



NEW HAMPSHIRE
HOUSING

Meeting NH's Housing Needs

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Community Engagement and Education Manager, New Hampshire Housing

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We promote, finance, and support housing solutions for the people of NH.

- Financed 1,646 units of multifamily rental housing in FY24
- Monitored operations of thousands of rental housing units financed by NH Housing
- Administered federally funded rental assistance for 9,000 households statewide
- Helped 1,081 families purchase a home in FY24

HOW MUCH HOUSING DOES NH NEED?

Based on estimated population growth:

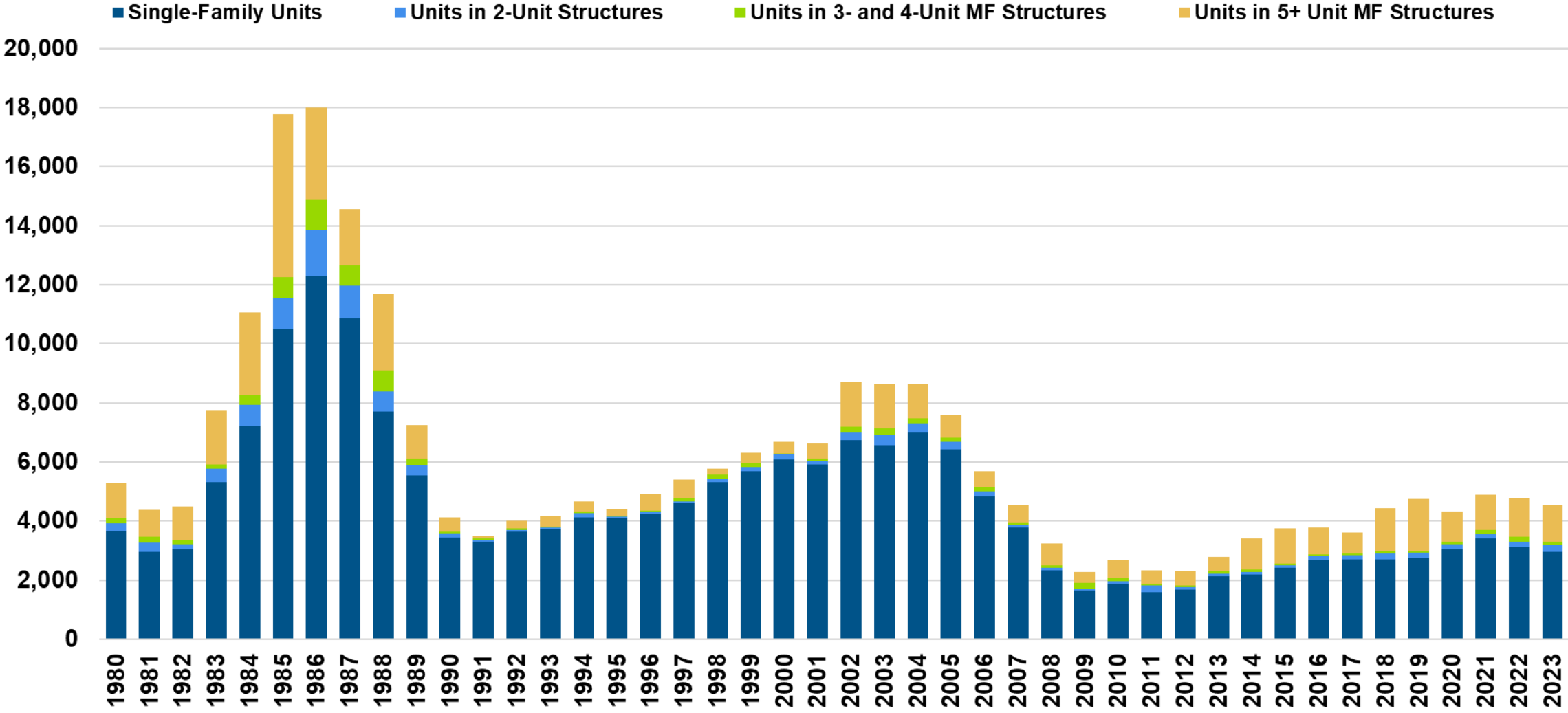
- Almost **60,000 new units** between 2020 and 2030
- Nearly **90,000 new units** between 2020 and 2040
- **To meet production needs, building permit activity must increase by 36% statewide over recent levels**
 - Achievable through a combination of local and state action

ESTIMATED NUMBER OF HOUSING UNITS NEEDED

Based on Population Growth

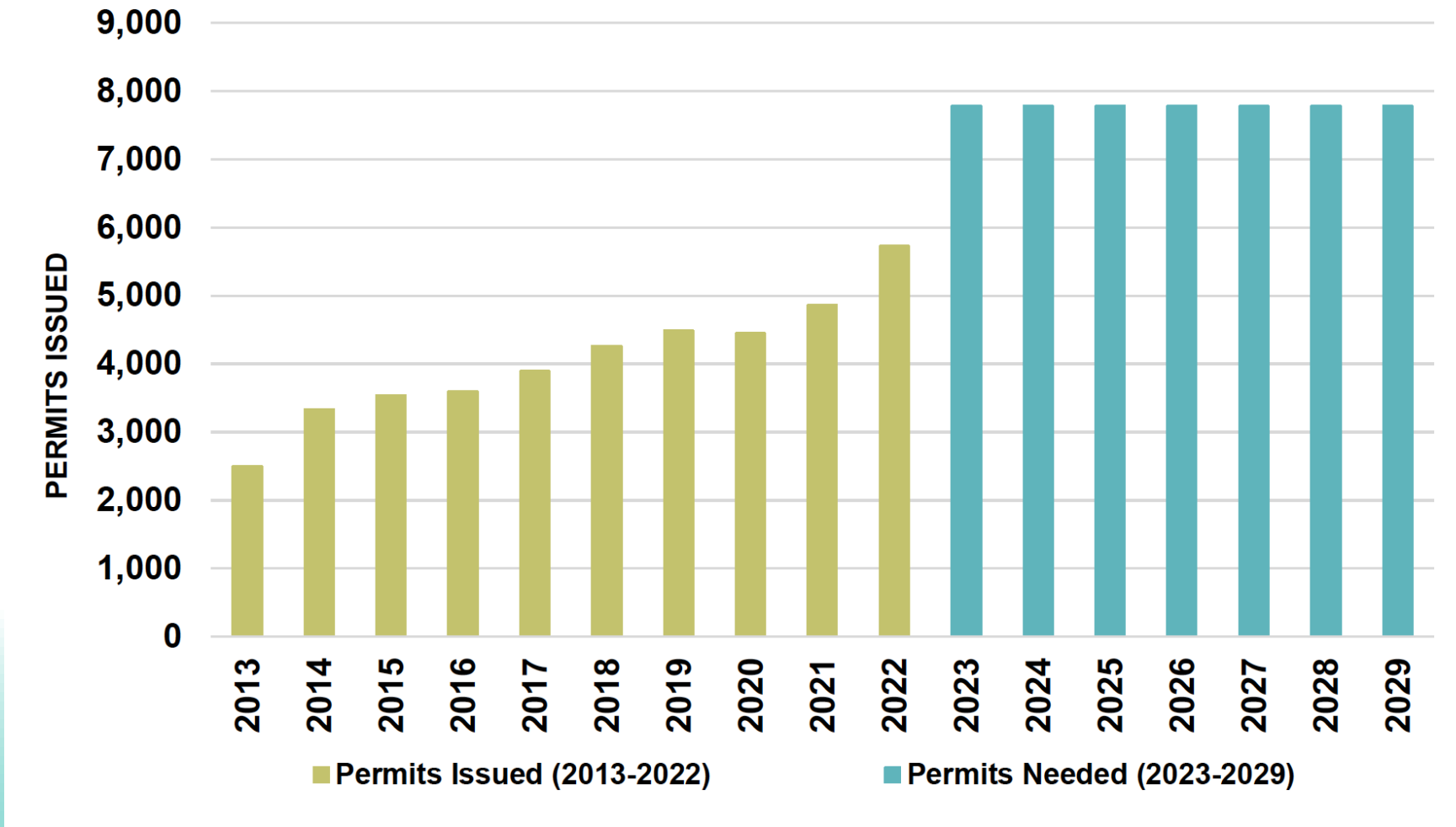
2020-2030		BY HOUSEHOLD TYPE	
TOTAL HOUSEHOLDS ADDED	52,501	OWNER HOUSEHOLDS ADDED	37,380
		RENTER HOUSEHOLDS ADDED	15,121
TOTAL UNITS NEEDED	59,934	UNITS NEEDED	40,319
		UNITS NEEDED	19,615
2020-2040		BY HOUSEHOLD TYPE	
TOTAL HOUSEHOLDS ADDED	74,437	OWNER HOUSEHOLDS ADDED	52,998
		RENTER HOUSEHOLDS ADDED	21,440
TOTAL UNITS NEEDED	88,395	UNITS NEEDED	58,432
		UNITS NEEDED	29,963

NH BUILDING PERMITS ISSUED 1980 - 2023



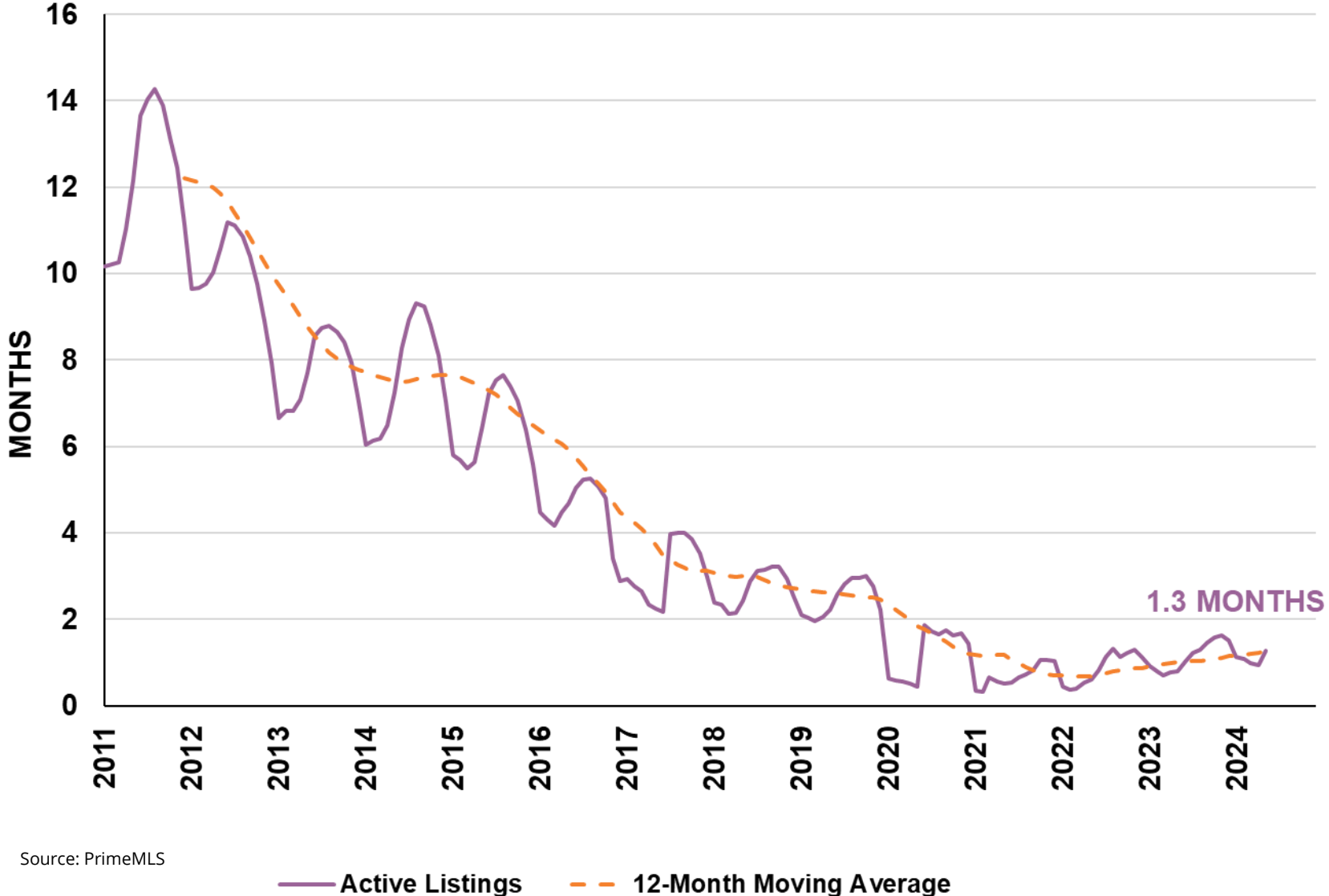
Source: U.S. Census Bureau, Construction Statistics Division

HOW DO WE CLOSE A 60,000 UNIT GAP?



SINGLE-FAMILY HOUSING INVENTORY

Months to absorb active listings at prior 12 months' sales pace



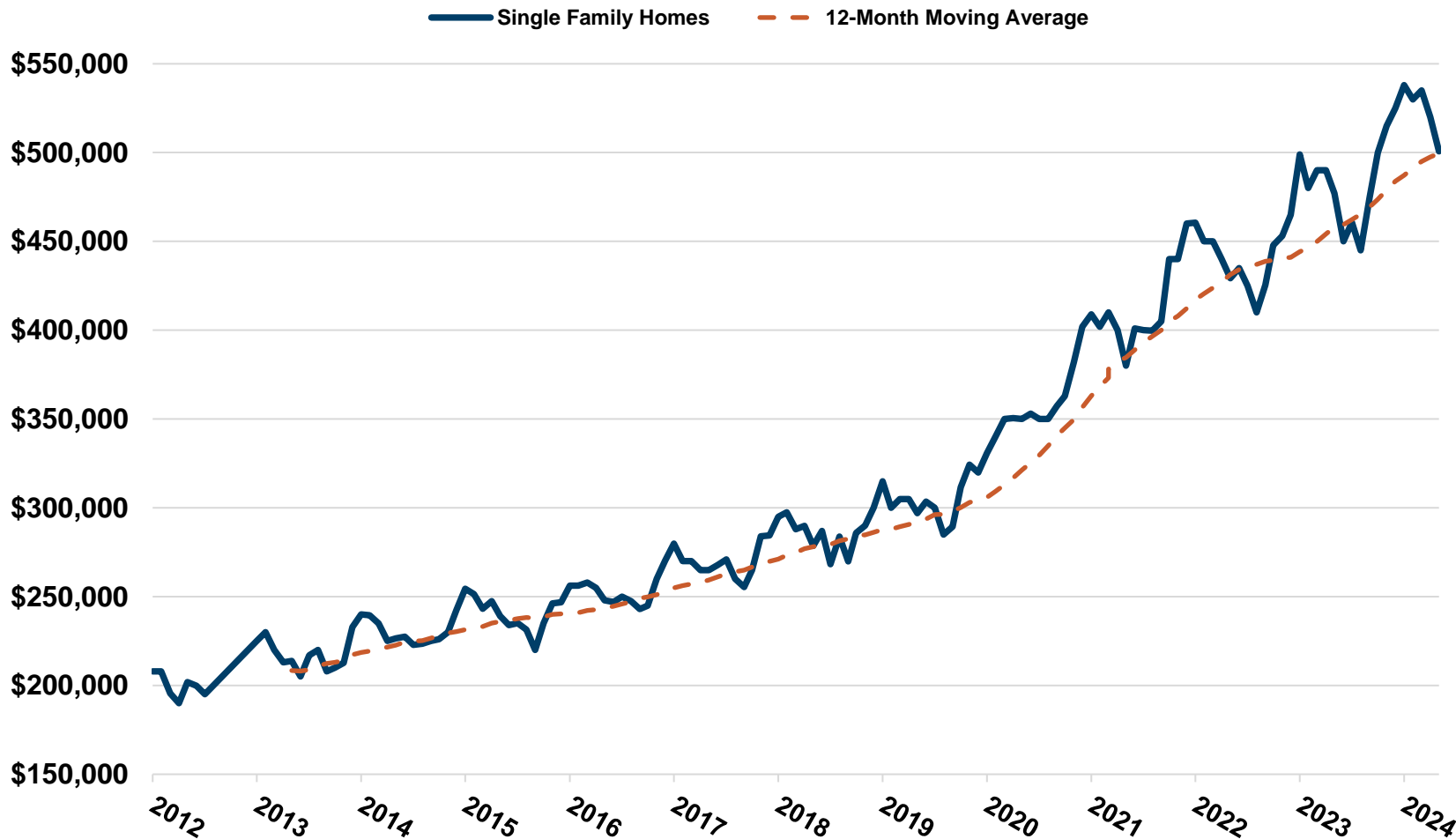
Inventory shortage has the greatest impact at the lower end of the market

Less than 6 months of inventory is a **seller's market.**

Source: PrimeMLS

SINGLE-FAMILY MEDIAN SALES PRICE

Median Sales Price for Single Family Homes in NH from Years 2012 to 2024



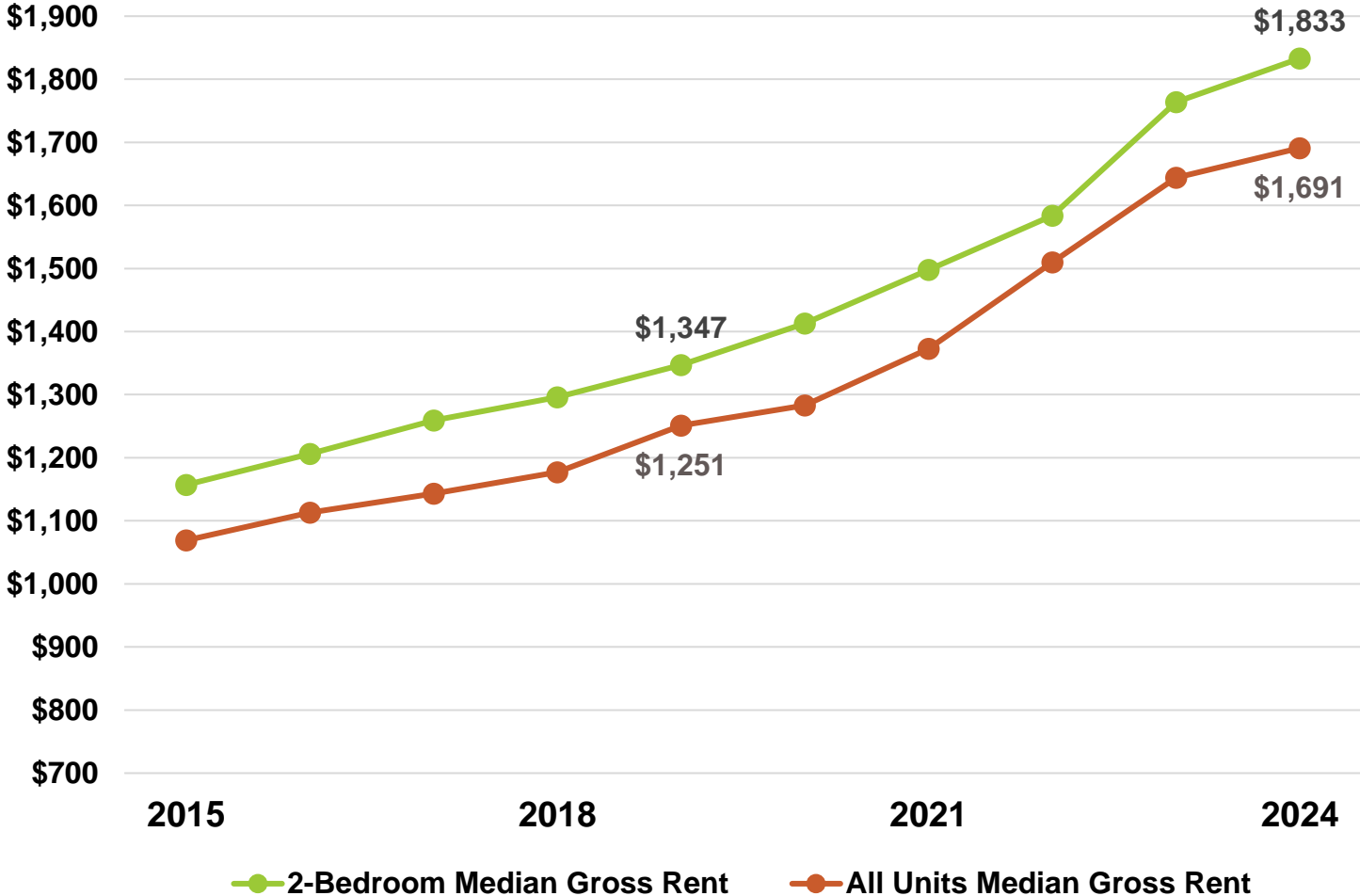
July 2020 **\$340K**

October 2024 **\$501K**

47%

Source: New Hampshire Association of Realtors NH Monthly Indicators

MEDIAN GROSS RENTAL COST



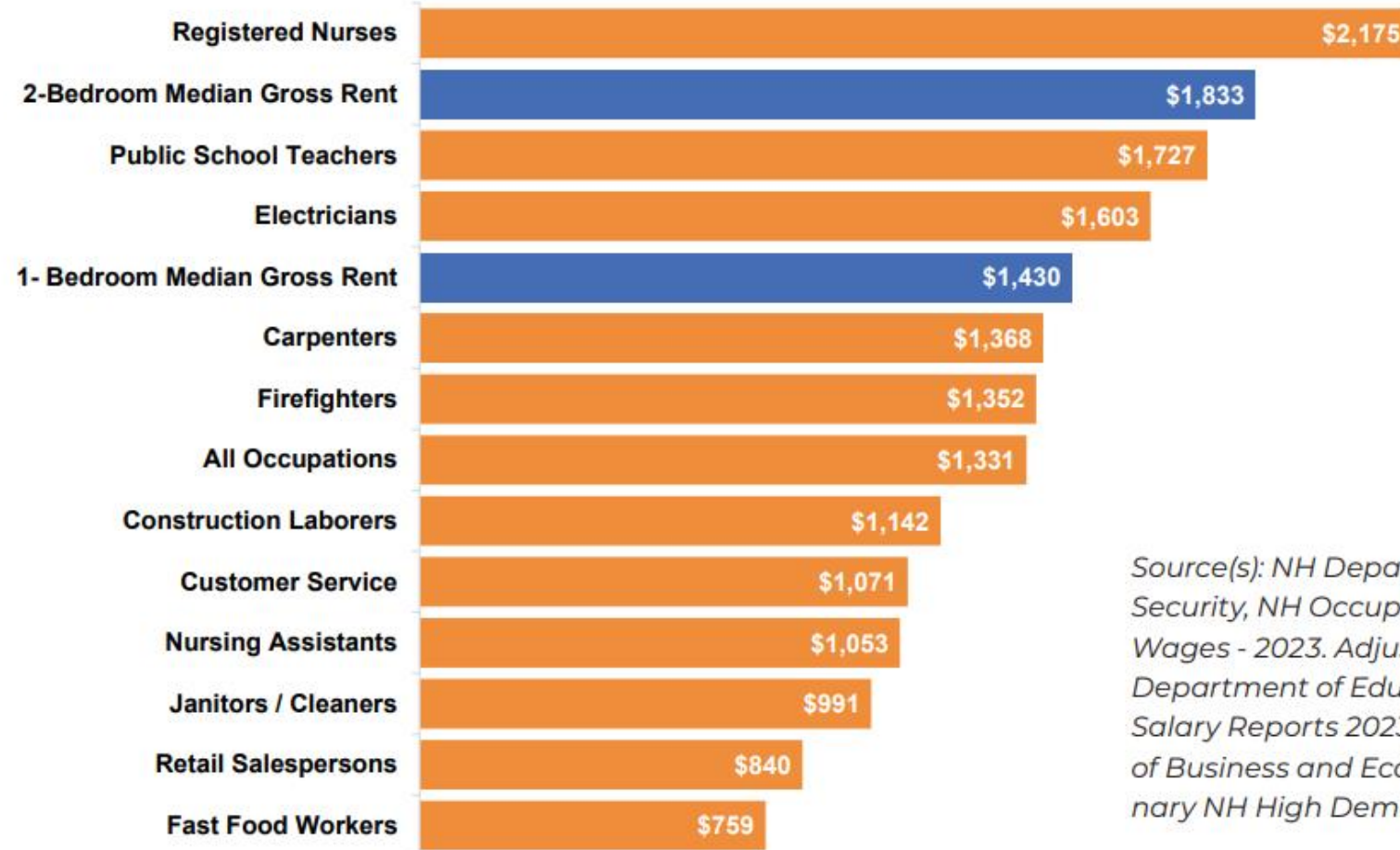
+36%

The statewide median gross rent (including utilities) for a 2-bedroom unit has increased 36% in the past five years.

+35%

Source: 2024 New Hampshire Housing Annual Residential Rental Cost Survey

HIGH-DEMAND OCCUPATIONS AND AFFORDABILITY



Source(s): NH Department of Employment Security, NH Occupational Employment & Wages - 2023. Adjusted to 2024 dollars. NH Department of Education Administration Salary Reports 2023-2024; NH Department of Business and Economic Affairs, Preliminary NH High Demand Occupations (2022).

HOUSEHOLD INCOME REQUIRED TO AFFORD A 2-BEDROOM APARTMENT

	MEDIAN 2-BEDROOM RENT	INCOME NEEDED TO AFFORD RENT	% OF ESTIMATED 2024 MEDIAN RENTER HOUSEHOLD INCOME
Belknap County	\$1,521	\$60,800	129%
Carroll County	\$1,445	\$57,800	131%
Cheshire County	\$1,455	\$58,200	109%
Coos County	\$1,161	\$46,400	118%
Grafton County	\$2,027	\$81,100	146%
Hillsborough County	\$1,989	\$79,600	153%
Merrimack County	\$1,551	\$62,000	130%
Rockingham County	\$2,069	\$82,800	123%
Strafford County	\$1,785	\$71,400	124%
Sullivan County	\$1,431	\$57,200	125%
STATEWIDE	\$1,833	\$73,300	156%

2-BEDROOM UNITS AFFORDABLE TO MEDIAN INCOME RENTER HOUSEHOLDS

	ESTIMATED 2024 MEDIAN RENTER HOUSEHOLD INCOME	AFFORDABLE GROSS RENT BASED ON INCOME	% OF RENTAL UNITS THAT ARE AFFORDABLE
Belknap County	\$46,511	\$1,163	31%
Carroll County	\$53,001	\$1,325	50%
Cheshire County	\$49,476	\$1,237	25%
Coos County	\$31,704	\$793	4%
Grafton County	\$52,917	\$1,323	32%
Hillsborough County	\$61,016	\$1,525	22%
Merrimack County	\$50,443	\$1,261	21%
Rockingham County	\$66,935	\$1,673	25%
Strafford County	\$57,018	\$1,425	25%
Sullivan County	\$36,665	\$917	1%
STATEWIDE	\$56,814	\$1,420	24%

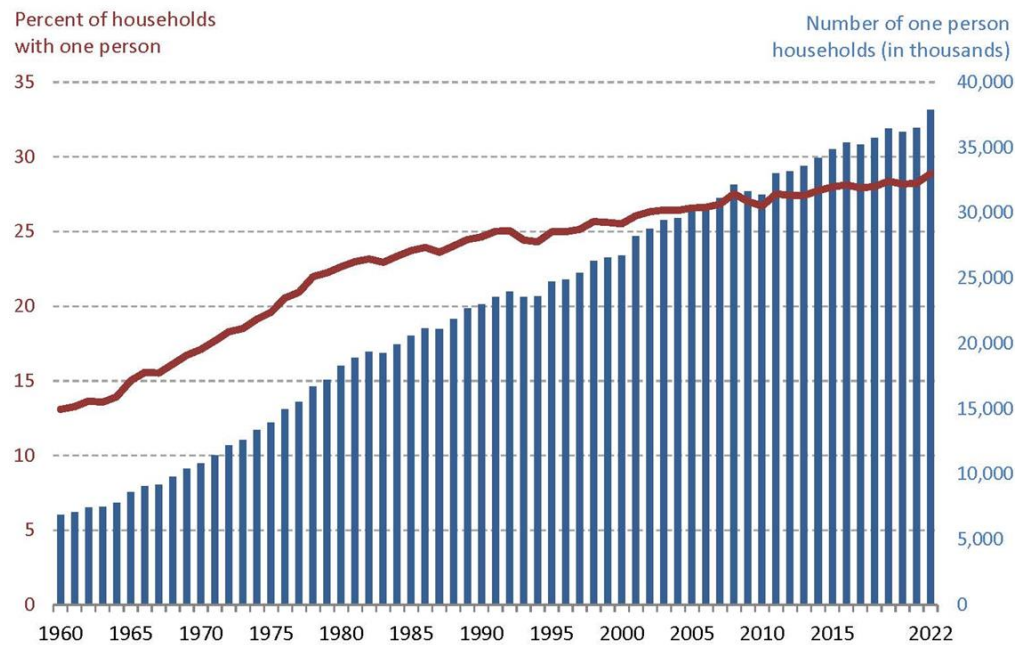
IMPACT OF INTEREST RATES



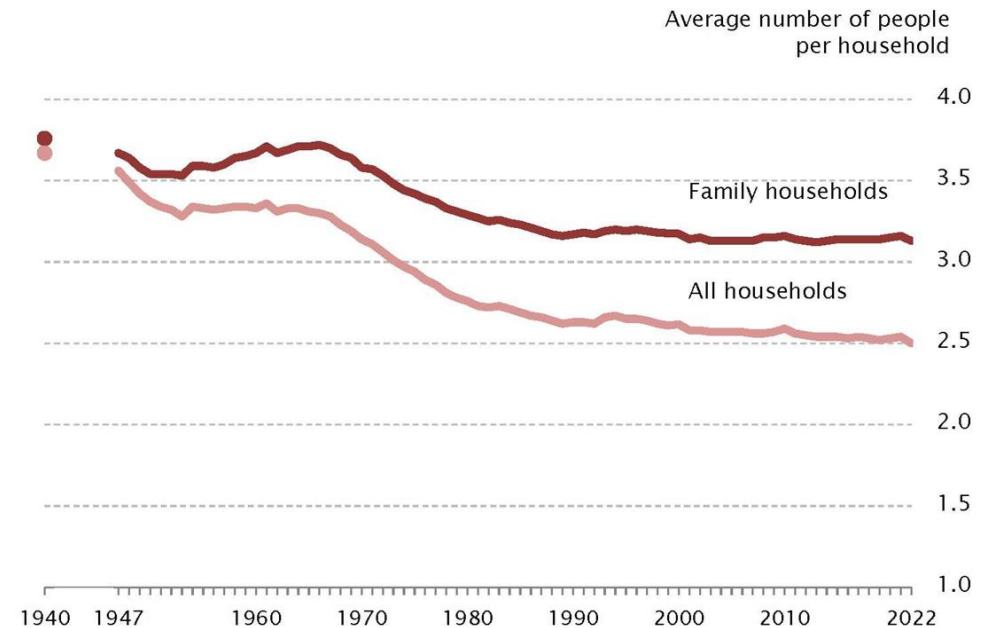
Interest rate and payments calculated based on \$400,000 home with 5% down payment, 30-year mortgage. Per-month cost reflects principal and interest only, excludes estimated insurance and taxes.

HOUSEHOLD SIZE

- Single-person households: 13% of all households in 1960, 29% of all households in 2022.
- Average person per household: 3.33 in 1960, 2.50 in 2022. 2.46 in NH in 2022.



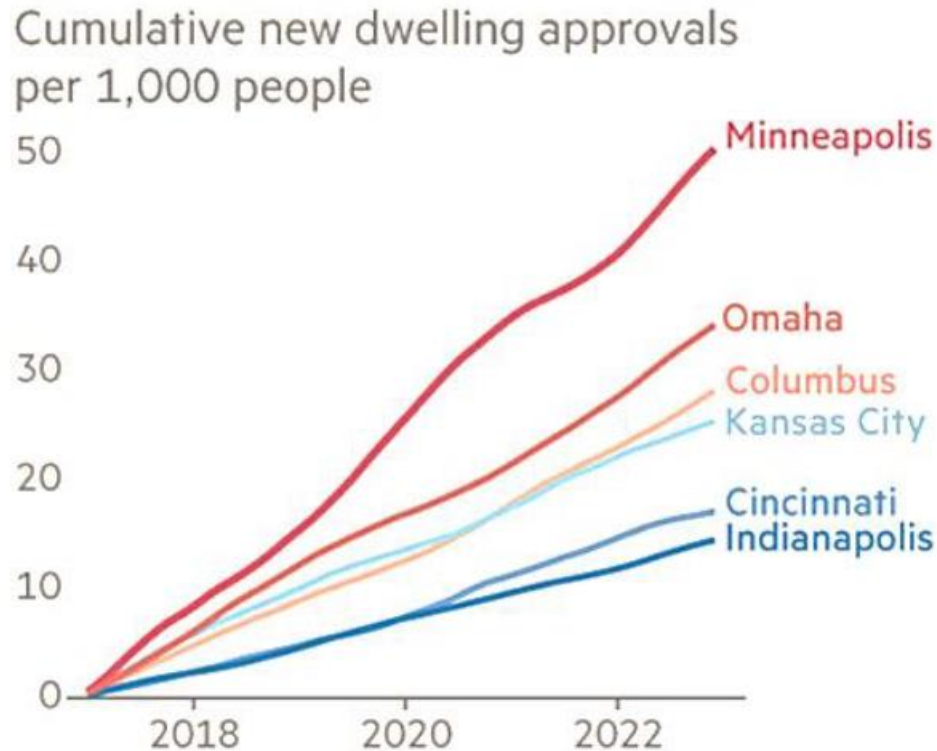
Source: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplements, 1960 to 2022.



Source: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplements, 1940 and 1947 to 2022.

DOES ZONING REFORM WORK?

Research from Pew: Rent growth is lower where housing has been added and where zoning reform has taken place!



Sources: Financial Times analysis of data from State of the Cities Data Systems, Apartment List, BLS, Census Bureau



*Rents deflated by average incomes

HOUSING OPPORTUNITY PLANNING (HOP) GRANTS

- Part of the Governor's \$100 million **InvestNH Initiative**
- In total, \$7.9 million was allocated to the **Municipal Planning & Zoning Grant Program**.
- Provides grants to municipalities to create local regulations that will help increase housing supply, especially for affordable and workforce housing.
- To date, 63 municipalities have been awarded a HOP grant.
- In the process of awarding an additional 32 grants, bringing our total to 71 municipalities.
- **NHHopGrants.org**



HOUSING OPPORTUNITY PLANNING (HOP) GRANTS

- What did communities do?
 - Updated the master plan
 - Amended land use regulations
 - Engaged in productive conversations, educated voters, crafted a path forward
- What did we learn?
 - Funding for technical assistance works
 - Community engagement is essential. – the community needs to lead
 - Municipalities need capacity
 - Incremental change is progress and should be celebrated!

AFFORDABLE HOUSING FUND

- Provides flexibility to developers
- Supports the creation of multifamily housing developments
- Enables housing developers to leverage their total project financing
- \$93 million+ has been allocated to date (through 2023)



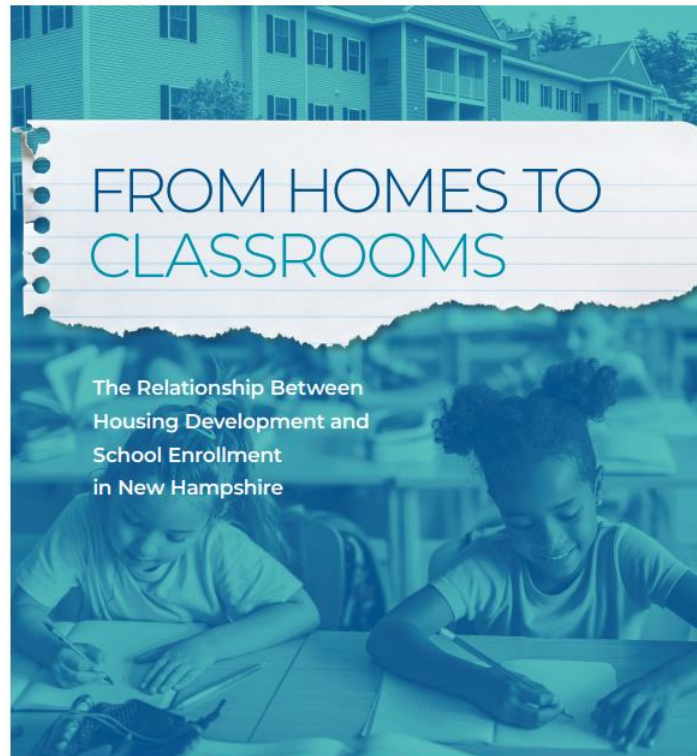
66
General Occupancy
2,810 Units

38
Supportive Housing
464 Units

11
Age-Restricted
310 Units

4
Manufactured
Housing Co-ops
72 Units

HOUSING DEVELOPMENT AND SCHOOL ENROLLMENT?



SEPTEMBER 2024

PREPARED BY URBANOMICS
FOR NEW HAMPSHIRE HOUSING



NEXUS OF BIRTHS, SCHOOL ENROLLMENT, & POPULATION GROWTH IN NEW HAMPSHIRE 1995-2023

ENROLLMENT
↓ **15.3%**
DECREASE



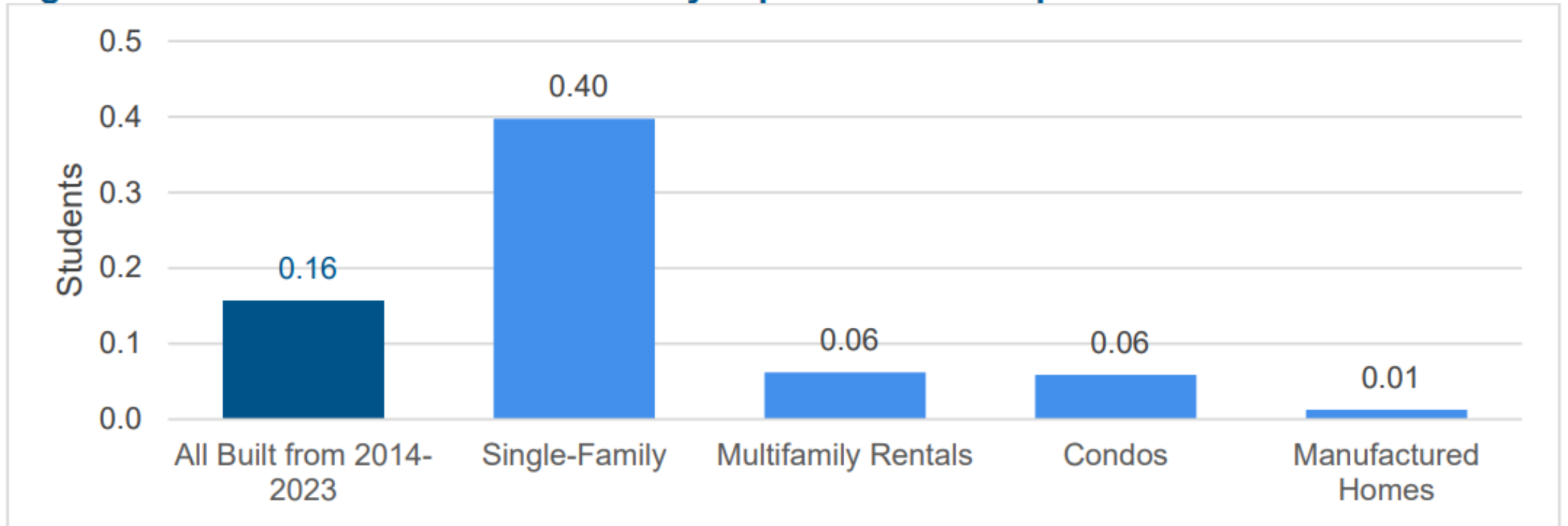
POPULATION
28.6%
↑ INCREASE

BIRTHS
↓ **14.7%**
DECREASE



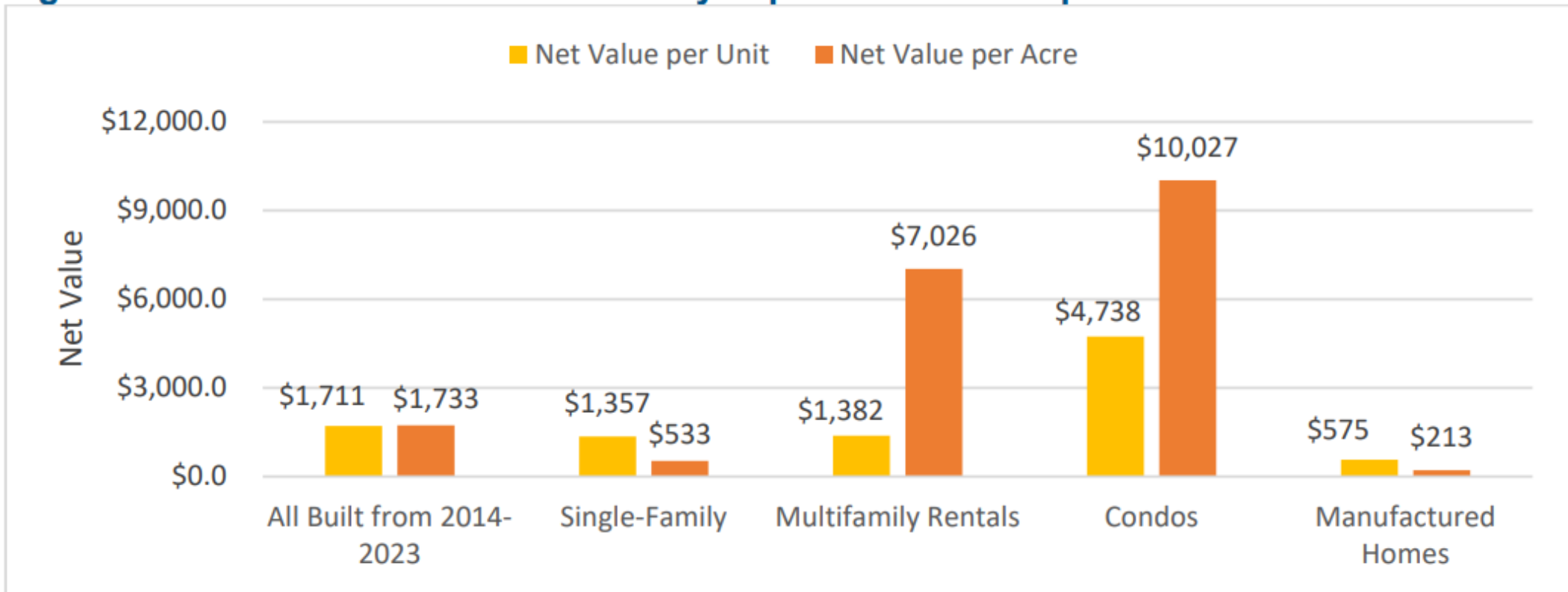
STUDENTS PER UNIT

Figure 1.1: New Construction Case Study Impacts: Students per Unit



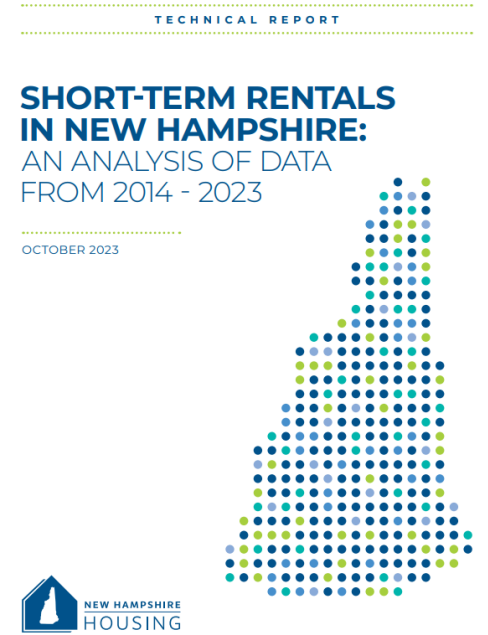
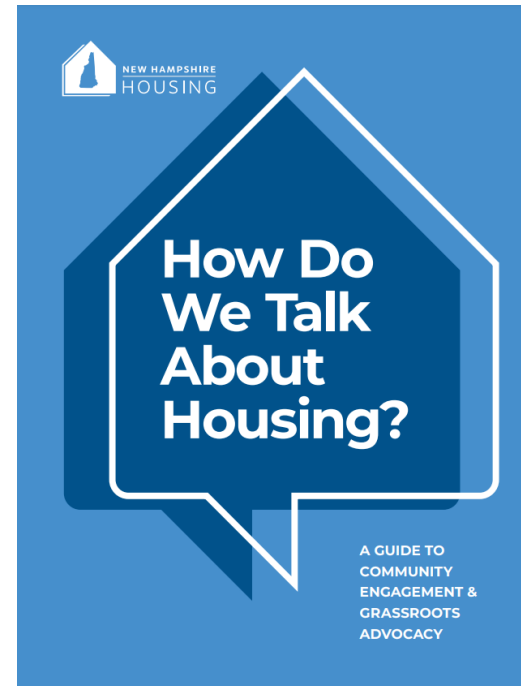
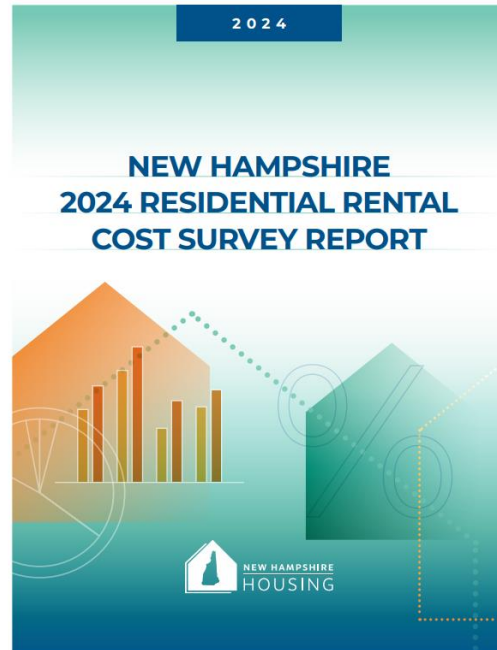
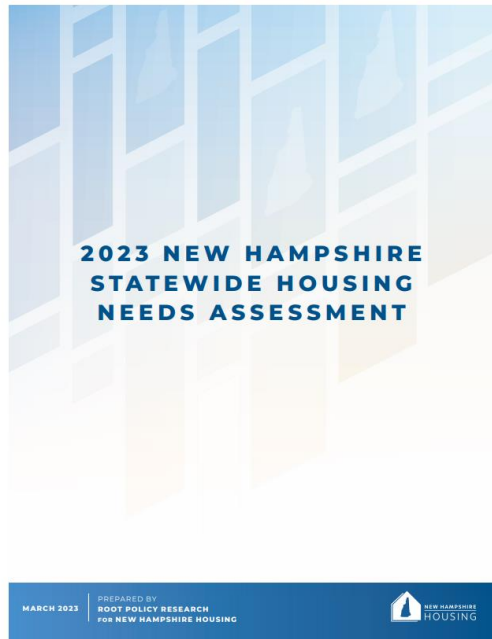
NET VALUE PER UNIT/ACRE

Figure 1.2: New Construction Case Study Impacts: Net Value per Unit/Acre



Note: Net value refers to the overall fiscal impact of new housing on a school district, calculated as the difference between the additional tax revenue generated and the total cost of providing educational services to new students. It can be positive if revenue exceeds costs or negative if costs exceed revenue.

RESOURCES



NH ZONING ATLAS

- The NHZA is a collaborative project to research, catalogue, digitalize, and display ALL of New Hampshire's zoning regulations, community-by-community, district-by-district.
- 23,000 pages of data, 269 jurisdictions, 2,157 districts
- One of many findings: Manufactured homes on small lots and in parks are allowed on only 9.2% of developable land statewide!
- The NHZA continues to evolve!
 - 2024 Atlas update
 - Water and sewer data layer

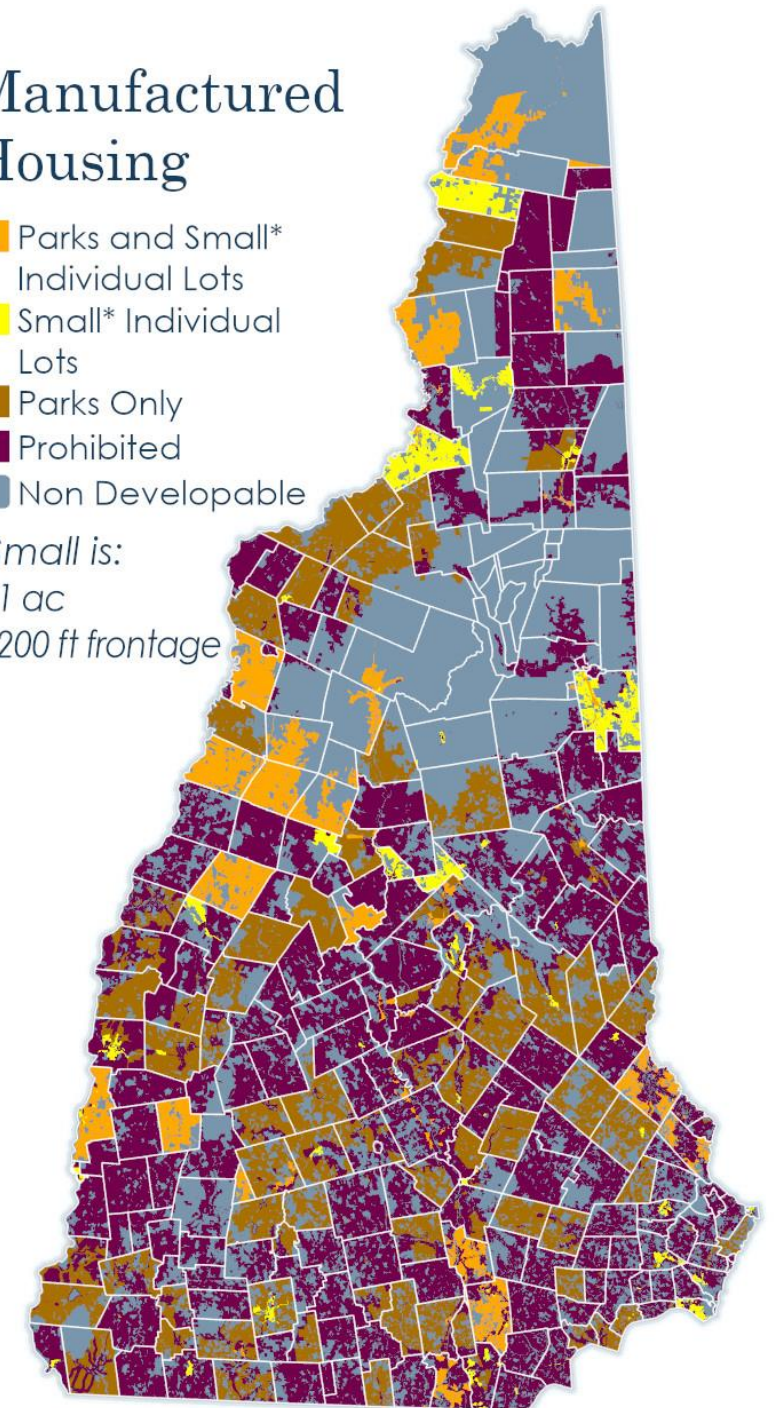
Manufactured Housing

- Parks and Small* Individual Lots
- Small* Individual Lots
- Parks Only
- Prohibited
- Non Developable

*Small is:

< 1 ac

< 200 ft frontage





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