



ERODING AFFORDABILITY IN NEW HAMPSHIRE: MEASURING KEY COSTS OVER TIME

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The New Hampshire Fiscal Policy Institute:

- is a **nonpartisan, independent research nonprofit organization** that examines issues related to the State Budget, the economy, policy decisions, and the financial security of Granite Staters, particularly issues relevant to people with low and moderate incomes.
- **does not lobby for or against specific pieces of legislation.**
- receives **no funding from governments.** Individuals, foundations, and other organizations support NHFPI's work.
- was referenced by news media outlets using our research and analysis **more than 850 times** last year.

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A SUMMARY OF NHFPI'S COST OF LIVING ANALYSIS, MORE DETAILS IN THE REPORT

- Report published Tuesday, October 21, 2025 and available online for public use
- Citations and a deeper dive into the methodologies behind all the data we are about to present are available at nhfpi.org

NEW HAMPSHIRE FISCAL POLICY INSTITUTE

REPORT
October 21, 2025

Affordability Eroded: Changes to the Cost of Living in New Hampshire

Over the past two decades, the cost of living in New Hampshire has outpaced what most families earn, reshaping the state's economy and daily life. The typical household now earns nearly \$100,000 a year, yet a family of four with this income still falls about \$2,000 short of covering basic needs annually.¹ Housing, health care, and child care costs have risen far faster than paychecks, while even essentials like food and energy strain family budgets. This report traces how these shifts have occurred, revealing the widening gap between what Granite Staters earn and what it takes to make ends meet.

Young Granite Staters who are living on their own for the first time in 2025 are facing considerably higher costs than young people ten or twenty years ago. According to the Massachusetts Institute of Technology's Living Wage Calculator, the cost of basic living expenses in New Hampshire for a family with two working adults and two children falls in the top quarter of states nationwide, among Massachusetts, Vermont, California, Connecticut, New York, Colorado, Oregon, and Alaska, at \$129,768 annually.²

Challenges include higher housing costs, incomes that have not kept pace with inflation and the cost of goods and services, increased expenses for caring for aging parents and family members with developmental disabilities, consistently high prices for child care and health care, unpredictable changes in gasoline prices, and high rates of student loan debt.

Housing costs are a key driver of higher core living expenses compared to previous decades. Though New Hampshire's household income increased by nearly 32 percent between 2015 and 2024, the cost of a mortgage payment, including property taxes, for a new median-priced home was over two and a half times higher at the end of this period.³

KEY POINTS

- Median household income in New Hampshire did not cover basic costs for a four-person family in 2024, falling nearly \$2,000 short
- Compared to a 2015 four-person family, a 2024 family had over \$17,000 less in surplus income annually
- Many essential expenses have grown over time while non-essential items, like televisions and toys, have gone down in price after adjusting for inflation
- Mortgage costs have doubled since 2015 for a median-priced single family home, from about \$23,000 to over \$47,000 annually
- Health care deductibles have increased 323 percent since 2005
- Child care for two children over the course of childhood can cost families nearly \$300,000
- Average in-state tuition at New Hampshire's four-years institutions in 1995 cost nearly half the average tuition in 2023

BASIS FOR ANALYSIS: A GRANITE STATE FAMILY OF FOUR



- Two adults with two young children
- Key living costs able to be traced over a twenty-year period for a family with this structure during those points in time

QUESTION

THREE YEARS ANALYZED: 2005, 2015, AND 2024

In which year (**2005**, **2015**, or **2024**) was it the *easiest* for this family, earning the median household income for all household sizes, to afford the basic expenses below?

- Mortgage payment for a newly-purchased median-priced single-family house, with property taxes
- Child care for two children under five years old
- Food
- Health care
- Gasoline

HOUSING DROVE THE LARGEST COST CHANGES



Monthly Payment After Purchasing Median-Priced Single-Family House, 5% Downpayment, Average Property Tax and 30-Year Fixed Mortgage Rate, 2024 Dollars, Total for Year

- 2005: \$36,285 (\$3,024 per month in 2024 dollars)
- 2015: \$22,987 (\$1,916 per month in 2024 dollars)
- 2024: \$47,249 (\$3,937 per month)

EARLY CARE AND EDUCATION EXPENSES GENERATED NEXT-LARGEST COST INCREASE



Center-Based Care for an Infant
and a Four-Year Old, 2024 Dollars,
Annual Cost

- 2005: \$24,960
- 2015: \$27,357
- 2024: \$29,082

CAREGIVING COSTS SIGNIFICANT FOR ALL AGES

- In 2024, the average price for caring for a New Hampshire infant in center-based care was \$16,040, while the price for a toddler in center-based care was \$14,870
- For older adults or individuals with disabilities that require skilled nursing or intermediate care facility, annual private pay cost was estimated to be \$141,712 in July 2024
- Yearly Medicaid costs in the State Budget estimated to be \$114,734 for nursing facility care per enrollee
- Home and community-based care was considerably less expensive overall, with the Choices for Independence program costs averaging \$31,977 per enrollee

FOOD COSTS CHANGES LIMITED RELATIVE TO INFLATION OVER TWO DECADES



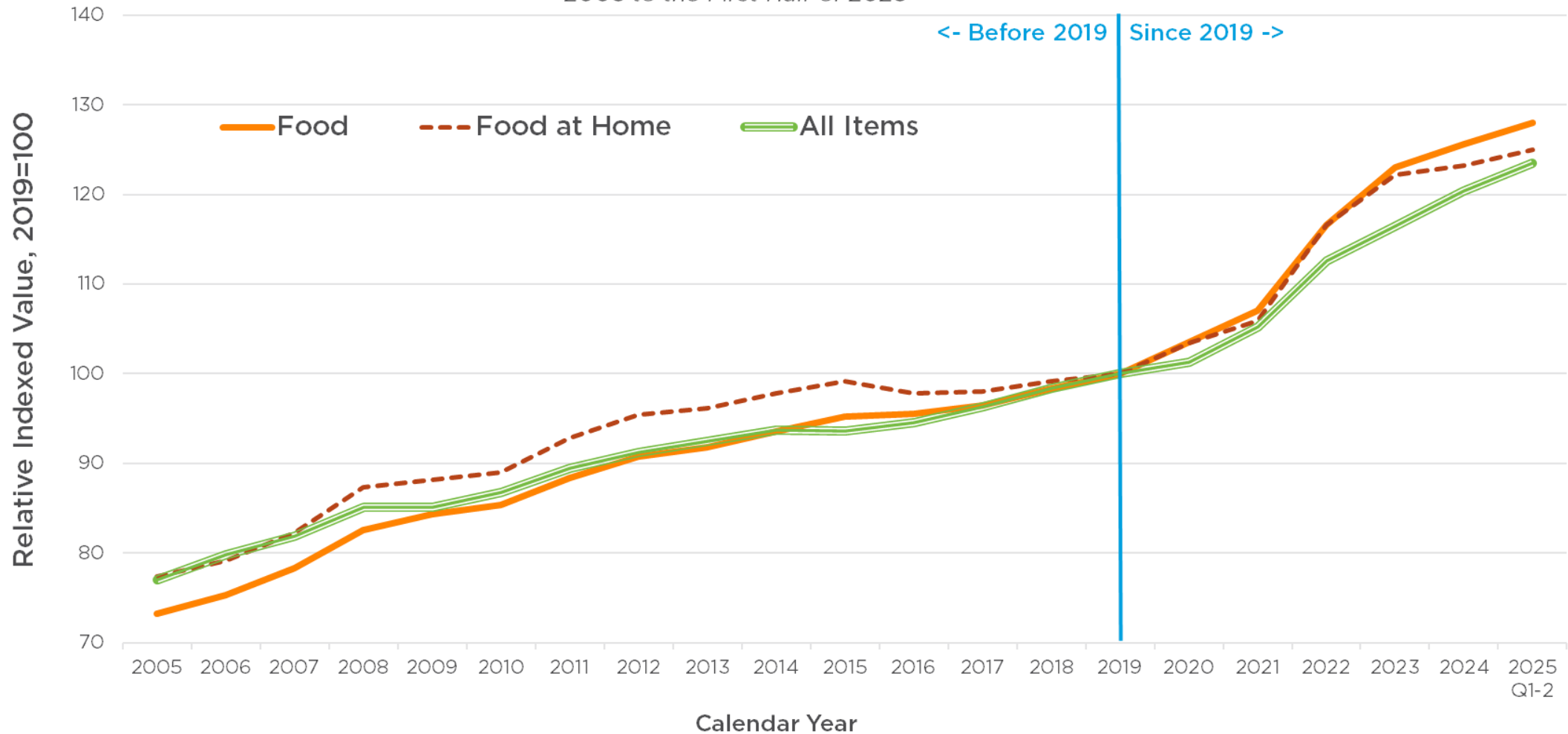
Four-Person Household Median Income Food Plan Cost from The U.S. Department of Agriculture, 2024 Dollars

- 2005: \$11,581
- 2015: \$12,259
- 2024: \$11,877

FOOD PRICE INCREASES FASTER SINCE 2019

RELATIVE PRICE CHANGES FOR FOOD

Consumer Price Index-Northeast, All Items, All Food Items, All Food Items for Consumption at Home, 2005 to the First Half of 2025



GASOLINE COSTS FELL BELOW INFLATION, BUT ARE VOLATILE OVER SHORT PERIODS



Two Cars with Average Miles Per Gallon and Miles Driven per Car with New England Regular Gas Prices in Each Year, 2024 Dollars

- 2005: \$4,477
- 2015: \$2,842
- 2024: \$2,603

HEALTH CARE COSTS ROSE TO BECOME A LARGER SHARE OF HOUSEHOLD BUDGETS



Reported Annual Expenditures on Health Care Costs for a Four-Person Family in the Northeast, All in 2024 Dollars

- 2005: \$6,451
- 2015: \$9,547
- 2024: \$10,850

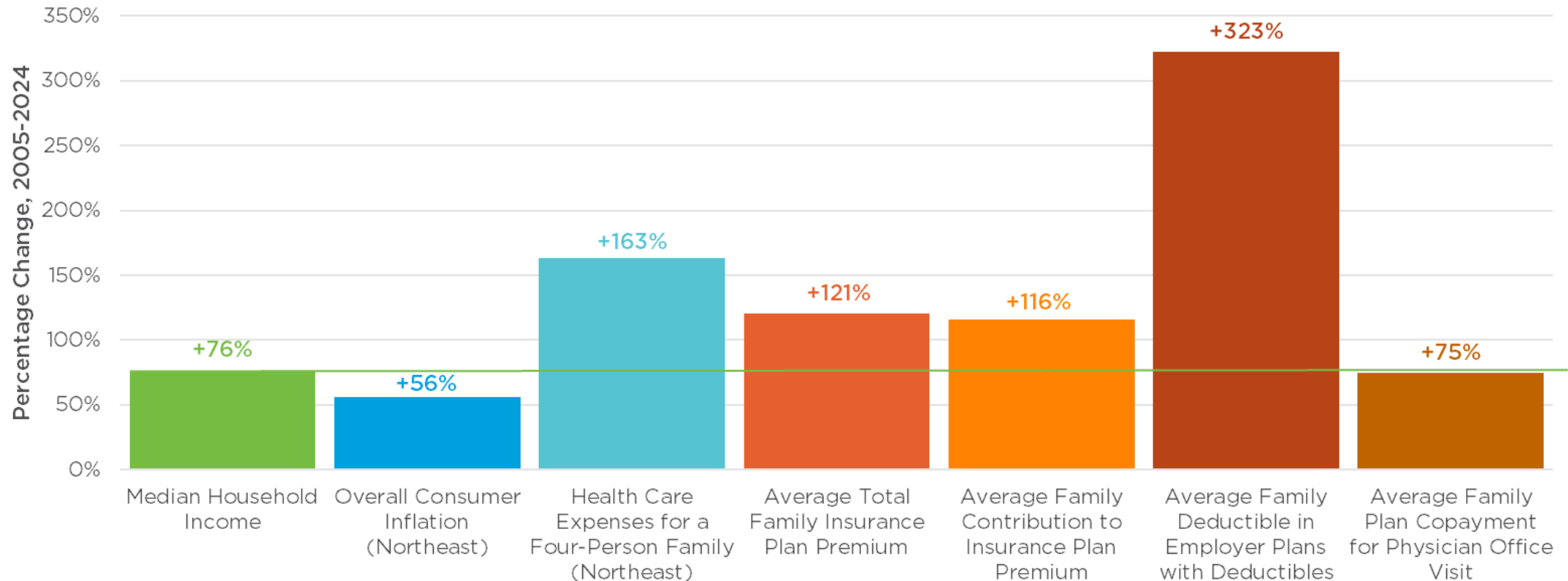
HEALTH CARE COSTS: MULTIPLE COMPONENTS

- Total cost, paid by insurers, employers, individuals, companies, and governments, totaled about \$14,000 per person in 2024
- Focus in this analysis on specific kinds of costs, what do families face in their budgets?
 - Premiums to maintain coverage
 - Deductibles to pay before coverage begins
 - Copayments and coinsurance for specific services or procedures
 - Non-premium costs are “out-of-pocket” costs
 - Some costs split with employers



DIFFERENT TYPES OF HEALTH CARE COSTS RISE UNEVENLY

CHANGES IN HEALTH-RELATED COSTS FOR NEW HAMPSHIRE RESIDENTS



Income or Cost Measure

All data specifically reflect New Hampshire figures or, where indicated for Consumer Price Index inflation data, for the Northeastern United States, including the six New England states, New York, New Jersey, and Pennsylvania.

Sources: U.S. Census Bureau, American Community Survey; U.S. Bureau of Labor Statistics; U.S. Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey

HOUSING IS KEY DRIVER OF COST OF LIVING CHANGES, FOLLOWED BY CHILD, HEALTH CARE

COSTS OF BASIC LIVING EXPENSES FOR A FAMILY OF FOUR IN NEW HAMPSHIRE

Basic Living Costs in 2005, 2015, and 2024,

Dollars Adjusted to 2024 Dollars Using the Northeast Consumer Price Index for All Urban Consumers

Income and Living Expenses	2005	2015	2024
<i>Median Household Income (All Household Sizes)</i>	<i>\$88,749</i>	<i>\$90,434</i>	<i>\$99,782</i>
Mortgage Payment for a Newly-Purchased Median-Priced House	\$36,285	\$22,987	\$47,249
Child Care for Two Children Under 5 Years Old	\$24,960	\$27,357	\$29,082
Food for Median Income Household	\$11,581	\$12,259	\$11,877
Average Expenditures for Health Care	\$6,451	\$9,547	\$10,850
Gasoline for Two Average Cars, Average Miles Driven	\$4,477	\$2,842	\$2,630
<i>Remaining Funds for Other Expenses</i>	<i>\$4,994</i>	<i>\$15,443</i>	<i>-\$1,906</i>

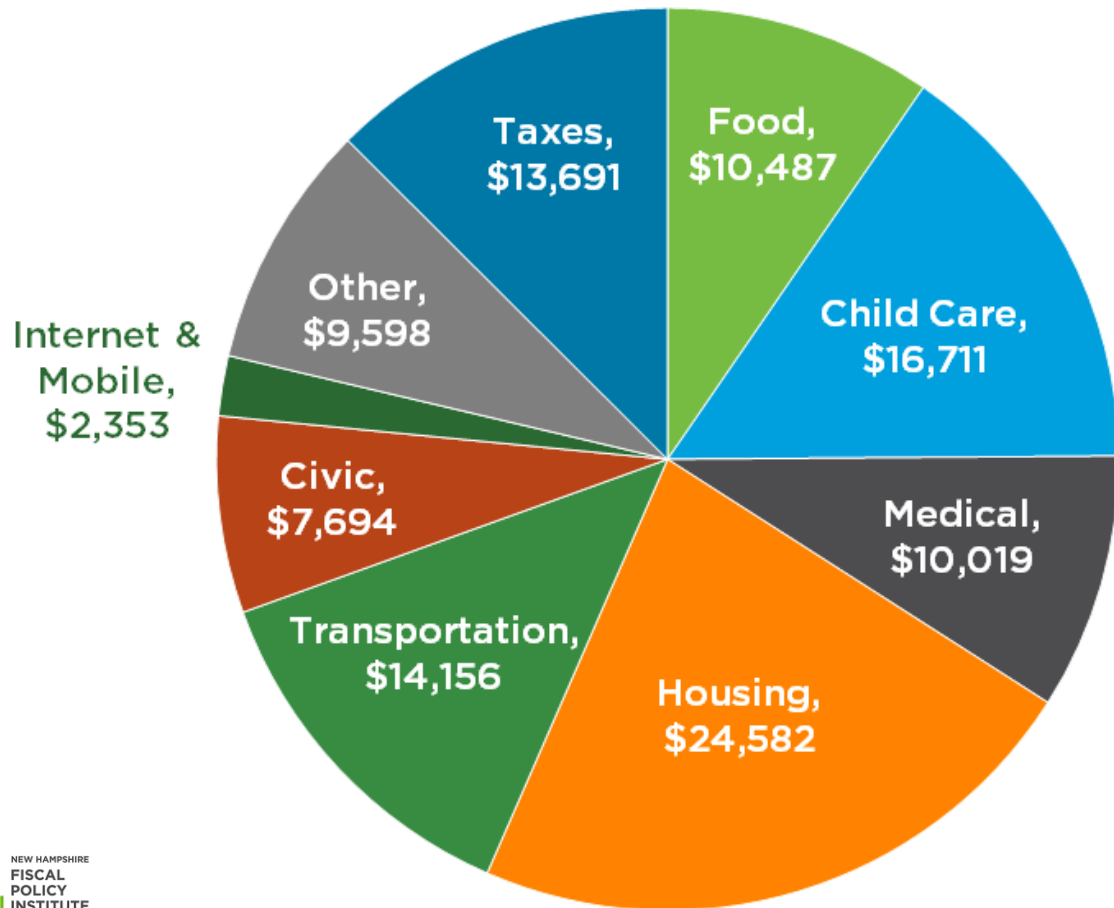
Note: Table depicts several major household expenses, but is not intended to be a comprehensive budget. For data sources, methodology, and supporting research, see NHFPI's October 2025 Report, *Affordability Eroded: Changes to the Cost of Living in New Hampshire*.

BETWEEN 2015 AND 2024, A FOUR-PERSON FAMILY IN THIS SITUATION ABOUT \$17,000 IN SPENDING POWER AFTER THE BASICS

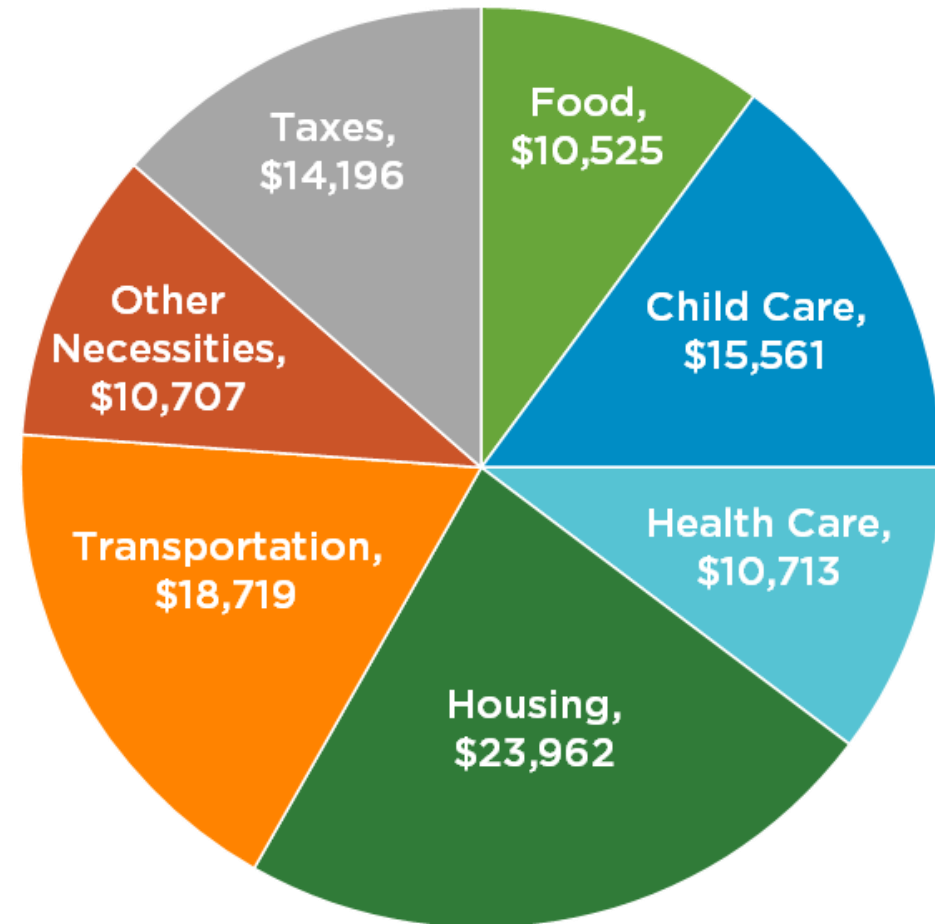
All Inflation-Adjusted to 2024 Dollars	2005	2015	2024
Median Household Income (Half of Incomes Higher, Half of Incomes Lower, All Household Sizes)	\$88,749	\$90,434	\$99,782
Total of Costs Listed for Individual Years on Previous Slides	\$83,755	\$74,991	\$101,688
Total for All Other Expenses (Clothing, Car Payments, Phone and Utility Bills, Student Loans, etc.)	\$4,994	\$15,443	-\$1,906
Change from Prior Period Estimate	N/A	\$10,449	-\$17,349

OTHER ESTIMATES OF LIVING COSTS

MASSACHUSETTS INSTITUTE OF TECHNOLOGY
LIVING WAGE CALCULATOR
TWO WORKING ADULTS, ONE CHILD: \$109,290
New Hampshire, 2026



ECONOMIC POLICY INSTITUTE
FAMILY BUDGET CALCULATOR
TWO ADULTS, ONE CHILD: \$104,383
Rockingham County, New Hampshire, 2026



KEY TAKEAWAYS

- The cost of living in NH has outpaced income growth for many households
- A four-person family, taking the same set of basic household-establishing actions, has substantially less income available after key expenses
- Changes in housing costs drove most of the expenditure changes over 20 years
- Health care and child care costs have increased relatively quickly, with health care costs also straining organizational budgets where offered as employee benefit
- Food and gasoline costs are more volatile, years of comparison key for understanding changes over time
- Affordability of essentials important for economic vibrancy, as basics becoming more expensive results in less opportunity to spend money elsewhere in economy, and New Hampshire population growth relies on in-migration

ADDITIONAL RESOURCES AND REFERENCES

- Report: Affordability Eroded: Changes to the Cost of Living in New Hampshire – October 20, 2025: <https://nhfpi.org/resource/affordability-eroded-changes-to-the-cost-of-living-in-new-hampshire/>
- Presentation: Overview of Fiscal Policy in New Hampshire – March 6, 2026: <https://nhfpi.org/resource/overview-of-the-fiscal-policy-in-new-hampshire/>
- Publication: New Hampshire Policy Points – February 2025: <https://nhfpi.org/resource/new-hampshire-policy-points-2025/>
- Presentation: The New Hampshire Economy and Key Housing Trends – November 6, 2025: <https://nhfpi.org/resource/the-new-hampshire-economy-and-key-housing-trends/>
- Issue Brief: The Economic Impact of the Granite State’s Child Care Shortage – February 16, 2025: <https://nhfpi.org/resource/the-economic-impact-of-the-granite-states-child-care-shortage/>
- Presentation: A Growing Population and Changing Demographics in New Hampshire and the Seacoast – February 27, 2026: <https://nhfpi.org/resource/a-growing-population-and-changing-demographics-in-new-hampshire-and-the-seacoast/>



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