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Student Housing at New Mexico Higher Education Institutions

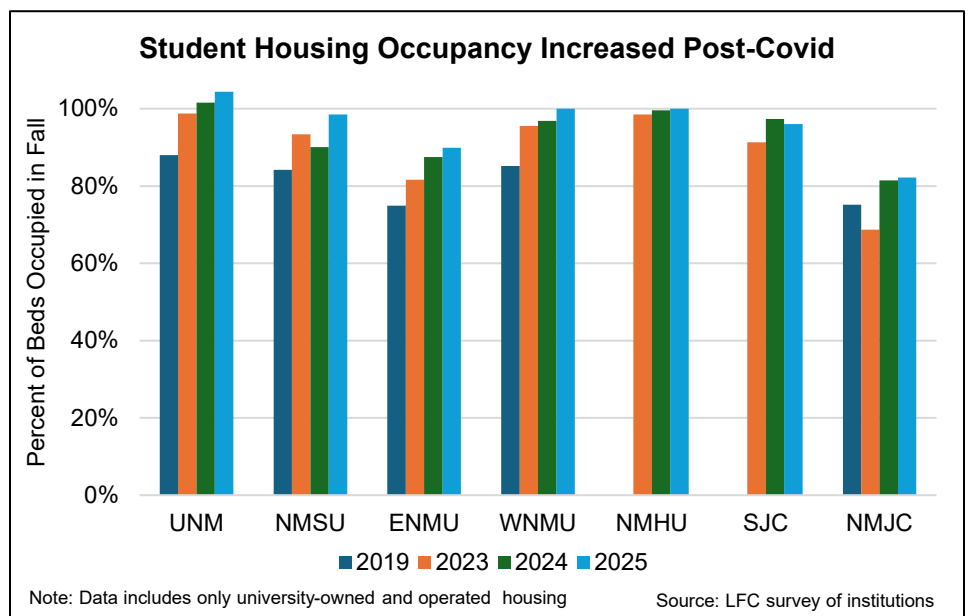
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Campus Life and Student Success

- Quality housing can positively contribute to student experience and academic outcomes. For decades, housing has been a component of universities’ strategies to attract students and support their success.
- Student expectations for housing have changed over time. Campus residence halls were originally built to support academic achievement and social engagement, with spare amenities and small shared spaces. Students today tend to prefer more privacy and expect more amenities.
- Research has found positive associations between living on campus and student engagement, satisfaction, and success, and it has identified features of residential design that promote higher levels of student interaction. Student engagement is associated with greater retention and higher GPAs.

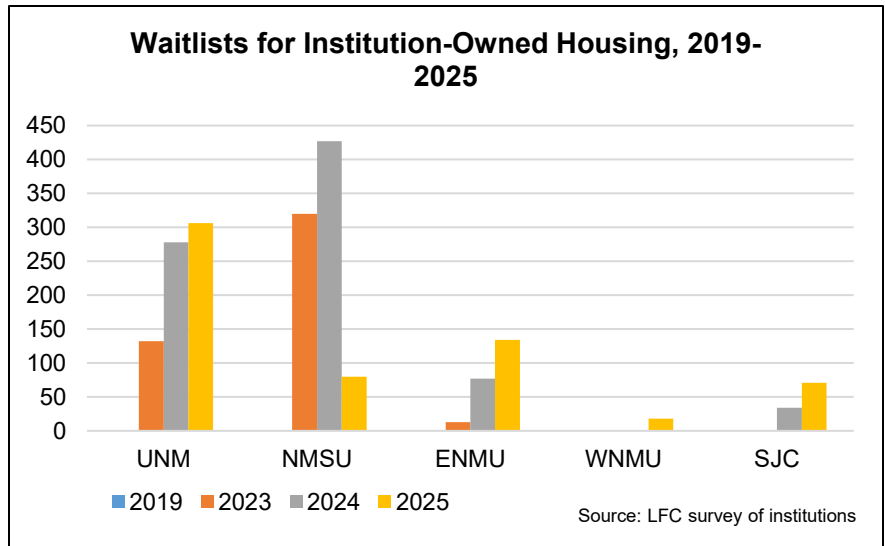
New Mexico Student Housing Trends

- All four-year institutions in New Mexico offer student housing and some two-year institutions do, including San Juan College and New Mexico Junior College. Northern New Mexico College recently renovated a wing of its El Rito campus to create housing for student athletes, with 14 beds becoming available this fall.



- Demand for student housing increased after the pandemic, with occupancy rates at most four-year institutions projected to reach roughly 100 percent in the fall of 2025. The University of New Mexico expects to exceed full occupancy this fall by converting rooms to accommodate more students than originally intended.

- Four-year institutions all reported no waitlist for institution-owned student housing in 2019. This fall, UNM is estimating its waitlist will exceed 300 students, while NMSU estimates an 80-student waitlist. NMSU will reduce its waitlist this fall relative to 2024 by holding fewer rooms for freshman entering after the start of the school year.



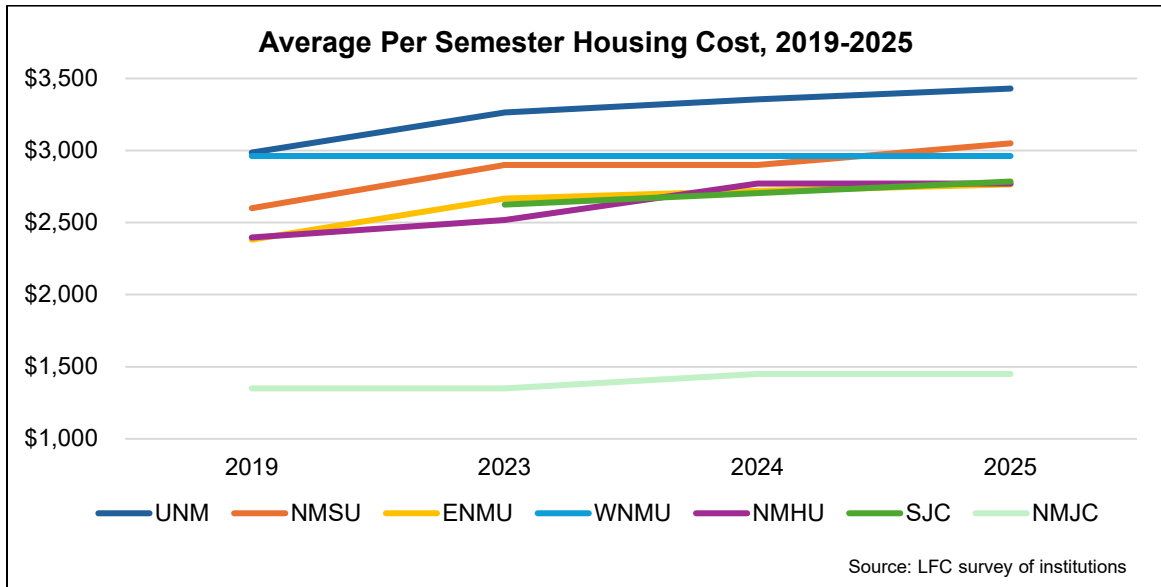
- The housing stock at many institutions is aging and some universities have told LFC housing revenue cannot keep up with deferred maintenance and renovation needs. The maintenance backlog varies dramatically, according to data reported to LFC by institutions. New Mexico Highlands University has the most significant maintenance backlog and the oldest buildings, with \$157 thousand in deferred maintenance per student bed. Eastern New Mexico University’s housing has a similar average age but virtually no maintenance backlog. ENMU reports its housing revenue is sufficient to cover upkeep as three of its four facilities have been paid off for some time and it is proactive about addressing maintenance issues. New Mexico State’s maintenance backlog is more than double the University of New Mexico’s per bed, though their average building age is almost identical.

Deferred Maintenance Backlogs at Institution-Owned Housing

	Deferred Maintenance	Average Age of Buildings	Deferred Maintenance Per Bed
UNM	\$ 75,000,000	37	\$ 30,120
NMSU	\$ 244,000,000	38	\$ 76,250
ENMU	\$ 1,135,066	53.5	\$ 1,361
WNMU	Not reported	Not reported	Not reported
NMHU	\$ 86,000,000	59	\$ 157,509
SJC	\$ -	3	\$ -
NMJC	\$ 2,683,755	26	\$ 7,234

Source: LFC survey of institutions

- Most institutions charge an average of \$2,700 to \$3,500 per four-month semester for housing. New Mexico Junior College is an outlier, with an average per semester rate of just \$1,450. Western New Mexico University is the only institution that reported it has not raised housing rates since 2019. Institutions appear to be trying to keep housing rates below market value.



State Funding for Student Housing

- Academic building projects are eligible for statewide capital outlay funding but housing and auxiliary projects are not.
- Since the creation of the opportunity scholarship, higher education institutions have come under pressure from the Higher Education Department and the Legislature to limit student tuition and fee increases to maintain affordability. While these policies may reduce costs to students, they are ultimately paid for in deteriorating campus housing and auxiliary facilities as housing rates and fees do not keep up with facility repair or construction costs.
- House Bill 449, which was passed by the 2025 Legislature and pocket-vetoed by the governor, would have created a mechanism to provide state funding for capital improvements to student housing. The bill would have required institutional matches for housing projects of at least 50 percent for design and at least 50 percent for construction for two-years and at least 20 percent for four-years.
- At the direction of the committee, LFC staff is working with institutions and the Higher Education Department to redraft the bill and is considering further defining the state role in funding student housing renewal and replacement. Because housing generates revenue, institutions should be able to debt finance projects to some extent. Balancing affordability concerns could be a challenge with debt-financing given the high cost of construction. The state's role could be to partially subsidize projects to support affordability.