2020

New Mexico Affordable Housing Needs Assessment

**Produced by the
New Mexico
Mortgage Finance Authority**

MFA
Housing New Mexico
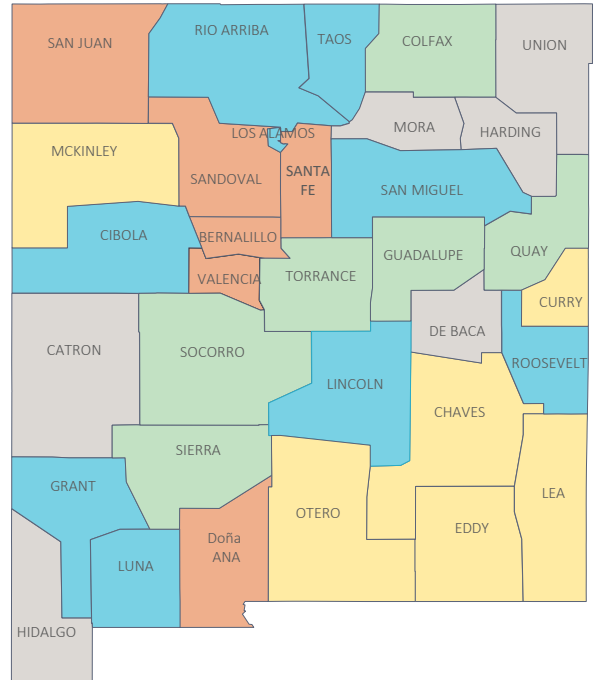
Data current as of May 2020

Introduction

Housing Needs Assessment

While every housing market in the United States is unique, it is particularly true in a large, rural state like New Mexico. Housing markets in New Mexico vary widely between larger metro areas, many of which are growing and stable, and rural areas with declining populations and low economic activity. Metro areas with stable economies attract developers who build diverse housing across a wide range of price points, while the housing stock in many rural areas consists of aging housing and exceptionally high numbers of mobile homes.

In order to understand how housing needs vary across the state, MFA's Housing Needs Assessment organizes data by county population. The data is current as of May 2020 and is drawn from the following sources: American Community Survey (ACS); United States Commercial Real Estate Service (CBRE) Albuquerque and Santa Fe Multi-Family Market Survey; University of New Mexico Bureau of Business and Economic Research (UNM BBER) Apartment Survey; the New Mexico Coalition to End Homelessness; as well as other sources.

Where indicated, data for Rio Arriba County reflects 2017 ACS 5 Year Estimate distributions. ACS researchers were not always able to collect sufficient quality responses in that area.

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Urban and Rural Differences

New Mexico is the fifth largest state in land area in the United States. With just over two million residents, New Mexico ranks 37th in the country by population size.

Two-thirds of the state's population is located in four Metropolitan Statistical Areas (MSAs), which include Albuquerque MSA, Las Cruces MSA, Santa Fe MSA, and Farmington MSA. Forty-four percent of New Mexico's residents live in the Albuquerque MSA, which is comprised of Bernalillo, Sandoval, Valencia and Torrance counties.

Figure 1 shows the five-year population growth rate in New Mexico's counties. With few exceptions, urban counties are growing and rural, small rural and extremely rural counties are shrinking.

Due to more employment opportunities and generally stronger economies, urban counties have younger populations and low housing vacancy rates. Conversely, most rural counties have aging populations, older housing stock and high vacancy rates. The differences reflect national and global trends toward urbanization and diminishing economic opportunity in rural areas.
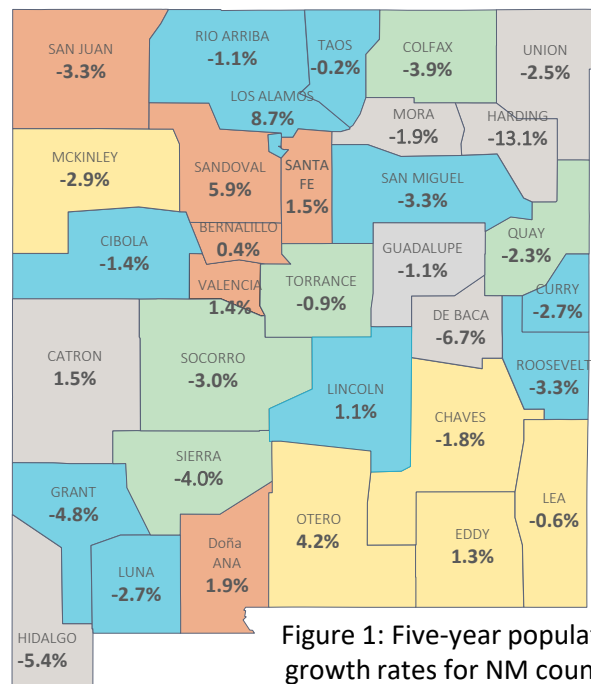

Figure 1: Five-year population growth rates for NM counties

URBAN	Counties within MSAs with population center/s with more than 50,000 people
SEMI-URBAN	Non-MSA counties with populations more than 50,000
RURAL	Counties with populations between 19,000 and 50,000
SMALL RURAL	Counties with populations between 5,000 and 19,000 people
EXETREMELY RURAL	Counties with populations less than 3,000 people

Population Growth

Figure 2: One and Five-Year Population Growth Rates by County
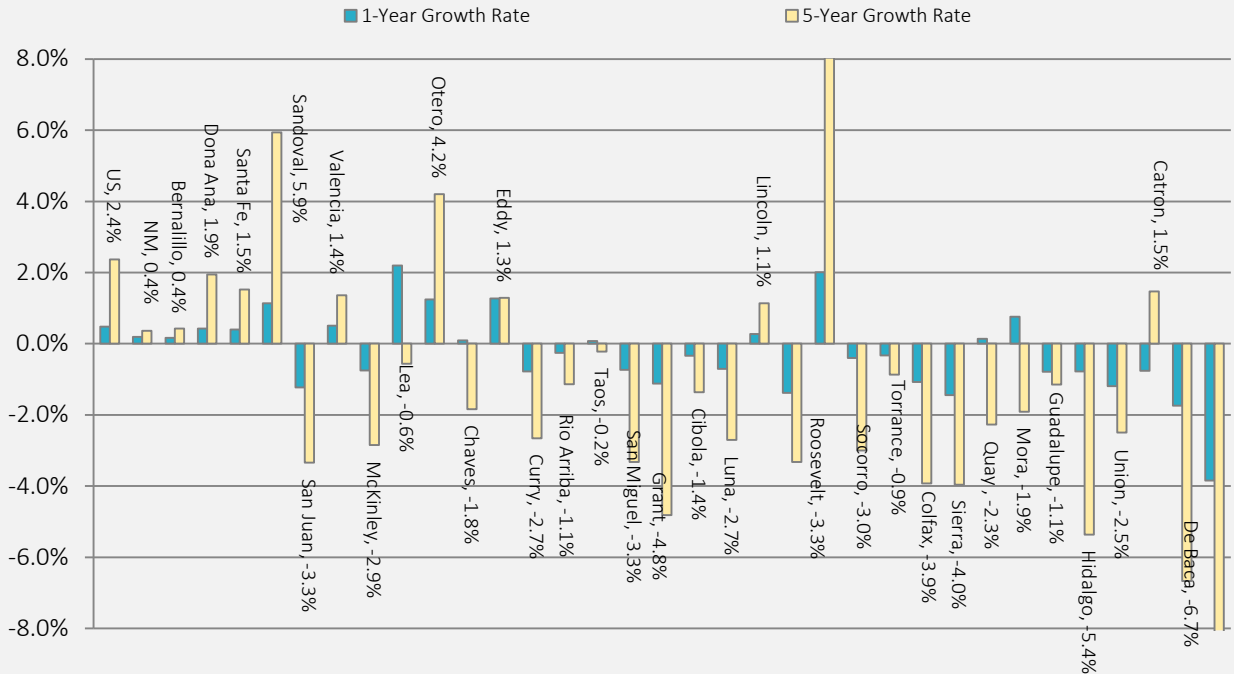
Source: PEPANNRES Annual Estimates of the Resident Population 2015 to 2019

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Economy

While New Mexico has historically struggled with lower incomes and higher poverty rates than the nation as whole, it has consistently performed well in job growth.

The New Mexico Department of Workforce solutions reports that from February 2019 to February 2020, 12,000 new jobs were created in the state. The largest areas of job growth were in the natural resources, government and education and health service sectors. Job growth was concentrated in metropolitan areas and in oil and gas producing regions, with the exception of the gas producing area around Farmington, where the number of jobs continues to decline.

Figures 3 and 4 show that government employment makes up 22% of jobs in New Mexico compared to 15% in the U.S. In the private sector, New Mexico's distribution of jobs is similar to the rest of the country, with a few exceptions. One of those exceptions is the higher percentage of mining jobs in New Mexico compared to the nation as a whole: 3% vs 0.5%. This is due to the fact that oil and gas are the state's largest industries. Also, New Mexico has a much lower percentage of manufacturing jobs than the rest of the U.S.: 3.2% vs 8.4%. Notably, the number of people employed in the construction industry in New Mexico grew by 9.3% over the last year, which is an indication of economic growth.

Please note that the sudden and widespread job losses New Mexico experienced as a result of the COVID-19 crisis are not reflected in these figures. The resiliency of the state's economy remains to be seen. Similarly, the impact on employment across industries both in New Mexico and the nation is still uncertain.

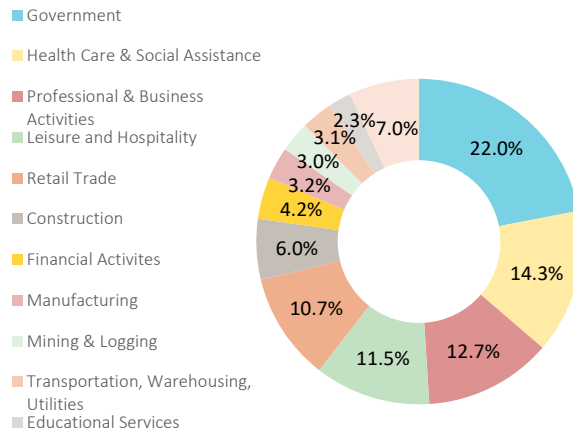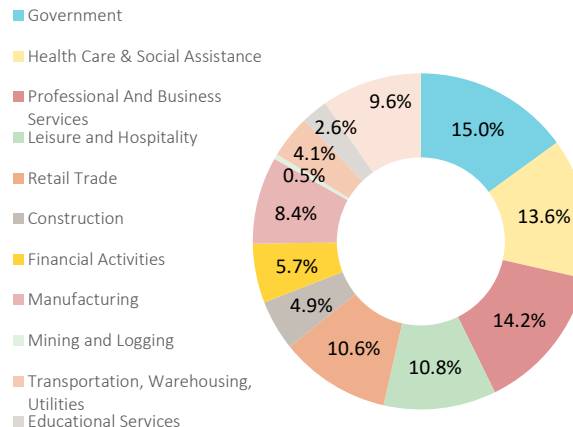Figure 3: Percent Employment in Top Industries, NM

- Government — 22.0%
- Health Care & Social Assistance — 14.3%
- Professional & Business Activities — 12.7%
- Leisure and Hospitality — 11.5%
- Retail Trade — 10.7%
- Construction — 6.0%
- Financial Activites — 4.2%
- Manufacturing — 3.2%
- Mining & Logging — 3.0%
- Transportation, Warehousing, Utilities — 3.1%
- Educational Services — 2.3%
- (remaining) — 7.0%

Figure 4: Percent Employment in Top Industries, U.S.

- Government — 15.0%
- Health Care & Social Assistance — 13.6%
- Professional And Business Services — 14.2%
- Leisure and Hospitality — 10.8%
- Retail Trade — 10.6%
- Construction — 4.9%
- Financial Activities — 5.7%
- Manufacturing — 8.4%
- Mining and Logging — 0.5%
- Transportation, Warehousing, Utilities — 4.1%
- Educational Services — 2.6%
- (remaining) — 9.6%

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Population Growth

For decades, population growth in the Southwestern region of the United States has outpaced the rest of the nation. However, growth in New Mexico lags behind that of neighboring states due to out-migration. The state's positive population growth is a result of a high birth rate that offsets the death rate and negative net migration.
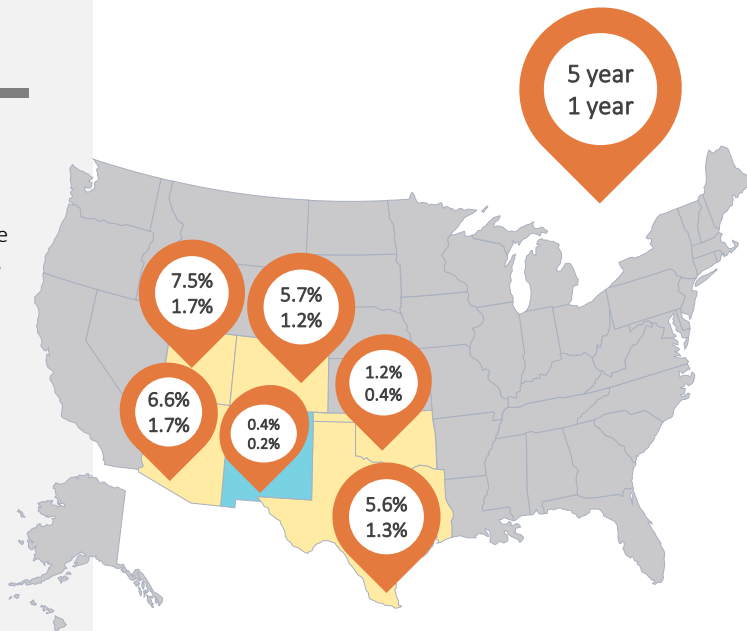

Figure 5: Five-year and one-year population growth rates for NM and surrounding states

PROFILE of NM

Income and Poverty

New Mexico's weak economy translates into a low median household income, $48,059, and a high poverty rate, 20%. Comparatively, the national median household income is $60,293, and the poverty rate is 14.1%. Figure 6 shows that, even among the states with the lowest median household incomes and highest poverty rates in the nation, New Mexico is lower. Additionally, many New Mexico counties have even lower household incomes and higher poverty rates than the state as a whole.
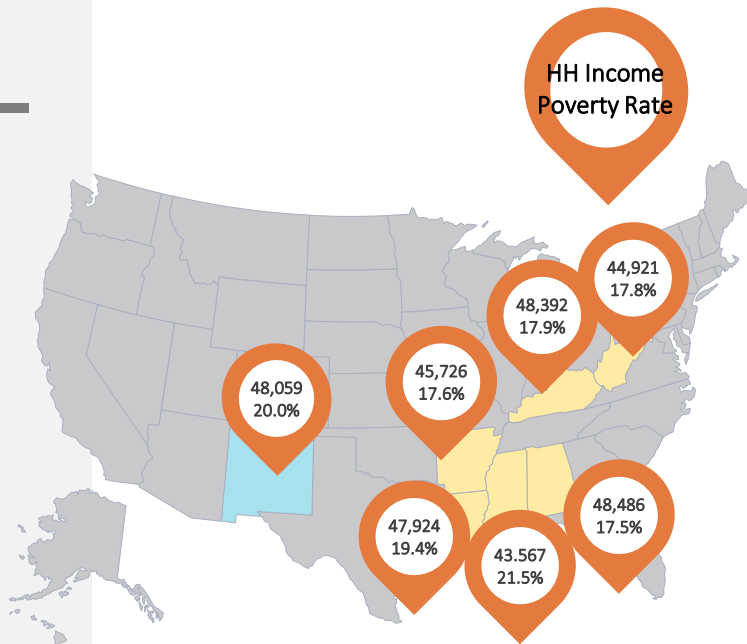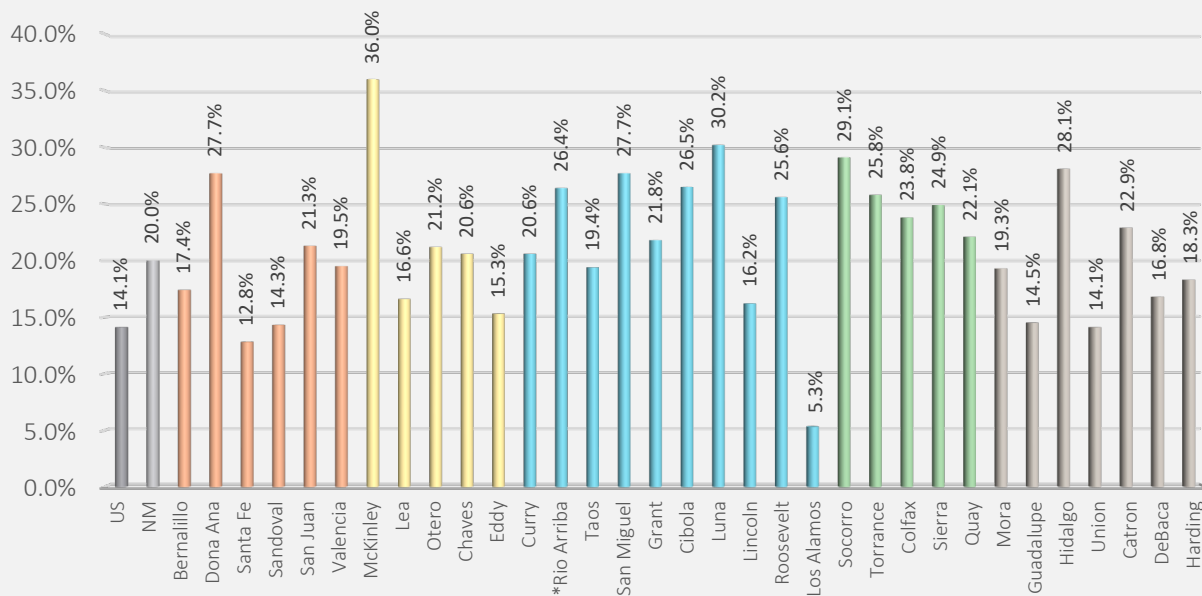

Figure 6: States with the lowest median household incomes and high poverty rates

Economic Indicators

Poverty Rate for New Mexico Counties

Figure 7: Poverty Rate for New Mexico Counties

Economic Indicators

Median Household Income for New Mexico Counties

Figure 8: Median Household Income for New Mexico Counties

Source: American Community Survey 5-year estimates for 2014-2018
* Rio Arriba figure reflects American Community Survey 5-year estimate for 2013-2017

Economic Indicators

Income Ranges for All Households

Figure 9: Household Income in New Mexico Counties

Economic Indicators

Income Ranges for Owner-Occupied Households

Figure 10: Homeowner Income in New Mexico Counties

- Less than $15,000
- $15,000 to $24,999
- $25,000 to $34,999
- $35,000 to $49,999
- $50,000 to $74,999
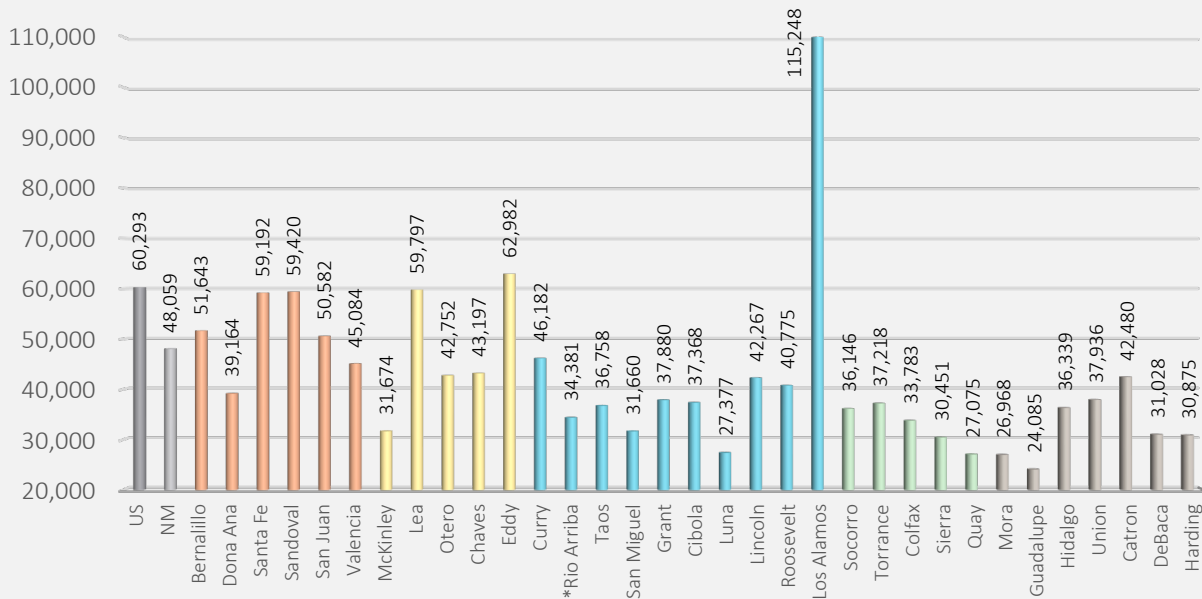- $75,000 to $99,999
- $100,000 to $149,000
- $150,000 or more

Source: American Community Survey 5-year estimates for 2014-2018
* Rio Arriba figure reflects American Community Survey 5-year estimate for 2013-2017

Economic Indicators

Income Ranges for Renter Households

Figure 11: Renter Income in New Mexico Counties

Legend:
- Less than $15,000
- $15,000 to $24,999
- $25,000 to $34,999
- $35,000 to $49,999
- $50,000 to $74,999
- $75,000 to $99,999
- $100,000 to $149,999
- $150,000 or more

Counties: US, NM, Bernalillo, Dona Ana, Santa Fe, Sandoval, San Juan, Valencia, McKinley, Lea, Otero, Chaves, Eddy, Curry, *Rio Arriba, Taos, San Miguel, Grant, Cibola, Luna, Lincoln, Roosevelt, Los Alamos, Socorro, Torrance, Colfax, Sierra, Quay, Mora, Guadalupe, Hidalgo, Union, Catron, DeBaca, Harding
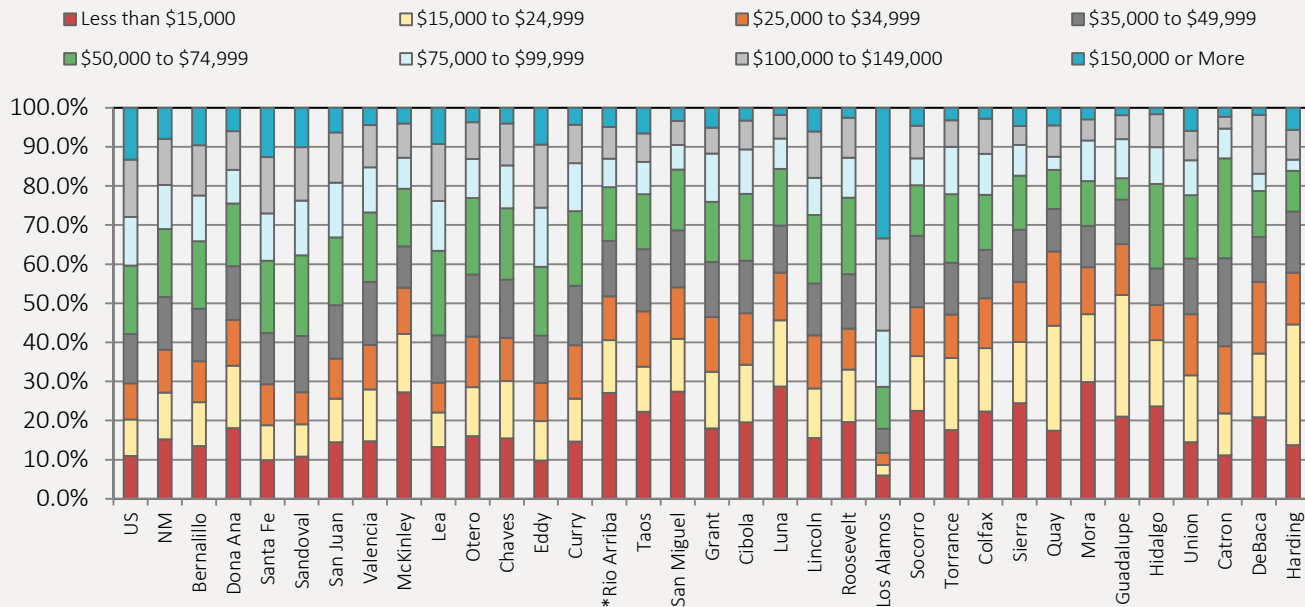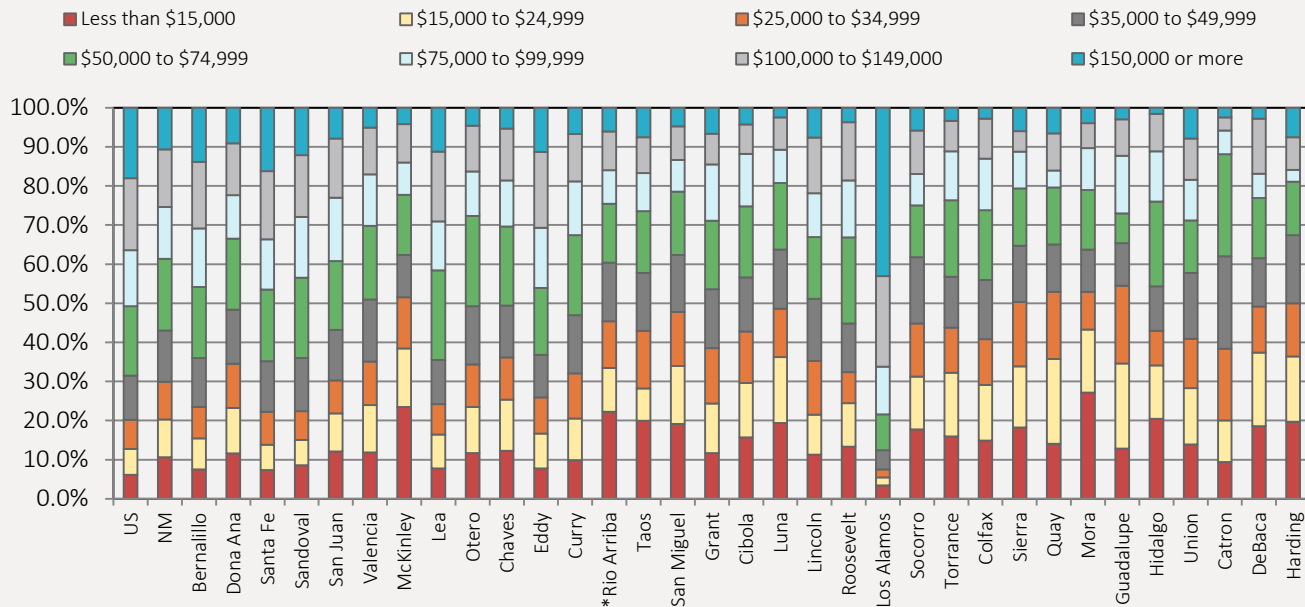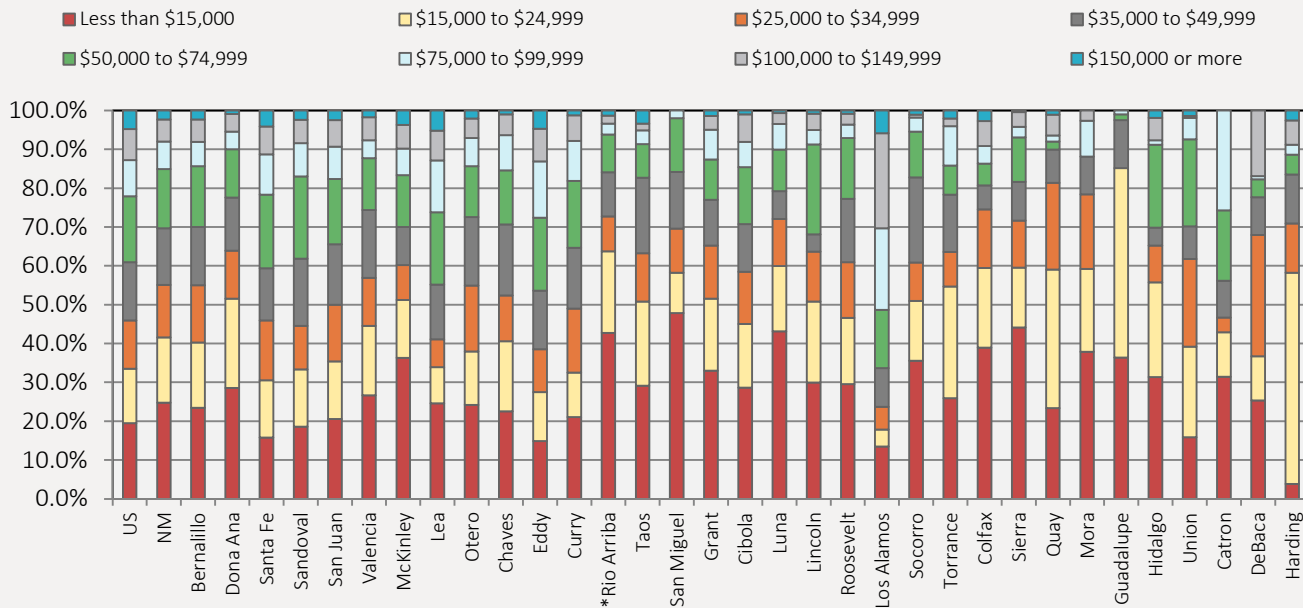
Source: American Community Survey 5-year estimates for 2014-2018
* Rio Arriba figure reflects American Community Survey 5-year estimate for 2013-2017

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Race and Age

New Mexico's racial and ethnic diversity is a unique characteristic of the state. New Mexico is a minority-majority state, with 48.5% of residents identifying as Hispanic or Latino and 8.8% percent identifying as American Indian. This is in stark contrast to the U.S., where 17.6% and 0.7% the population identifies as Hispanic or Latino and American Indian, respectively. New Mexico has a lower percentage of persons identifying as Black or African American (1.8%) and Asian (1.4%) than in the U.S., where African Americans make up 12.3% of the population and Asians make up 5.3%.

New Mexico has a slightly younger median age (37.5 years) than the U.S. (38.2 years). The components of this younger median age are interesting. New Mexico has a higher percentage of persons younger than age 25 and older than age 54 than the U.S., but a lower percentage of persons age 25 to 54.

Figure 12: Race in New Mexico

- White
- Black or African American
- American Indian and Alaska Native
- Asian
- Native Hawaiian and Pacific Islander
- Other Race
- Two Or More Races

Figure 13: Race in the U.S.
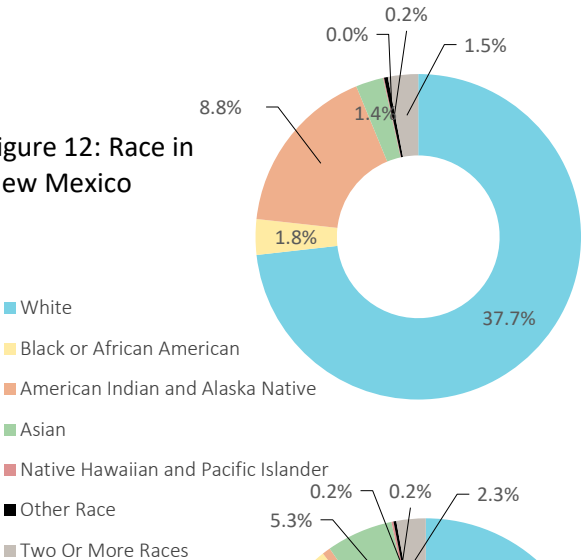
- White
- Black or African American
- American Indian and Alaska Native
- Asian
- Native Hawaiian and Pacific Islander
- Other Race
- Two or More Races
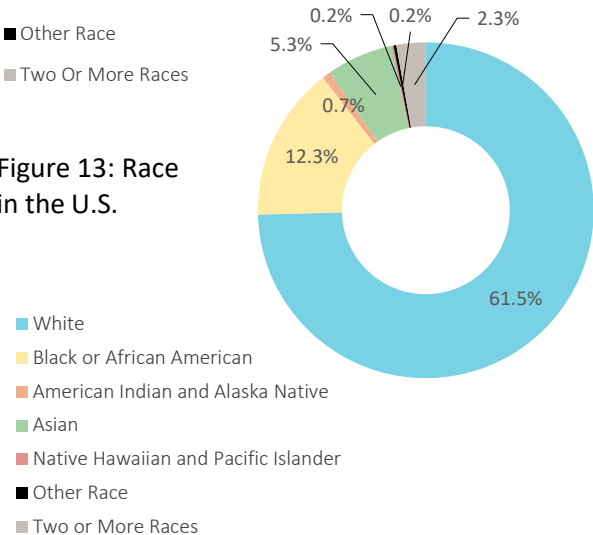
Race

Figure 14: Race in New Mexico Counties

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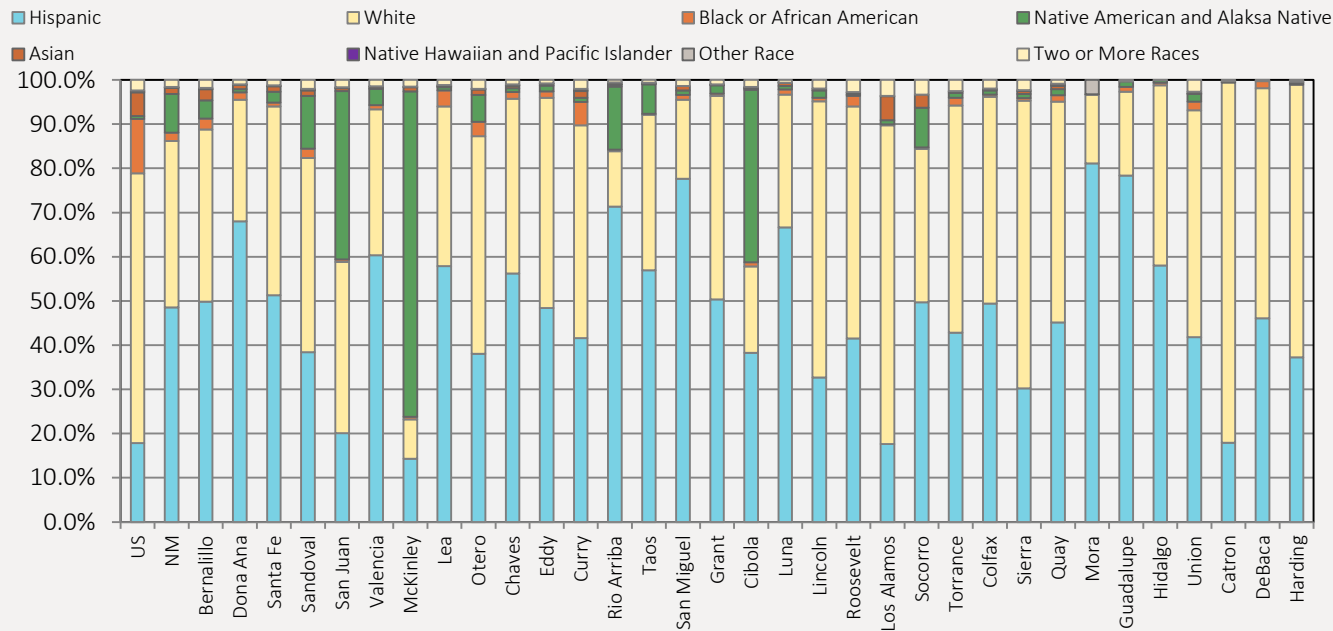
Age and Household Size

Figure 15: Median Age in New Mexico Counties

County	Median Age
US	38.2
NM	37.5
Bernalillo	37.3
Dona Ana	32.9
Santa Fe	45.8
Sandoval	39.9
San Juan	35.0
Valencia	39.1
McKinley	32.0
Lea	31.7
Otero	35.6
Chaves	35.6
Eddy	35.3
Curry	31.1
Rio Arriba	40.6
Taos	48.2
San Miguel	43.2
Grant	45.8
Cibola	36.8
Luna	37.8
Lincoln	51.0
Roosevelt	29.8
Los Alamos	42.5
Socorro	39.2
Torrance	43.6
Colfax	49.0
Sierra	56.0
Quay	43.8
Mora	49.2
Guadalupe	42.6
Hidalgo	43.3
Union	40.6
Catron	59.1
DeBaca	37.0
Harding	60.1

Figure 16: Average Household Size in New Mexico Counties

County	Average Household Size
US	2.7
NM	2.7
Bernalillo	2.6
Dona Ana	2.8
Santa Fe	2.4
Sandoval	2.8
San Juan	2.9
Valencia	2.7
McKinley	3.7
Lea	3.1
Otero	2.7
Chaves	2.7
Eddy	2.6
Curry	2.7
Rio Arriba	3.2
Taos	2.7
San Miguel	2.4
Grant	2.2
Cibola	2.8
Luna	2.6
Lincoln	2.5
Roosevelt	2.6
Los Alamos	2.5
Socorro	3.6
Torrance	2.5
Colfax	2.1
Sierra	2.0
Quay	3.0
Mora	3.1
Guadalupe	3.1
Hidalgo	2.4
Union	2.4
Catron	2.4
DeBaca	2.5
Harding	2.2

Source: American Community Survey 5-year estimates for 2014-2018
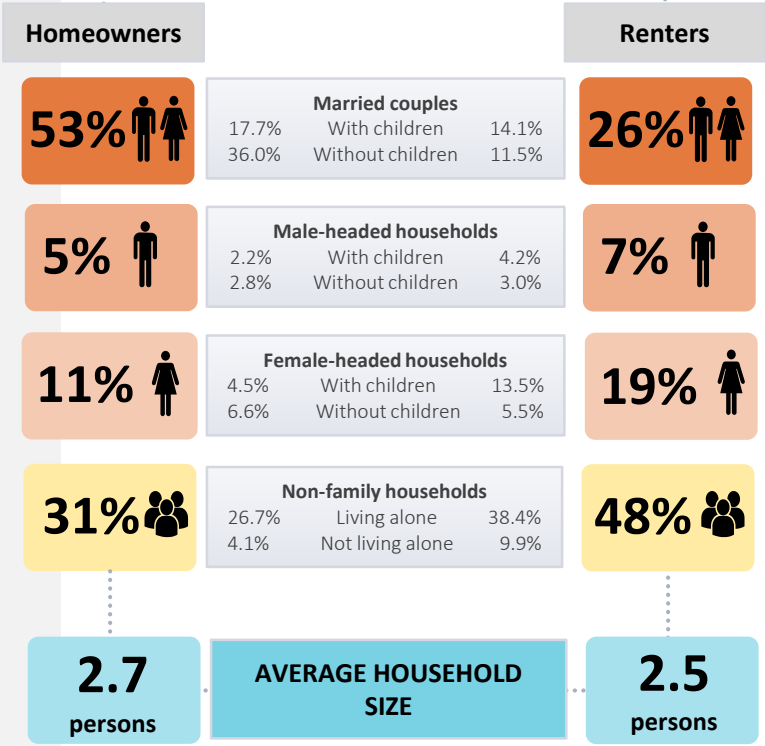
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Households

Almost 70% percent of households that own a home in New Mexico are family households, including married couples and single households, with and without children. Among New Mexico homeowners, there is a lower percentage of family households (69.2% vs 73.3%) and married couple households (53.1% vs 60.2%) than the U.S. and a higher percentage of male-headed (5.1% vs 4.1%) and female-headed (11.0% vs 9.0%) households. The percentage of non-family homeowner households is higher in New Mexico than the U.S, (30.8% vs 26.7%), as is the percentage of persons living alone (26.7% vs 22.7%).

The composition of New Mexico renter households is similar to that of the U.S. with 51.7% family households and 48.3% non-family households. Family households that rent in New Mexico include 25.6% married couples, 7.1% male-headed households and 19.0% female-headed households, with and without children.
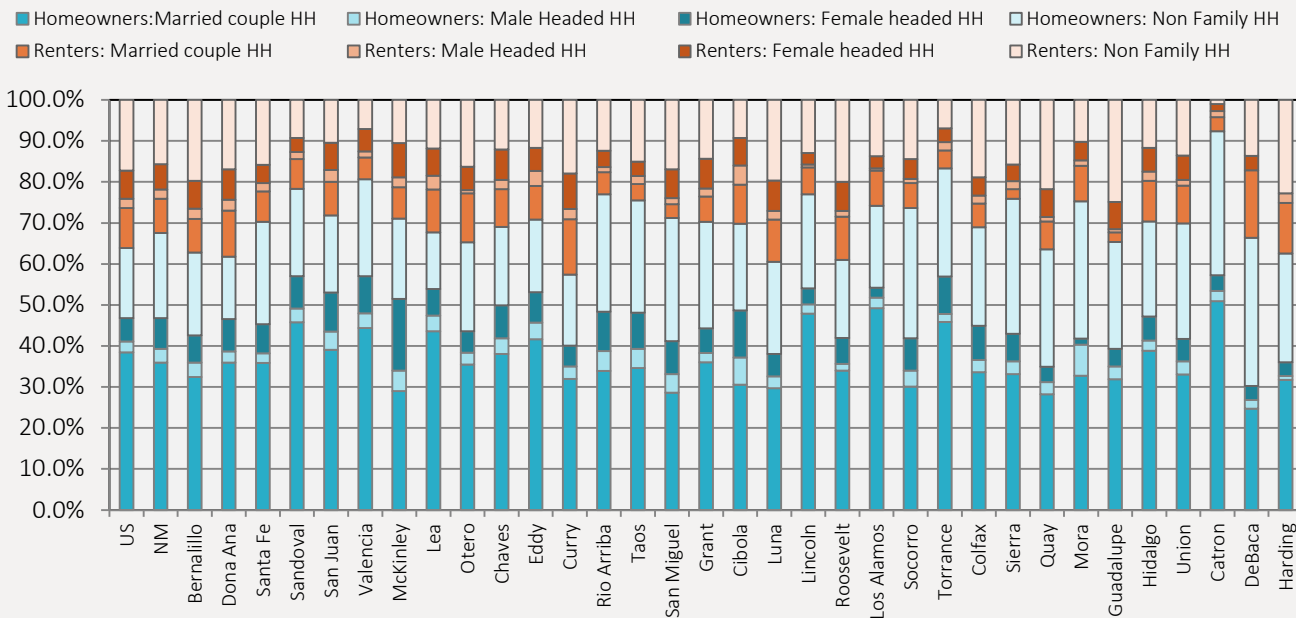
Figure 17: Household Types in New Mexico

Homeowners		Renters
53%	**Married couples**	**26%**
	17.7% With children 14.1%	
	36.0% Without children 11.5%	
5%	**Male-headed households**	**7%**
	2.2% With children 4.2%	
	2.8% Without children 3.0%	
11%	**Female-headed households**	**19%**
	4.5% With children 13.5%	
	6.6% Without children 5.5%	
31%	**Non-family households**	**48%**
	26.7% Living alone 38.4%	
	4.1% Not living alone 9.9%	
2.7 persons	**AVERAGE HOUSEHOLD SIZE**	**2.5 persons**

Household Type

Household Type by Homeowners and Renters

Figure 18: Household Type in New Mexico Counties

Legend:
- ■ Homeowners:Married couple HH
- ■ Homeowners: Male Headed HH
- ■ Homeowners: Female headed HH
- □ Homeowners: Non Family HH
- ■ Renters: Married couple HH
- ■ Renters: Male Headed HH
- ■ Renters: Female headed HH
- □ Renters: Non Family HH

Source: American Community Survey 5-year estimates for 2014-2018

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Senior Households

New Mexico has a higher percentage of senior households than the U.S. (30.1% vs. 28.1%). A senior household is defined as a household with one or more members age 65 years or older. Bernalillo County has a lower than average rate of senior households because the county's greater economic opportunity attracts working-age adults, many of whom have families with children. Some of the semi-urban counties that produce oil and gas (Eddy and Lea) also have a lower than average rate of households with seniors. Some of the counites with military bases or government facilities (Otero and Los Alamos) have average rates of senior households. In Santa Fe, a known retirement destination, senior households make up 37% of households.

In most rural counties, more than 30% of households have senior occupants, with 13 counties exhibiting rates higher than 40%. The two exceptions to the aging rural county trend are Roosevelt and Los Alamos Counties. Roosevelt County is home to Eastern New Mexico University (ENMU), and students and faculty likely balance the rate of senior households. Similarly, in Los Alamos, the National Labs and other industries attract a younger population.

Most of New Mexico seniors either live alone (38.9%) or live with family (57.4%), including a spouse. Only 3.7% of seniors are living in non-family households like group homes or assisted living facilities.
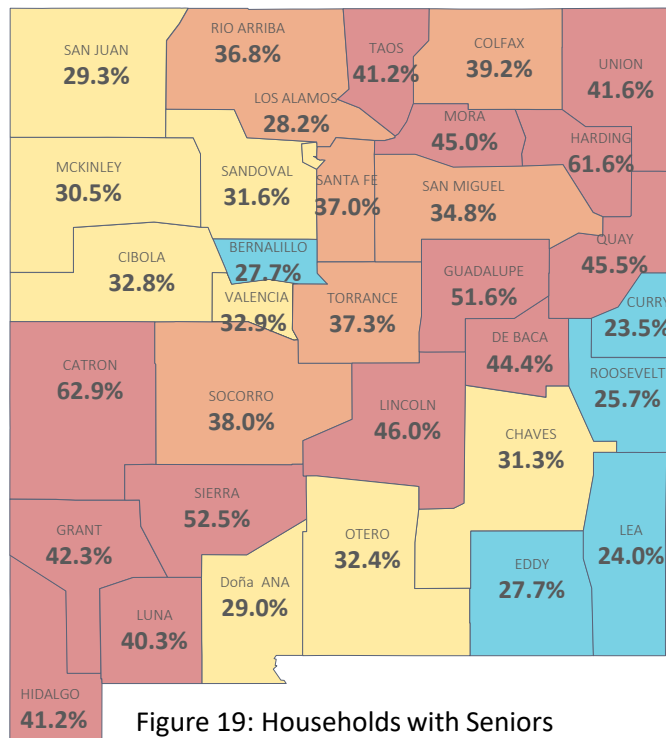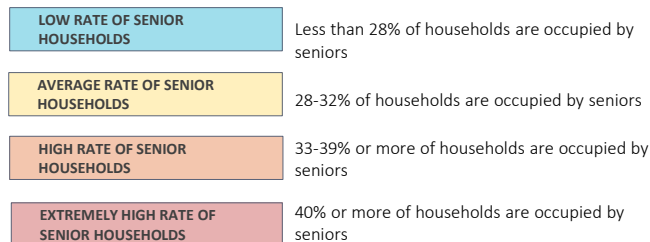
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Figure 19: Households with Seniors

LOW RATE OF SENIOR HOUSEHOLDS	Less than 28% of households are occupied by seniors
AVERAGE RATE OF SENIOR HOUSEHOLDS	28-32% of households are occupied by seniors
HIGH RATE OF SENIOR HOUSEHOLDS	33-39% or more of households are occupied by seniors
EXTREMELY HIGH RATE OF SENIOR HOUSEHOLDS	40% or more of households are occupied by seniors

Senior Households

Occupied Households with One or More Senior, 65 years and older

Figure 20: Senior Households in New Mexico Counties
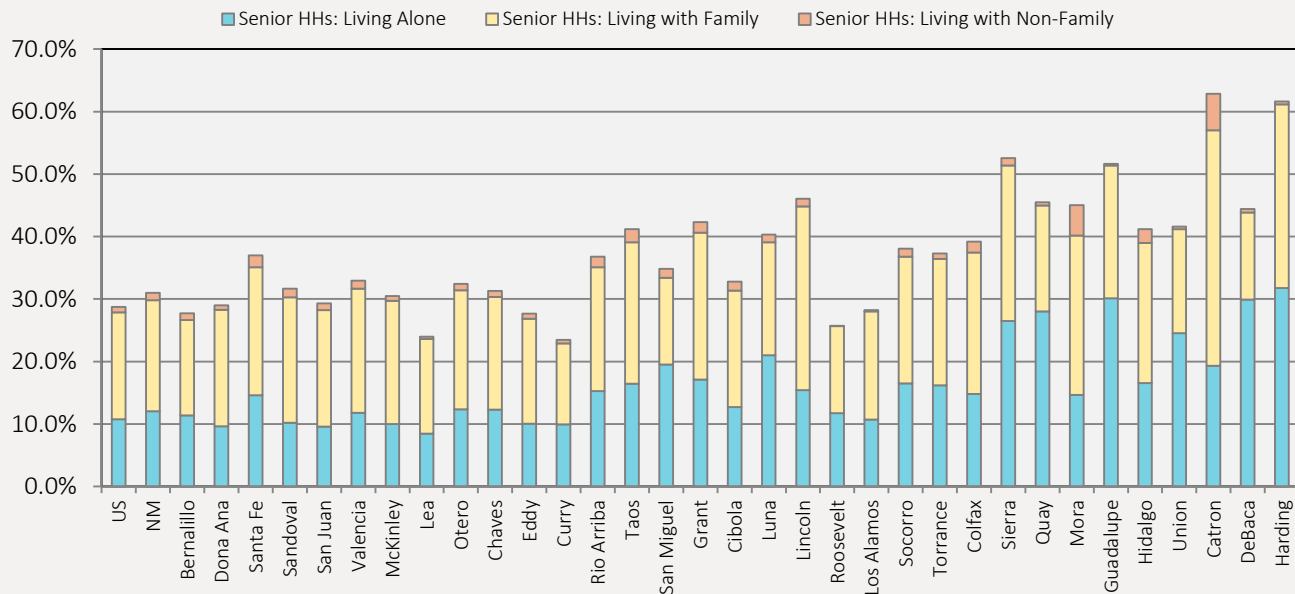
Source: American Community Survey 5-year estimates for 2014-2018
Note: "Living with Family" includes seniors living with a spouse and/or extended family.

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Senior Households

Senior-headed households in New Mexico are predominately homeowners, but many are also low-income. The senior homeownership rate of 83% is much higher than the rate for all New Mexico households, which is 67.6%, and for senior households in the U.S., which is78.8%. Yet assuming these seniors live in households of two persons or more (which is the case for 61% people age 65 and over), at least 50.9% of these households are considered low-income by HUD's Statewide Income limits for New Mexico.

This combination of high homeownership rates and low incomes means that many seniors may not have the financial ability to move as they age and will either need age-in-place services or affordable rentals. Both options are sparse in many areas of the state.

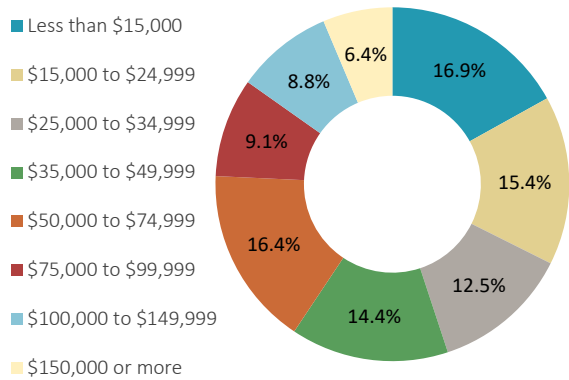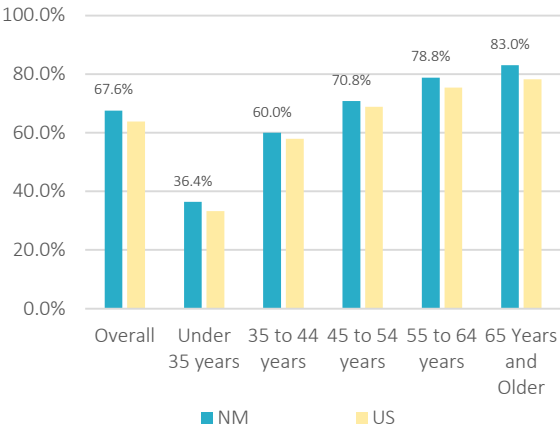Figure 21: Income for Senior-Headed Households in New Mexico

- Less than $15,000
- $15,000 to $24,999
- $25,000 to $34,999
- $35,000 to $49,999
- $50,000 to $74,999
- $75,000 to $99,999
- $100,000 to $149,999
- $150,000 or more

16.9%
15.4%
12.5%
14.4%
16.4%
9.1%
8.8%
6.4%

Figure 22: Homeownership Rate within Age Cohorts

Age Cohort	NM	US
Overall	67.6%	
Under 35 years	36.4%	
35 to 44 years	60.0%	
45 to 54 years	70.8%	
55 to 64 years	78.8%	
65 Years and Older	83.0%	

■ NM   ■ US

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Homeowners vs. Renters

New Mexico has historically boasted a higher homeownership rate (67.6%) than the U.S. (63.8%). This trend has remained steady despite declines in homeownership through the past decade. Homeownership rates are particularly high in many rural counties, where they can exceed 80%. Among homeowners, New Mexico also has a higher rate of homeowners without a mortgage, 45.2%, compared to 36.9% in the U.S.

Higher than average numbers of renters are found in counties with post-secondary institutions such as Bernalillo (University of New Mexico), Doña Ana (New Mexico State University) and Roosevelt (Eastern New Mexico University). This is also true in Otero and Curry counties where air force base personnel are likely to rent or live on base.

Homeownership helps a family build wealth and stability. However, this typically positive indicator is complicated in New Mexico by several factors:

- Seventeen percent of the state's homeownership rate can be attributed to mobile homes, some of which are substandard and will not appreciate.
- Thirty-two percent of New Mexico homeowner households are low income and may struggle with housing costs even if they inherited their home and/or do not have a mortgage.
- Concentrated in rural areas, aging housing stock requires rehabilitation, which many low-income homeowners cannot afford.
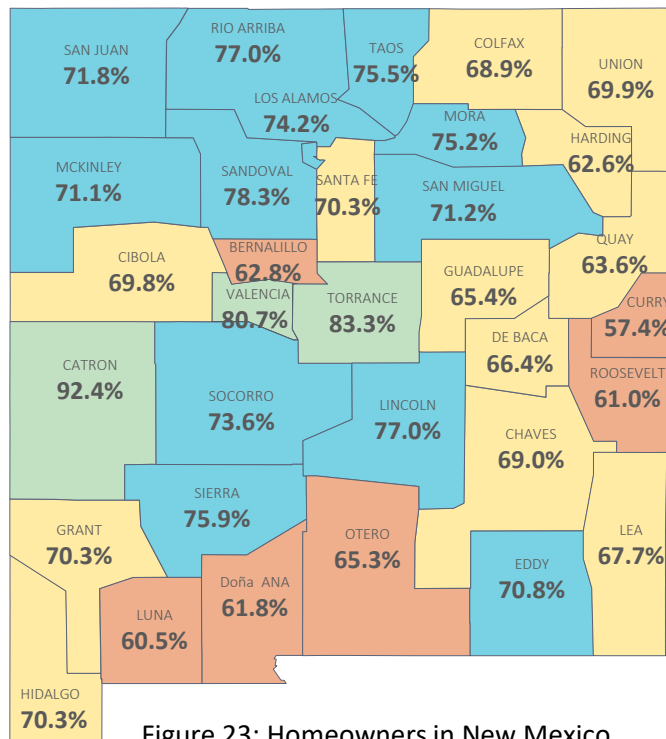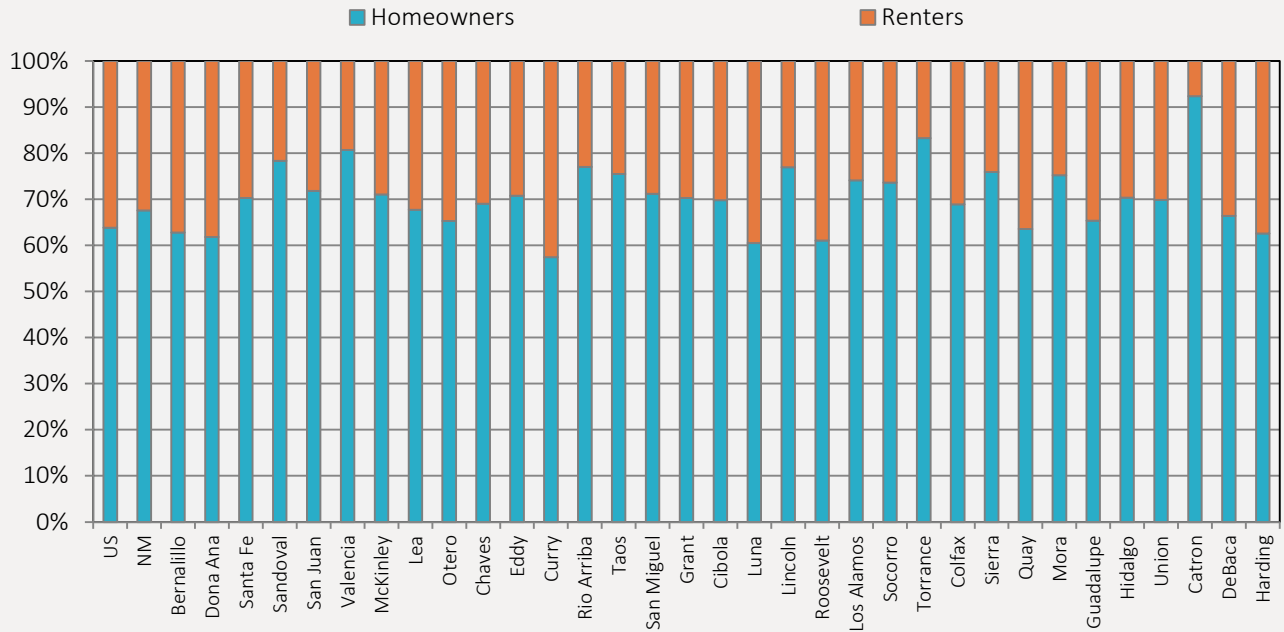

Figure 23: Homeowners in New Mexico

EXTREMELY HIGH HOMEONERSHIP RATE	80% or more homeowners
HIGH HOMEOWNERSHP RATE	71-79% homeowners
AVERAGE HOMEOWNERSHIP RATE	66-70% of homeowners
LOWER THAN AVERAGE HOMEOWNERSHIP RATE	65% or less homeowners

Homeowners and Renters

Figure 24: Homeowner and Renter Households

■ Homeowners ■ Renters

HOUSING IN NM

Mix of Occupied Housing Stock

New Mexico has a slightly higher percentage of single family homes (65.5%) than the U.S. (62.8%). Of the single family homes, 80.2% are owned. New Mexico also has a lower percentage of multifamily units, including townhomes/condos, duplexes, triplexes, fourplexes and, significantly, larger apartment communities than the U.S. This lack of housing diversity and choice can be problematic in urban and rural communities alike.

The most significant difference between housing stock in New Mexico and the U.S. is the high percentage of mobile homes: 16.0% vs 5.6%. In the mobile home category, 11.7% are owned and 4.3% are rented. This category includes older, single-wide models, some of which are not on permanent foundations. These models do not meet modern building codes and are no longer manufactured. On the other hand, the mobile home classification also includes manufactured homes on permanent foundations that meet residential building codes. These homes are good quality and often appreciate in value.

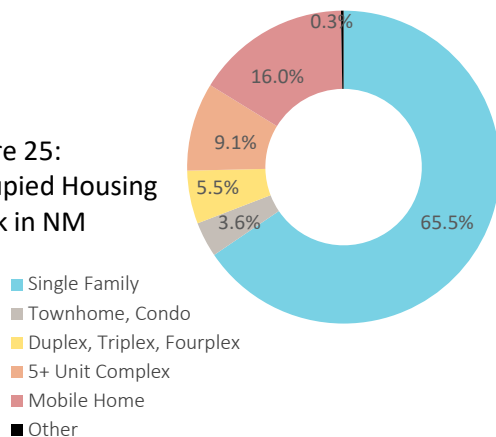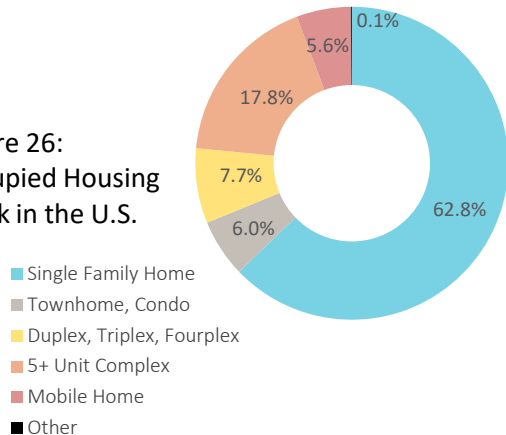Figure 25: Occupied Housing Stock in NM

- Single Family
- Townhome, Condo
- Duplex, Triplex, Fourplex
- 5+ Unit Complex
- Mobile Home
- Other

0.3%
16.0%
9.1%
5.5%
3.6%
65.5%

Figure 26: Occupied Housing Stock in the U.S.

- Single Family Home
- Townhome, Condo
- Duplex, Triplex, Fourplex
- 5+ Unit Complex
- Mobile Home
- Other

0.1%
5.6%
17.8%
7.7%
6.0%
62.8%

HOUSING IN NM

Manufactured Housing

It is important to understand the role that manufactured housing plays in New Mexico-- particularly for new homeowners. Manufactured housing is a widely-used form of affordable housing for many low-income homeowners in the state. In regions like northern New Mexico, where families own land but may lack resources to build a home, manufactured housing can be a convenient and affordable option.

Manufactured homes are important in rural communities that cannot attract new investment. Because of the lack of new development, for-sale housing is scarce and often limited to older, outdated homes that need substantial rehabilitation or remodeling beyond the reach of first-time homebuyers. In these areas, manufactured homes provide an expedient, modern housing option with low upfront costs. For these reasons, manufactured homes represent more than 30 percent of the housing stock in nine New Mexico counties.

A potential downside is that chattel financing associated with manufactured homes often comes with high interest rates that may create affordability problems later on. And because this financing has lower standards for qualification, some families are compelled to purchase manufactured homes after being denied traditional financing through a conventional lender. Finally, manufactured homes require site infrastructure on the land where they will be located, which can also be costly and complicated.
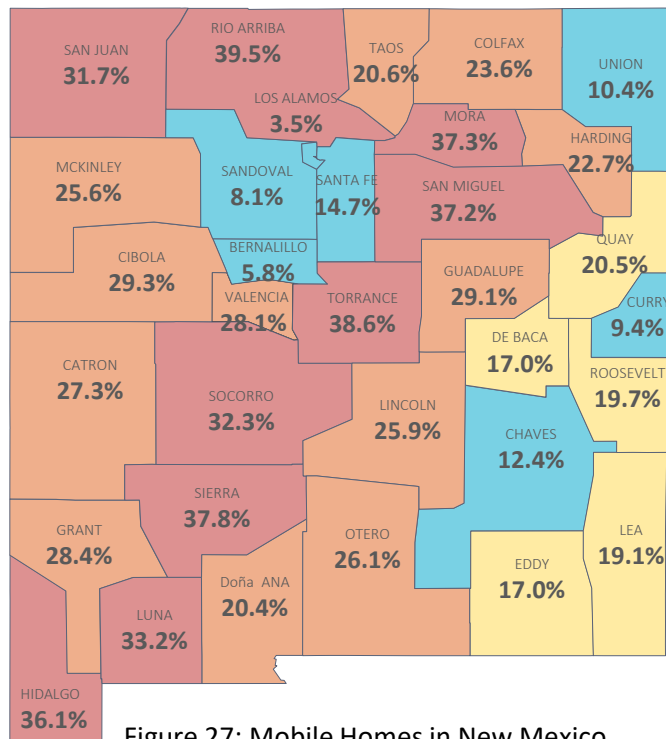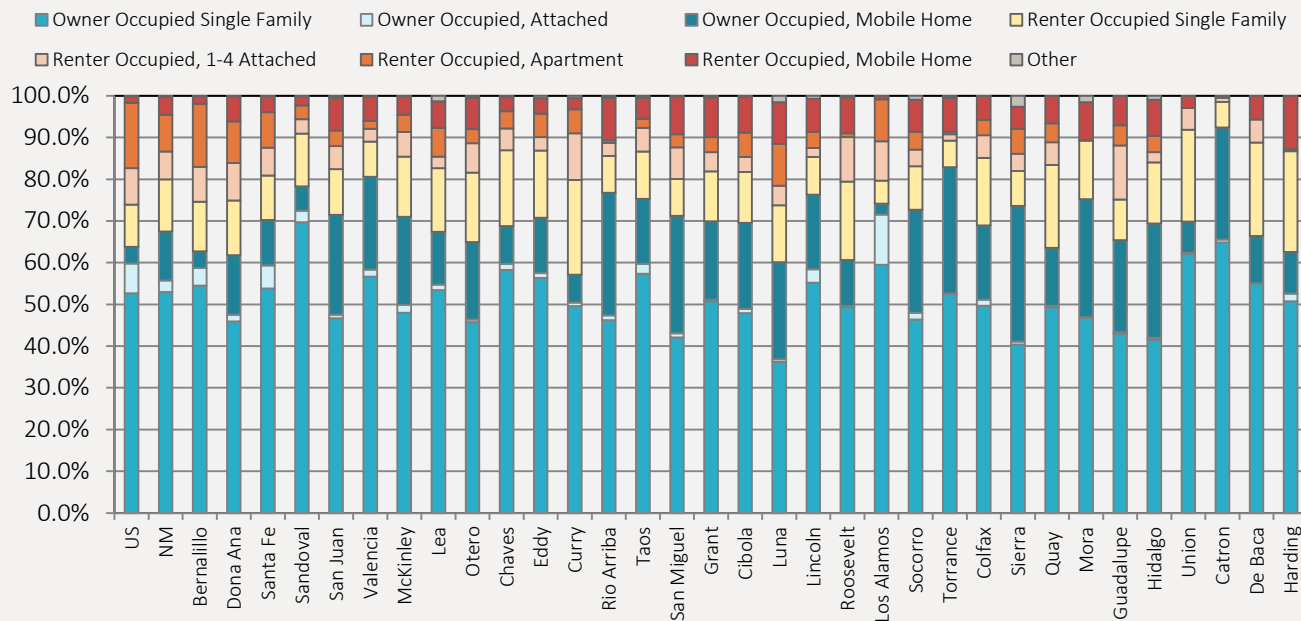

Figure 27: Mobile Homes in New Mexico

LOW PERCENTAGE OF MOBILE HOMES	Less than 15% of occupied housing stock in mobile homes
AVERAGE PERCENTAGE OF MOBILE HOMES	15-19% of occupied housing stock in mobile homes
HIGH PERCENTAGE OF MOBILE HOMES	20-29% of occupied housing stock in mobile homes
EXTREMELY HIGH PERCENTAGE OF MOBILE HOMES	30% or more of occupied housing stock in mobile homes

Source: American Community Survey 5-year estimates for 2014-2018

Type of Housing

Type of Housing by Homeowners and Renters

Figure 28: Type of Housing in New Mexico Counties

Legend:
- Owner Occupied Single Family
- Owner Occupied, Attached
- Owner Occupied, Mobile Home
- Renter Occupied Single Family
- Renter Occupied, 1-4 Attached
- Renter Occupied, Apartment
- Renter Occupied, Mobile Home
- Other

Source: American Community Survey 5-year estimates for 2014-2018

24

HOUSING IN NM

Age of Housing

Like other Western states, housing development boomed in New Mexico in the 1970s and kept up a consistent pace in the 1980s and 1990s. According to the ACS, approximately 52.4% of the state's housing units were built in that time period. The rate of new construction remained relatively consistent in the 2000s, when 15.5% of the state's housing units were built. Around 2010, development became stagnant both in New Mexico and the U.S. because of the Great Recession. By 2018, residential construction nationally and within New Mexico had picked up to a pre-recession pace. Las Cruces and Santa Fe have been the state's fastest building cities in terms of residential units being built per person.

Housing is generally newer in New Mexico than in the U.S. However, development activity is quite uneven between New Mexico's urban and rural counties. In total, 19.2% of NM's housing was developed after 2000. All counties located within the MSAs are close to that average age, with Sandoval, Doña Ana and Santa Fe Counties having the newest housing stock. While most rural counties have aging or old housing stock, some rural areas may have average-age housing stock in mobile or manufactured homes.

Housing stock is aging in some semi-urban counties as well, including Chaves and Lea. It is important that these counties attract new investment and remain viable to support the large rural regions of New Mexico that they serve.
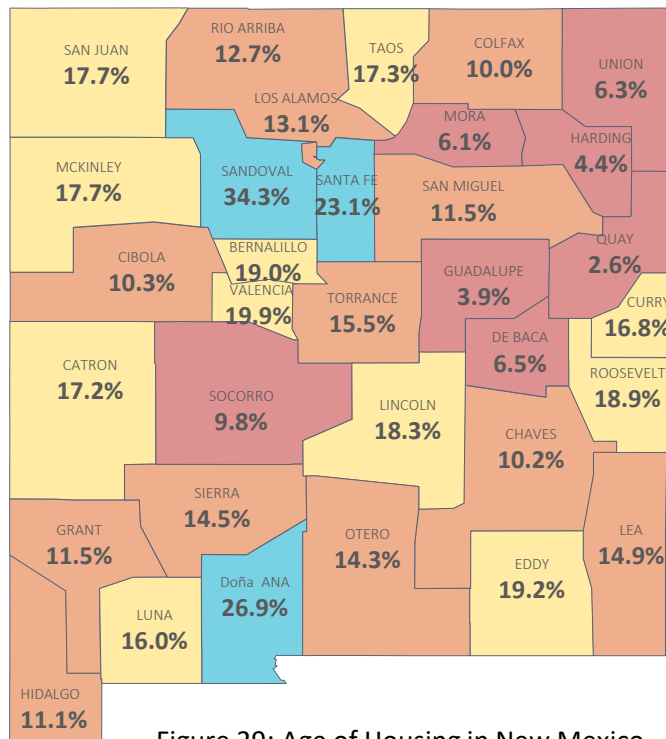

Figure 29: Age of Housing in New Mexico

RECENT HOUSING STOCK	More than 20% of housing units built in 2000 or later
AVERAGE-AGE HOUSING STOCK	16-20% of housing units built in 2000 or later
AGING HOUSING STOCK	10-15% of housing units built in 2000 or later
OLD HOUSING STOCK	Less than 10% of housing units built in 2000 or later

Source: American Community Survey 5-year estimates for 2014-2018

Age of Housing

Figure 30: Age of Housing in New Mexico Counties

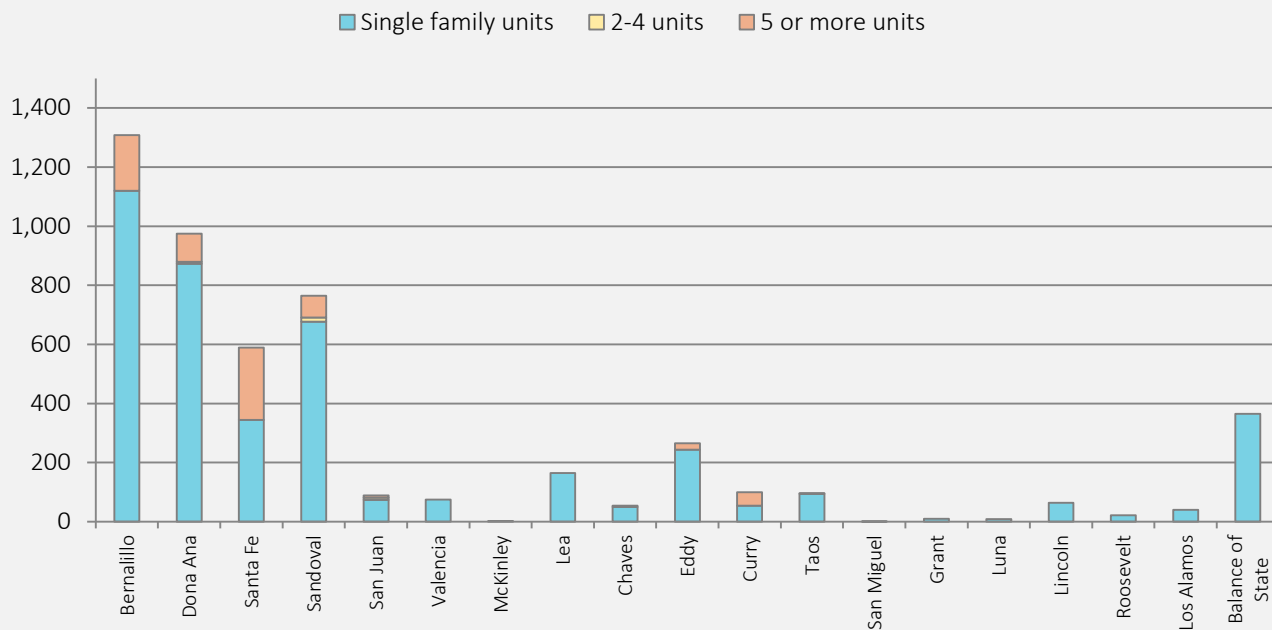Legend: 2010 or Later | 2000s | 1990s | 1980s | 1970s | 1960s | 1950s | 1940s | 1939 or Earlier
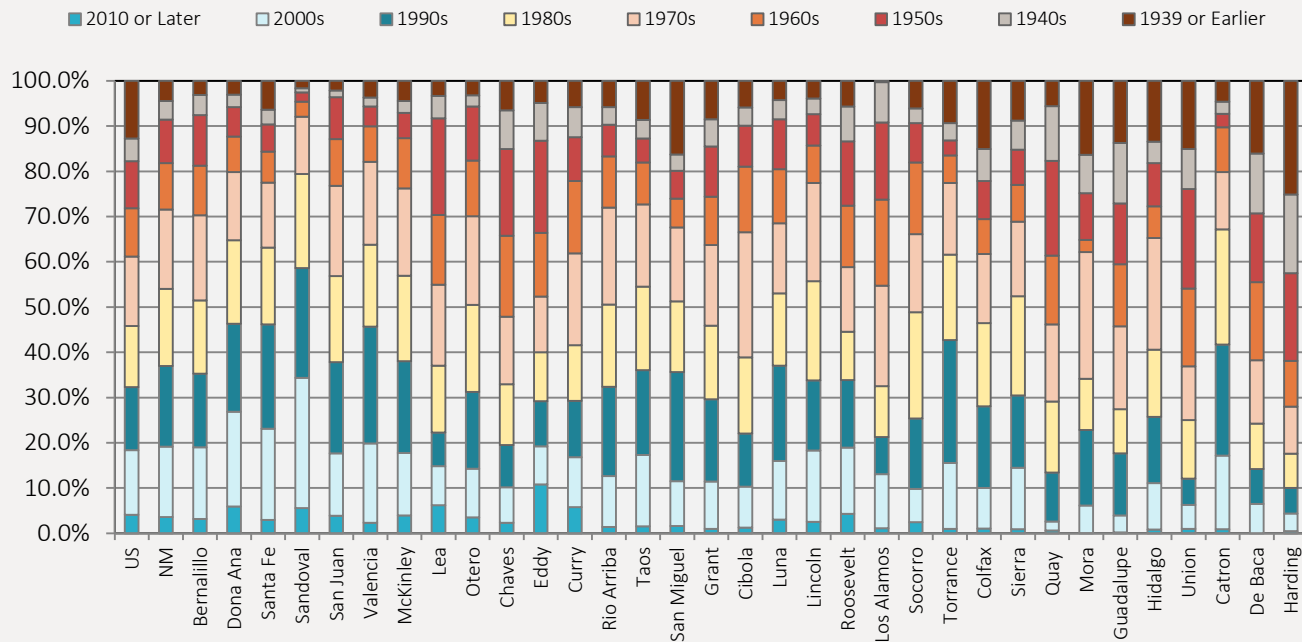
Source: American Community Survey 5-year estimates for 2014-2018

Units Constructed, 2019

Number of new units for which building permits were issued

Figure 31: Building Permits, 2019

*Source: U.S. Census, 2019 Building Permit Survey*

HOUSING IN NM

Residential Development Trends

Since the Great Recession, new construction of residential dwellings has slowed. From 2011 to 2019 the supply of housing stock increased at an average annual rate of 10%. In contrast, annual additions to the housing supply averaged 30% from 1970 to 2010 and met the need for replacement stock, vacation homes and population shifts across markets. The current lag in construction maybe attributed to the reluctance of builders and lenders and lenders to repeat the mistakes that were made in the 2000s when the housing supply expanded too rapidly. Furthermore, labor shortages in the construction industry have created a challenge to building quickly. Much of the housing that is being built is meant for a high-end market and is rarely affordable to moderate-income persons. (Joint Center for Housing Studies, 2019)

In New Mexico, this pattern of slow growth in residential construction is even more acute than in the rest of the nation. Figure 32 contains data from the Annual Building Permit Survey that shows the average annual increase in permits for residential housing units was 1% for New Mexico and 6% for the United States from 2014 to 2019.

Figure 32: New Privately-Owed Housing Units Authorized

Legend: New Mexico, United States
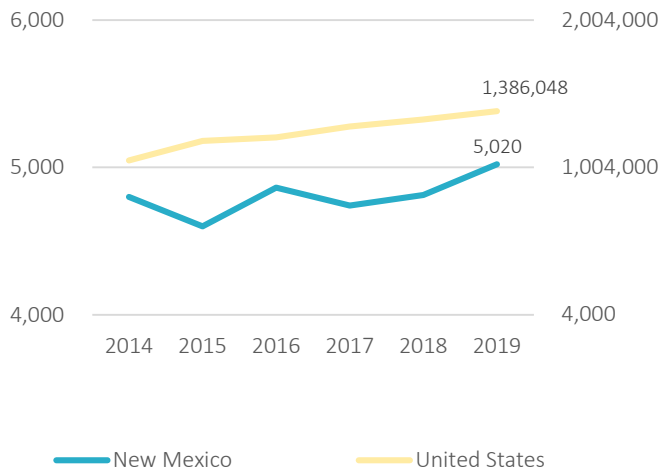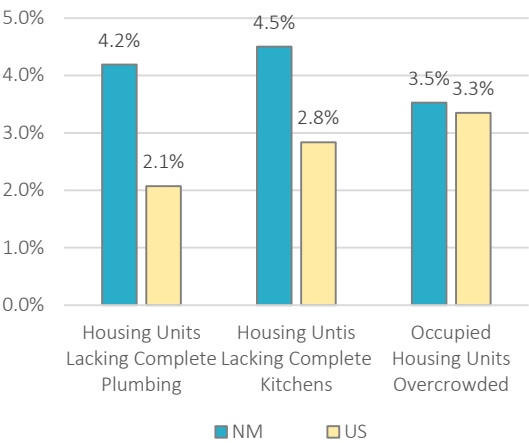
HOUSING IN NM

Housing Conditions

The percentage of housing units lacking complete plumbing or kitchen facilities has long served as an indicator for the overall condition of housing, although the lack of such facilities is relatively rare in the present day. Overcrowding, defined as a household that has more members than rooms in a home, has been associated with negative health outcomes (World Health Organization Housing and Health Guidelines 2018). The toll of COVID-19 in areas where housing units are overcrowded and substandard demonstrates the critical intersection of housing and public health.

In the U.S., 2.1% of housing units lack complete plumbing and 2.8% lack complete kitchens. These rates are higher in New Mexico where 4.2% of homes lack complete plumbing and 4.5% of homes lack complete kitchens. The rate of overcrowding in New Mexico and the U.S. is similar.

The prevalence of poor housing conditions and overcrowding is highest in New Mexico's poorest and more rural counties. In McKinley County, where the poverty rate is the highest in the state, 34.7% of housing units lack either or both complete plumbing and complete kitchens. With 13.5% of occupied homes having more than one household member per room, McKinley County ranks the highest in the state for overcrowding. Due in part to poor housing conditions, McKinley County has suffered some of the most devastating consequences of COVID-19 in the state.

Figure 33: Housing Condition Issues

Source: American Community Survey 5-year estimates for 2014-2018
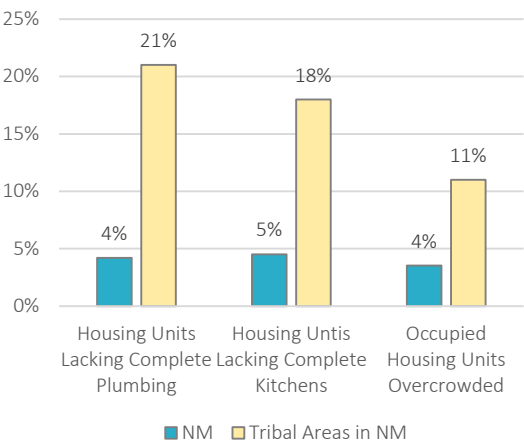
HOUSING IN NM

Housing Conditions

In addition to the housing condition issues listed in Figure 34, sub-standard heating, electrical and design is more widespread and severe in the homes of Native Americans than those of average Americans "Not only do these sub-standard conditions subject household members to extreme heat and cold and air pollution, it puts them at risk for asthma, stunted growth, neurological damage, accidents, and injury (World Health Organization, American Journal of Public Health, May 2002).

An affordable housing deficit also has resulted in high rates of overcrowding in Tribal Areas. Households are compelled to take in family and friends who are unable to secure housing for themselves and who might otherwise become homeless. Stronger kinship ties may also be a contributing factor for larger households; however many households "doubling up" would rather be in a home of their own if they had the opportunity (Housing Assistance Council, 2013).

Almost 60% of reported COVID-19 cases and approximately 50% of COVID-attributed deaths in New Mexico occurred in tribal communities where overcrowding and poor housing conditions are widespread. These numbers underscore the urgency of addressing the critical lack of quality, safe housing in tribal areas. Simply improving access to safe water and reducing household size could help prevent such a tragedy in the future.

Figure 34: Housing Condition Issues in Tribal Areas

Legend: ■ NM ■ Tribal Areas in NM

Data values:
- Housing Units Lacking Complete Plumbing: NM 4%, Tribal Areas 21%
- Housing Units Lacking Complete Kitchens: NM 5%, Tribal Areas 18%
- Occupied Housing Units Overcrowded: NM 4%, Tribal Areas 11%

Housing Condition Issues

Lack of Complete Plumbing or Kitchens and Overcrowding

Figure 35: Housing Condition Issues in New Mexico Counties
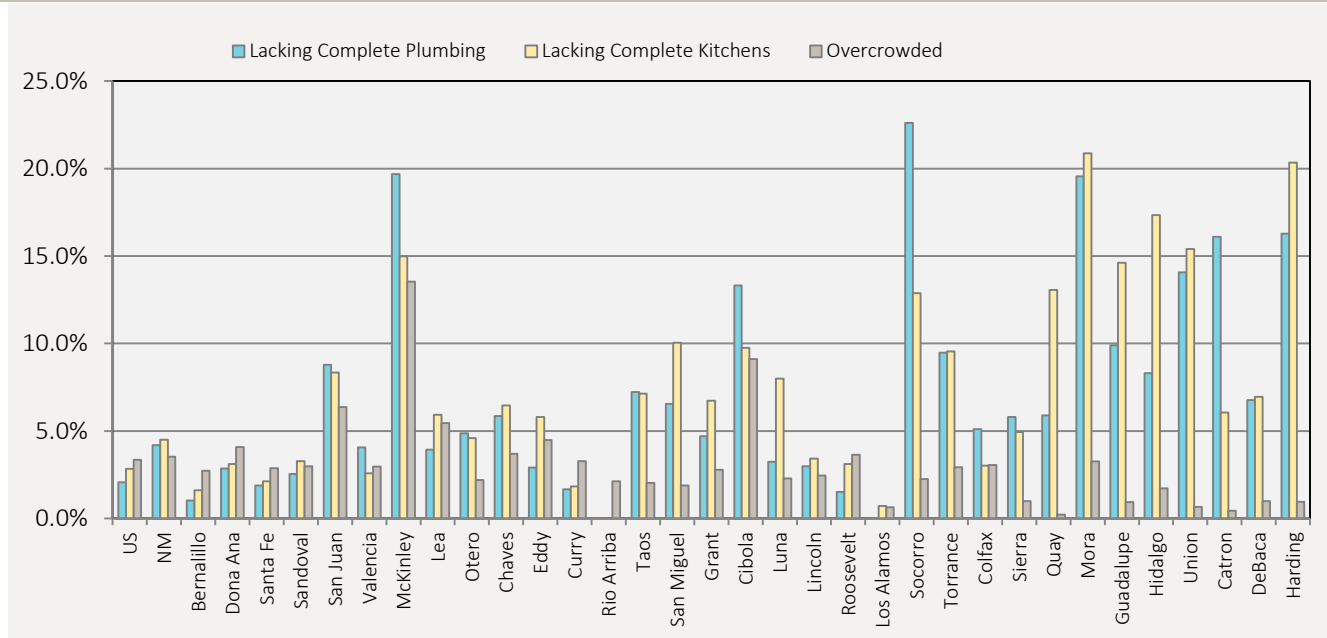
Source: American Community Survey 5-year estimates for 2014-2018.

AFFORDABILITY

What is affordable housing?

Affordable housing is commonly defined as housing costs that do not exceed 30% of a household's income. This standard is dependent on income level and housing expenses. If a wealthy household chooses to spend more than 30% of income on housing costs, the household would have the resources to cover other expenses. However, households with low incomes may not be able to even find housing priced at 30% or even 50% of their income.

Figure 36 shows the percentage of New Mexico the percentages of New Mexico household incomes based on Area based on Area Median Incomes (AMI). Figure 37 shows the maximum affordable housing cost for each income based on the state median income. While the estimates in these figures do not consider household size (as the limits for HUD and other programs do), they demonstrate the high rate of low and moderate low and moderate income levels in the state. Almost 41% of New Mexicans fall into the low income or below low income categories. Low income households are cost burdened when their total monthly housing expenses exceed $1,068.

Figure 36: NM Households by Income Range

- Extremely Low Income (30% or below AMI)
- Very Low Income (Between 30% and 50% AMI)
- Low Income (Between 50% and 80% AMI)
- Moderate Income (Between 80% and 120% AMI)
- High Income (Above 120% AMI)

12.7%
12.4%
15.6%
17.2%
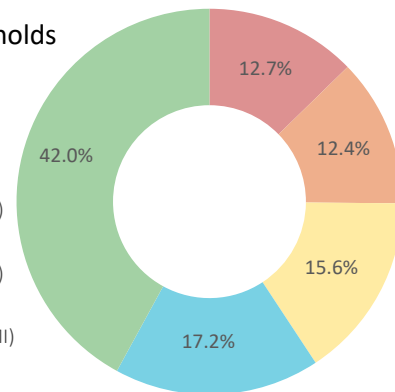42.0%

Figure 37: Affordable Housing Cost

Annual HH Income	Monthly HH Income	Maximum Monthly Housing Cost
$14,418	$1,202	$401
$24,030	$2,003	$668
$38,447	$3,204	$1,068
$57,671	$4,806	$1,602

AFFORDABILITY

What is Cost Burden?

Cost burden is a measure of housing affordability. Cost burdened households pay more than 30% of their income in housing costs and extremely cost-burdened households pay more than 50%. Cost burden for renters and homeowners differs greatly and continues to diverge. The fundamental difference is that renters have much lower incomes than homeowners overall. In New Mexico, for example, the median household income for renters is $30,817, compared to $58,417 for homeowners.

Nationally, cost burden for renters has doubled since the 1960s, when incomes began to fall behind increases in housing costs. The highest renter cost burden occurred during the Great Recession when large numbers of foreclosed homeowners entered the rental market and fewer renters pursued homeownership due to tight credit standards, high student debt, a weak job market and stagnating incomes. The resulting increase in the number of renters put pressure on the rental market, driving up occupancy rates and rents. While rental demand remains strong, this pressure has eased as more Millennials, now in their thirties, increasingly form households and purchase homes (Joint Center for Housing Studies, 2018).

Equally important to understanding how demand affects affordability is the issue of housing supply. Nationally, the availability of low-cost housing has declined since the 1990s. In New Mexico, the number of rental units priced at $600 per month (based on real contract rent) has dropped by 29,213 units from 1990-2017. The change in the proportion of rental units at this price is -27%. Similarly, the number of units priced at $800 in the state has increased by 3,843 units during this period, but the share of these units decreased by 22% (Joint Center for Housing Studies, 2018).

The combination of increased demand and decreased supply means that the problem of cost burdened renters must be addressed from multiple angles. Increasing funding for tenant-based vouchers (TBV), for example, gives low-income renters more power to find housing despite limited affordable options. Continuing to develop affordable properties creates housing opportunities for low-income households without TBV. Finally, there are some households whose earnings are so low that a combination of vouchers and affordable housing development is imperative to ensure that those families remain housed.
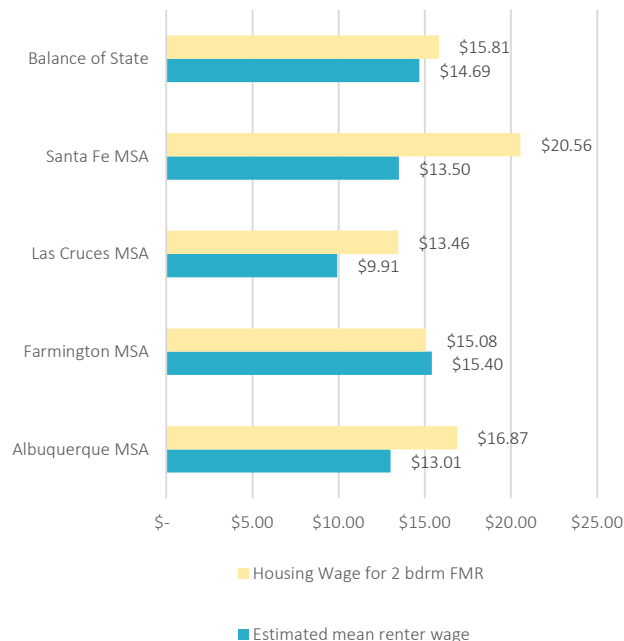
AFFORDABILITY

Housing Wage

The National Low Income Housing Coalition (NLIHC) looks at rental affordability by comparing hourly wages with "housing wages." NLIHC defines housing wage as the hourly earnings needed to spend less than 30% of income on housing cost. In its 2019 report, NLIHC found that the average New Mexican renter earns $13.41 per hour and the housing wage needed to afford a modest, market-rate, two-bedroom apartment is $16.34. Therefore, the average housing wage gap for a two-bedroom apartment in New Mexico is $2.93.

The housing wage gap is the largest in the Santa Fe MSA, at $7.06. This gap is driven both by a low supply of housing stock and high demand. In the Albuquerque and Las Cruces MSAs, the wage gap is $3.86 and $3.55 respectively. Growing populations in these areas creates a demand for housing that drives up cost of renting. The wage gap is low in non-MSA areas, primarily due to lower housing costs.

Figure 38: Average Renter Wage and Housing Wage

Source: National Low Income Housing Coalition Out of Reach Report, 2019

AFFORDABILITY

Cost Burden

In the U.S., cost burden has declined from its peak in 2010 primarily among homeowners. During the Great Recession, homeowners had access to low interest rates, and many homeowners moved to rental housing. On the other hand, renter cost burden has only improved modestly, leaving close to half of renters cost- burdened nationwide (Joint Center for Housing Studies, 2018).

In New Mexico, a total of 21.6% of homeowners are cost-burdened, including 9.3% that are extremely cost-burdened. The U.S. rates are 23.1% and 9.3%, respectively. The lower rate of cost burden in New Mexico can be attributed to the high rate of owner-occupied homes without mortgages, which is 44.2% compared to 36.9% in the U.S.

Because renters have lower incomes than homeowners, 43.8% of New Mexico renters are cost-burdened, including 22% that are extremely cost-burdened. In the U.S., the percentages of cost-burdened and extremely cost-burdened renters are slightly higher at 46.5% and 23.4%, respectively.

Figure 39: Cost Burden for NM Homeowner Households

- Not Cost Burdened
- Cost Burdened: 30-49%
- Extremely Cost Burdened: 50% or More
- Not Computed

(1.7%, 9.3%, 12.3%, 76.7%)
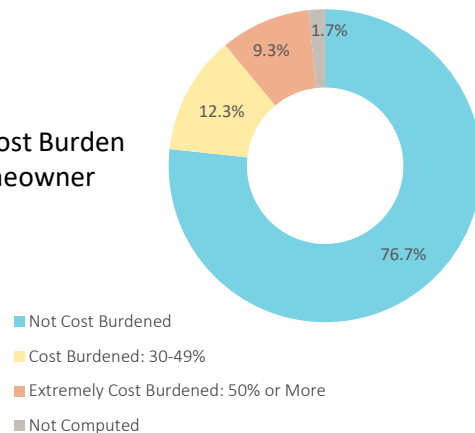
Figure 40: Cost Burden for NM Renter Households

- Not Cost Burdened
- Cost Burdened: 30-49%
- Extremely Cost Burdened: 50% or More
- Not Computed

(11.2%, 22.0%, 21.8%, 45.0%)
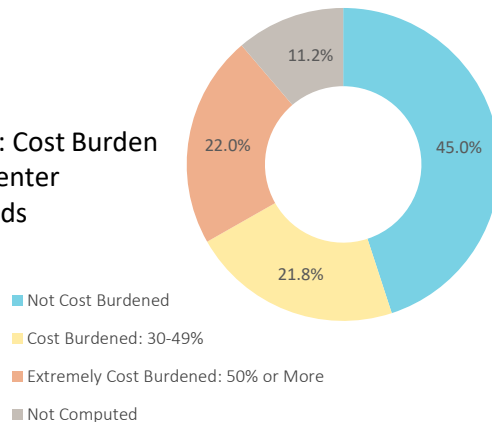
Affordability Indicators

Cost Burden for Owner-Occupied Households

Figure 41: Homeowner Cost Burden in New Mexico Counties
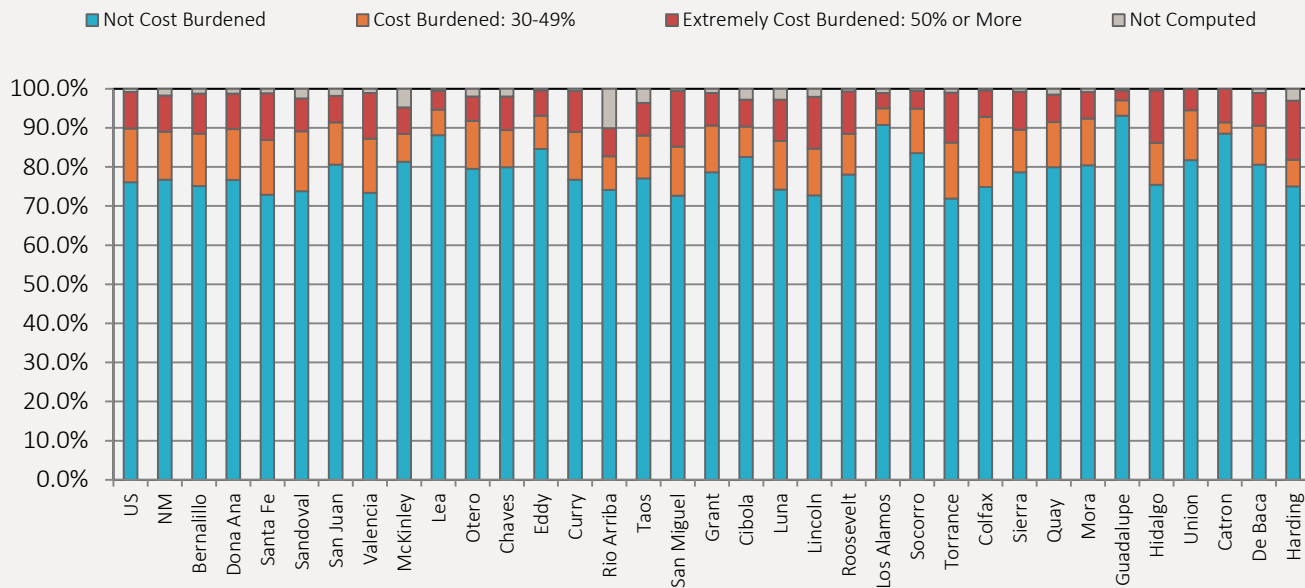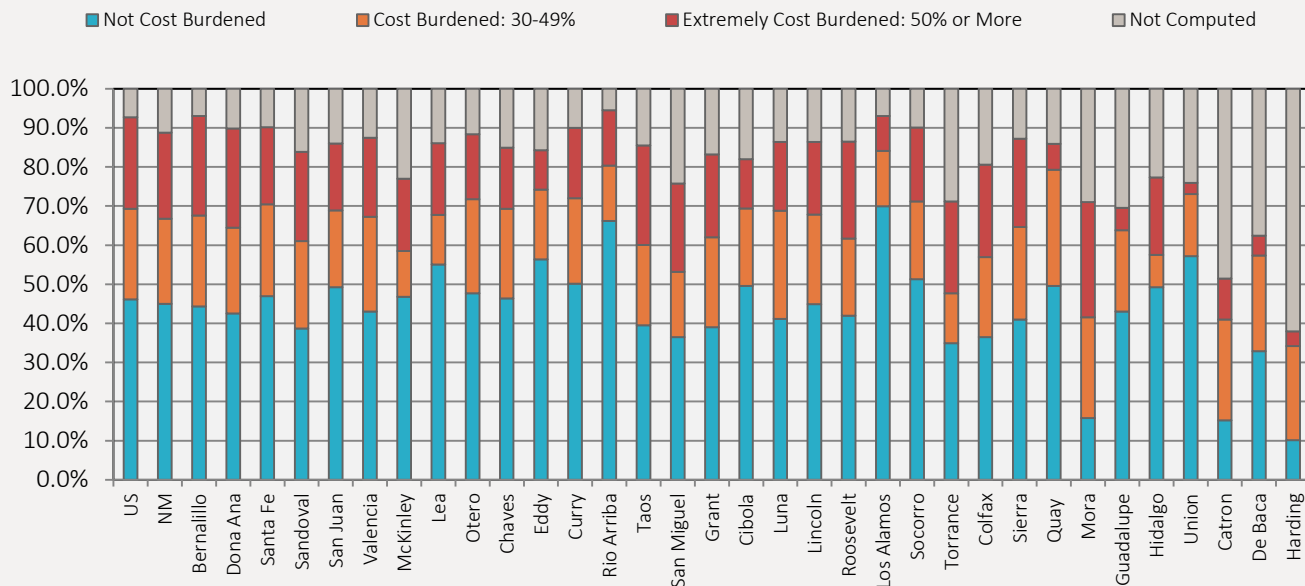
Source: American Community Survey 5-year estimates for 2014-2018

Affordability Indicators

Cost Burden for Renter-Occupied Households

Figure 42: Renter Cost Burden in New Mexico Counties

Legend: ■ Not Cost Burdened   ■ Cost Burdened: 30-49%   ■ Extremely Cost Burdened: 50% or More   □ Not Computed

Source: American Community Survey 5-year estimates for 2014-2018

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AFFORDABILITY

Buying a Home

The percentage of renters who can afford a median-priced home is a good measure of affordability, because most homes are purchased by people who are currently renting. Figure 43 shows the estimated percentage of renter households in each county that can afford the median home price in that county.

Calculations were made using the following assumptions: 32% debt to income ratio, 30-year fixed rate mortgage at 4.75% with a 5% down payment, property taxes at 1% of purchase price, homeowners insurance of $700 per year and property mortgage insurance at 0.9% of the loan amount. Home prices were taken from the New Mexico Realtors Association reporting for 2019.
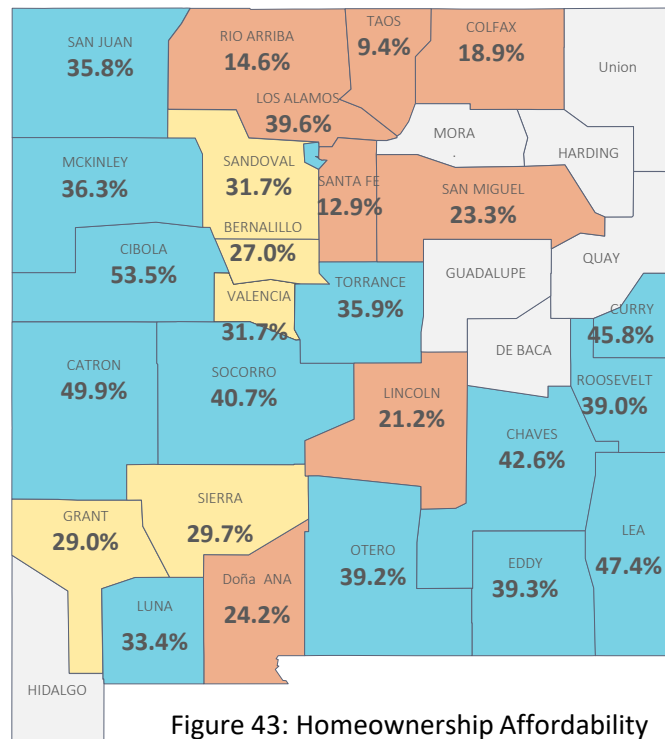
Figure 43: Homeownership Affordability

GOOD AFFORDABILITY	32% or more of renter households can qualify for the median-priced home
AVERAGE AFFORDABILITY	25-31% of renter households can qualify for the median-priced home
POOR AFFORDABILITY	24% or less of renter household can qualify for the median priced home
INSUFFICENT DATA	Less than 10 home sales per year

Source: MFA Calculation

Affordability Indicators
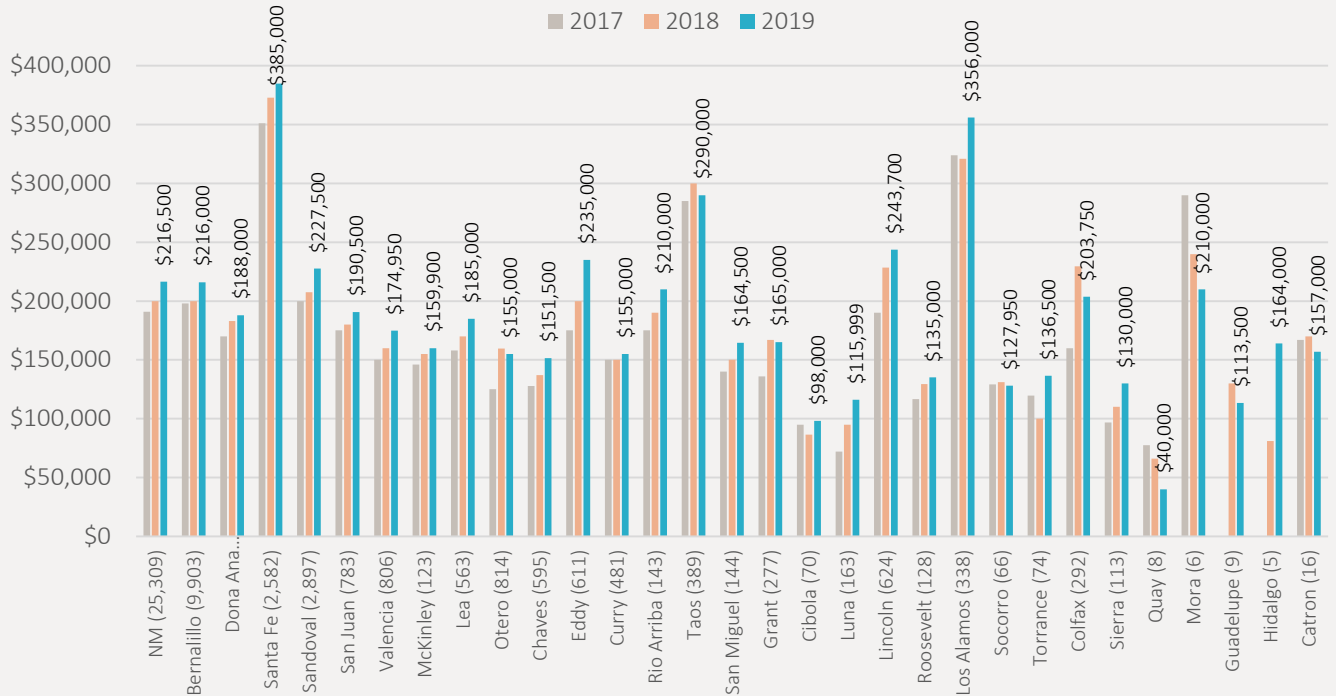
Home Prices and Sales

As mentioned earlier, affordability is a function of both income and housing costs. For this reason, affordability is good in counties ranging from Los Alamos, where incomes are high, to Cibola and Luna where home prices low. Outside of these areas, some notable trends exist:

- Except for Santa Fe, affordability is good to average in New Mexico's metropolitan areas due to greater economic opportunities and a wide range of home prices. Doña Ana County, however, is nearing poor affordability.

- Affordability is good in counties with economies driven by military installations (Otero and Curry) and oil and gas production (Lea, Eddy and Chaves), because incomes are high and home prices are low to moderate.

- Affordability is poor in Santa Fe, Taos, and Lincoln Counties due in part to a high percentage of housing stock that is used as vacation and second homes. This situation creates supply problems for local residents.

- Low incomes impact affordability in the northern counties of Rio Arriba, Colfax and San Miguel, even though home prices are below the statewide median.

- Some of the state's small rural counties are effectively without home sales markets. At less than 10 home sales per year, a comparison of incomes to home prices in those counties would be misleading. These counties include: De Baca, Guadalupe, Harding, Hidalgo, Mora, Quay, and Union.

- There were a record number of home sales in New Mexico in 2018, and the number of home sales has increased steadily in almost every county since 2015. In 2019, home sales were strong but fell slightly short of the 2018 number.

- From 2017 to 2018, home prices increased in almost every New Mexico county. While the median home price in the state increased from $200,000 in 2018 to $216,500 in 2019, 10 counites saw a decrease in median home prices. No urban counties experienced decrease.

Affordability Indicators

Median Home Sales Prices

Figure 44: Median Home Price, 2019

Number of home sales, 2018 in parenthesis

AFFORDABILITY

Renting

While rents are relatively affordable in New Mexico, finding and keeping an affordable place to live is challenging for many renters -- especially those in the lowest income categories. Based on 30% of household income, the figure 45 shows the estimated the percentage of renter households that can afford the average rent in their county. For New Mexico as a whole, 49.4% of renter households can afford their counties' average rents.

As with homeownership, renter affordability can be good in counties where rents are high, provided that incomes are also high. Good examples of this are Los Alamos and Sandoval counties. The oil and gas producing areas of the state also have good affordability due to higher incomes. Counties with poor affordability have renters that are concentrated in lower-income tiers, including those earning $15,000 per year or less.
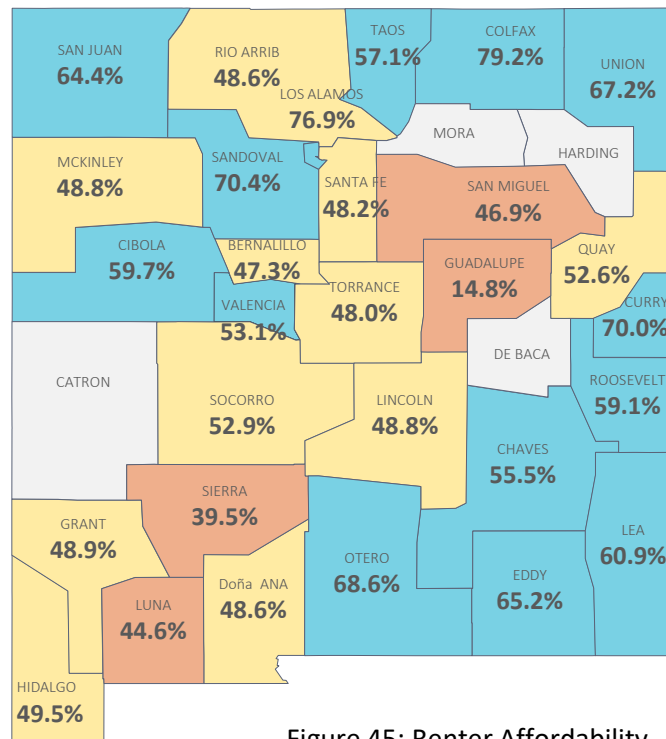

Figure 45: Renter Affordability

GOOD AFFORDABILITY	53% or more renter households can afford average rent
AVERAGE AFFORDABILITY	47-52% of renter households can afford average rent
POOR AFFORDABILITY	Less than 47% of renter households can afford average rent
INSUFFICENT DATA	No average rent data available

Affordability Indicators

Average Rents

In New Mexico, apartment rents and occupancy rates are tracked through two surveys: one conducted by the Bureau of Business and Economic Research (BBER) on behalf of MFA for rural counties; and another conducted by CBRE, a commercial realty company, for the large Albuquerque and Santa Fe markets. Rents reported by BBER for Sandoval County represent the rural part of Sandoval County only, while the higher-priced Rio Rancho market is included in the Albuquerque market survey. Average rents are shown for 2017- 2019 in Figure 46. Please note the following:

- New Mexico's highest rents are concentrated in the high-cost markets of Santa Fe and Los Alamos, followed by Albuquerque.

- Despite having more than half of its multi-family units located in affordable properties, Santa Fe continues to have the highest average rent prices in the state. The high cost of renting in Santa Fe is due to the low supply of multifamily units and increasing demand. CBRE notes that the efforts by the City of Santa Fe to ease building regulation is helping to resolve this imbalance.

- In 2019, rent increased from 2018 in most urban counties.

- Semi-urban oil-producing counties also experienced rent increases. Eddy and Lea counties saw rent increases of 19% and 15%, respectively.

- With a few exceptions, average rents in rural counties generally fall below $600. Rural counties tend to have lower incomes, lower rental demand and older properties, all of which contribute to lower rents.

- There is no data for the rural counties of Catron, De Baca and Harding, which have populations under 5,000, very few renters and few apartments

- The small rural counties of Torrance and Mora have data for some, but not all, years due to a low number of properties that may or may not respond to the annual survey.

Affordability Indicators

Average Rents

Figure 46: Average Rent in New Mexico Counties

Legend: 2017, 2018, 2019
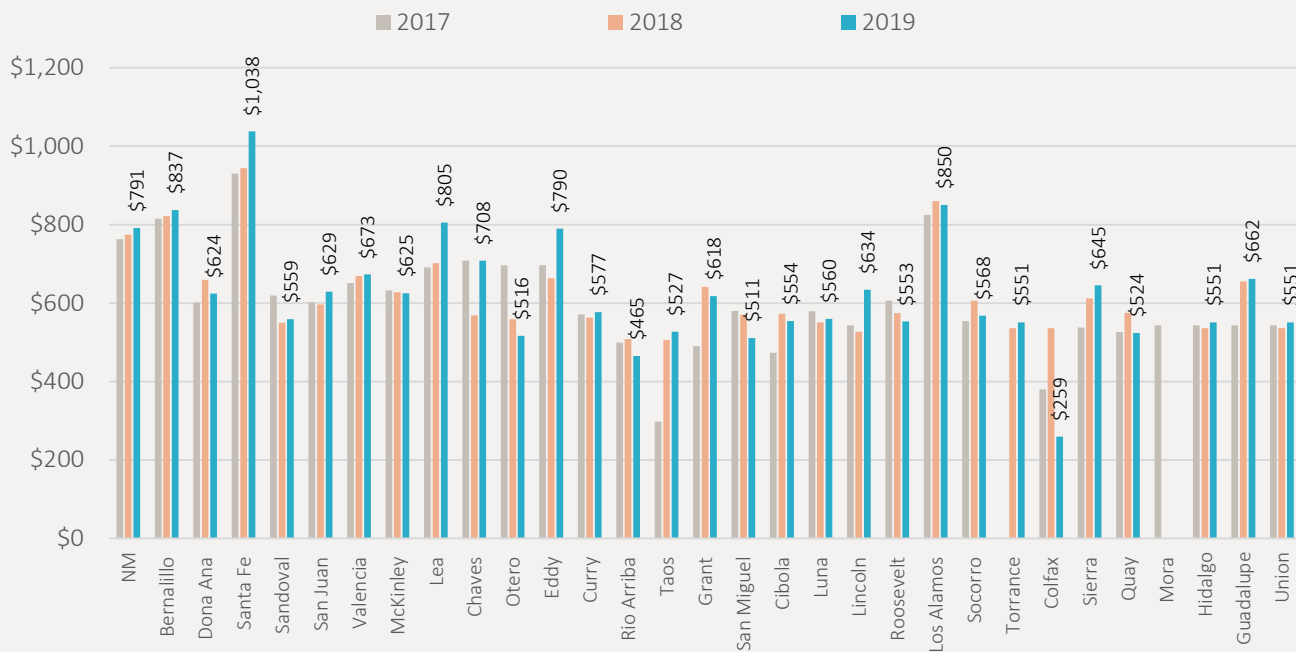
Source: BBER and CBRE Rental Surveys

NM Average Rent is a weighted average among CBRE average rents for Albuquerque and Santa Fe and the statewide average rent from the BBER survey.

Affordability Indicators

Average Rents

Figure 47: Average Rent in New Mexico Counties
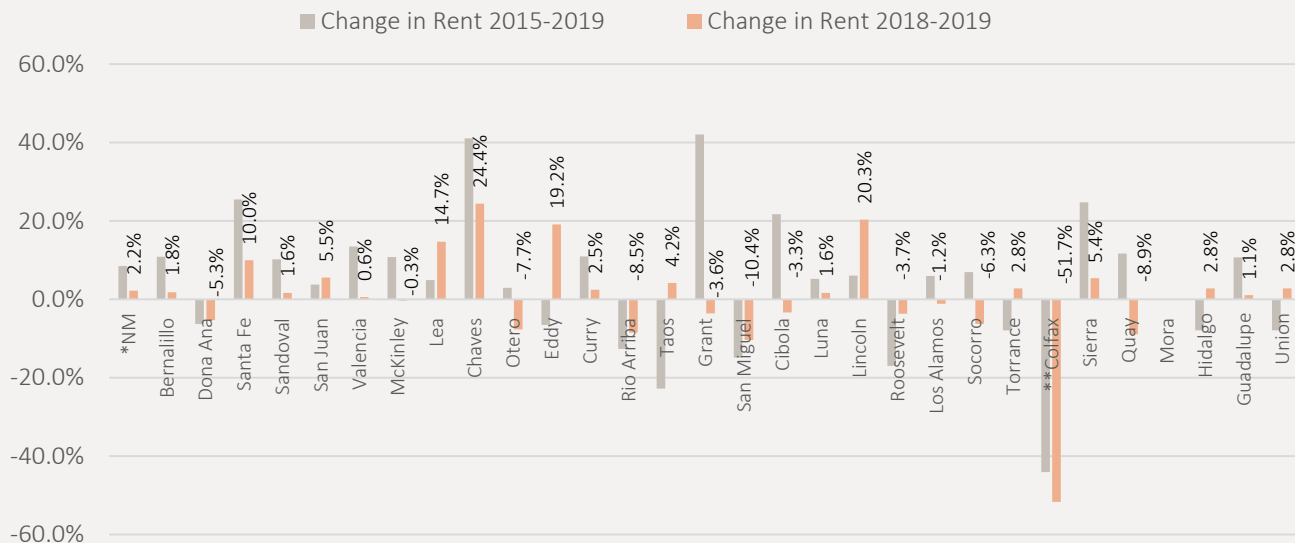
*NM Average Rent is a weighted average among CBRE average rents for Albuquerque and Santa Fe and the statewide average rent from the BBER survey.
**The drop on Colfax County is a result of data for the County previous to 2019 being combined with Hidalgo, Torrance, and Union Counites

Source: BBER and CBRE Rental Surveys

Average Rental Vacancy Rate

*Figure 48: Rental Vacancy Rates in New Mexico Counties

Legend: ☐ 2017 ■ 2018 ■ 2019
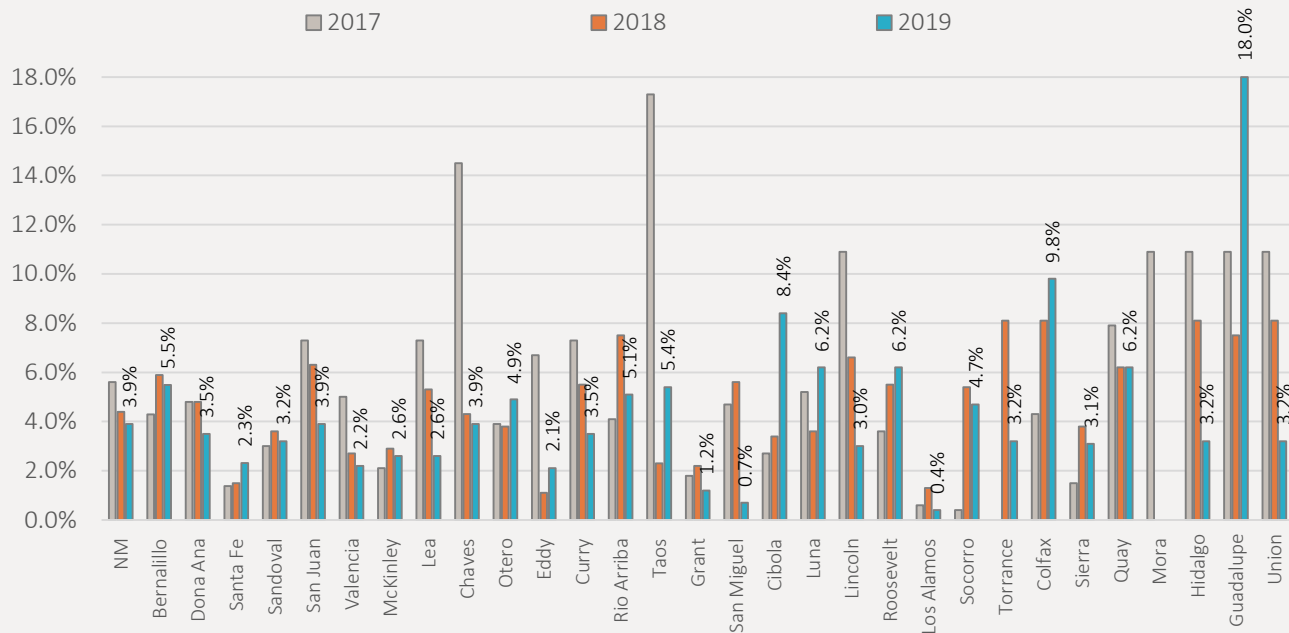
*Large variation within a county across a few years in vacancy rates is attributed to somewhat inconsistent survey responses from properties.

Source: BBER and CBRE Rental Surveys

Affordability

Figure 49: Percent of Renters who Can Afford Average Rent and the Median-Priced Home
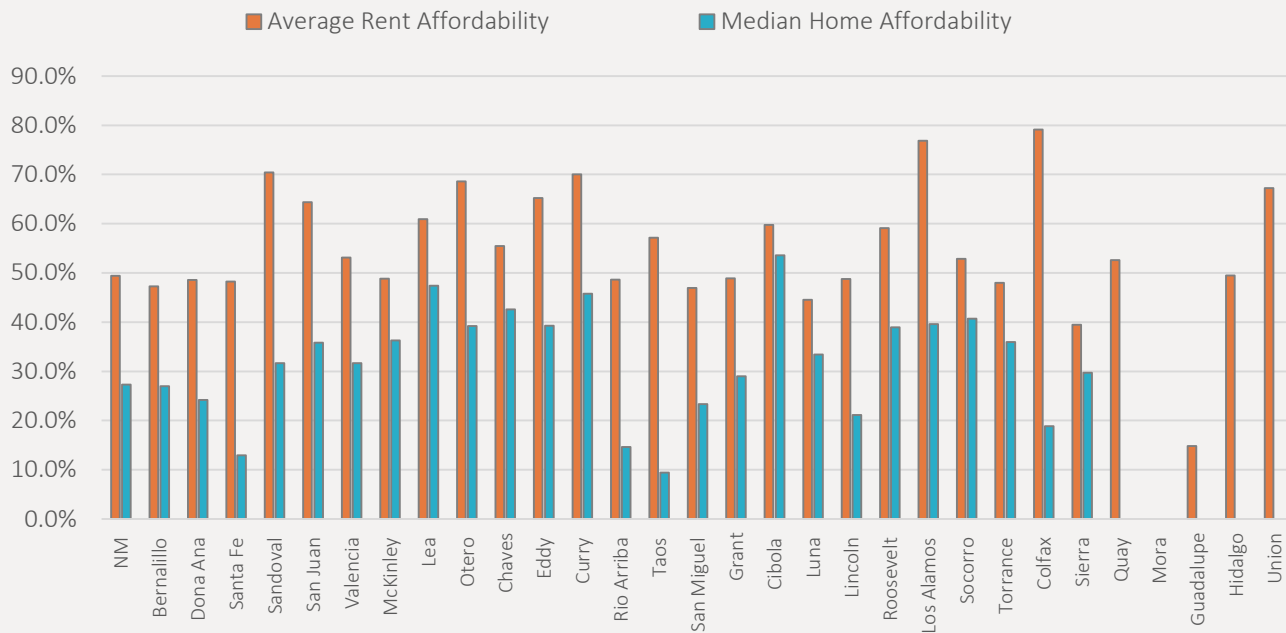
Eviction

Challenge to Housing Security

As housing costs continue to outpace wage growth, low-income renters are increasingly at risk of eviction. While there are multiple reasons a landlord may pursue eviction, a renter's inability to pay rent is the primary cause. Research shows that evictions not only cause families to lose their home, but it also completely disrupts a family's stability. Eviction is associated with truancy, job loss and depression. Furthermore, court records of evic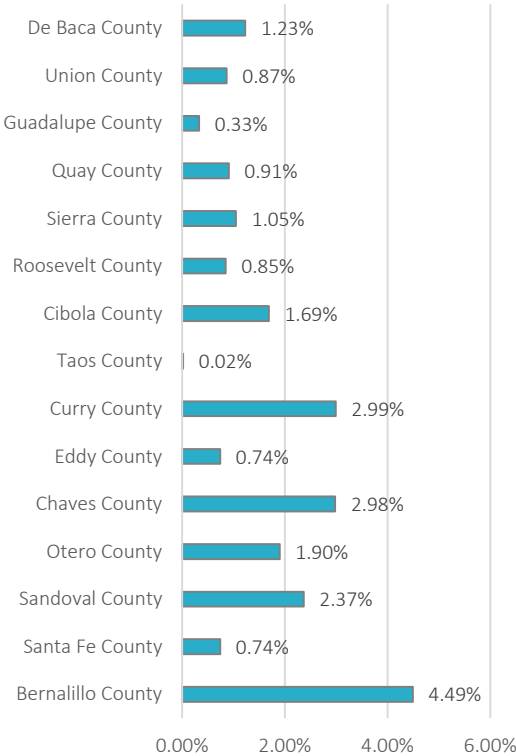tion make it more challenging for low- and moderate-income families to secure housing in the future. Among the groups most vulnerable to eviction are domestic violence victims and families with children (Eviction Lab, 2018).

Princeton University's Eviction Lab project investigates the prevalence of eviction on the United States. The primary metrics is the number of evictions per 100 renter households, or the "eviction rates." Drawing on data from 2016, the project found that, among large cities in the U.S., Albuquerque has the 45th highest eviction rate, with 4.72% (4,541) of renter households evicted that year. Among New Mexico's cities with high eviction rates are Clovis, Roswell and Albuquerque's South Valley, which were found to have eviction rates exceeding 3.1%. (Data was not available for all New Mexico cities including Las Cruces, Farmington, and Gallup).

Figure 50 shows the rate of eviction and the number of evictions in New Mexico counties for which data exist.

Figure 50: Eviction Rate by County*

County	Eviction Rate
De Baca County	1.23%
Union County	0.87%
Guadalupe County	0.33%
Quay County	0.91%
Sierra County	1.05%
Roosevelt County	0.85%
Cibola County	1.69%
Taos County	0.02%
Curry County	2.99%
Eddy County	0.74%
Chaves County	2.98%
Otero County	1.90%
Sandoval County	2.37%
Santa Fe County	0.74%
Bernalillo County	4.49%

*Figures 48 does not include counties for which data was unavailable or where no evictions were reported. Counties that reported no evictions include: Socorro, Mora, Catron, and Harding.

Homelessness

An emerging housing priority

HUD's 2020 Annual Homeless Assessment Report to Congress showed that among all states, New Mexico had the highest increase in homelessness as measured by the point-in-time (PIT) count at 27%. The PIT count estimates the number of people in homeless shelters, transitional housing and unsheltered locations during a single night in January. While PIT count data is one of the main measures of homelessness, it does not completely capture the extent of homelessness. For example, many families and children staying in hotels, living in vehicles or staying other places not meant for shelter are unlikely to be included in the PIT count.

Data on individuals experiencing homelessness can also be drawn from the Homelessness Management Information System (HMIS). During 2018, the HMIS unduplicated count of persons experiencing homelessness in New Mexico was 18,391.

Like the PIT count data, figures from HMIS underreport the homeless population. However, HMIS data gives service providers, funders and legislators a reasonable understanding of the prevalence of homelessness in the state.

Figure 51: Annual Point In Time Count of Homeless Persons
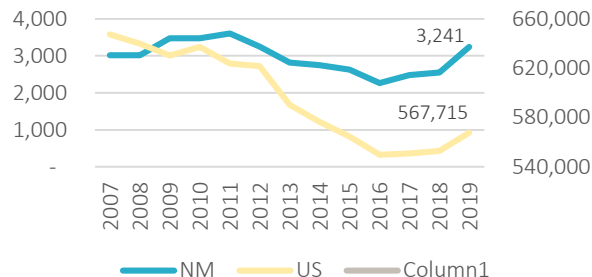
Figure 52: Number of Sheltered Homelessness Persons in 2018

Source: New Mexico Coalition to End Homelessness, HMIS 2018
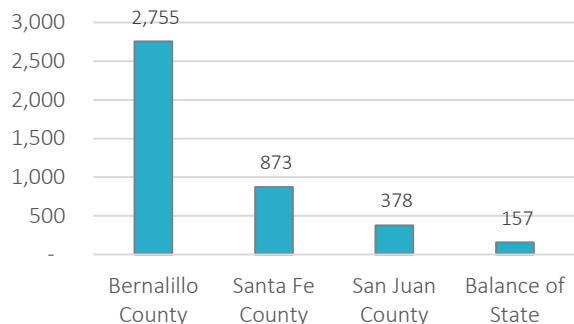
Homelessness

Demographic Characteristics

Most individuals experiencing homelessness in New Mexico are male. Nationwide, transgender men and women are disproportionally over-represented among the homeless. While this trend in not reflected in the 2018 HMIS data, the 2019 PIT count found an overrepresentation of transgender persons among unsheltered homeless population .

New Mexico's homeless population is primarily adults, with children under 17 making up about 17% the population. Parents with children are often reluctant to seek homeless services for a variety of reasons, including fear of child welfare authorities. Therefore, the number of homeless children in New Mexico is likely underrepresented.

Figure 53: Gender of NM Homeless population

0.28%
0.04%
1.35%
42.92%
55.41%

- Male
- Female
- Transgender
- Gender Non-Conforming
- Data Not Collected
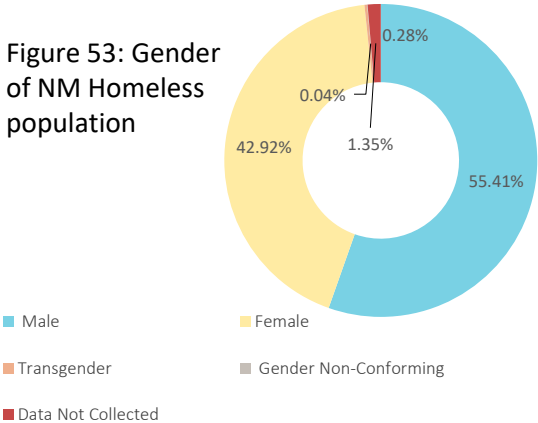
Figure 54: Age of NM Homeless population

16.80%
8.19%
6.29%
2.24%
66.48%

- Under 17
- 18-24
- 25-61
- 62+
- Data Not Collected
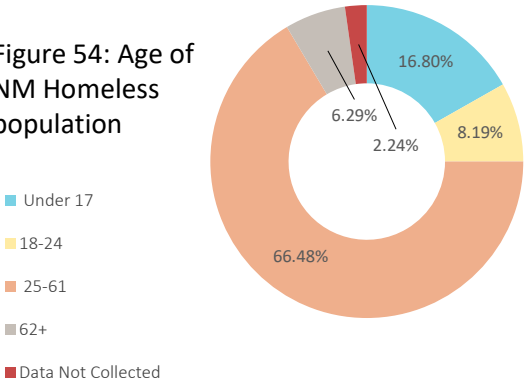
Homelessness

Demographic Characteristics

The ethnicity of New Mexico's homeless population is a close reflection of the state's total population. This proportional representation is not the case for race indicators. African Americans account for 8.2% of New Mexico's homeless population and Native Americans make up 13.9%. Considering that African Americans account for only 1.8% of New Mexico's total population and Native Americans comprise 8.8%, these groups are far overrepresented among individuals experiencing homelessness.

Figure 55: Race of NM Homeless Population

- White
- Black or African American
- Asian
- American Indian Alaska Native
- Native Hawaiian or Other Pacific Islander
- Multiple Races
- Client Does Not Know/No Data Collected

4.79%
3.76%
0.70%
13.89%
0.35%
8.16%
68%
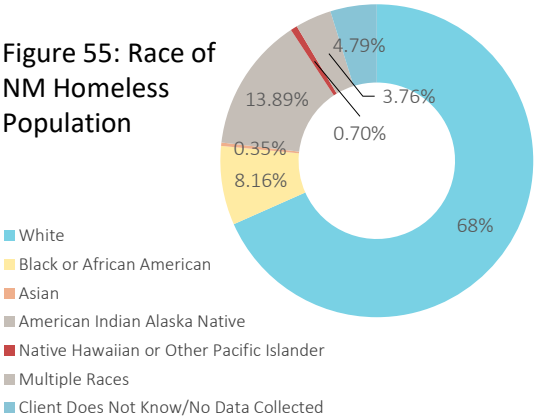
Figure 56: Ethnicity of NM Homeless population

- Non-Hispanic/Non-Latino
- Hispanic/Latino
- Client Does Not Know/Data Not Collected

2.82%
50.26%
46.92%

50
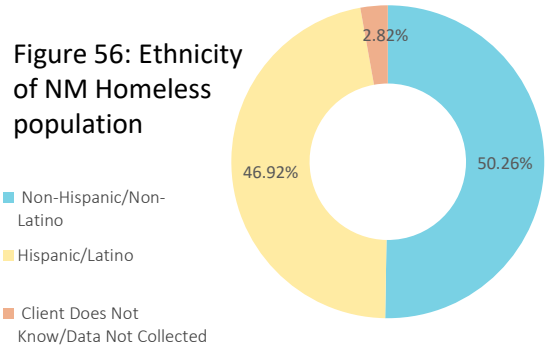
Homelessness

Demographic Characteristics

More than one-fifth of individuals experiencing homelessness in New Mexico have experienced domestic violence. Homeless service providers offer immediate but temporary shelter for those fleeing violence. This type of shelter is crucial for survivors of domestic violence, because many survivors lack the financial resources to secure housing after leaving an abusive relationship.

A similar proportion of the state's homeless population is chronically homeless, meaning these individuals have experienced homelessness for at least one year and have a severe health condition. Chronically homeless individuals are more likely to live in unsheltered locations.

Figure 58 shows where New Mexico's homeless population shelters:
- Emergency shelters: Short-term housing for individuals experiencing homelessness. Shelters for women and children fleeing domestic violence are included in this category.
- Transitional housing: Longer-term housing, but not permanent residences. May include therapeutic services for persons dealing with substance abuse disorders or other health conditions.
- Places not meant for human habitation: Vehicles, parks, and other public places.

Figure 57: Homelessness Condition

Chronically Homeless: 19%
Veteran: 8%
Has Experianced Domestic Violence: 21%
Parenting: 7%

Figure 58: Homelessness Situation

Emergency Shelter: 26.9%
Transitional Housing: 1.8%
Place Not Meant For Habitation: 37.2%
Other Situation: 34.1%

Source: New Mexico Coalition to End Homelessness
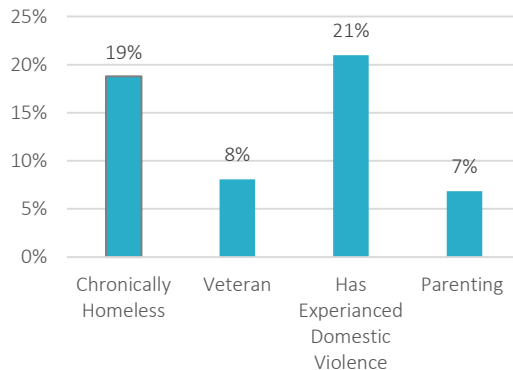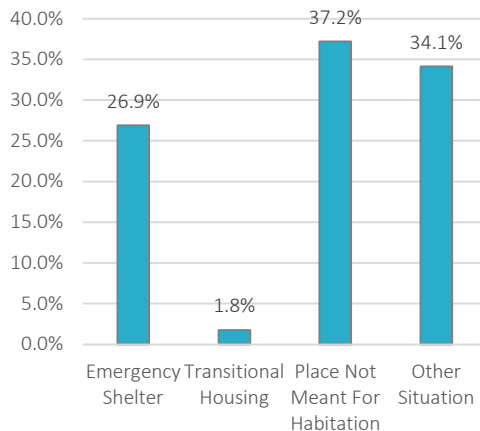
Homelessness

Health Conditions

As is the case nationally, mental health conditions are present in nearly half of New Mexico's homeless population. Severe mental illness can infringe on people's self-sufficiency and, consequently, contribute to the loss of one's home. Once homeless, securing treatment and therapeutic intervention can become an insurmountable challenge. Individuals experiencing homelessness who suffer from other chronic illnesses such as HIV/AIDS often have difficulty getting the care they need. Homelessness is likely to exacerbate the severity of any medical condition.

While a health condition may contribute to homelessness, research suggests that it is not the root cause of homelessness. Lack of affordable housing is the primary reason individuals become homeless. Without an adequate affordable housing supply, there will be no reduction in the prevalence of homelessness for individuals with and without health conditions *(American Behavioral Scientist 1994).*

MFA has made housing for special needs populations a priority for its Low-Income Housing Tax Credit (LIHTC) program by incentivizing housing development for persons with severe health conditions who may require long term support. This type of housing, often referred to as "permanent supportive housing," has been shown to reduce the public cost of default housing solutions like hospitals, jails and prisons.

Figure 59: Presence of Health Conditions among NM Homeless Population

Condition	Percentage
Physical Disability	6.9%
Developmental Disability	21.1%
Chronic Health Condition	8.1%
Substance Abuse	20.7%
Alcohol Abuse	16.1%
Mental Health Condition	48.0%
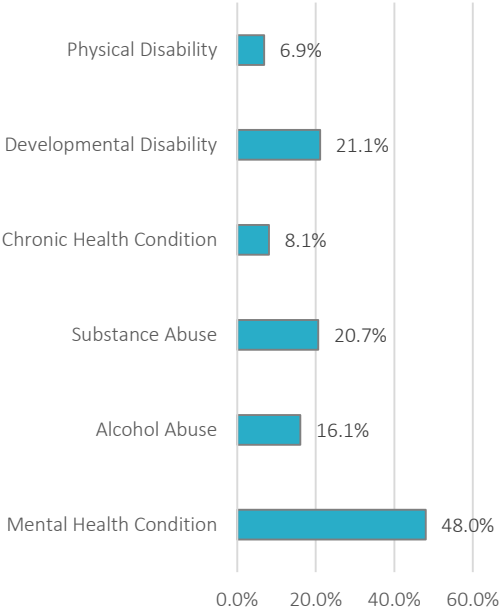
COVID-19

Impact on Housing and Housing Needs

Despite being unable to predict the long-term effects of the COVID-19 pandemic on housing, there are certain populations whose housing security has become immediately more precarious: Native Americans, individuals experiencing homelessness and younger renters with low incomes.

Overcrowding and poor housing conditions have contributed to the high rates of COVID-19 cases and deaths among New Mexico's Native American population. Densely populated homes likely increased the speed at which the virus spread in Native communities. Furthermore, homes in tribal areas are more likely to be sub-standard. Poor quality housing is associated with the chronic health conditions that increase the risk of dying from COVID-19.

For individuals experiencing homelessness, "stay at home" orders critical to mitigating the spread of the virus are impossible to heed. Moreover, the challenge of maintaining basic hygiene becomes dangerous due to the possibility of exposure to the virus. Many homeless shelters are operating at reduced capacity to allow for social distancing, and persons experiencing homelessness appear reluctant to risk entering group quarters (*Homelessness and the Coronavirus, New York Times, April 2020*).

Perhaps the largest group likely to face housing insecurity as a result of COVID-19 is the population of young, low-income renters. Even before the pandemic, they were more likely to have difficulty paying rent. Because many of these renters were employed in industries most impacted by "stay at home" policies, they are now at a greater risk of financial instability and, consequently, homelessness *(Low-Income Renters Are More Likely to Work in the Five Industries Most Vulnerable to COVID-19, Urban Institute, May 2020).*

HOUSING NEEDS

Methodology

The following section explores the housing needs in each region of New Mexico and provides estimates on the shortage of affordable rental units as well as the number of households eligible for down-payment assistance.

The affordable unit shortage estimate reflects number of cost-burdened renter households with household incomes at or below 80% of Area Median Income (AMI). The 80% threshold is the maximum household income allowed for a family or individual to be eligible to live in an income-restricted unit in an LIHTC property.

MFA estimated the number of renter households eligible for down payment assistance by determining the number of rental households with household incomes between 60% and 120% of AMI.

HOUSING NEEDS

Albuquerque Metro

The Albuquerque Metropolitan Statistical Area (MSA) is the economic and population center of the state of New Mexico. The area consists of Bernalillo, Sandoval, Valencia and Torrance counties, with a combined population of 918,018 or 44% of the state's population. The cities of Albuquerque and Rio Rancho are the first and third largest in the state, at 559,202 and 94,765 in population, respectively, according to 2018 American Community Survey 5-Year Estimates. These cities and the small municipalities and unincorporated places adjacent to them function as a cohesive housing market. There is regular housing turnover and increasing demand for all types of housing at different price points. On the other hand, much of Valencia, Torrance and Sandoval counties that lie outside of Rio Rancho are rural in nature and suffer from a lack of investment and development similar to other rural communities.

Owner-Occupied Housing: Despite a higher concentration of new single-family home construction in Bernalillo and Sandoval County compared to the rural areas of New Mexico, the housing market in the Albuquerque Metro area is becoming increasingly tight. This trend is evidenced by growth in median home sale price and a decline in the inventory of homes for sale.
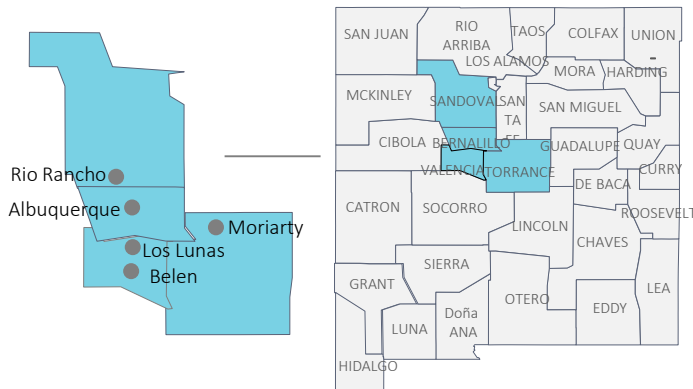
Figure 60: Albuquerque MSA

Bernalillo, Sandoval, Valencia & Torrance Counties

Single family home development is critical to support the growth associated with the arrival of companies including Facebook, Netflix and Amazon. Increasing supply will help attract a workforce and create homeownership opportunities for low-income renters. In rapidly growing cities like Albuquerque, Rio Rancho and Los Lunas, adding to the supply of townhouses and smaller detached units can create affordable options for first-time or lower-income home buyers.

HOUSING NEEDS

Albuquerque Metro

Rental Housing: Like the for-sale housing market, low vacancy rates and continual growth in rent prices reflect the strength of Albuquerque's rental market. Consequently, rental units affordable to low-income households are often occupied by households with higher incomes. The challenge low-income households face finding affordable housing is likely to become more acute due to the fact that approximately half of the current supply of income-restricted rental units are eligible to become market-rate units by 2030. Thus, incentives and policies to both preserve existing subsidized rental housing and to build new multifamily properties with long-term affordability requirements are crucial to ensure that low-income households have access to housing they can afford. Development of market-rate multifamily properties will also reduce rental market pressure for households at all income levels.

- **Rental Housing in Valencia County** Continued economic development in Valencia County depends on the availability of infrastructure – including housing stock – to support a workforce. Multifamily developments in the cities of Los Lunas and Belen will prevent serious affordability problems in the future.

- **Permanent Supportive Housing for Special Needs Populations** From 2018 to2019, New Mexico's homeless population grew 27% -- the largest increase in the nation. Most of this population is concentrated in the Albuquerque area (HUD 2019 PIT Count). A proven strategy to reduce homelessness is permanent supportive housing that combines affordable housing with healthcare and support services. An Urban Institute report produced for the City of Albuquerque estimated that 2,200 households are in need of permanent supportive housing. Without creating this type of housing, the root cause of homelessness, which is a lack of shelter and long-term support services, will remain unaddressed.

Demand for Affordable Housing

Metropolitan Statistical Areas

■ Estimated Shortage of Affordable Rental Units

■ Estimated Number of Renter Households Eligible for Down Payment Assistance

Figure 61: Affordable Housings Demand in Metropolitan Statistical Areas

MSA	Estimated Shortage of Affordable Rental Units	Estimated Number of Renter Households Eligible for Down Payment Assistance
Albuquerque MSA	49,422	33,581
Las Cruces MSA	12,292	7,886
Santa Fe MSA	7,343	5,328
Farmington MSA	4,734	3,590
Balance of State	28,948	22,036

Albuquerque MSA
Bernalillo County
Sandoval County
Valencia County
Torrance County

Las Cruces MSA
Doña Ana County

Santa Fe MSA
Santa Fe County

Farmington MSA
San Juan County

Balance of State

HOUSING NEEDS

Northwest New Mexico

The cities of Farmington, Bloomfield, Aztec and Shiprock in San Juan County and the city of Gallup in McKinley county are hubs for a large area of the state, including the portion of the Navajo Nation that lies within New Mexico. City residents, residents of nearby Navajo chapters and rural communities, workers in the energy sector, and people moving through this well-traveled area rely on these cities for goods, services and employment. In Cibola County, the small city of Grants is also a center of services for the area between Albuquerque and Gallup, which includes the Pueblos of Laguna and Acoma and some Navajo Nation chapters.

Economic Conditions and Growth: All three counties in the Northwest are suffering from economic decline and population loss. Cibola County's economy has struggled since the curtailment of uranium mining in the 1980s. This decline is not only reflected in a loss of 1.5% of its population over the last 5 years, but in an 8.4% apartment vacancy rate in 2019. Over the past decade, the decline in natural gas prices has resulted in substantial job loss and high housing vacancies in San Juan County. However, multifamily vacancy rates in the county fell in 2019 to 3.9 % from 6.3% in 2018.

Owner-Occupied Housing: San Juan, McKinley and Cibola counties have high homeownership rates of 70% or more. Mobile and manufactured homes make up an exceptionally high percentage (25.6% to 31.7%) of owner- occupied housing.
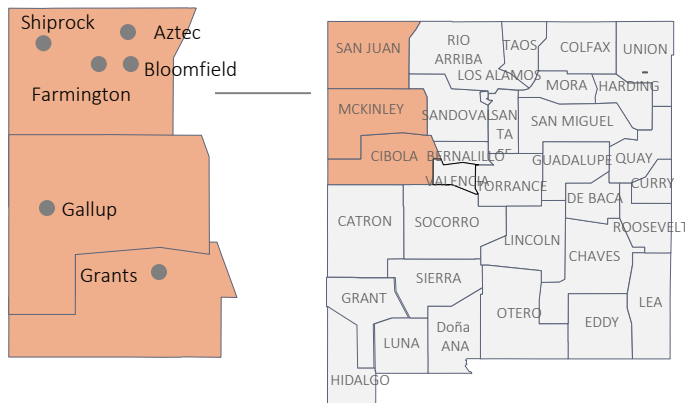
Figure 62: Northwest New Mexico
San Juan, McKinley and Cibola Counties

Rehabilitation of older homes is critical, given that the region has an exceptionally high percentage of aging and deteriorating housing stock. Rehabilitating these homes could help meet some critical housing needs in the region including the need for workforce housing in Gallup, age-in-place solutions for Cibola County, which has an older population, and improving living conditions for families who live in rural areas and tribal lands.

HOUSING NEEDS

Northwest New Mexico

Rental Housing: Currently, there is a decent inventory of both affordable and market rate apartments in Aztec and Farmington and a largely affordable apartment inventory in Bloomfield and Gallup. The apartment inventory in Grants also includes affordable and market rate units, but is more limited and quite old, having been built in 1980 or earlier. For the reasons described below, all markets except Farmington can support some level of new rental development:

- **Extremely Low-Income and Workforce Housing in Gallup** Gallup has a high rate of renters (40%), many of whom are extremely low-income. The city also lacks quality rental units for its critical workforce that includes teachers, nurses and public safety workers. New federal regulations that allow income averaging in LIHTC properties may provide an opportunity to address rental demand for low and middle income renters alike.
- **Caution with New Rental Development in Farmington** While this report indicates a need for rental units in San Juan County, job loss in and around Farmington has resulted in the county having one of the highest negative growth rates in the state. The exodus of the energy sector and the economic disruption caused by COVID-19 have contributed to the population decline.

Improving the condition of existing rental housing stock and making rental vouchers available to low-income renters is likely a more appropriate approach to relieving housing cost burden than new development.

Overcrowding? The number of households whose occupants exceed the number of a home's rooms is the highest in this part of the state. Whereas the rate of overcrowded households for the state is 3.5%, in McKinley and Cibola County the rate is 19.7% and 13.3% respectively. Overcrowding is an indication that people are "doubling-up" on housing and suggests a lack of affordable alternatives. Despite population decline, these counties would benefit from new development, including scattered-site multifamily rental units, as well as single family homes and townhouses. New construction would likely help cities like Gallup and Grants attract and retain workforce populations.

Permanent Supportive Housing for Special Needs Populations and Senior Housing: New development of multifamily housing specifically to serve people with behavioral health conditions and disabilities could reduce homelessness in the region, since only a few of these types of developments currently exist. Multifamily properties with support services could also allow the region's elderly population to continue to live in their communities.

Demand for Affordable Rental Units

Northwest New Mexico

■ Estimated Shortage of Affordable Rental Units

■ Estimated Number of Renter Housholds Eligible for Down Payment Assistance

Figure 63: Affordable Housing Demand in Northwest New Mexico

	San Juan Farmington Bloomfield Aztec Shiprock	McKinley Gallup	Cibola Grants
Estimated Shortage of Affordable Rental Units	4,734	2,115	975
Estimated Number of Renter Households Eligible for Down Payment Assistance	3,590	1,103	697
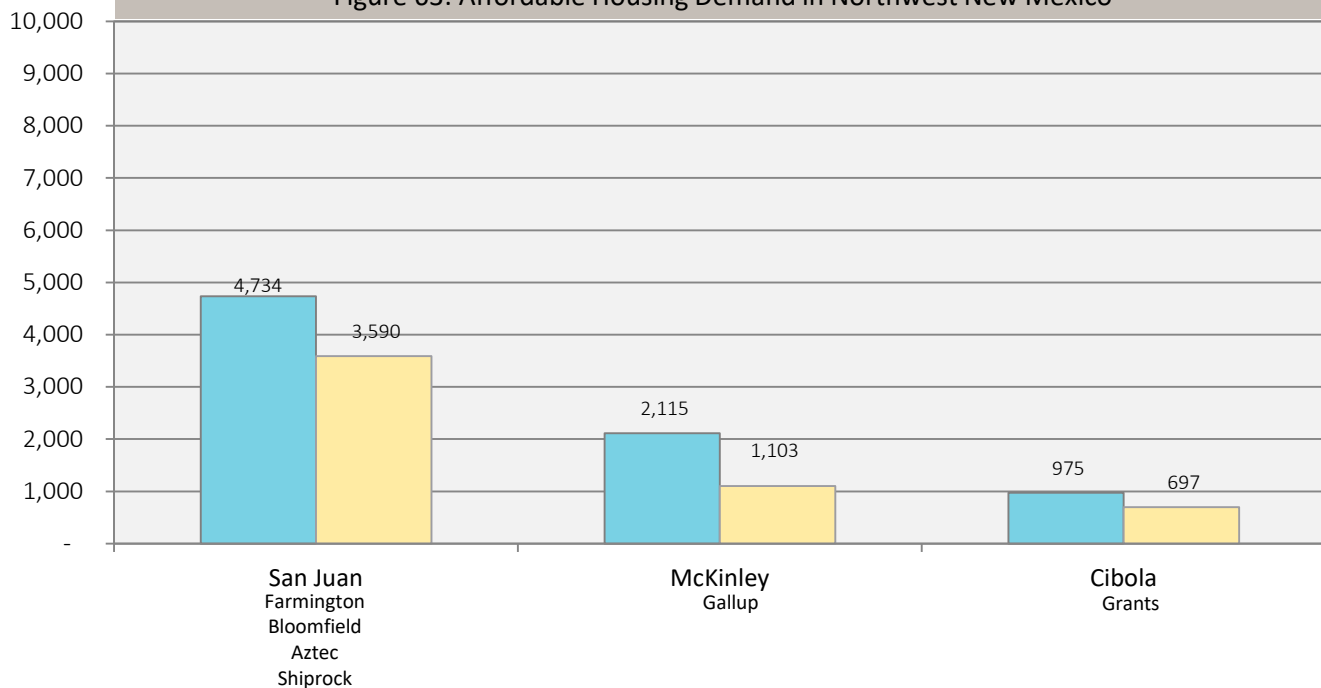
Source: MFA Calculation, see page 55 for description of methodology

HOUSING NEEDS

North Central New Mexico

North Central New Mexico is home to eight of the state's pueblo tribes and is dotted with agricultural villages established by Spanish and Mexican settlers along the banks of the Rio Grande. To this day, it retains a high percentage of Native American and Hispanic residents. Communities throughout the region have experienced varied economic and cultural changes such as the rise and fall of mining in Colfax and Taos counties, construction of the railroad in San Miguel County in the 1890s, establishment of arts colonies in Taos and Santa Fe in early 1900s, opening of Los Alamos National Laboratories in 1943, and, more recently, the growth of a tourism-based economy throughout the region.

Economic Conditions and Growth: Most counties in North Central New Mexico have declining populations and are struggling economically. Taos, Colfax, Mora and San Miguel counties have poverty rates around or above the state's already high poverty rate and substantially lower median household incomes than the state average. The North Central counties rely on tourism and have service-based economies with concentrations of low paying jobs. For many years, mining in Questa provided some high-paying jobs; however, the mine permanently closed in 2014.

The major drivers of higher-paying jobs in North Central New Mexico are Los Alamos National Laboratories and government employment in the state capitol of Santa Fe. Los Alamos and Santa Fe are the only counties in the region with positive growth rates, with Los Alamos having the highest
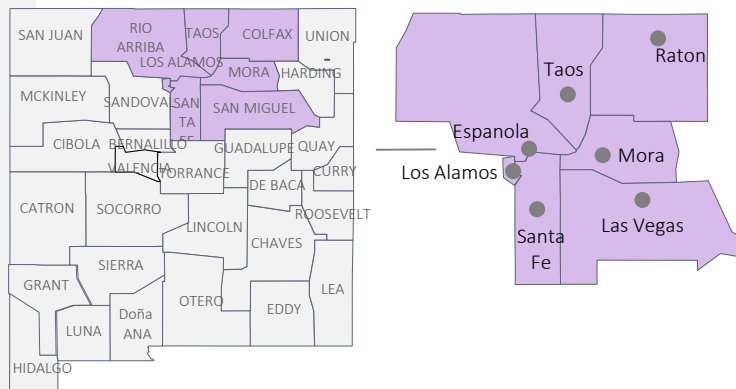
Figure 64: North Central New Mexico
Santa Fe, Rio Arriba, Taos, San Miguel, Los Alamos, Colfax and Mora Counties

growth rate in the state. Both counties have lower-than-average poverty rates and higher-than-average incomes. Los Alamos County also boasts one of the highest median household incomes in the nation, clearly an anomaly in a poor state. Increased economic activity in these areas has made rental housing and homeownership unaffordable to low-income residents. Shortages of quality affordable housing means that much of the workforce must commute from other cities such as Albuquerque and Espanola.

For all of these reasons, a high priority should be placed building and rehabilitating affordable multifamily properties in this area. Weatherization and energy-efficiency improvements are equally important, given low temperatures and the fact that many rural residents rely on propane—an expensive heating option—to heat their homes.

HOUSING NEEDS

North Central New Mexico

Throughout the North Central region there is a need for single family and multifamily development that are affordable to households with low and moderate incomes. The City of Santa Fe has been successful in working with a variety of housing partners including affordable housing developers, lenders, and housing counseling agencies that include Homewise, the Santa Fe Civic Housing Authority, and the Santa Fe Community Housing Trust. The success these organizations have had in creating housing options for both renters and homeowners should be duplicated in other North Central New Mexico counties.

Owner-Occupied Housing: With the exception of Santa Fe and to some extent Taos, North Central New Mexico suffers from aging housing stock and lack of new development. Construction is generally expensive in this remote, mountainous region, and the tourism economy has inflated housing prices. In Santa Fe and Taos, for-sale homes are now priced beyond the means of most locals, in part because a substantial portion of the housing stock is used for second homes and vacation rentals. Older homes that are candidates for rehabilitation are often priced high in Santa Fe and Taos but could be an important component of mid-priced housing in places like Las Vegas and Raton.

Furthermore, homeownership programs such as homebuyer counseling, down payment assistance and FHA loans can increase homeownership opportunities for low- and moderate-income households. In areas like Rio Arriba and Taos counties where many families own land or where land is affordable, supporting the purchase of quality manufactured housing would also increase housing opportunities for these households.

Rental Housing: All counties in North Central New Mexico can support new apartment development. Santa Fe and Los Alamos counties can support both market rate and affordable apartments; counties with lower-income populations can support affordable developments.
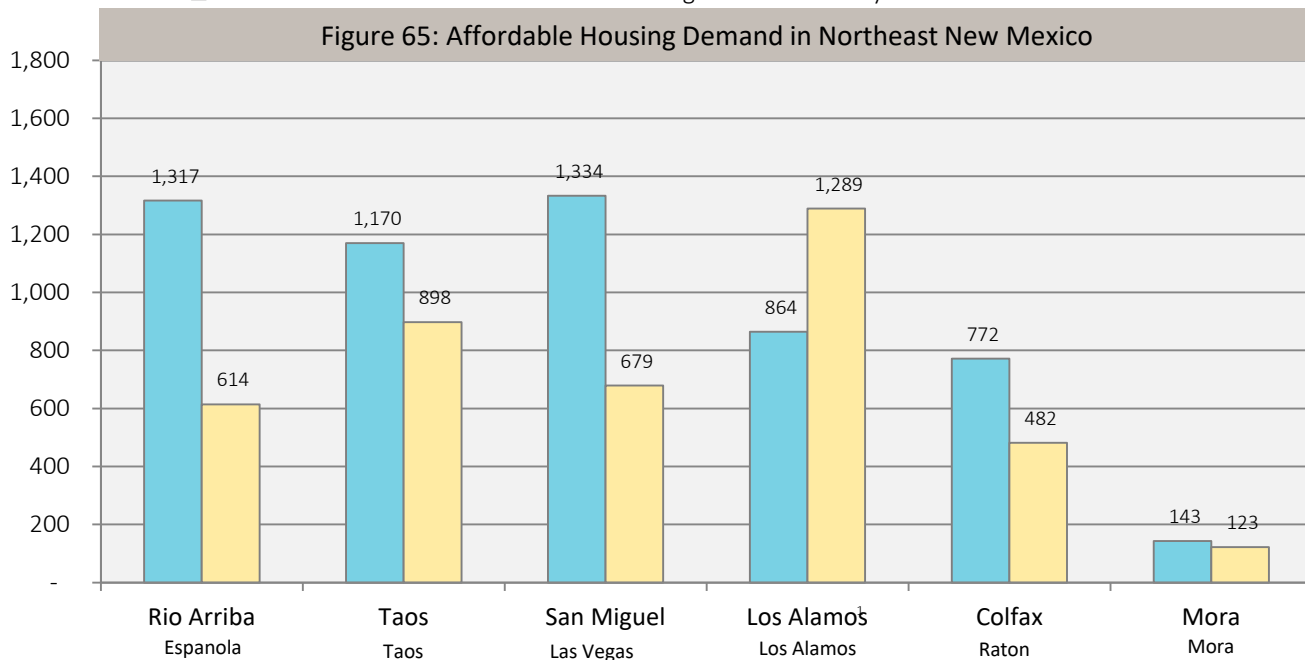
HOUSING NEEDS

North Central New Mexico

- **Permanent Supportive Housing for Special Needs Populations.** Santa Fe County has the state's second highest rate of homelessness, which could be reduced by developing subsidized rental units that offer essential health services to residents. Rio Arriba County continues to deal with homelessness and destabilized families as a result of the opioid crisis and could similarly benefit from permanent supportive housing.

- **Apartments in Colfax and Mora Counties** With some exceptions, small declining populations in these counties would make significant new development hard to support. Rehabilitating and weatherizing existing housing stock would better serve homeowners and renters in single family homes. However, some scattered site development for senior housing would create more local housing opportunities for the aging population that currently lives in this region. In Angel Fire and Eagle Nest, where tourism has pushed up housing cost, new multifamily development would expand affordable housing options for both permanent residents and the seasonal workforce.

- **Single Family Rentals** Many communities have vacant single family homes that could be repurposed as affordable rentals to meet local demand. This model could be used for larger cities like Raton, which is losing population and has high vacancy rates, as well as small villages that only need a handful of rentals to support their population.

Demand for Affordable Rental Units

Northeast New Mexico

Figure 65: Affordable Housing Demand in Northeast New Mexico

Legend:
- ■ Estimated Shortage of Affordable Units
- ■ Estimated Number of Renter Households Eligible for Down Payment Assistance

| Location	Estimated Shortage of Affordable Units	Estimated Number of Renter Households Eligible for Down Payment Assistance
Rio Arriba (Espanola)	1,317	614
Taos (Taos)	1,170	898
San Miguel (Las Vegas)	1,334	679
Los Alamos (Los Alamos)	864	1,289
Colfax (Raton)	772	482
Mora (Mora)	143	123

HOUSING NEEDS

Eastern New Mexico

Eastern New Mexico is the most rural and sparsely populated region of the state. Four of the state's six counties that have a population of less than 5,000 are located here. Historically, the region played an important role in trade via the Santa Fe Trail, the railroad and Route 66 (present-day I-40). Agriculture, including peanut and cotton farming and cattle ranching for meat and dairy, continue to be economic staples. The region is home to Cannon Air Force Base in Clovis, Eastern New Mexico University in Portales and Mesalands Community College in Tucumcari. In recent years, a cheese manufacturing plant outside of Clovis, a wind farm and the Bravo Dome carbon dioxide gas field in Harding County have provided new economic opportunities for the region.

Economic Conditions and Growth: All counties in the Eastern region are losing population. The economies of Harding, De Baca and Union are concentrated in agriculture, gas extraction and wind energy. Guadalupe and Quay maintain tourist-based economies benefiting from Santa Rosa and Tucumcari's location on historic Route 66. Curry and Roosevelt are the largest counties and boast populations that are younger than most rural counties because of Cannon Air Force Base and Eastern New Mexico College. All other counties in the region have aging populations.

While poverty rates vary across the region, all counties have median household incomes below the state average. Incomes in Curry County are close to the state's median income, while Quay and Guadalupe are some of New Mexico's poorest.

Figure 66:
Eastern New Mexico
Curry, Roosevelt, Quay, Guadalupe, Union, DeBaca and Harding Counties
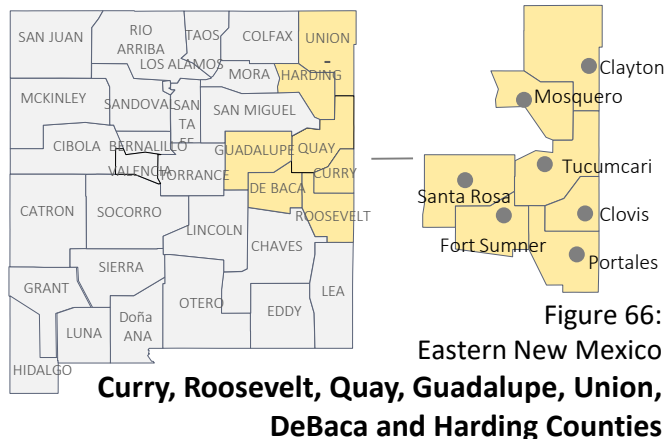
Owner-Occupied Housing: Rehabilitation, weatherization and accessibility improvements to support the growing senior population is a high priority in Eastern New Mexico, which has the greatest concentration of old housing in the state. In Quay, Guadalupe, Union, De Baca and Harding County, less than 10 percent of the housing stock was built after 2000.

Quay, Guadalupe, Union, De Baca and Harding counties each reported less than 10 home sales in 2019, which is not atypical of these areas. Low home sales and population loss make new single family development unlikely. However, the high percentage of mobile homes in Guadalupe County indicates some demand for modern homeownership options in Santa Rosa.

HOUSING NEEDS

Eastern New Mexico

Rental Housing: Rental needs in Eastern New Mexico differ significantly between the smaller and larger counties. Harding, De Baca and Union, which are small, have old and limited apartment stock. The two larger counties, Curry and Roosevelt, could more easily support new development.

- **Harding, DeBaca and Union Counties** New apartment development may seem unlikely for the region's three smallest counties, due to their small and aging populations, negative growth rates and remote locations. However, all three counties have extremely old housing stock. What little multifamily development there is consists almost entirely of public housing built in the 1970s. Strategies to provide modern, quality rental housing include the continued use of single family homes for rent, particularly if those homes are rehabilitated and modernized, and possibly building new, scattered-site apartments in communities where the population is concentrated. If new apartments are built, they should have a variety of rent levels and apartment sizes and should definitely include senior housing.

- **Quay and Guadalupe Counties** The populations of Quay and Guadalupe counties are concentrated in the cities of Tucumcari and Santa Rosa. While Tucumcari has a larger population than Santa Rosa, both benefit from being located along I-40, which gives rise to a small tourist economy.

Development of rental housing should support the needs of the local workforce, which includes service workers, personnel at the corrections facility outside of Santa Rosa and the student population attending Mesalands. Both cities have an inventory of five to seven apartment communities, with most being affordable and built in the 1970s to mid-1990s. The 2019 BBER Rental Survey reports higher-than-average vacancy rates in both Quay and Guadalupe Counties. New development may be most marketable to seniors, who make up a large percentage of the area's population.

- **Curry and Roosevelt Counties** Curry and Roosevelt are larger counties where the cities of Clovis and Portales serve as the primary markets for jobs and housing. Both have a higher-than-average number of renters due to Cannon Air Force Base and Eastern New Mexico College. Each community has a decent inventory of apartments, both affordable and market-rate, as well as more recent development activity. Rental housing development should be focused on rehabilitating aging properties. New development in Clovis or Portales could serve both the younger, more transient, population of students and Air Force members, as well as the area's senior population.

Demand for Affordable Rental Units

Eastern New Mexico

■ Estimated Shortage of Affordable Rental Units
■ Estimated Number of Renter Housholds Eligible for Down Payment Assistance

Figure 67: Affordable Housing Demand in Eastern New Mexico

| County	Shortage	Down Payment
Curry (Clovis)	2,817	2,477
Roosevelt (Portales)	1,097	832
Quay (Tucumcari)	385	525
Guadalupe (Santa Rosa)	223	245
Union (Clayton)	149	139
De Baca (Fort Sumner)	60	97
Harding (Mosquero)	31	40
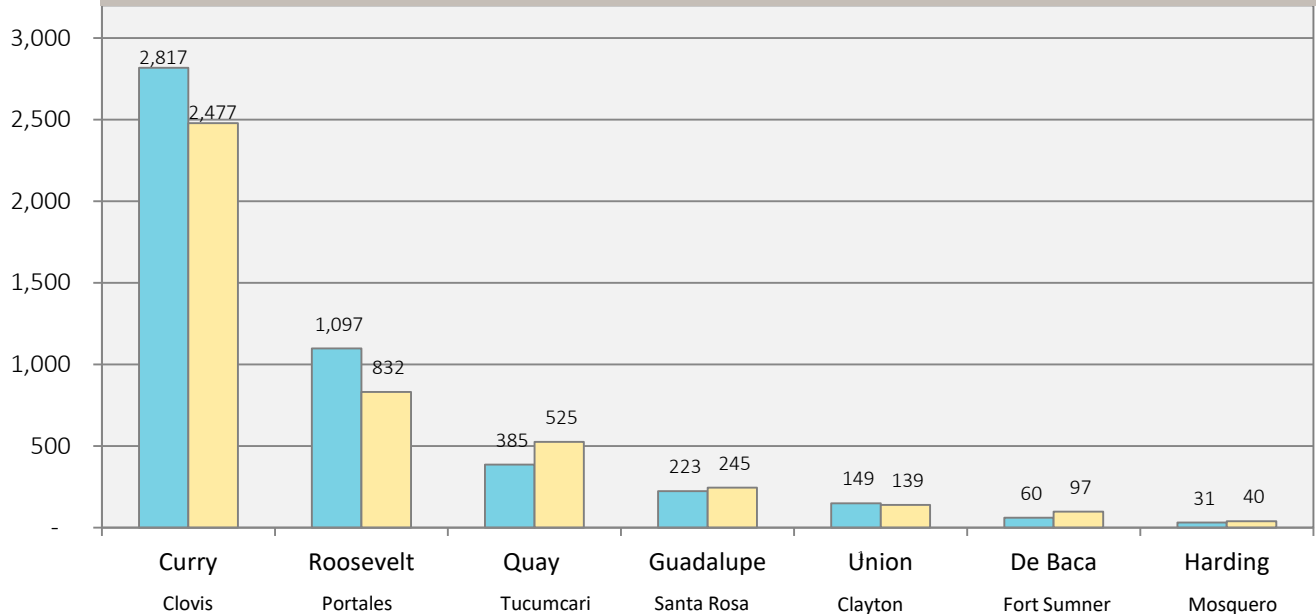
HOUSING NEEDS

Southeast New Mexico

Southeast New Mexico is a diverse region whose economy depends on oil extraction, the military and tourism. Population is concentrated in the cities of Hobbs and Carlsbad, with Artesia and Eunice playing important roles in refining and uranium enrichment. The City of Roswell is also impacted by oil production but stands on its own as a major tourist and commercial center and home to a regional airport and the New Mexico Military Institute. Otero County, whose population is concentrated in and around Alamogordo, has an economy driven by Holloman Air Force Base and White Sands Missile Range. Finally, Lincoln County boasts a tourist- based economy drawn from its scenic national forest and associated recreation activities. Its population is concentrated in the small cities of Ruidoso and Ruidoso Downs.

Economic Conditions and Growth: In Lea and Eddy counties, the booms and busts of oil production have created unique challenges for housing, which is expensive and in short supply when oil prices are stable or high but suffers from depreciation and disinvestment when prices and jobs fall off. Oil production in the Southeast began to recover in 2008 after a devastating bust period that began in the 1970s. The recovery began in Hobbs, which caused a housing crisis in Carlsbad and even in Roswell. Accordingly, population data shows Lea and Eddy Counties were growing during this time period.
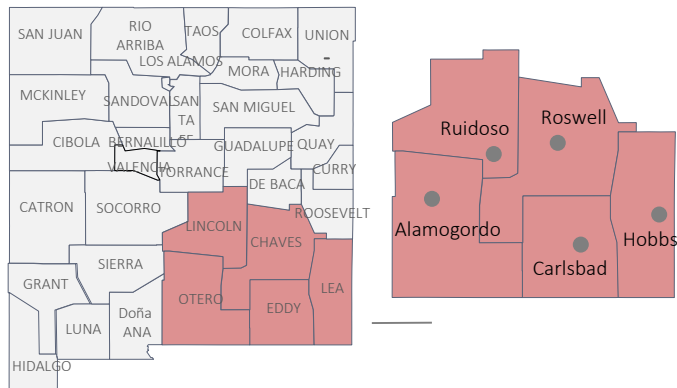
Figure 68: Southeast New Mexico
Lea, Otero, Chaves, Eddy and Lincoln Counties

Low vacancy rates across all types of rental units (including hotels), costly rent prices and the establishment of "man camps" suggest a dire need for more housing in these counties. However, the double hit of the coronavirus pandemic and oil market declines have resulted in a slowdown of the extraction industry, which makes the timing of new housing development uncertain.

Lincoln County's economy has been stable. However, due to a high rate of vacation rentals and second homes in Ruidoso, the community continues to struggle to provide affordable housing for service workers and its essential workforce. Smaller towns in Lincoln County, including Lincoln, Carrizozo and Capitan, continue to develop tourist economies, which may affect housing affordability for local residents in the future.

HOUSING NEEDS

Southeast New Mexico

Owner-Occupied Housing: Until recently, all counties in Southeast New Mexico could support new owner-occupied housing. Strong oil production was fueling new subdivision development in the Carlsbad area, and builders were continuing to develop in Hobbs. However, with oil production falling and operations scaling back, market-rate home construction may slow.
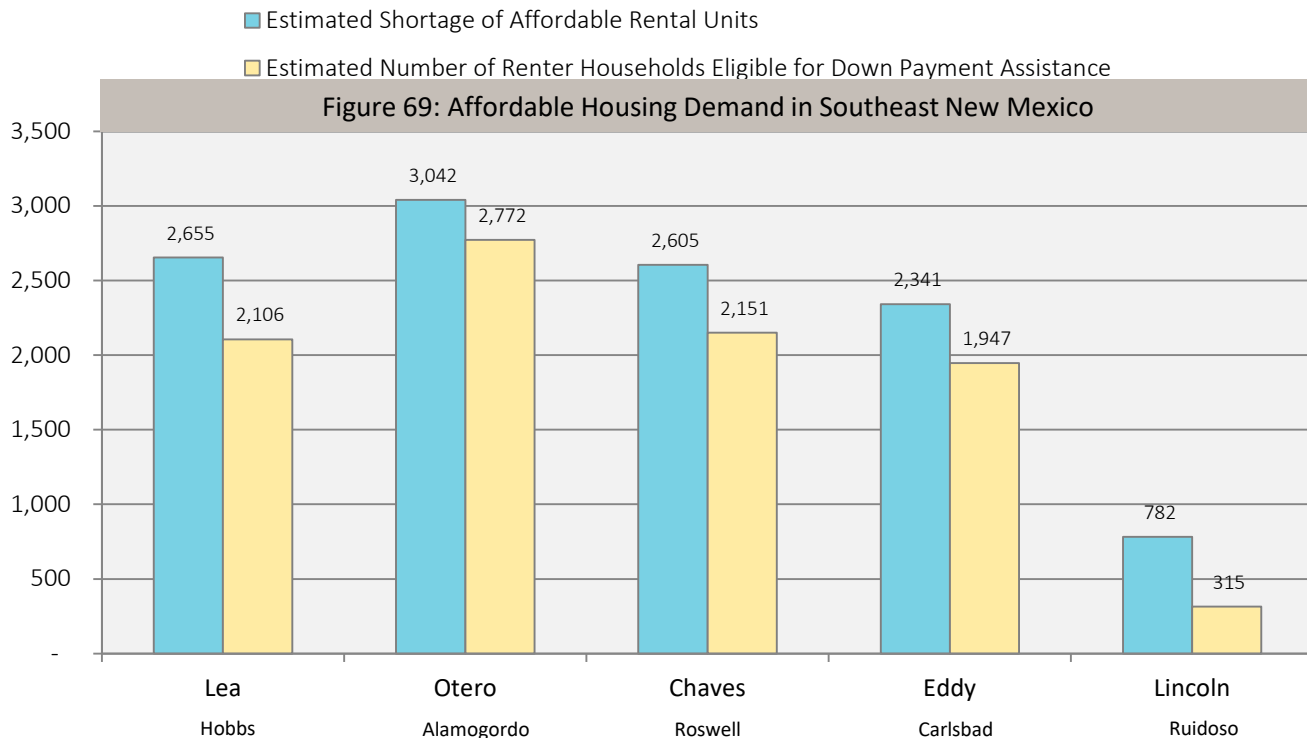
Single family home development is still important for the Southeast, especially where housing stock is aging and population growth has been positive over the last year. New single family homes could offer the region's residents an alternative to mobile homes. Rehabilitation and weatherization initiatives could also increase options for safe and energy efficient homes.

Rental Housing: All counties in Southeast New Mexico have a deficit of rental apartments and can support new development. The following are considerations related to new apartment development:

- **Rental Housing for a Fluctuating Workforce** Small- and moderate-sized scattered site rental housing development in oil- and gas-producing counties will alleviate the pressure on the rental market when oil and gas prices are high but can also be absorbed by more permanent residents during periods of low production.

- **Senior Apartments.** There are very few senior apartments in Otero, Lea and Lincoln counties. New senior apartments are needed to support the current senior population.

- **Balance of Affordable and Market Rate Apartments** At the time of data collection, household incomes in Eddy and Lea counties were substantially higher than the state median. Otero, Chaves and Lincoln counties were slightly below. It is important that a balance between market-rate and affordable units be maintained, especially in markets where there is upward pressure on rents. This is true in Ruidoso, with its high number of vacation rentals and second homes, and also true in Carlsbad and Hobbs, where boom periods cause rental rates to skyrocket.

Demand for Affordable Rental Units

Southeast New Mexico

- ■ Estimated Shortage of Affordable Rental Units
- ■ Estimated Number of Renter Households Eligible for Down Payment Assistance

Figure 69: Affordable Housing Demand in Southeast New Mexico

|	Lea (Hobbs)	Otero (Alamogordo)	Chaves (Roswell)	Eddy (Carlsbad)	Lincoln (Ruidoso)
Estimated Shortage of Affordable Rental Units	2,655	3,042	2,605	2,341	782
Estimated Number of Renter Households Eligible for Down Payment Assistance	2,106	2,772	2,151	1,947	315

HOUSING NEEDS

Southwest New Mexico

Southwest New Mexico is anchored by Doña Ana County and the city of Las Cruces, which is the state's second largest city and home to New Mexico State University. Las Cruces has historically been a fast-growing city, and Doña Ana County stands out in the region today for positive growth and a young population. Most of the region has a high rate of agricultural employment including cattle, pecan, chile and wine production, and is developing tourism through its national forests and monuments, lakes and historic sites. Grant County is unique as a center of mining activity, and Socorro County is home to the state's highly-ranked science and engineering school, New Mexico Tech. Many aspects of the region are influenced by the U.S.-Mexico border including trade zones, industrial park development, federal and agricultural employment, a large Spanish-speaking population and colonia communities. The region has a high concentration of households with seniors.

Economic Conditions and Growth Adjacent to El Paso, Texas, the Santa Teresa/Sunland Park border area in Doña Ana County stands out in the region for its recent economic growth and development. The area continues to experience high rates of industrial development at the Santa Teresa Port of entry. Every effort is being made to drive economic activity, including housing development, to the New Mexico side of the state line. However, much of the demand for services and housing is absorbed by the larger city of El Paso.
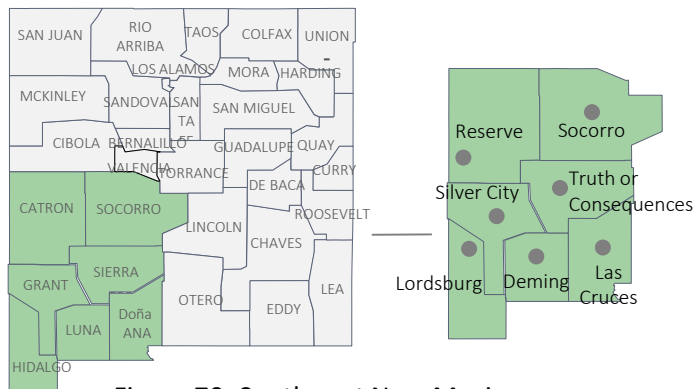
Figure 70: Southwest New Mexico
Doña Ana, Grant, Luna, Socorro, Sierra, Hidalgo and Catron Counties

There are several workforce dynamics that impact housing in Southwest New Mexico. The seasonal agricultural industry creates pressures and demand for quality housing for farmworkers, especially in Las Cruces, Hatch and Deming. Higher-paid workers at Deming's recently-built industrial parks and the Lordsburg Station of the U.S. Customs and Border Patrol lack housing options due to stagnant development in these communities. Amenities and housing for students are important in Las Cruces, Silver City and Socorro, each with their own four- year universities.

The entire Southwest region is lower income. All counties have poverty rates above the state average of 20%, with Luna having the highest rate at 30.2%.

Median household incomes in the region are also far lower than that of the state, the highest being $42,480 in sparsely-populated Catron County. All counties have high rates of mobile homes, and, with the exception of Doña Ana County, have aging populations and little new housing stock.

HOUSING NEEDS

Southwest New Mexico

Owner-Occupied Housing: For the rural counties of the Southwest region, rehabilitation, weatherization and accessibility improvements to improve older housing stock and support the aging population is critical. New single family development can likely be supported in the municipalities of Silver City, Deming, Socorro and Truth or Consequences. These communities have high homeownership rates, aging housing, lack of recent development and high numbers of mobile homes. New residential development is more difficult to justify in Lordsburg and Hidalgo County where there are less than 10 home sales per year and in Catron County where the population is dispersed among large, private ranches.

Las Cruces and Doña Ana county have strong home sales, and new residential development is occurring in the Santa Teresa/Sunland Park area. Both substantial rehabilitation and quality new housing are needed in Doña Ana County's many colonia communities, some of which support large and growing populations. In some areas, infrastructure is needed to support new development.

Rental Housing in Rural Southwest Counties: In Luna, Hidalgo and Sierra counties where populations are low and declining, maintaining or improving the quality of existing rental housing stock should be prioritized. High vacancy rates and low renter populations suggest significant new development would be difficult to support. If economic activity associated with the New Mexico Port of Entry increases, it is conceivable that future demand for new rental housing would be more feasible.

- **Senior Housing** There is a high percentage of households with senior members throughout this region. Senior apartments would create an alternative to costly renovations of aging and non-accessible homes and could provide greater access to support services. Las Cruces and mid-size cities like Silver City, Deming and Socorro have adequate demand to support new senior housing.

- **Doña Ana County** Doña Ana County is the only urban county in the Southwest region. Apartment stock is concentrated in Las Cruces, Anthony, Santa Teresa, Sunland Park and Hatch. Priorities for Doña Ana County include new affordable apartments in and around Las Cruces where incomes and vacancy rates are low. Additional multifamily development is needed in Santa Teresa/Sunland Park where there is considerable demand due to economic growth spilling over from El Paso. New market-rate apartments targeted to the area's workforce and student population will also ease rental market pressure.

- **Grant County** Low vacancy rates and a limited supply of units in multifamily properties suggest rental housing development in Grant County could be supported. Smaller units would create affordable options for Western New Mexico University students and the county's workforce. Similarly, the county's senior population, which is likely to live in older, substandard homes, could also support multifamily development.

HOUSING NEEDS

Southwest New Mexico

- **Luna County** There are 14 multifamily properties in Luna County. These apartment communities were built more recently than those in surrounding counties, with some constructed in the 1990s and others in the early 2000s. The units are primarily one-, two- or three-bedroom, with a few four-bedroom and efficiency units. The overall vacancy rate is 6.2%, which is higher than the state average. Vacancies are similar across unit type. New development should focus on housing for low-income households and farmworkers and should include senior housing.

- **Socorro County** Affordable rentals in Socorro County consist mainly of one-bedroom apartments. There are no efficiencies and few two-and three-bedroom options. The overall vacancy rate is 4.7%. New construction should include senior housing to improve the housing options for the county's aging population.

- **Sierra County** Sierra County has four multifamily properties. Similar to Socorro County, one-bedroom units are the most common. The county has no efficiencies, very few two-bedroom units and a handful of three-bedroom units. The overall vacancy rate is low at 3.1 percent. New apartments should include senior housing and two- bedroom units.

- **Hidalgo County** Hidalgo County is one of six New Mexico counties with a population of less than 5,000. Most of the multifamily housing in the county is public housing that was built in the 1970s. As with smaller counties in Eastern New Mexico, it is recommended that new development include housing for seniors, low-income renters and the higher-paid U.S. Border Patrol workforce that is stationed in Lordsburg.

- **Catron County** Neither BBER nor the U.S. Census identifies any apartments in Catron County, although some single family homes and mobile homes are used as rentals. Because the number of renters is very low and the population is dispersed throughout Catron County, rental housing is best provided through single family homes, which is currently the case.

Demand for Affordable Rental Units

Southwest New Mexico

■ Estimated Shortage of Affordable Rental Units

■ Estimated Number of Renter Households Eligible for Down Payment Assistance

Figure 71: Affordable Housing Demand for Southwest New Mexico

	Grant (Silver City)	Luna (Deming)	Socorro (Socorro)	Sierra (Truth or Consequences)	Hidalgo (Lordsburg)	Catron (Reserve)
Estimated Shortage of Affordable Rental Units	1,468	1,362	460	530	217	34
Estimated Number of Renter Households Eligible for Down Payment Assistance	901	855	332	311	92	15