

Housing in New Hampshire

Nick Taylor

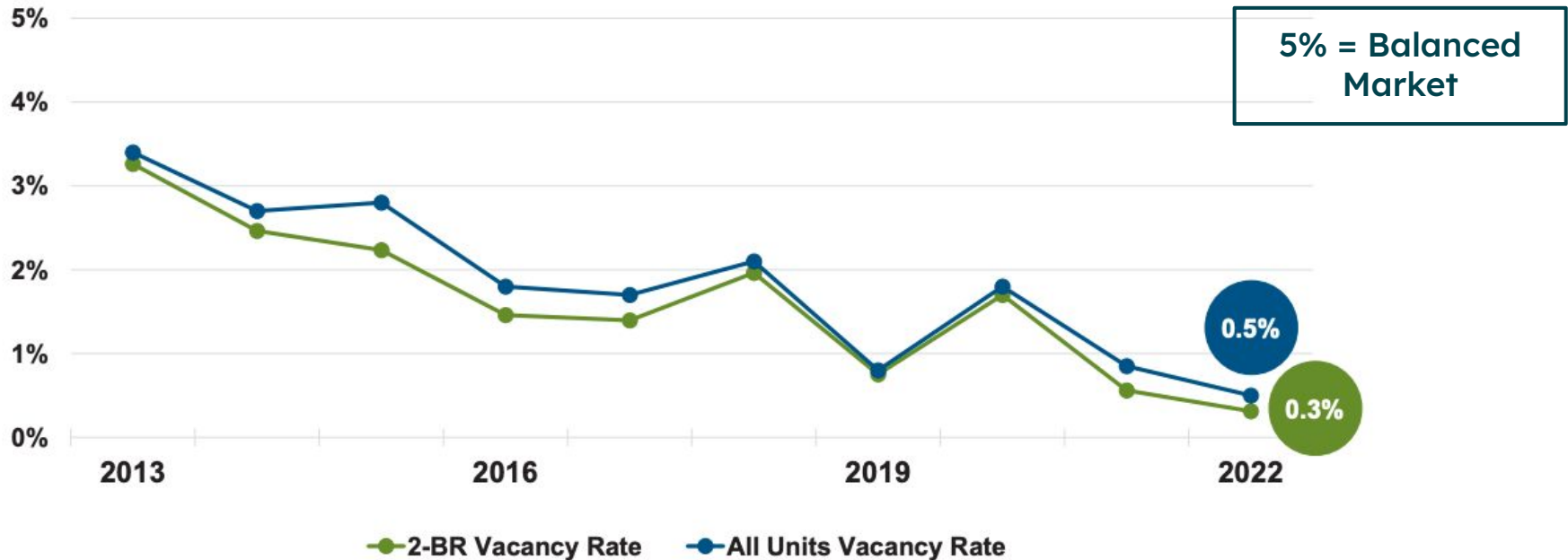
Executive Director

Workforce Housing Coalition of the Greater Seacoast

What's going on?

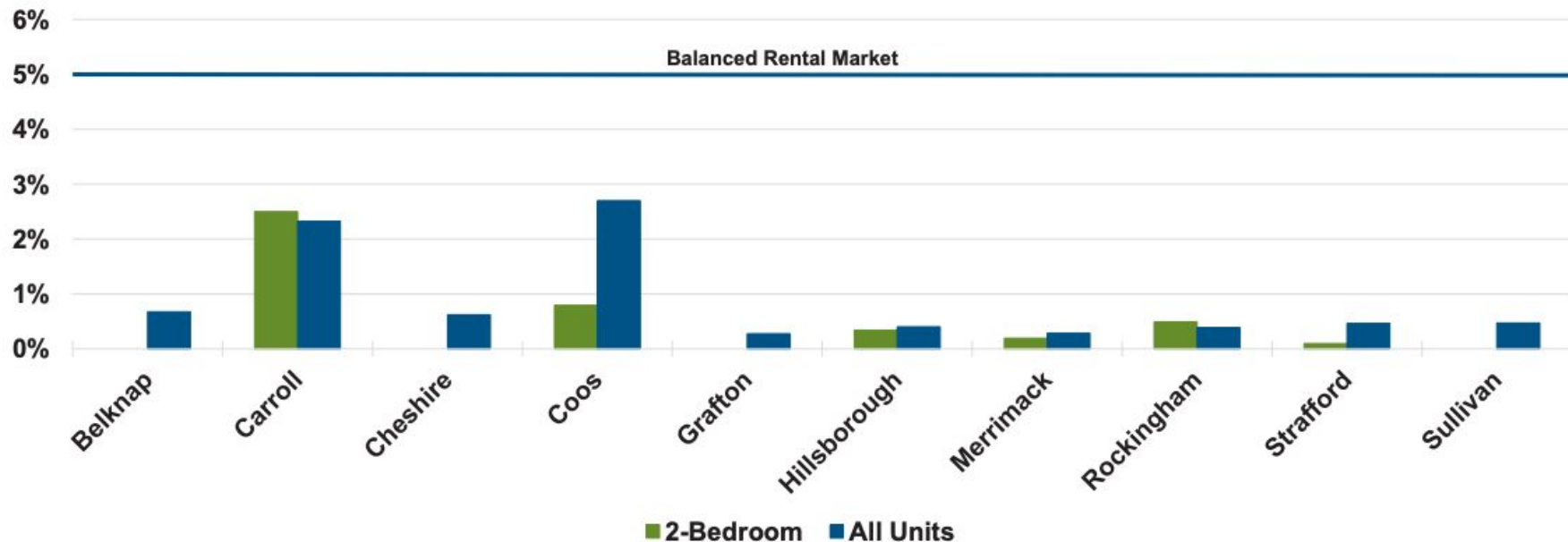
Rental Market

Statewide Rental Vacancy Rate



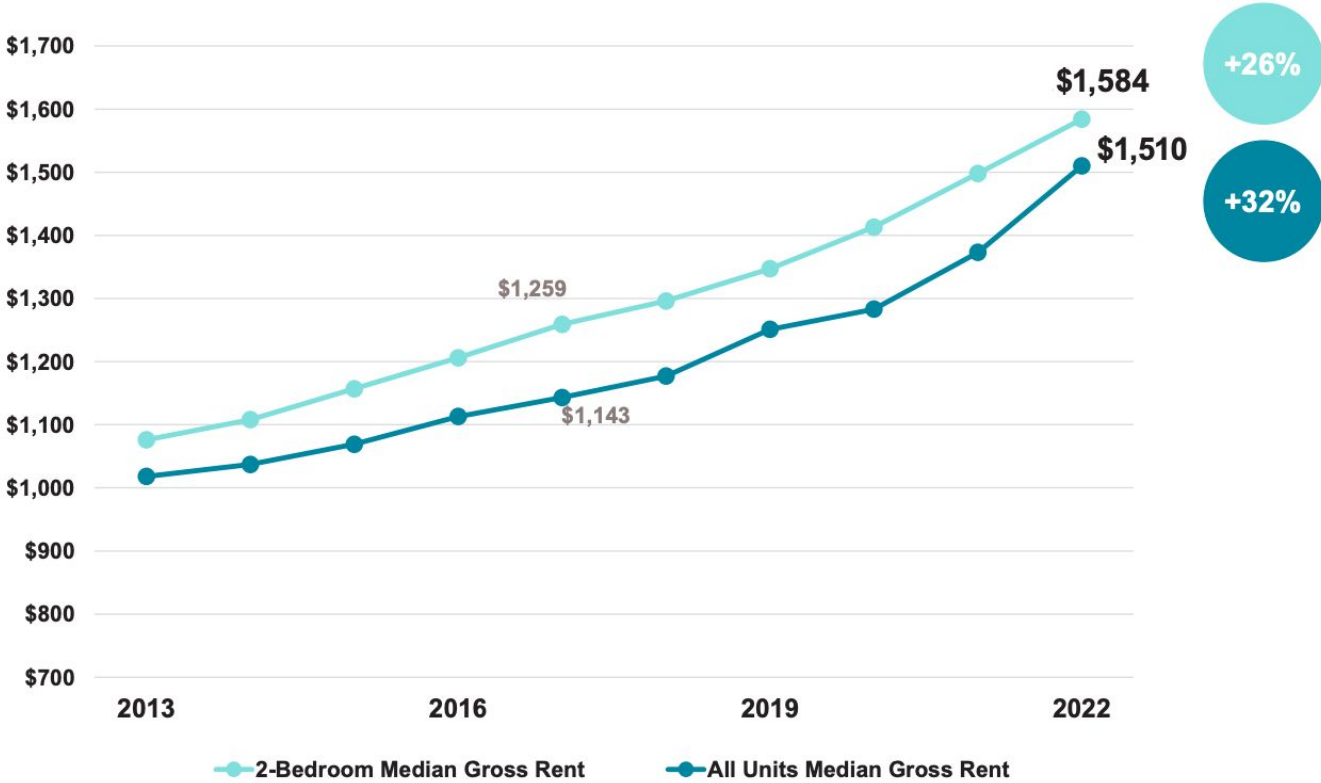
Source: *New Hampshire Housing 2022 Residential Rental Cost Survey*

County Rental Vacancy Rate



Source: New Hampshire Housing 2022 Residential Rental Cost Survey

Monthly Median Gross Rent



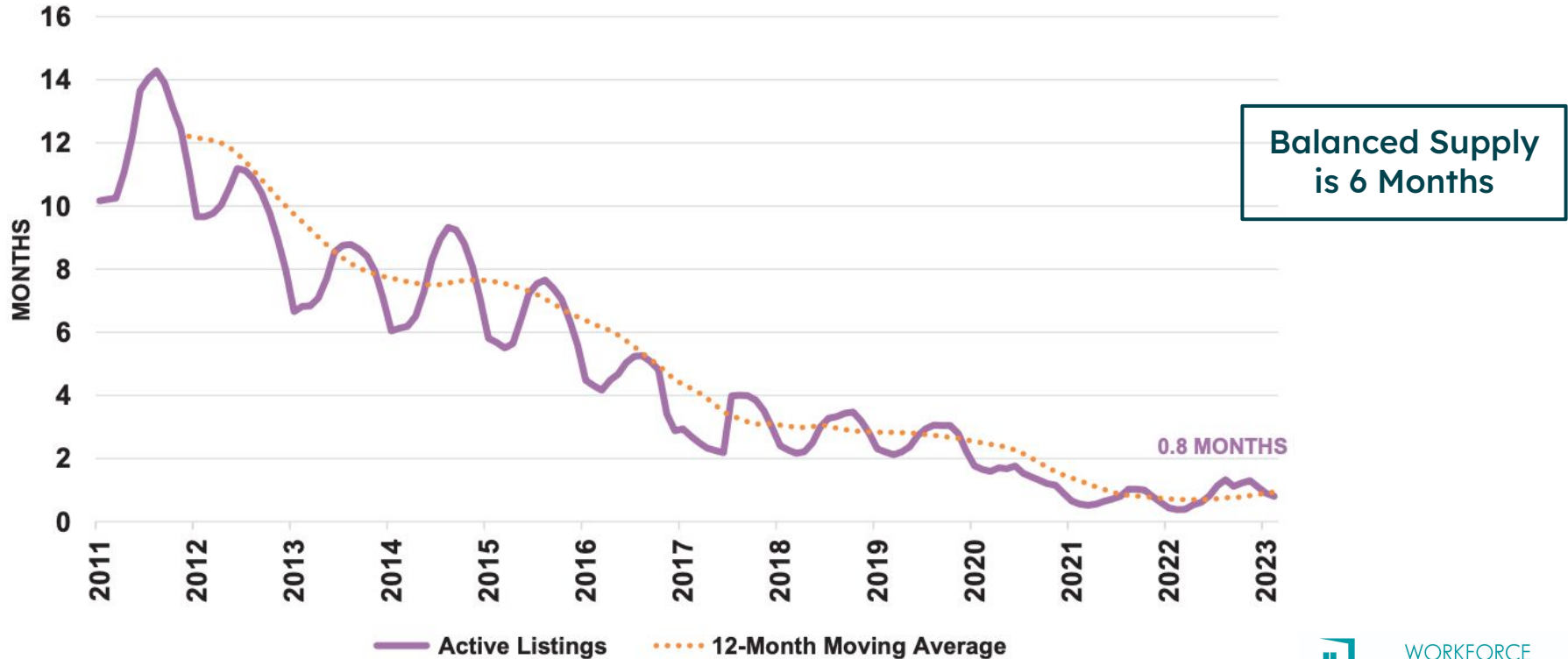
**Median Income
Increased by 16%**

Source: New Hampshire Housing
2022 Residential Rental Cost
Survey



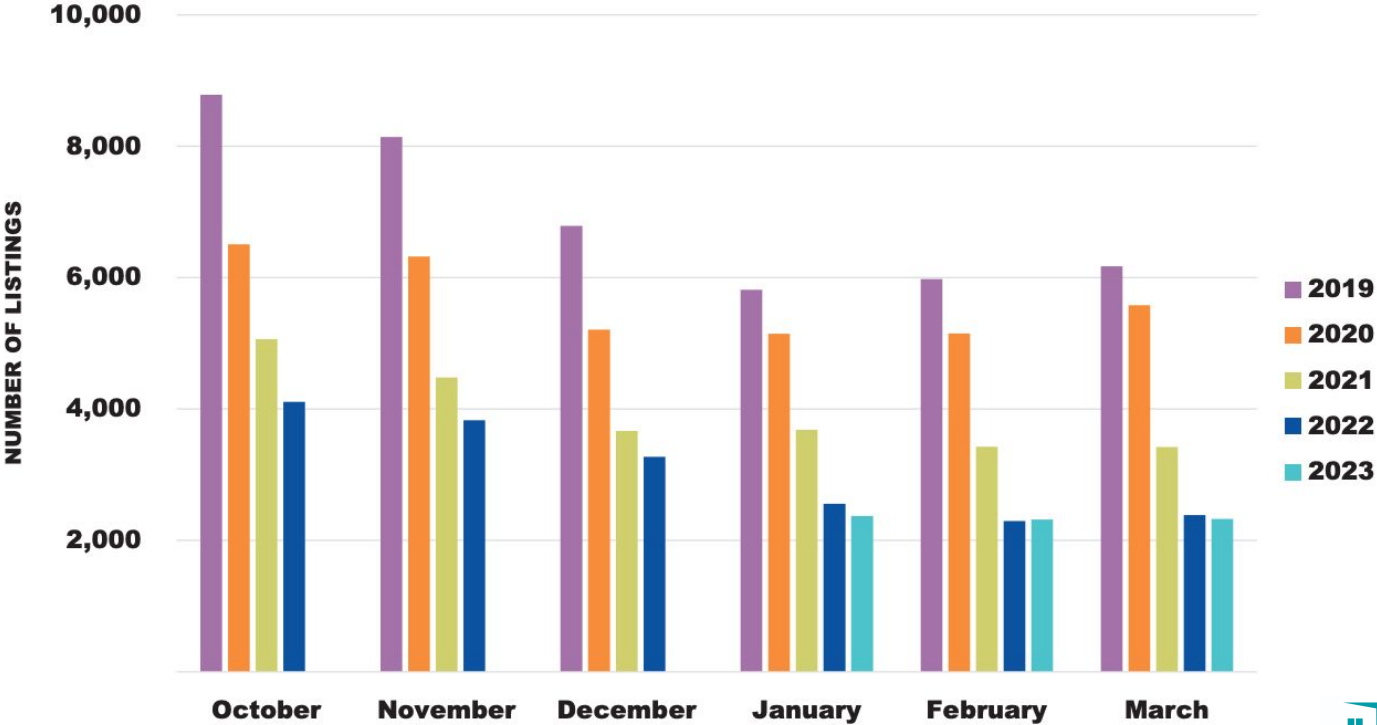
For Purchase Market

Months of Housing Supply on Market



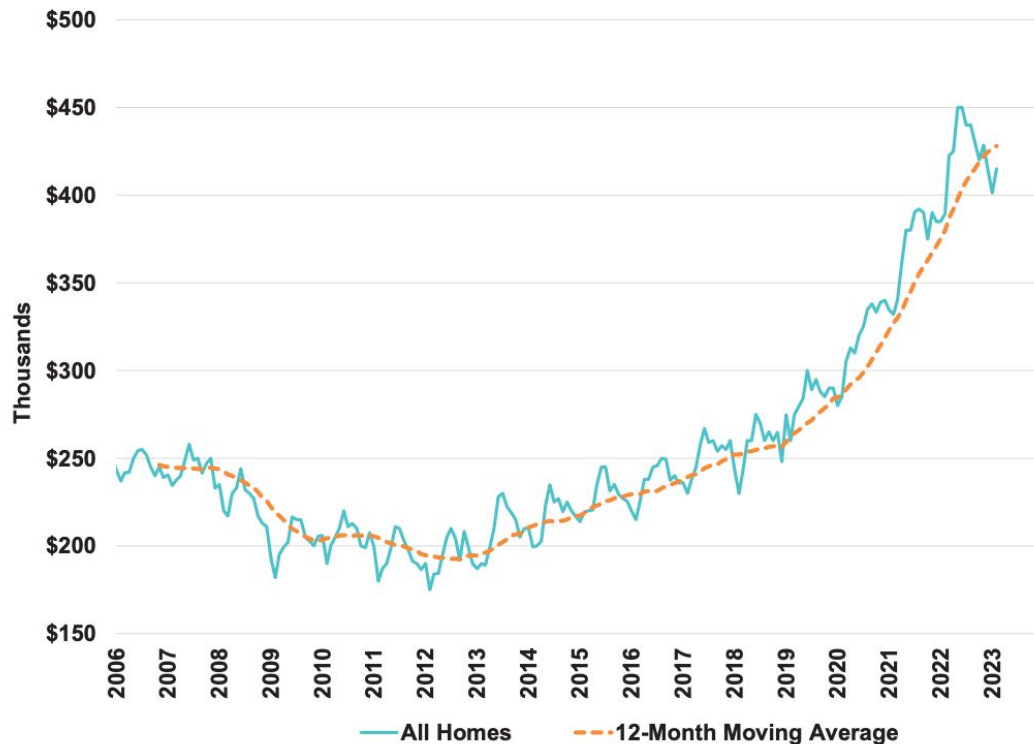
Source: New Hampshire Housing Market Snapshot

MLS Active Listings



Source: New Hampshire Housing Market Snapshot

Single Family Home Median Sales Price



→ Q1 2023 Statewide Median Sales Price: \$430,000

→ Q1 2019 Statewide Median Sales Price: \$280,000

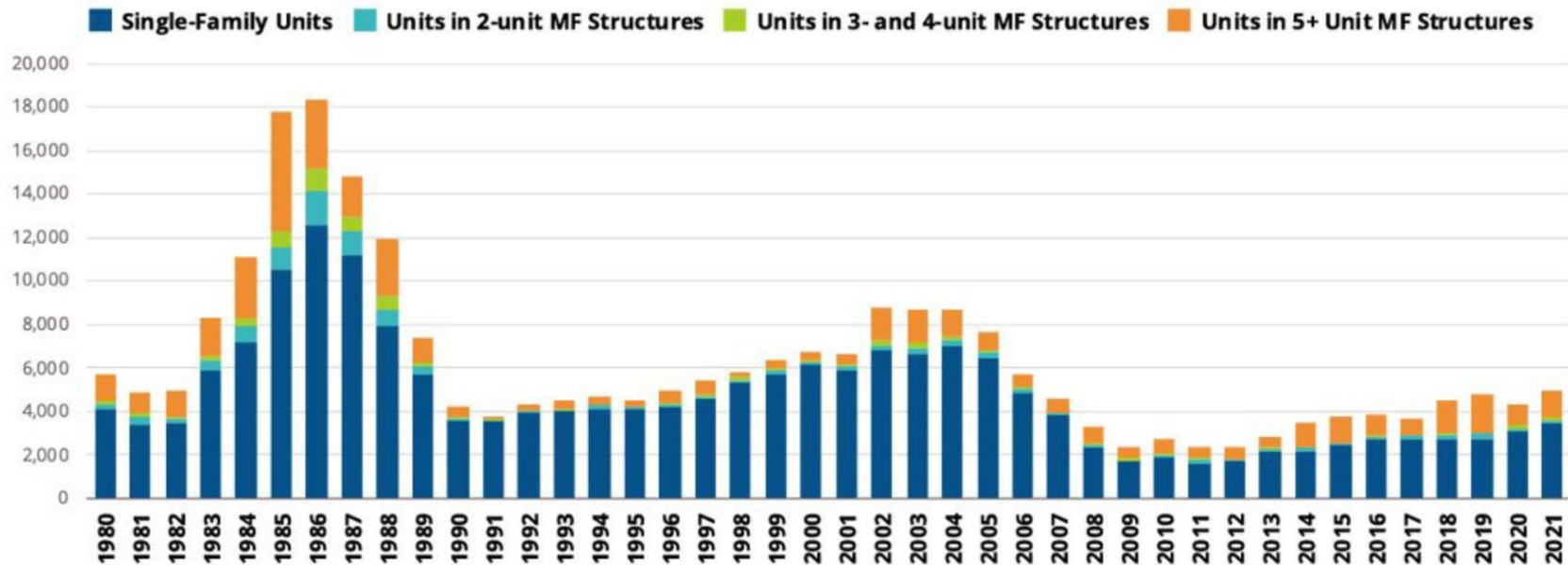
Source: *New Hampshire Housing Market Report & New Hampshire Association of Realtors Market Data*

The Problem: There Aren't Enough Homes

**Are we building more
homes?**

Building Permits

NH BUILDING PERMITS ISSUED 1980 - 2021



Source: New Hampshire Housing; NH Office of Planning and Development

**Low supply of homes.
High costs of rental and for
purchase homes.
Small increase in building
permits.**

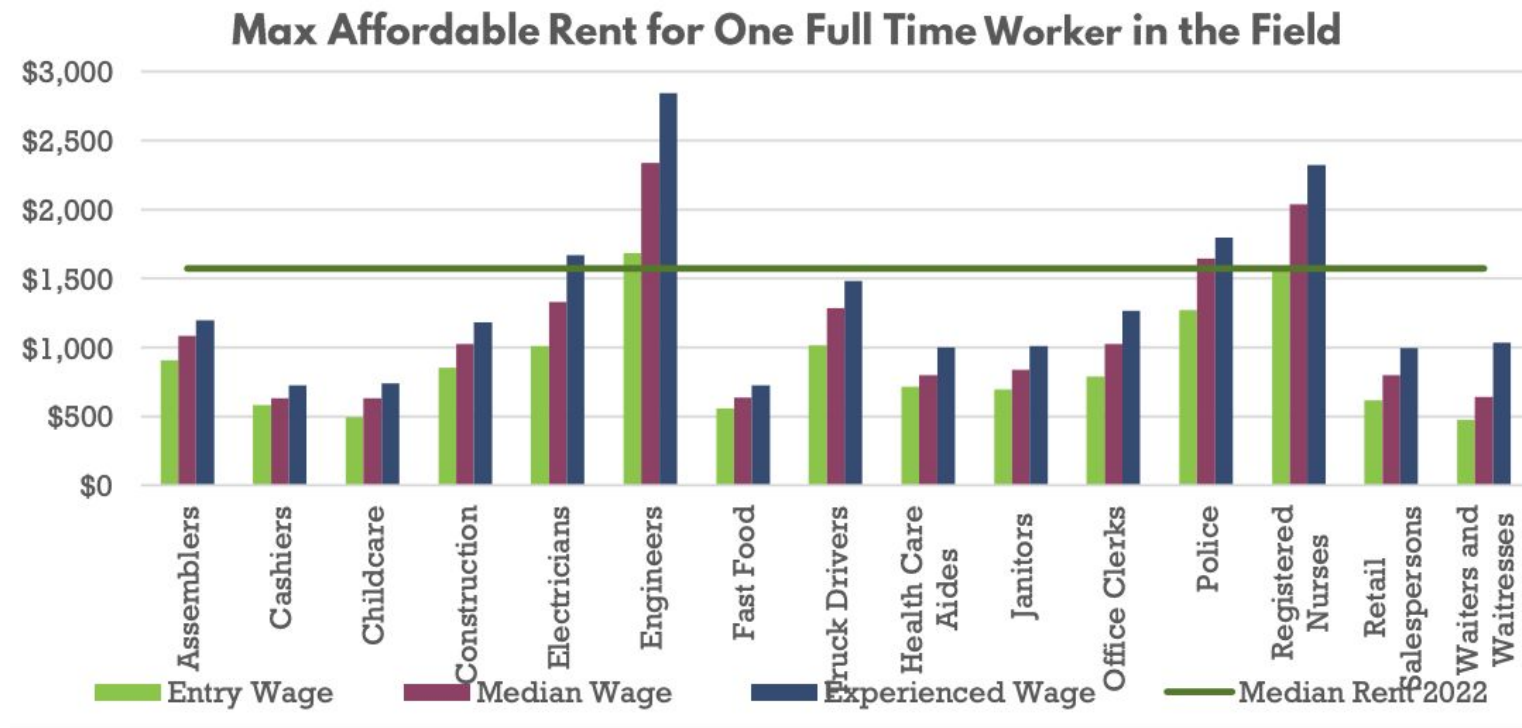
**What does this mean for
affordability?**

Income Needed to “Afford” Median Rent

\$63,000

- This is 131% of the estimated statewide median renter income and equates to \$30/hour for a full time employee
- The average teacher salary in New Hampshire is \$62,695 (NH Department of Education)

Strafford County Examples: Renter Affordability



Source: SRPC Regional Housing Needs Assessment

Strafford County Examples: Purchase Affordability



Source: SRPC Regional Housing Needs Assessment

Statewide Affordability

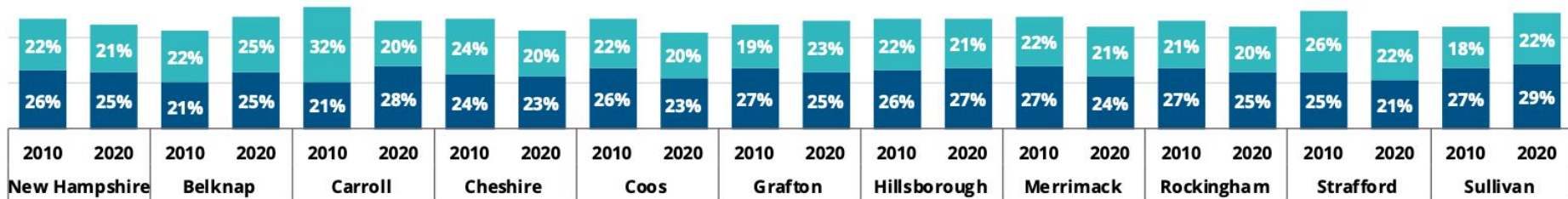
Occupation	Median Annual Wage	Max Affordable Rent	Can Afford Median Rent?	Max Affordable Home Price	Can Afford Median Home Price?	Can Afford Median Home Price with 1.5 Earners per Household?
Assemblers and fabricators	\$43,962	\$1,099	No	\$110,140	No	No
Cashiers	\$26,225	\$656	No	\$65,701	No	No
Childcare workers	\$25,171	\$629	No	\$63,062	No	No
Construction Laborers	\$42,076	\$1,052	No	\$105,414	No	No
Electricians	\$64,961	\$1,624	Yes	\$162,748	No	No
Engineers	\$106,380	\$2,660	Yes	\$266,516	No	No
Fast Food and Counter Workers	\$27,262	\$682	No	\$68,300	No	No
Truck Drivers	\$53,421	\$1,336	No	\$133,837	No	No
Home Health and Personal Care Aide	\$31,896	\$797	No	\$79,909	No	No
Janitors and cleaners	\$33,378	\$834	No	\$83,623	No	No
Office Clerks	\$43,395	\$1,085	No	\$108,719	No	No
Police and sheriff's patrol officers	\$67,472	\$1,687	Yes	\$169,039	No	No
Registered Nurses	\$83,867	\$2,097	Yes	\$210,114	No	No
Retail Salespersons	\$31,916	\$798	No	\$79,961	No	No
Waiters and Waitresses	\$27,644	\$691	No	\$69,257	No	No

Source: New Hampshire
Housing Statewide Housing
Needs Assessment

Percent of Renters Cost Burdened

■ 30% to 49% ■ 50%+

RENTERS



Source: New Hampshire Housing 2023 Housing Needs Assessment

**The housing crisis acutely
impacts lowest earners, but
moderate earners and seniors
are struggling too**

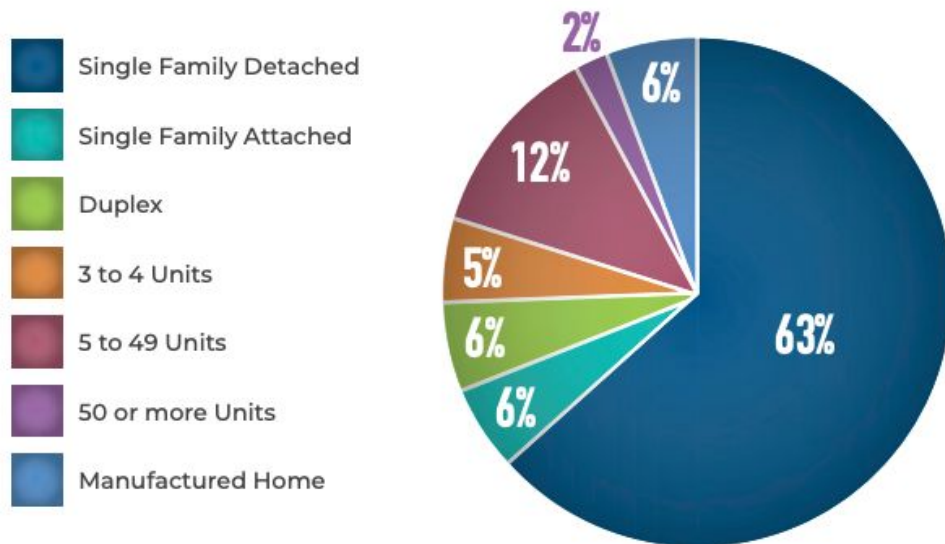
What is New Hampshire's housing need?

Statewide Housing Needs Assessment

- Estimated housing units needed to stabilize market and account for population growth:
 - ◆ **60,000** between 2020 and 2030
 - ◆ **90,000** between 2020 and 2040
- This includes a mix of for-purchase and rental homes
- Read the full report at: www.nhhfa.org

How Diverse Is Our Housing Supply?

HOUSING UNITS IN NH, BY STRUCTURE (2020)



→ **69%** of housing in NH is single family

Policy Levers

The Five “L’s” of Housing Development

What drives housing development costs?

- **Labor:** Workforce
- **Land:** Location to build
- **Lending:** Access to financing
- **Lumber:** Materials
- **Laws:** Zoning and regulations



How Do We Increase Housing Stock?

→ **Land Use / Zoning Reform**

- ◆ Re-legalize infill housing units (ex. In-law apartments/ADUs, duplexes, triplexes, etc.)
- ◆ Reform parking requirements, lot minimums, etc.

→ **Lending / Access to Financing**

- ◆ Low-Income Housing Tax Credits (LIHTC), Affordable Housing Fund, NH Community Development Finance Authority

→ **Other**

- ◆ Housing Appeals Board
- ◆ Regulatory timeline requirements
- ◆ Investments in water and sewer infrastructure to increase capacity

What are other states doing?

Land Use / Zoning Reform

→ **Maine LD 2003 (2022)**

- ◆ Allow two housing unit on all residential zones
- ◆ Allow up to four units in state designated growth areas

→ **Massachusetts 40B (1969)**

- ◆ Allow builders to bypass local zoning ordinances if an affordable housing project is denied AND the municipality has less than 10 percent housing as affordable

→ **Montana SB 245 (2023)**

- ◆ Allow multi-family or mixed use in any area zoned for office, retail, or parking in municipalities greater than 7k

Land Use / Zoning Reform

→ **Montana SB 323 (2023)**

- ◆ Allow duplexes on residential lots in cities with 5k - 50k
- ◆ Allow duplexes, triplexes, fourplexes on residential lots in cities with over 50k

→ **Oregon LD 2001 (2019)**

- ◆ Allow duplexes on residential lots in cities with 10k - 25k
- ◆ Allow duplexes, triplexes, fourplexes on residential lots in cities with over 25k

Affordable Housing Financing

- Why It's Important: housing authorities and affordable housing developers still need to make projects work financially. This may include:
 - ◆ Financing programs
 - ◆ Increased density = higher value per sq foot
 - ◆ Expedited timelines, which lowers pre-construction costs
- 25 States have a state level Low Income Housing Tax Credit, including Maine, Vermont, and Massachusetts
- New Hampshire relies primarily on the Affordable Housing Fund for state-level loans and grants to affordable developers

Statewide Affordable Housing Density Bonus

→ **Maine LD 2003 (2022)**

- ◆ Creates a statewide density bonus to incentivize affordable housing development by allowing up to 2.5 times the number of units that would otherwise be permitted
 - For example, if a lot would allow 6 units under existing approvals, then a developer could build 15 units ($6 \times 2.5 = 15$) if affordability requirements are met.

Q & A

Thank You!

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