



MFA

Housing New Mexico

New Mexico Affordable Housing Needs and Investment Estimates

Needs and Investment Estimates

The figures provided in the following pages aim to quantify the scope of affordable housing needs in our state and calculate the investment required to “solve” those needs across five segments of the housing continuum:

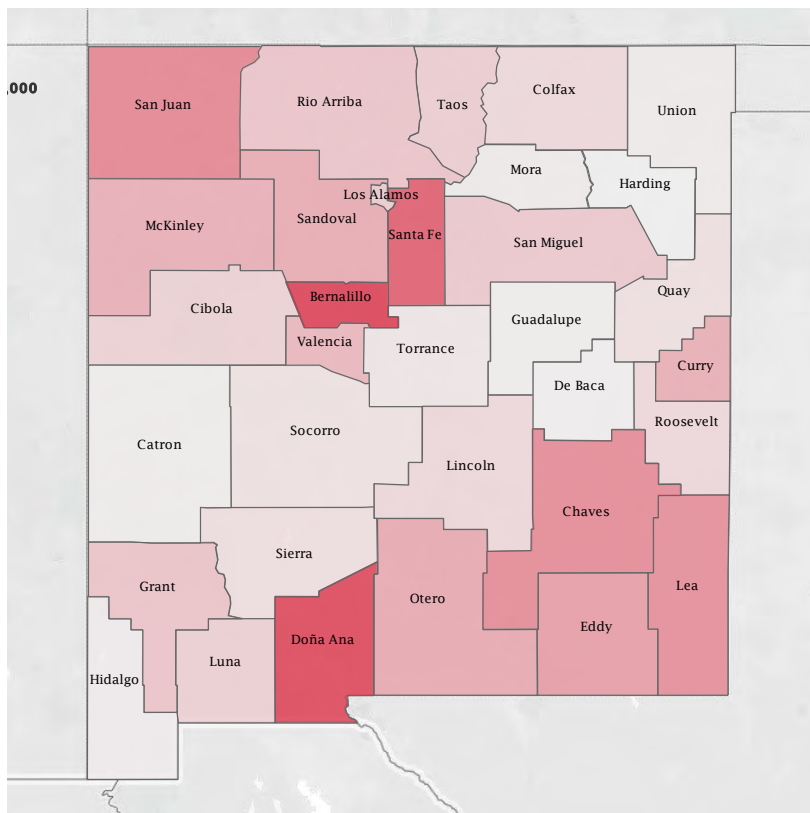
- *Housing preservation*
- *Multi-family (rental) production*
- *Single family (ownership) production*
- *Homebuyer downpayment assistance*
- *Homelessness and homelessness prevention*



Needs and Investment Estimates

	Housing Preservation	Multi Family Production	Single Family Production	Homebuyer Downpayment Assistance	Homelessness	Homelessness Prevention	Housing Insecure Households	Total
Need	348,094 units	32,761 units	24,163 units	103,715 households	859 units	17,500 individuals	105,557 households	632,649
Investment Need	\$19,145,170,000	\$10,699,372,227	\$9,061,125,000	\$2,309,226,365	\$287,410,233	\$61,250,000	\$628,064,150	\$42,191,617,975

Housing Preservation



Need	348,094
Investment need	\$19,145,170,000
Impact of \$100,000,000	1,818

The need for housing preservation is proxied by the number of housing units built before 1980.

Investment need is calculated using a per unit average rehabilitation cost of \$55,000, median amount of home improvement loans originated in New Mexico.

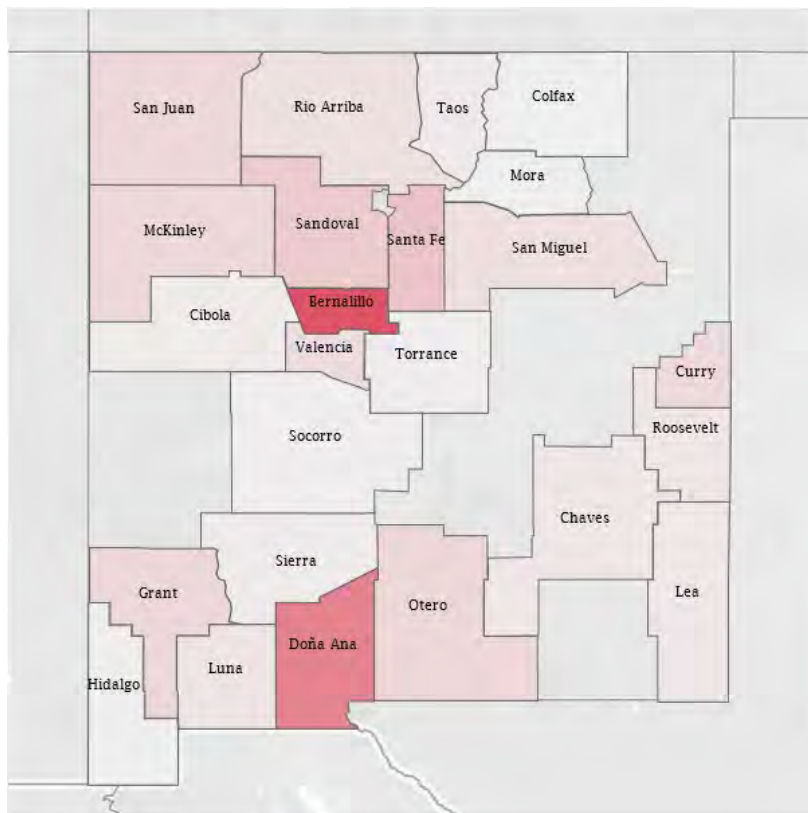


Housing Preservation

County	Need	Investment
Bernalillo	132,056	\$7,263,080,000
Catron	606	\$33,330,000
Chaves	15,256	\$839,080,000
Cibola	4,394	\$241,670,000
Colfax	3,391	\$186,505,000
Curry	9,846	\$541,530,000
De Baca	415	\$22,825,000
Doña Ana	25,821	\$1,420,155,000
Eddy	12,317	\$677,435,000
Grant	6,451	\$354,805,000
Guadalupe	630	\$34,650,000
Harding	127	\$6,985,000
Hidalgo	820	\$45,100,000
Lea	14,690	\$807,950,000
Lincoln	3,557	\$195,635,000
Los Alamos	5,224	\$287,320,000
Luna	4,744	\$260,920,000

County	Need	Investment
McKinley	9,624	\$529,320,000
Mora	865	\$47,575,000
Otero	10,427	\$573,485,000
Quay	2,393	\$131,615,000
Rio Arriba	6,283	\$345,565,000
Roosevelt	3,583	\$197,065,000
Sandoval	10,252	\$563,860,000
San Juan	15,965	\$878,075,000
San Miguel	5,773	\$317,515,000
Santa Fe	22,106	\$1,215,830,000
Sierra	2,546	\$140,030,000
Socorro	2,113	\$116,215,000
Taos	5,078	\$279,290,000
Torrance	1,537	\$84,535,000
Union	871	\$47,905,000
Valencia	8,333	\$458,315,000
Total	348,094	\$19,145,170,000

Multi Family Production



Need	32,761
Investment need	\$10,699,372,227
Impact of \$100,000,000	306

The state's rental gap is concentrated at income levels below 30% AMI. The statewide gap at this income level is over 32,000 units.

Investment is calculated using the per unit average development cost of \$326,589 from the Low Income Housing Tax Credit program, the primary driver of affordable rental housing development.

Spurring market rate development will have a filtering effect on the housing market and could alleviate a significant portion of the rental gap.



Multi-Family Production

County	Need	Investment
Bernalillo	17,748	\$5,796,296,153
Chaves	294	\$96,017,076
Cibola	133	\$43,436,296
Colfax	14	\$4,572,242
Curry	805	\$262,903,899
Doña Ana	4,146	\$1,354,036,728
Grant	841	\$274,661,092
Hidalgo	2	\$653,177
Lea	317	\$103,528,616
Luna	358	\$116,918,753
McKinley	810	\$264,536,843
Mora	31	\$10,124,250
Otero	885	\$289,030,995

County	Need	Investment
Rio Arriba	516	\$168,519,766
Roosevelt	349	\$113,979,454
Sandoval	1,299	\$424,238,714
San Juan	838	\$273,681,326
San Miguel	571	\$186,482,145
Santa Fe	1,630	\$532,339,572
Sierra	154	\$50,294,659
Socorro	36	\$11,757,193
Taos	177	\$57,806,199
Torrance	118	\$38,537,466
Valencia	689	\$225,019,611
Total	32,761	\$10,699,372,227

Multi Family Development Pipeline

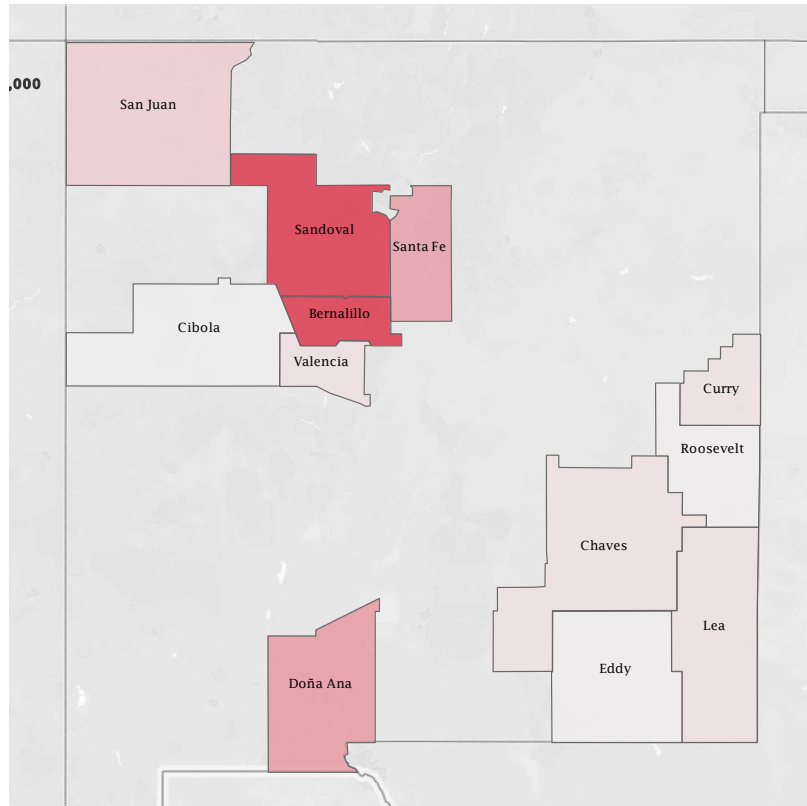
Current levels of funding allow for an annual average affordable production rate of approximately 900 units, with 400 being new construction and 500 being preservation.

Federal resources and state bonding capacity for housing development are maximized.

Each additional unit the state wishes to be constructed request an investment of approximately \$325,000.

Additional funding will allow the developers currently building in New Mexico to increase their pipeline and attract new developers to also invest in New Mexico.

Single Family Production



Need	24,163
Investment need	\$9,061,125,000
Impact of \$100,000,000	267

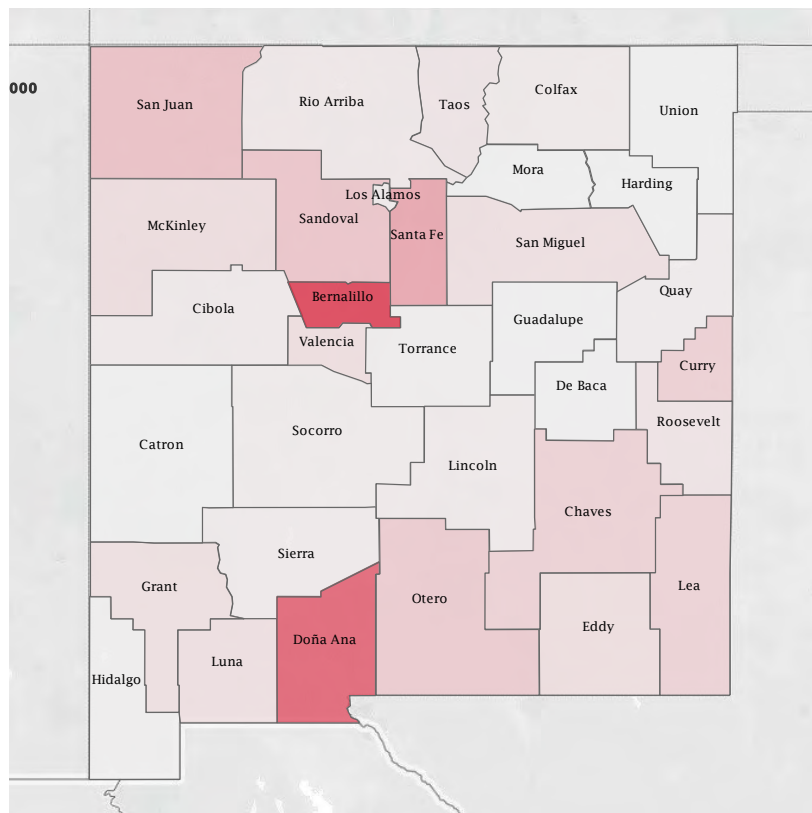
The need for single-family production is drawn from Root Policy Research's estimate of the number of ownership housing units needed to accommodate expected population growth for households at or below 120% area median income through 2035.

Investment need is calculated using the per unit average development cost of \$375,000.

Single-Family Production

County	Need	Investment
Bernalillo	7,348	\$2,755,500,000
Chaves	511	\$191,625,000
Cibola	46	\$17,250,000
Curry	495	\$185,625,000
Doña Ana	2,983	\$1,118,625,000
Lea	555	\$208,125,000
Roosevelt	98	\$36,750,000
Sandoval	7,475	\$2,803,125,000
San Juan	1,210	\$453,750,000
Santa Fe	2,796	\$1,048,500,000
Valencia	553	\$207,375,000
Total	24,163	\$9,061,125,000

Homebuyer Downpayment Assistance



Need	103,715
Investment need	\$2,309,226,365
Impact of \$100,000,000	4,491

The need for homebuyer downpayment assistance is proxied by the number of renter household earning between \$50,000 and \$150,000.

Investment is calculated using 10% of the median home sale price in each county.



Homebuyer Downpayment Assistance

County	Need	Investment
Bernalillo	46,863	\$1,121,707,340
Catron	26	\$1,113,975
Chaves	2,830	\$33,729,968
Cibola	595	\$6,195,854
Colfax	621	\$6,448,728
Curry	3,007	\$50,702,994
De Baca	81	\$542,905
Doña Ana	13,257	\$170,367,571
Eddy	1,583	\$58,686,534
Grant	1,408	\$9,822,380
Guadalupe	82	\$319,415
Harding	7	\$75,340
Hidalgo	153	\$1,313,700
Lea	2,679	\$52,865,227
Lincoln	578	\$8,841,875
Los Alamos	443	\$50,792,797
Luna	1,437	\$8,085,779

County	Need	Investment
McKinley	1,682	\$15,136,762
Mora	58	\$1,298,317
Otero	3,399	\$33,963,272
Quay	420	\$1,498,474
Rio Arriba	738	\$21,009,472
Roosevelt	1,120	\$10,553,008
Sandoval	3,979	\$147,306,601
San Juan	4,379	\$68,368,186
San Miguel	1,435	\$8,746,460
Santa Fe	6,878	\$338,827,825
Sierra	485	\$5,141,503
Socorro	475	\$3,252,632
Taos	1,044	\$25,391,025
Torrance	281	\$3,976,242
Union	56	\$1,000,442
Valencia	1,636	\$42,143,761
Total	103,715	\$2,309,226,365

Homelessness and Homelessness Prevention

	Need	Investments	Impact of a \$100,000,000
Persons Experiencing Homelessness	859	\$287,410,233	299
Persons at Risk of Homelessness	17,500	\$61,250,000	28,571
Housing Insecure Households	105,557	\$628,064,150	16,807



Homelessness and Homelessness Prevention

The May 2023 Policy Spotlight on Homelessness Supports and Affordable Housing noted that New Mexico struggles to address the root cause of homelessness- the lack of permanent housing opportunities.

Supply shortages impact persons with acute housing needs (more than 10,000 individuals) and those vulnerable renter households who are low income and housing cost burdened (more than 105,000 households).

The Policy Spotlight also highlighted the **cost of not providing housing** to those experiencing homelessness. Taxpayers spend an estimate \$50,000 to \$30,000 on hospitalization, medical treatment, emergency shelters, and incarceration for each unhoused person.

In 2023, the cost to New Mexico taxpayers, based on an estimated population of 3,842 individuals experiencing homelessness recorded in the annual point-in-time counts, would be \$98.5 million to \$192 million.

Why invest more?

Adequate affordable housing is
proven to support:

- Economic growth and public sector cost savings
- Reduced poverty and economic wellbeing
- Child development
- Better mental and physical health
- Improved environmental quality

Why invest more?

Federal investment in housing has declined over the last four decades, while the cost of housing has far outpaced inflation.

Despite being among the states with the highest poverty rates, non-federal per capita expenditures on housing in New Mexico is lower than the U.S, at less than \$100 and \$179 respectively.

At best, current housing resources are sufficient to maintain the status quo. A recession or other economic turbulence could challenge New Mexico's ability to prevent an even more severe housing crisis.



Why invest more?

As the trustee of the New Mexico Housing Trust Fund (NMHTF), MFA has demonstrated the ability to **administer** and **leverage** state investment in housing.

In less than two years MFA has committed all additional appropriations to the NMHTF (\$37.5 million), to address needs across the housing continuum.

MFA maximizes available federal resource. A more significant state investment in housing is needed to go beyond the status quo.

State Investment \$61.05 million
Financing Provided \$80 million
Leverage Obtained \$1 billion
\$17 to \$1 Leverage Ratio



MFA

Housing New Mexico

New Mexico Affordable Housing Needs and Investment Estimates