



NEW MEXICO'S HOUSING CRISIS

The Case for Stimulating Production

Funding Gap:

Despite acknowledging the need for more housing, new and more nimble funding sources are needed to stimulate production. While programs do exist for affordable home production, an absence of funding and financial tools to create workforce housing for the “missing middle” aggravates New Mexico’s housing shortage.

An Affordability Crisis:

85% of New Mexico's residents cannot afford the median-priced home* with every county (except Los Alamos) facing this challenge

Production Lag:

New Mexico lags 30 years behind in housing production, resulting in a growing demand-supply gap. Studies say New Mexico is short 30,000 residential units**. The scarcity of inventory continually drives up the costs of buying and building homes.

Community Displacement:

As the demand for housing continues to outpace production, residents/workers move away from their communities, exacerbating financial disparities and hindering employee retention and attraction.

Cost Escalation Factors:

Construction costs surge due to regulatory hurdles, sluggish land-use processes, an ongoing shortage of skilled labor, rising material costs, and prohibitive costs for critical housing infrastructure.

**NM Median New Home Price: \$468,259 - NAHB Priced-Out Estimates for 2023*

***New Mexico Mortgage Finance Authority Housing New Mexico: A Call to Action*