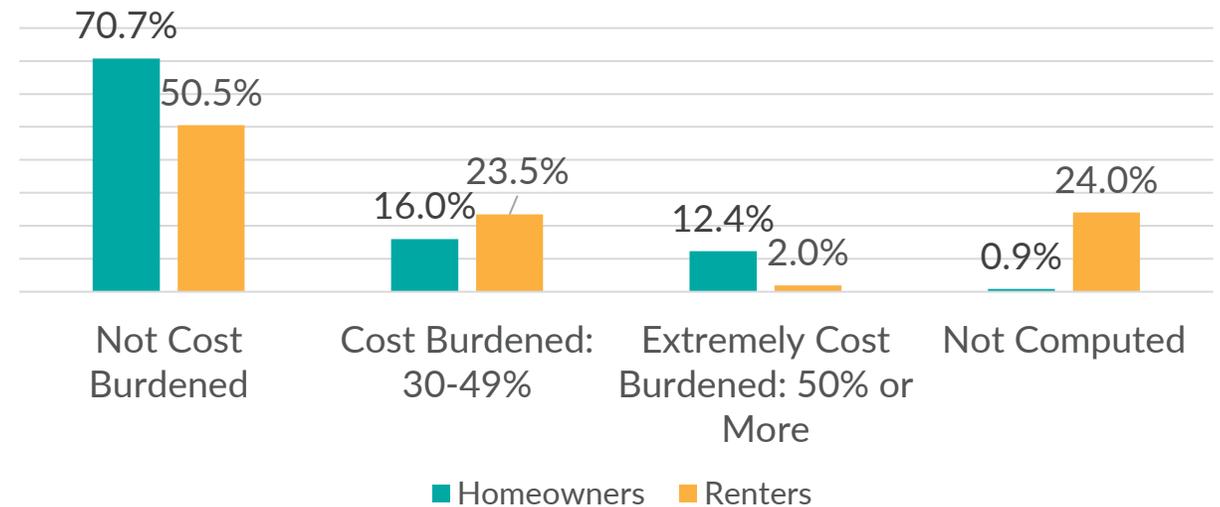
\*Data source: United States Census Bureau American Community Survey

# Housing Cost Burden in New Mexico

## Create More Housing

- 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.

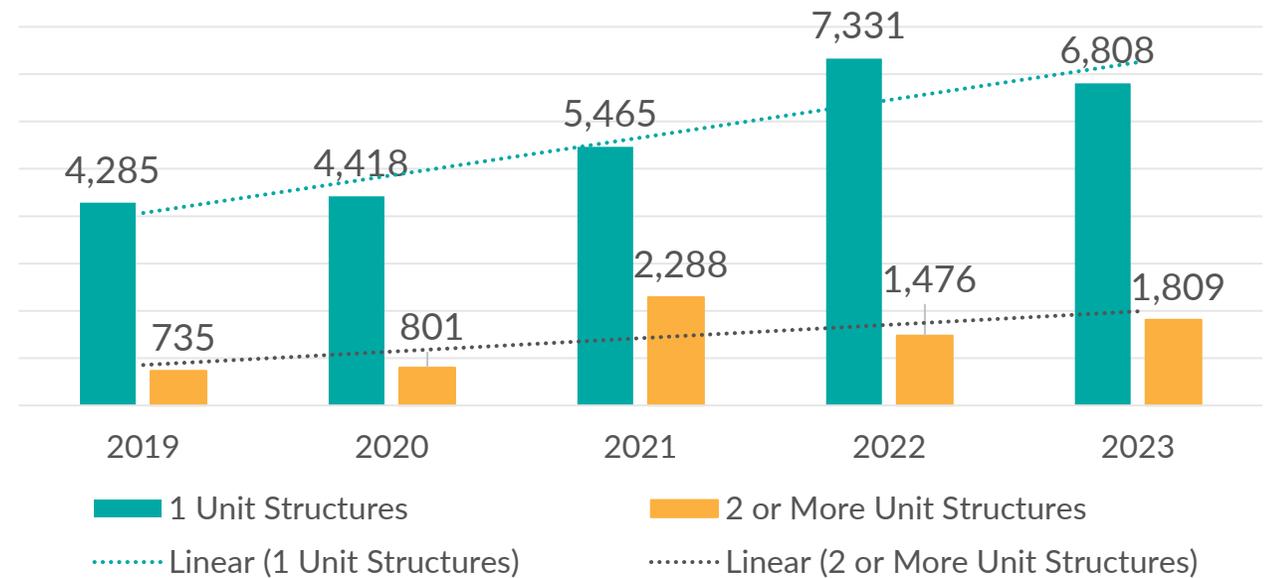
Housing Cost Burden in New Mexico by Households



\*Data source: United States Census Bureau American Community Survey

- The number of building permits for residential construction issued in 2023 decreased by 2.2% from the prior year.
- 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 in building permits issued from 2019 to 2023.

### Residential Building Permits Issued in New Mexico



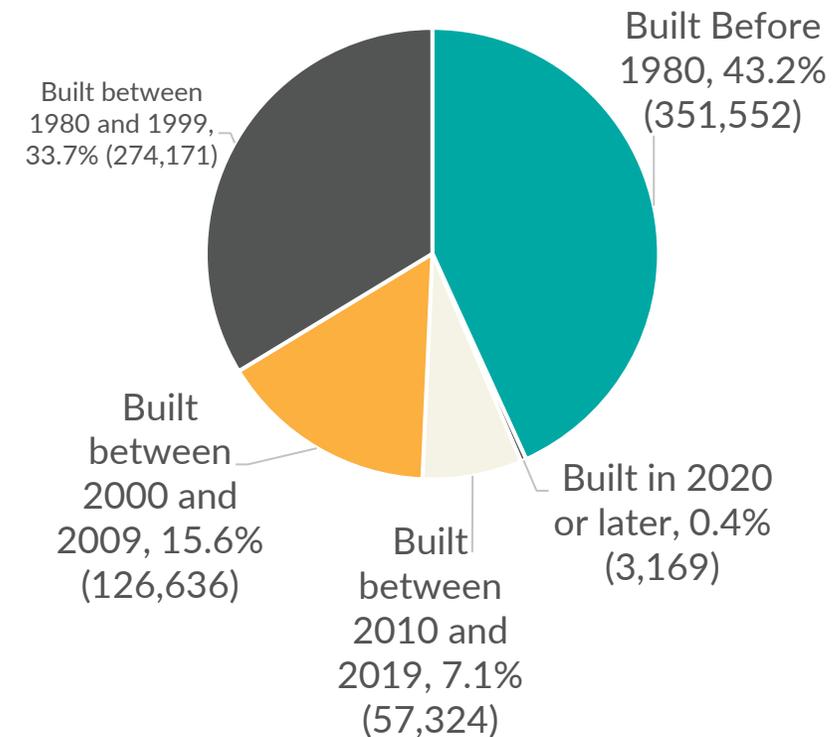
\*Data source: HUD Building Permits Survey

# Age of New Mexico's Housing Stock

*Preserve and Improve Existing Affordable Housing and Catalyze Redevelopment*

- 43.2% of the houses in New Mexico were built prior to 1980, which indicates a high need to preserve the stock of existing homes.
- Despite condition of the unit, HUD's Manufactured Home Construction and Safety Standards, mobile homes built prior to 1976 are not compliant thus only allowing for replacement of the unit, rather than rehabilitation.

Age of New Mexico's Housing Stock



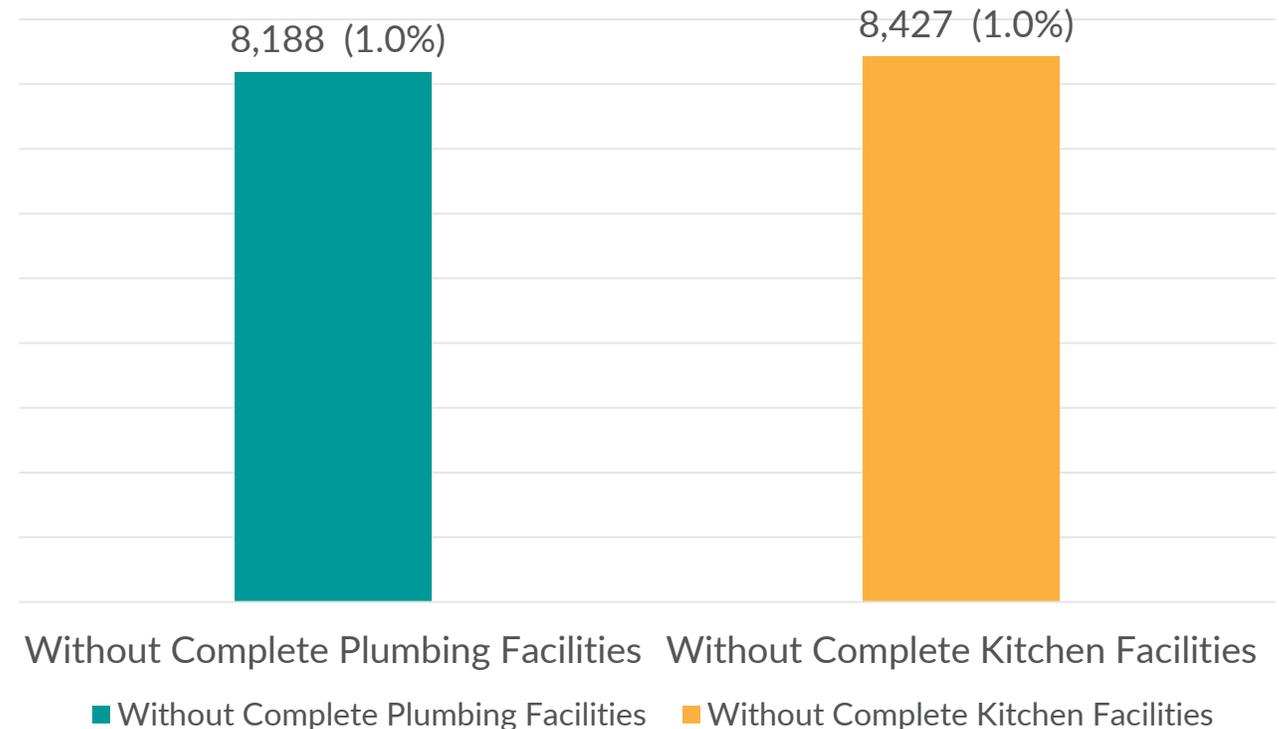
\*Data source: United States Census Bureau American Community Survey

# Age of New Mexico's Housing Stock

*Preserve and Improve Existing Affordable Housing and Catalyze Redevelopment*

- 3.3% (26,999) of households are overcrowded in the state.
- 1.0% (8,188) of households do not have sufficient plumbing facilities and 1.0% (8,427) lack complete kitchen facilities.

New Mexico Housing Stock Without Complete Plumbing and Kitchen Facilities

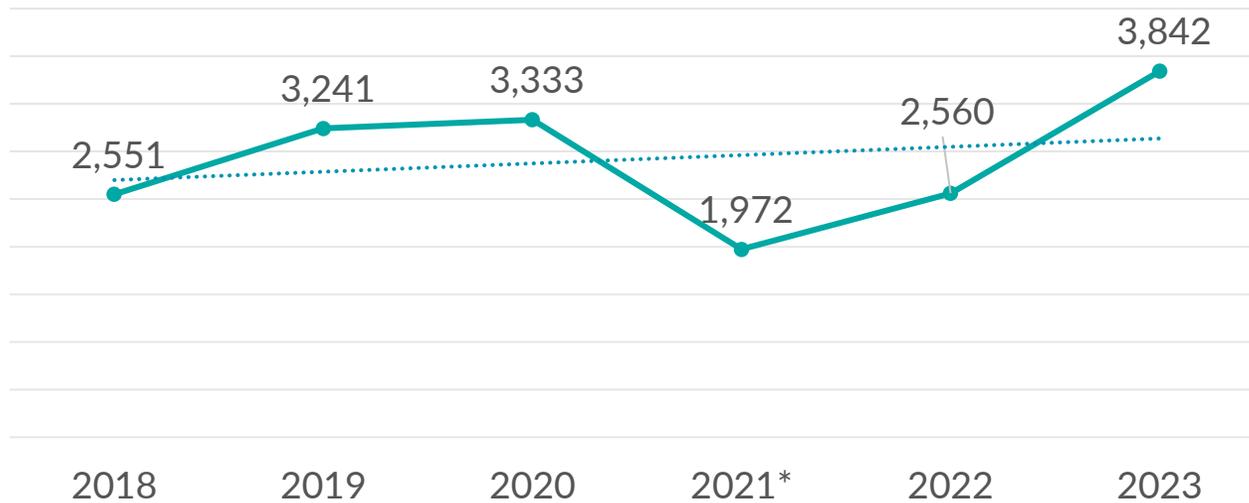


*\*Data source: United States Census Bureau American Community Survey*

# Homelessness

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

Homeless Individuals in New Mexico



\*\*Data source: HUD Annual Assessment Report

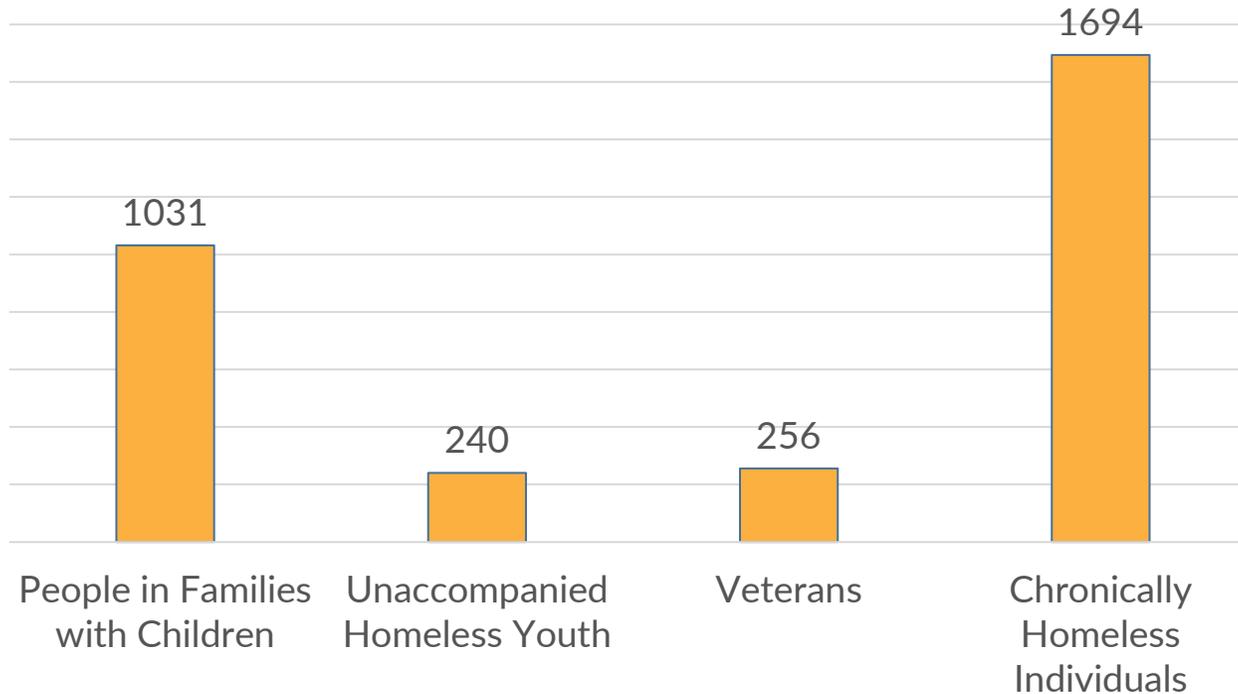
- The total number of homeless individuals increased by 50% from 2022 to 3,842 in 2023, based on the Point in Time (PIT) count (Figure 36).

*\*The 2021 HUD Annual Assessment Report was not immediately available as the report was broken into two parts that year.*

# Homelessness

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

Homelessness Situations in New Mexico



\*Data source: HUD Annual Assessment Report

- The percentage of homeless population is categorized as 26.8% (1,031) of families with children, 6.2% (240) unaccompanied homeless youth, 6.7% (256) veterans, and 44.1% chronically homeless individuals (1,694).
- 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.

# MFA Programs

Housing Continuum

Housing New Mexico | MFA

Homeless	Transitional	Specialized	Rental Development	Single-Family Development	Homeownership	Homeowners	Other
Supportive programs prevent homelessness and facilitate shelter access.	Transitional housing keeps people housed, off the street, and safe.	Specialized housing helps support the housing needs of vulnerable residents.	Workforce housing developments expand the availability of housing for residents.	Single-family developments expand New Mexico's housing stock, helping more residents into homes.	Affordable mortgage programs allow more residents to fulfill the dream of homeownership.	Programs for homeowners to help support families and communities.	Innovating the future of affordable housing in New Mexico.
<p>Emergency Homeless Assistance Program</p> <p>HOME American Rescue Plan Supportive Services / Emergency Solutions Grant Rapid Rehousing and Homeless Prevention</p> <p>Continuum of Care</p> <p>Youth Homelessness Demonstration Project</p>	<p>Landlord Incentive Programs:</p> <ul style="list-style-type: none"> <li>Landlord Collaboration</li> <li>Landlord Engagement</li> </ul> <p>Recovery Housing: Substance Abuse</p>	<p>Housing Opportunities for Persons With AIDS</p> <p>Linkages: Permanent Supportive Housing</p>	<p>Low-Income Housing Tax Credits</p> <p>HUD Risk Share 542(c)</p> <p>Project Based Section 8</p> <p>Section 811: Rental Assistance</p> <p>USDA Section 538 Guaranteed Rural Rental Housing Program</p> <p>Gap Financing:</p> <ul style="list-style-type: none"> <li>HOME Rental</li> <li>National Housing Trust Fund</li> <li>New Mexico Housing Trust Fund</li> </ul> <p>Regional Housing Oversight</p> <p>New Mexico Preservation Loan</p>	<p>Primer: Low-Cost Loans</p> <p>Restoring Our Communities</p> <p>State Tax Credit</p> <p>Single-Family Development Grant</p>	<p>FirstHome / FirstDown</p> <p>HomeForward / HomeForward DPA</p> <p>HomeNow</p> <p>FirstDown Plus</p> <p>Partners</p> <p>Tribal</p>	<p>HOME Rehabilitation</p> <p>Veterans Rehabilitation</p> <p>Home Improvement Program</p> <p>NM Energy\$mart Weatherization Assistance Program</p>	<p>Emergency Housing Needs</p> <p>Congressional Funds: Community Project Funding for Fire Affected Counties</p> <p>Housing Innovation Program:</p> <ul style="list-style-type: none"> <li>New Mexico Ramp Project</li> <li>Workforce Integration Network</li> <li>Other</li> </ul> <p>State and Local Fiscal Recovery Funds</p> <p>Affordable Housing Act</p> <p>Constituent Services</p>

Revised: 07/15/24



# 2023 Production Highlights

**\$585,797,000**  
Total Funding  
Administered

**18,963**  
New Mexicans  
Served

**3,707**  
Homes Produced,  
Financed or  
Preserved

**40+**  
Statewide Affordable  
Housing Programs

## Create More Housing

**\$10,341,000** provided to construct **285** new rental homes.

## Preserve and Improve Existing Affordable Housing and Catalyze Redevelopment

**\$116,219,000** provided to weatherize, rehabilitate, preserve, or redevelop **1,577** homes.

## Build Homeownership and Wealth

**\$388,294,000** provided for first mortgage down and payment assistance totaling **3,352** loans to **1,845** families.

**\$24,145,000** provided for mortgage assistance to **2,925** households.

## Create Stable Housing Environments

**\$39,796,000** provided for housing vouchers for **5,843** households.

**\$7,002,000** provided for housing stability and homeless shelter services to **6,488** people.

Each figure corresponds to the Excel Workbook.

The 2024 Housing Needs Assessment and supporting Excel Workbook can be found at:

<https://housingnm.org/resources/housing-needs-assessment>



## Questions?

**Stephanie Gonzales**

*Research and Development Manger*

Tel: 505.767.2287

Email: [sgonzales@housingnm.org](mailto:sgonzales@housingnm.org)

**Sonja Unrau**

*Senior Research and Development  
Manger*

Tel: 505.767.2239

Email: [sunrau@housingnm.org](mailto:sunrau@housingnm.org)



*We Are Housing New Mexico*