New Mexico Department of WORKFORCE SOLUTIONS

Rental Cost Burden in New Mexico's Metropolitan Statistical Areas 2019-2022



August 2025
www.dws.state.nm.us

Rental Cost Burden in New Mexico's Metropolitan Statistical Areas

2019 - 2022

Michelle Lujan Grisham
Governor

New Mexico Department of Workforce Solutions

Sarita Nair
Cabinet Secretary

Ed Miller
Economist

This workforce product was funded by a grant awarded by the U.S. Department of Labor's Employment and Training Administration. The product was created by the recipient and does not necessarily reflect the official position of the U.S. Department of Labor. The Department of Labor makes no guarantees, warranties, or assurances of any kind, express or implied, with respect to such information, including any information on linked sites and including, but not limited to, accuracy of the information or its completeness, timeliness, usefulness, adequacy, continued availability, or ownership.

This product is copyrighted by the institution that created it. Internal use by an organization and/or personal use by an individual for non-commercial purposes is permissible. All other uses require the prior authorization of the copyright owner.

For program funding visit
https://www.dws.state.nm.us/funding

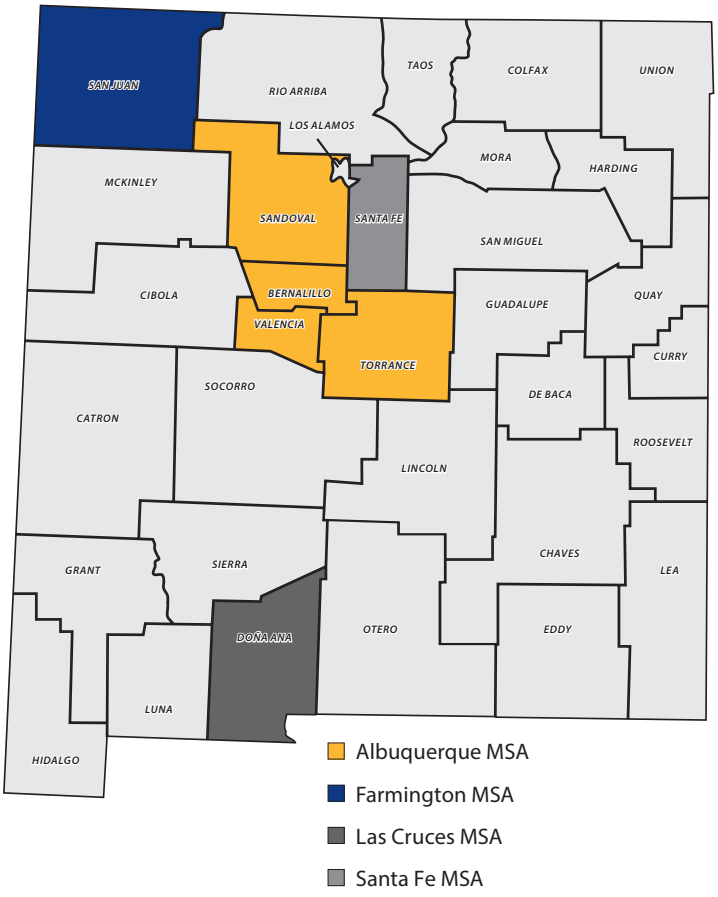


TABLE OF CONTENTS

EXECUTIVE SUMMARY 3

INTRODUCTION 4

DATA AND METHODS 5

- Rental Units and Costs 5
- Wages 6
- Rent Burden 7

ALBUQUERQUE MSA 8

FARMINGTON MSA 15

LAS CRUCES MSA 22

SANTA FE MSA 29

EXECUTIVE SUMMARY

In 2023, the New Mexico Legislative Finance Committee reported that since 2000 there has been a dramatic loss of affordable housing in the state. The US Department of Housing and Urban Development (HUD) defines housing for a household or family as affordable if their monthly housing costs (including utilities) do not exceed 30 percent of their monthly income. A household or family that spends at least 30 percent of their income on housing are considered housing cost burdened; they are not living in housing that is affordable for them.

The New Mexico Department of Workforce Solutions does not collect income data, however it collects wage data by occupation and this report uses that data as a proxy for income. This report quantifies the potential number of households whose wages are so low they may be at-risk of being rent burdened in efficiency, one-bedroom, and two-bedroom rental units in New Mexico's four most populated areas, the state's four Metropolitan Statistical Areas (MSAs: Albuquerque, Farmington, Las Cruces, and Santa Fe).

The wage data used in the report is from the US Bureau of Labor Statistics (BLS) Occupational Employment and Wage Statistics (OEWS) program. The US Department of Housing and Urban Development (HUD) calculates the 'Fair Market Rent' (FMR) as the 40th percentile of gross rents, or total cost of shelter, including major utility costs, for each MSA. This analysis calculated the estimated number, and percentage, of workers who received wages less than 30 percent of the FMR in New Mexico's MSAs to determine the potential number of rent burdened workers in the state. This is a conservative approach that may underestimate the number of workers at-risk of being rent burdened.

While the FMR for efficiency units and for one- and two-bedroom units was highest in the Santa Fe MSA, the amount increased at the slowest rate between 2019 and 2022. The fair market rents for efficiency units increased the most, in dollars and as a percentage, between 2019 and 2022 in the Las Cruces MSA, however the fair market rent, and the percentage increase, for one- and two-bedroom units was greatest in the Albuquerque MSA during that time.

The number of renter occupied units varied by each MSA. In 2022 there were 109,210 renter occupied units in the Albuquerque MSA, which was 5,124 (4.5 percent) fewer units than in 2019. The Farmington MSA had 2,521 fewer occupied rental units in 2022 than in 2019, which equated to a 17.8 percent decline over that four year period. Between 2019 and 2022, the number of occupied rental units increased in Santa Fe (4,096, 23.0 percent) and Las Cruces (719, 2.6 percent). There were, however, fewer potentially rent burdened workers in each of these MSAs in 2022 than in 2019. That said, the percentage of rent burdened workers varied by occupational group, size of unit, and year.

Workers whose wages were in the lower quantile of their occupations were more likely to be rent burdened than workers earning higher wages. In all four of the state's MSAs, even some workers whose earnings were in the 50th to 75th percentile would have been rent burdened in two-bedroom units between 2019 and 2022. These workers typically worked in the healthcare support, food preparation and serving related, and sales and related occupational groups, which historically have had low wages.



INTRODUCTION

The Housing Act of 1949 declared "that the general welfare and security of the Nation and the health and living standards of its people require housing production and related community development sufficient to remedy the serious housing shortage, the elimination of substandard and other inadequate housing through the clearance of slums and blighted areas, and *the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family*, thus contributing to the development and redevelopment of communities and to the advancement of the growth, wealth, and security of the Nation".[i]

In 2023, the New Mexico Legislative Finance Committee (LFC) acknowledged that this goal had not been met in New Mexico and that the state had been losing ground. In January of that year, they stated that, "since 2000, the supply of affordable units in New Mexico declined by 50 percent… [and that] the number of people at-risk for homelessness is likely growing due to increasing rent and a dwindling supply of affordable units".[ii]

This report examined the affordability of efficiency, one-bedroom, and two-bedroom rental units in New Mexico's four Metropolitan Statistical Areas (MSAs; Albuquerque, Farmington, Las Cruces, and Santa Fe). Wages for select occupational groups that represent a broad spectrum of the New Mexico workforce were compared to fair market rent data to estimate whether rental housing was affordable. The number of workers that were likely rent burdened in 2019, 2021, and 2022 was then estimated.[iii]

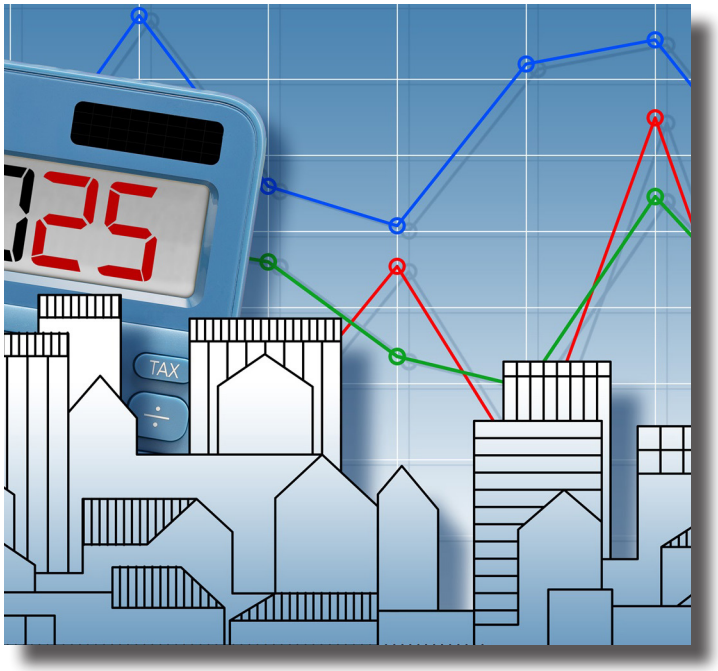


DATA AND METHODS

The rental cost burden for workers is based on two variables: the wages a worker receives and the rent they pay. Data on rents is available from both the US Census Bureau and the US Department of Housing and Urban Development (HUD). The Census Bureau reports the number of occupied rental units, by gross rent and the number of bedrooms, at six price points, on an annual basis for every MSA.[iv] This data can be used to track and analyze whether landlords and developers are increasing, decreasing, or holding constant the number of relatively expensive or inexpensive units.

HUD's 'Fair Market Rent' (FMR) was compared against estimated worker's wages for each percentile to determine if the worker could be rent burdened.[v] HUD defines a household or family as rent burdened when their monthly housing costs (including utilities) exceed 30 percent of their monthly income; a household or family that spends less than 30 percent of their income are considered able to afford their housing.[vi] The terms and concepts "affordable housing" or "housing affordability," as used herein, do not refer to Federal or State housing programs that subsidize rents, or to government owned housing units.[vii]

Rental Units and Costs



HUD calculates a fair market rent for efficiency units and one-bedroom through four-bedroom units in MSAs, counties, and areas within a metropolitan area or nonmetropolitan county. The regulations define the fair market rent as the 40th percentile of gross rents, or total cost of shelter, including major utility costs, except telephone, cable or satellite television, and Internet services, for standard quality units in counties and MSAs throughout the country.[viii] The fair market rent varies based on location and size of rental unit, and is calculated as the exact rental amount in which 40 percent of households pay less than that amount and 60 percent pay more.

This report focuses on the affordability of efficiency units, and one-bedroom and two-bedroom units for three reasons.[ix] First, efficiency units and one-bedroom units are likely to meet the housing needs of single- or two-person households in the most cost-effective way, and two-bedroom units provide space for people living with other family members, for example, a young child or an aging parent. The fair market rent for three- and four-bedroom units were substantially higher than the fair market rent for two-bedroom units in the Albuquerque, Farmington, and Las Cruces MSAs, and at least 25 percent higher in the Santa Fe MSA, between 2019 and 2022, making the affordability analysis of the larger units redundant. Thirdly, this analysis follows the lead of other researchers and organizations, including the New Mexico Mortgage Finance Authority and the Joint Center for Housing Studies at Harvard University, who have limited their focus to units with two or fewer bedrooms.[x]

The advantage of using FMR data is that it is readily available, provides a reasonable and consistent cost for comparisons across MSAs and with wage and income data, and the FMR data is updated on an annual basis. The disadvantage of using this data is that it likely underestimates the number of rent burdened workers because 60 percent of renters are paying more than this amount for rent.

Wages

Workers' wages vary by occupation, and within occupations, based on several factors, including the human capital invested in acquiring work related skills, such as education, job training, and the worker's years of experience. A worker's wage also varies by the location of their employment. The 2019, 2021, and 2022 wage data used was from the US Bureau of Labor Statistics (BLS) Occupational Employment and Wage Statistics (OEWS) program. The OEWS program produces employment and wage estimates annually for over 800 detailed occupations. This OEWS survey is sent to a representative sample of about 1,600 New Mexico employers, asking them to list the occupations they employ and the wages they pay. Although data are released annually, they are not longitudinal and data from different years should not be compared, but it is possible to compare wages by occupation within an MSA and across MSAs for the same year.[xi]

Annual wages for all major occupational groups, by two-digit Standard Occupational Classification (SOC) codes, are available at https://www.dws.state.nm.us/en-us/Researchers/Data/Occupations-Wages. Although occupations are classified into 22 major occupational groups, only six groups (business & financial operations (SOC 13), computer and mathematical (SOC 15), healthcare practitioners and technical (SOC 29), healthcare support (SOC 31), food preparation and serving related (SOC 35), sales and related (SOC 41)), were used in this analysis.[xii] These occupational groups were selected because they are illustrative of higher wage occupations and lower wage occupations in the state. The 2022 wages for, and employment in, these six major occupational groups, by MSA, are shown in Exhibits 5, 14, 23, and 32. These wage differences will highlight the impact of wages on rental housing affordability.

There are more than 50,000 workers in both the healthcare support, and the food preparation and serving related occupations in New Mexico, and they earned the lowest average wage compared to workers across all the major occupational groupings in the state. Employees in sales and related occupations (67,390 workers) were also included in the analysis; these workers had the third lowest average wage for occupations with more than 50,000 workers. Although workers in office and administrative support occupations had the fourth lowest average wages in 2022, they were not included in this analysis because, based on the more detailed six-digit SOC Codes, it was determined that employees in these occupations have such different levels of education, experience, and training that including them would not accurately reflect their diverse experiences.

Employees in management and architecture and engineering occupations were not included because the average wages for employees in these occupations in New Mexico was more than $108,000 in 2022. The occupations with the next highest average annual wages, both of which were more than $93,000 per year, were healthcare practitioners and technical occupations (47,400 employees in 2022) and computer and mathematical occupations (20,530) are included in this analysis. Employees in life, physical, and social science occupations (10,000 in 2022) and legal occupations (6,540), the occupations with the next highest average annual wages, were not included because of their relatively small numbers of employees throughout the state compared to the number of workers in business and financial operations (42,280), who were included in this analysis.

OEWS wages are available by worker experience level, for example, wages of entry level employees, average wages, and wages of experienced workers, by occupation each year. Wage data is also available based on the percentage of workers in every industry. For example, the median (also called the 50th percentile) annual wage of healthcare support occupations workers in New Mexico in 2022 was $27,040, meaning that half of workers in this occupation earned more than that and half earned less than that. Similarly, the annual wages for healthcare support occupations workers in New Mexico earning $23,902 per year placed them at the 10th percentile, which means 10 percent of the workers in this occupation were earning less than this amount and 90 percent of workers in the occupation were earning more than this. Wage data for the 10th, 25th, 50th, and 75th percentiles are used in this analysis.[xiii]

There are two overarching observations about wage data. First, wages were generally, but not uniformly, higher in the Albuquerque MSA than in the other three MSAs. Second, wages varied greatly between occupational groups. For example, in the 10th percentile wage category, wages for workers in business and financial operations, computer and mathematical, and healthcare practitioners and technical occupations were approximately 40 to 50 percent higher than that of workers in healthcare support, food preparation and serving related, and sales and related occupations.

The advantages of using OEWS data are its availability and that the estimated wages, by percentile, are updated annually. There are at least three shortcomings associated with using this data. First, the data for each new year is not available until the middle of the following year (2022 data was not available until mid-2023). Second, and more importantly, using the percentile wage values overestimates the wages for workers in each wage percentile because only the top wage in that percentile group is known. If any worker in the percentile category is paid less than that amount, the percentage of wages those workers are likely to spend paying their rent and other monthly housing costs included in HUD's definition of fair market rent will be underestimated. Another disadvantage is that the data is for the individual worker, and we do not know how many workers live in each household. This analysis assumes that each household has only one worker earning wages but may lead to overestimating the number of rent burdened workers.

Rent Burden

HUD currently defines rent burdened households as those that pay more than 30 percent of their income for housing and related costs. The rent burden threshold used in this analysis was calculated in the following way. First, the fair market rent, with all the caveats discussed above, was used as the rent workers' pay each month. The fair market rent was multiplied by 12 to calculate workers' annual rental costs.

Second, the BLS' annual wage data at the four wage percentiles described above were then multiplied by 30 percent, the benchmark determining if a worker's rent is affordable. When 30 percent of a workers' wages at a specified percentile mark, for example the 10th percentile, were less than the fair market rent for a unit with a specified number of bedrooms, then workers living in those units were classified as rent burdened. When 30 percent of a worker's annual wages were greater than the annual fair market rent, the worker was not rent burdened and was living in affordable housing.

The third step was to calculate the approximate number of rent-burdened worker households or families in each major occupational group by wage percentile. To do this, the total number of workers in each occupation was multiplied by the percent of workers in each wage percentile; for example, to calculate the 10th wage percentile, the number of workers in an occupation were multiplied by 0.10. The advantage of this method is that it allows us to estimate the impact of wages on the ability of workers to afford rental housing in New Mexico's four MSAs. The disadvantages of using this methodology are that 1) we do not know how many people live in the rental unit; 2) we do not know the work status of the people living in the rental unit, including the number of jobs they have; and 3) the data do not differentiate between rental apartments and rental houses.

Fair Market Rent data is available from the United States Department of Housing and Urban Development's website, https://www.huduser.gov/portal/datasets/fmr.html. Occupational Employment and Wage Statistics data is available from the United States Department of Labor's website, https://www.bls.gov/oes/. This report is organized so that each MSA is presented as a separate case study. The case studies are organized in the same order and begin with information on fair market rents.



ALBUQUERQUE MSA

Fair market rents for all categories of units in the Albuquerque MSA increased between 2019 and 2022 (Exhibit 1). The fair market rent for efficiency units in the Albuquerque MSA increased the fastest (18.3 percent) among all units analyzed. The largest cost increase was for units with two bedrooms; these units increased by $119 a month, a 13.6 percent increase.

1. Fair Market Rent, 2019-2022, Albuquerque MSA

Year	Efficiency	One-Bedroom	Two-Bedrooms
2019	$563	$711	$877
2020	$571	$713	$877
2021	$621	$770	$940
2022	$666	$821	$996
$ change, 2019–2022	$103	$110	$119
% change, 2019–2022	18.3%	15.5%	13.6%

Source: U.S. Department of Housing and Urban Development's Office of Policy Development and Research

From 2019 to 2022 the total number of rental units declined in the Albuquerque MSA, thereby decreasing the availability of rental units for workers that either chose not to purchase a house, or were unable to afford to do so. As seen in Exhibit 2, from 2019 to 2022, the total number of renter occupied units decreased from 114,334 to 109,210, a decline of 5,124 or 4.5 percent.[xiv] Most of the units lost were three or four bedroom units, which are outside the scope of this study. But the number of two-bedroom rental units declined by 712, or 1.7 percent, from 2019 to 2022. The number of efficiency units increased by 1,286 (18.5 percent) over that same time frame, and the number of one-bedroom units increased by 726, or 2.6 percent.

2. Estimated Number of Rental Units, by Number of Bedrooms, in the Albuquerque MSA

	2019	2022	# Difference	% Difference
Total:	354,359	379,471	25,112	7.1%
Owner occupied:	240,025	270,261	30,236	12.6%
Renter occupied:	114,334	109,210	-5,124	-4.5%
No bedroom	6,935	8,221	1,286	18.5%
1 bedroom	27,797	28,523	726	2.6%
2 bedrooms	41,021	40,309	-712	-1.7%

Source: U.S. Census Bureau, 2019 and 2022 American Community Survey 1-Year Estimates, Table B25042

Note: The number of units with bedrooms 3 and over were excluded from the table.

3. Estimated Percentage of Rental Units, by Type, in the Albuquerque MSA

	2019	2022
Owner occupied:	67.7%	71.2%
Renter occupied:	32.3%	28.8%

Source: U.S. Census Bureau, 2019 and 2022 American Community Survey 1-Year Estimates, Table B25042



Although the total number of renter occupied units declined, the total number of owner occupied units increased by 30,236, slightly less than five times the number of occupied rental units lost during the same period. As a share of total housing units, owner occupied units increased from 67.7 percent in 2019 to 71.2 percent in 2022, while the share of rental units declined from 32.3 percent to 28.8 percent (Exhibit 3). The increase in the number and share of owner occupied housing units between 2019 and 2022 suggests that builders and developers were actively building owner occupied units instead of building rental units.

As can be seen in Exhibit 4, the number of occupied rental units at lower price points tended to decline, while those that cost more tended to increase. From 2019 to 2022, the number of efficiency units that cost $750 or more a month more than doubled (from 2,112 to 4,582), while the number of units that cost less than $750 a month declined by 1,341, or 28.5 percent. The number of one-bedroom units that cost $1,000 or more also more than doubled (from 4,115 to 9,777), while the number of units costing less than $1,000 fell by 5,151, or 22.1 percent. The number of two-bedroom units that cost $1,000 or more increased by 6,215, or 43.6 percent, while the number of two bedroom units that cost $999 or less declined by 7,419, or 29.5 percent.

4. Number of Renter Occupied Units in the Albuquerque MSA, by Rent and Number of Bedrooms, 2019 to 2022

	# Units, 2019	# Units, 2022	# Difference	% Difference
Total:	114,334	109,210	-5,124	-4.5%
No bedroom	6,935	8,221	1,286	18.5%
Less than $300	461	544	83	18.0%
$300 to $499	1,203	556	-647	-53.8%
$500 to $749	3,037	2,260	-777	-25.6%
$750 to $999	1,311	3,247	1,936	147.7%
$1,000 to $1,499	636	970	334	52.5%
$1,500 or more	165	365	200	121.2%
1 bedroom:	27,797	28,523	726	2.6%
Less than $300	2,369	877	-1,492	-63.0%
$300 to $499	1,456	1,745	289	19.8%
$500 to $749	10,798	6,951	-3,847	-35.6%
$750 to $999	8,725	8,624	-101	-1.2%
$1,000 to $1,499	3,322	7,795	4,473	134.6%
$1,500 or more	793	1,982	1,189	149.9%
2 bedrooms:	41,021	40,309	-712	-1.7%
Less than $300	1,417	431	-986	-69.6%
$300 to $499	1,548	1,179	-369	-23.8%
$500 to $749	7,822	4,987	-2,835	-36.2%
$750 to $999	14,625	11,396	-3,229	-22.1%
$1,000 to $1,499	11,330	12,789	1,459	12.9%
$1,500 or more	2,910	7,666	4,756	163.4%

Source: U.S. Census Bureau, 2019 and 2022 American Community Survey 1-Year Estimates, Table B25068

Note: The totals include all units, including those for which rent is not paid.

Exhibit 5 shows the employment and wages for select major occupational groups for 2019, 2021, and 2022. The data is not comparable across the different years but is useful in comparing wages across different occupational groups. Workers in business and financial operations, computer and mathematical, and healthcare practitioners and technical occupations consistently earned above the Albuquerque average, while those in healthcare support, food preparation, and sales earned less than the MSA's average wage.

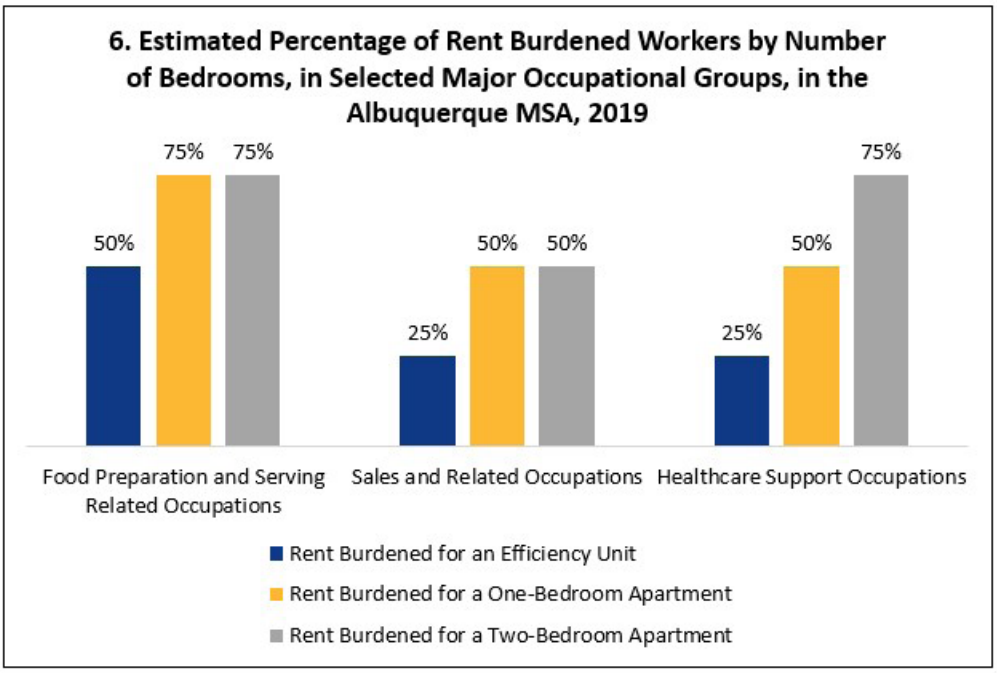
Exhibit 5 also lists the wages at each percentile, which can be used to measure the potential wage growth available in that occupation. In 2019, the wages of workers in computer and mathematical occupations at the 10th percentile was $36,260, while the wages at the 75th percentile was $102,310, a difference of $66,050, or 182.2 percent. But for food preparation and serving related occupations, that difference was only $7,620, or 44.3 percent. This suggests that workers in some occupational groups are more likely to experience higher wage growth than workers in other occupations. Workers in occupations with higher wage growth potential are less likely to be rent burdened as they progress in their career, or require additional living space, than workers in occupations that experience less wage growth. These wage differences were also present in 2021 and 2022.

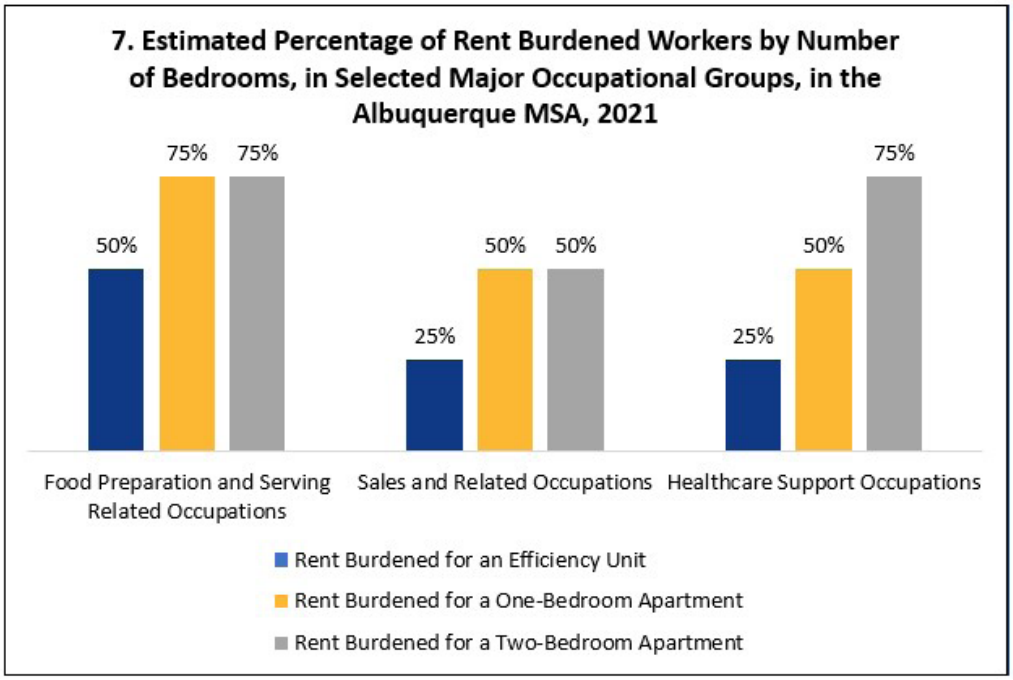
5. Employment and Wages in the Albuquerque MSA for Select Major Occupational Groups, by Year

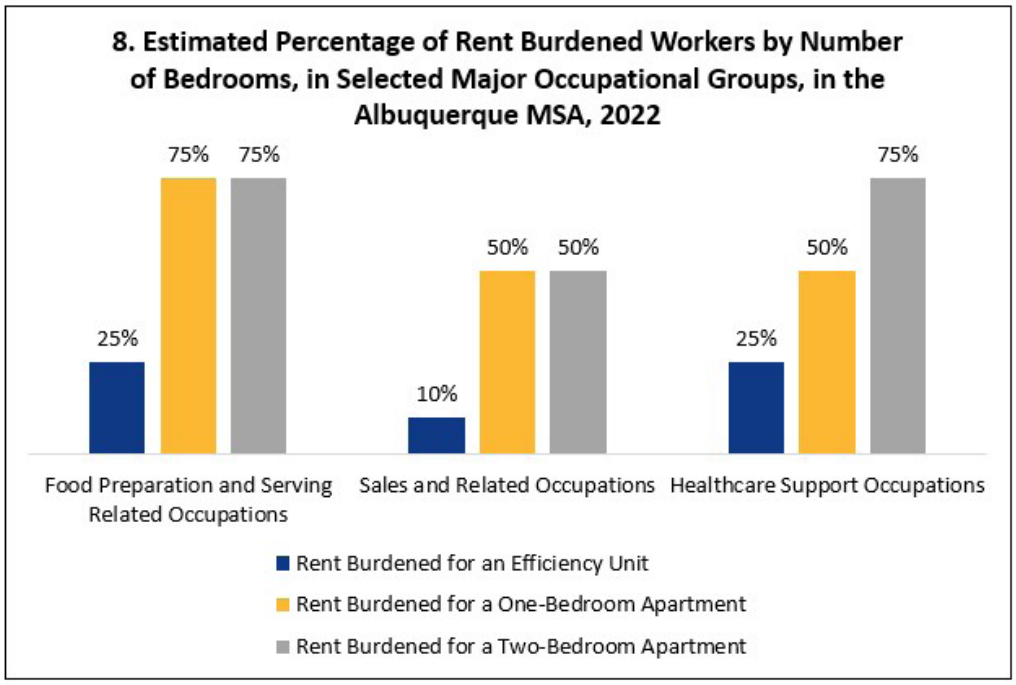
Major Occupational Group	Employment	10th Percentile Wage	25th Percentile Wage	50th Percentile/ Median Wage	75th Percentile Wage
2019					
Total all occupations	392,110	$19,370	$24,310	$36,260	$59,140
Business and Financial Operations	20,980	$35,960	$47,810	$63,280	$85,230
Computer and Mathematical	9,120	$36,260	$51,800	$74,110	$102,310
Healthcare Practitioners and Technical	25,340	$34,480	$51,800	$71,910	$94,030
Healthcare Support	23,240	$18,730	$21,390	$25,350	$32,160
Food Preparation and Serving Related	38,880	$17,210	$18,440	$20,720	$24,830
Sales and Related	38,860	$18,560	$21,300	$26,300	$39,200
2021					
Total all occupations	364,550	$23,070	$28,820	$38,130	$61,930
Business and Financial Operations	21,750	$38,210	$48,880	$65,040	$95,750
Computer and Mathematical	9,660	$38,480	$53,760	$77,880	$105,320
Healthcare Practitioners and Technical	25,290	$37,090	$50,100	$78,660	$98,660
Healthcare Support	24,040	$22,660	$23,150	$28,810	$31,760
Food Preparation and Serving Related	31,300	$21,840	$22,790	$24,020	$29,010
Sales and Related	32,840	$22,870	$23,610	$29,250	$39,000
2022					
Total all occupations	381,260	$25,330	$29,630	$41,200	$64,880
Business and Financial Operations	21,900	$40,760	$51,700	$69,220	$95,620
Computer and Mathematical	10,310	$44,220	$61,350	$83,150	$117,330
Healthcare Practitioners and Technical	25,050	$37,090	$54,750	$81,210	$105,940
Healthcare Support	24,770	$23,920	$24,520	$28,630	$35,660
Food Preparation and Serving Related	34,990	$23,920	$25,250	$27,060	$30,360
Sales and Related	32,520	$24,270	$27,010	$30,780	$45,070

Source: Occupational Employment and Wage Statistics (OEWS)

Comparing these wage values to HUD's fair market rent helps identify the potential number of rent burdened workers in each occupation. Using the formula described in the data and methods section, the estimated percentage of potentially rent burdened workers was calculated for select major occupational groups. It is interesting to note that a smaller percentage of workers in food preparation and serving related occupations, and in sales and related occupations, would have been rent burdened in 2022 than was the case in 2021 if they rented efficiency units (Exhibits 6, 7, 8). The percentage of rent burdened workers in other sized units or occupations remained the same in all three of the study years.







Wages in business and financial operations and computer and mathematical occupations were high enough in 2019, 2021, and 2022, that workers would likely pay less than 30 percent of their wages on rent and utilities for efficiency, one, and two-bedroom units. Workers in healthcare practitioners and technical occupations received wages sufficient to not be rent burdened if they lived in efficiency units as well as one-bedroom units, however 10 percent of workers in these occupations could have been rent burdened if they lived in two-bedroom units.

Exhibit 9 depicts the percentage of potential rent burdened workers in all occupations in the Albuquerque MSA by wage percentile, number of bedrooms, and year. It compares the share workers who could be rent burdened, based on their assumed wage and the type of rental unit. The exhibit depicts the distribution of rent burdened workers in two ways. The number in each cell represents the percentage of rent burdened workers by the number of bedrooms in a rental unit and the assumed wage level of the renter. The percent values are categorized and shaded to facilitate comparisons between the cells. The lightest shade includes instances where 10 percent or less of workers could be rent burdened. The slightly darker shade denotes cells where between 10 percent and 25 percent of workers may be rent burdened, and in the next level of shade intensity more than 25 percent to 50 percent of the workers could be rent burdened. More than half of the workers are estimated to be rent burdened in situations where the cells are the darkest shade.

There are two ways to read Exhibit 9. One way to read Exhibit 9 is across its rows. Using the top row of data as an example shows that in 2019, 64 percent of all workers in the 10th wage percentile were potentially rent burdened in an efficiency unit, however only 31 percent of workers in the 10th to 25th wage percentile would have potentially been rent burdened in an efficiency unit that year. A much smaller percentage (10 percent) of workers in the 25th to 50th wage percentiles would likely be rent burdened in an efficiency unit in 2019, and it is estimated that no workers in the 50th to 75th wage percentile would be rent burdened in an efficiency unit in 2019. The last column of the exhibit is the aggregated percentage of all potentially rent burdened workers in the 0 to 75th wage percentiles. This graph illustrates how increased wages reduces the likelihood that a worker will be rent burdened in Albuquerque.

Another way to read Exhibit 9 is down its data columns. Using workers in the 10th wage percentile as an example shows that 64 percent were potentially rent burdened in an efficiency unit in 2019, however 76 percent of these workers would have been rent burdened in a 1-bedroom unit and 82 percent would have been rent burdened in a 2-bedroom unit that year. As described above, rents increase based on the number of bedrooms in the unit. The increased expenses associated with a larger rental unit could lead to a higher percentage of workers that may be rent burdened.

This categorization makes it clear that in most years the majority of workers in the lowest wage category were rent burdened regardless of the number of bedrooms in their rental unit, however in 2022 the percentage of rent burdened workers in efficiency units declined to 40 percent. As would be expected, fewer workers in the 10th to 25th percentile wage category would be rent burdened than workers earning less, however a majority of workers in this category were still rent burdened if they lived in one- or two-bedroom units.

There was a substantial decrease in the percentage of rent burdened workers in the 25th to 50th wage percentile compared with the 10th to 25th percentile, and in 2022 it was unlikely that any worker in the former category was rent burdened if they lived in an efficiency unit. However, more than half of workers in the 25th to 50th wage percentile category would be rent burdened if they lived in two-bedroom units between 2019 and 2022. As expected, workers earning wages in the 50th to 75th percentile category were the least likely to be rent burdened, especially if they lived in efficiency units. Earning wages in the 50th to 75th percentile category however was not sufficient to enable all workers to find affordable housing. Nine percent of workers in this wage category were rent burdened in a one-bedroom unit and 20 percent were rent burdened in a two-bedroom unit in 2022.

9. Estimated Percentage of Rent Burdened of Workers in the Albuquerque MSA by Wage Percentile, Number of Bedrooms, and Year

Albuquerque MSA	0 to 10th Wage Percentile	10th to 25th Wage Percentile	25th to 50th Wage Percentile	50th to 75th Wage Percentile	Rent Burdened Workers as a Percentage of all Workers in the 0 to 75th Wage Percentiles
2019, Efficiency Units	64	31	10	0	18
2019, 1-Bedroom Units	76	64	31	10	37
2019, 2-Bedroom Units	82	74	56	21	51
2021, Efficiency Units	63	29	10	0	17
2021, 1-Bedroom Units	74	57	35	11	37
2021, 2-Bedroom Units	82	72	53	20	50
2022, Efficiency Units	40	20	0	0	9
2022, 1-Bedroom Units	74	58	29	9	34
2022, 2-Bedroom Units	82	74	56	20	51

0-10 percent of all workers	11-25 percent of all workers	26-50 percent of all workers	51-100 percent of all workers

As illustrated in Exhibit 9, a large proportion of workers in the lowest wage category were likely rent burdened in an efficiency unit and the percentage of workers who could have been rent burdened increased as the size of the unit increased. Exhibit 10 quantifies this by replacing percentages used in Exhibit 9 with counts for the number of workers potentially impacted. Despite having fewer workers, in 2022 there were 15,362 potentially rent burdened workers in efficiency units in the 0 to 10th percentile range category compared with only 11,469 in the 10th to 25th wage percentile group. As to be expected, people who are paid a higher wage are less likely to be rent-burdened than those who are paid a lower wage. The estimated percentage of rent burdened workers in the Albuquerque MSA suggests that a large number of workers could be living in unaffordable housing.

Numbers in each column are cumulative, so the number of rent burdened workers in a one-bedroom unit in 2019 includes workers who would be rent burdened in a less expensive efficiency unit, while the number of rent burdened workers in a two-bedroom unit includes workers who would be rent burdened in efficiencies and one-bedroom units. For all wage categories, it is estimated that 53,007 workers were potentially rent burdened if they lived in efficiency units and 150,826 were potentially rent burdened if they lived in two-bedroom units.

10. Estimated Number of Rent Burdened Workers in the Albuquerque MSA by Wage Percentile, Number of Bedrooms, and Year					
Albuquerque MSA	0 to 10th Wage Percentile	10th to 25th Wage Percentile	25th to 50th Wage Percentile	50th to 75th Wage Percentile	Total Number of Rent Burdened Workers in the 0 to 75th Wage Percentiles
2019, Efficiency Units	25,168	18,119	9,720	0	53,007
2019, 1-Bedroom Units	29,769	37,766	30,199	9,720	107,454
2019, 2-Bedroom Units	32,302	43,590	54,450	20,484	150,826
2021, Efficiency Units	22,885	15,664	9,290	0	47,839
2021, 1-Bedroom Units	26,815	31,307	32,262	10,422	100,806
2021, 2-Bedroom Units	29,745	39,289	48,622	18,032	135,688
2022, Efficiency Units	15,362	11,469	0	0	26,831
2022, 1-Bedroom Units	28,202	32,907	27,396	8,747	97,252
2022, 2-Bedroom Units	31,110	42,322	53,690	19,266	146,388

The estimated number of housing cost burdened renters living in efficiency units declined by nearly half, from 53,007 in 2019 to 26,831 in 2022. This is likely due, in part, to the 18.5 percent increase in efficiency units between 2019 and 2022. The estimated number of people who could be rent burdened if they lived in one or two-bedroom units declined as well. It is also possible that the approximately 8,700 fewer workers in the healthcare support, food preparation and serving related, and the sales and related occupations in 2022 than in 2019 relocated outside of the Albuquerque MSA or found employment in more remunerative occupations.



FARMINGTON MSA

Fair market rents for all categories of units in the Farmington MSA increased between 2019 and 2022 (Exhibit 11). The fair market rent for one-bedroom units in the Farmington MSA increased the fastest (8.9 percent) among all units analyzed. The largest cost increase was for units with two bedrooms; these units increased by $66 a month, an 8.4 percent increase.

From 2019 to 2022, the total number of rental units declined in the Farmington MSA, thereby decreasing the availability of rental units for workers that either chose not to purchase a house, or were unable to afford to do so. As seen in Exhibit 12, from 2019 to 2022, the number of total renter occupied units decreased from 14,193 to 11,672, a decline of 2,521 or 17.8 percent, of which more than half were due to the decrease in the number of two-bedrooms.[xv] The number of two-bedroom rental units declined by 1,547, or 25.7 percent, from 2019 to 2022.

Although the total number of renter occupied units declined substantially the total number of owner occupied units increased by 1,502, or 5.3 percent. The increase in the number of owner occupied housing units between 2019 and 2022 suggests that builders and developers were actively building owner occupied units instead of rental units, and/or perhaps they were converting rental units into owner occupied units.

11. Fair Market Rent, 2019-2022, Farmington MSA

Year	Efficiency	One-Bedroom	Two-Bedrooms
2019	$667	$674	$784
2020	$702	$713	$822
2021	$687	$695	$802
2022	$724	$734	$850
$ change, 2019–2022	$57	$60	$66
% change, 2019–2022	8.5%	8.9%	8.4%

Source: U.S. Department of Housing and Urban Development's Office of Policy Development and Research

12. Estimated Number of Rental Units, by Number of Bedrooms, in the Farmington MSA

	2019	2022	# Difference	% Difference
Total:	42,561	41,542	-1,019	-2.4%
Owner occupied:	28,368	29,870	1,502	5.3%
Renter occupied:	14,193	11,672	-2,521	-17.8%
No bedroom	567	552	-15	-2.6%
1 bedroom	1,519	1,408	-111	-7.3%
2 bedrooms	6,027	4,480	-1,547	-25.7%

Source: U.S. Census Bureau, 2019 and 2022 American Community Survey 1-Year Estimates, Table B25042

Note: The number of units with bedrooms 3 and over were excluded from the table.



As can be seen in Exhibit 13, the number of occupied rental units that cost less than $300 per month declined, while those that cost more increased. From 2019 to 2022, the number of efficiency units that cost $750 or more a month decreased by almost two-thirds (65.5 percent, from 87 to 30), while the number of units that cost less than $750 a month increased by more than half (51.7 percent, from 344 to 522). The number of one-bedroom units that cost $1,000 or more fell 94.7 percent (from 190 to 10), while the number of units costing less than $1,000 increased moderately, from 1,319 to 1,355 (2.7 percent). The number of two-bedrooms that cost $1,000 or more increased by 1,129, or 419.7 percent, while the number of two bedrooms that cost $999 or less declined by 2,114, or 44.8 percent.

13. Number of Renter Occupied Units in the Farmington MSA, by Rent and Number of Bedrooms, 2019 to 2022

	# Units, 2019	# Units, 2022	# Difference	% Difference
Total:	14,193	11,672	-2,521	-17.8%
No bedroom	567	552	-15	-2.6%
Less than $300	20	88	68	340.0%
$300 to $499	0	147	147	-
$500 to $749	324	287	-37	-11.4%
$750 to $999	87	30	-57	-65.5%
$1,000 to $1,499	0	0	0	-
$1,500 or more	0	0	0	-
1 bedroom:	1,519	1,408	-111	-7.3%
Less than $300	179	322	143	79.9%
$300 to $499	307	189	-118	-38.4%
$500 to $749	833	634	-199	-23.9%
$750 to $999	0	210	210	-
$1,000 to $1,499	142	10	-132	-93.0%
$1,500 or more	48	0	-48	-100.0%
2 bedrooms:	6,027	4,480	-1,547	-25.7%
Less than $300	100	124	24	24.0%
$300 to $499	342	189	-153	-44.7%
$500 to $749	2,344	624	-1,720	-73.4%
$750 to $999	1,933	1,668	-265	-13.7%
$1,000 to $1,499	269	768	499	185.5%
$1,500 or more	0	630	630	-

Source: U.S. Census Bureau, 2019 and 2022 American Community Survey 1-Year Estimates, Table B25068

Note: The totals include all units, including those for which rent is not paid.

Exhibit 14 shows the employment and wages for select major occupational groups for 2019, 2021, and 2022. The data is not comparable across the different years but is useful in comparing wages across different occupational groups. Workers in business and financial operations, computer and mathematical, and healthcare practitioners and technical occupations consistently earned above the Farmington average, while those in healthcare support, food preparation, and sales earned less than the MSA's average wage.

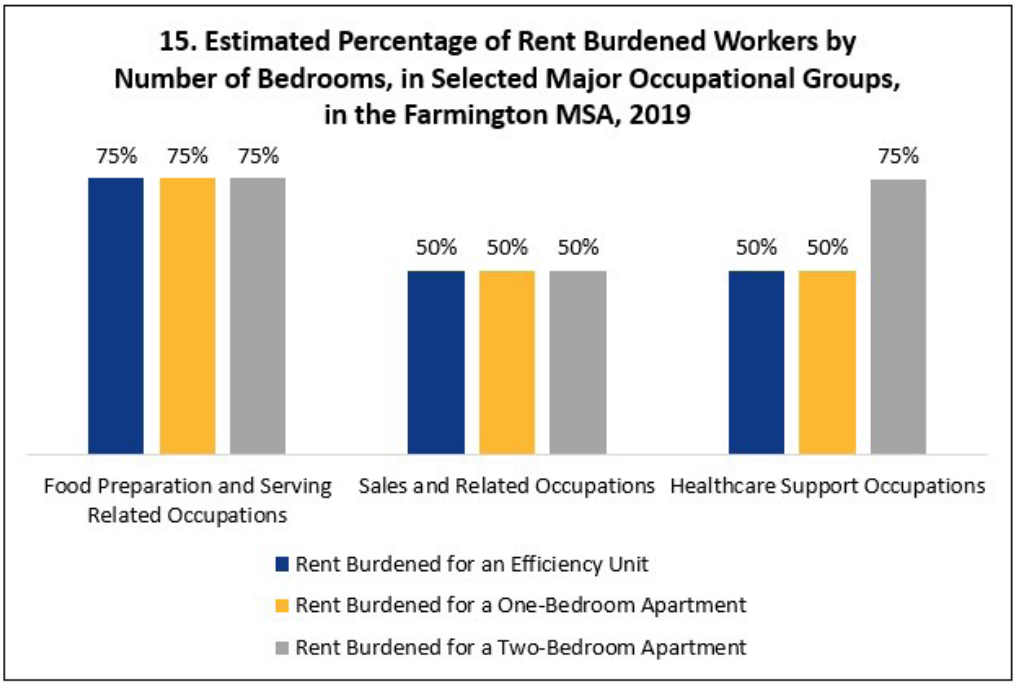
Exhibit 14 also lists the wages at each percentile, which can be used to measure the potential wage growth available in that occupation. In 2019, the wages of workers in computer and mathematical occupations at the 10th percentile was $28,520, while the wages at the 75th percentile was $76,170, a difference of $47,650, or 167.1 percent. But for food preparation and serving related occupations, that difference was only $5,790, or 34.1 percent. This suggests that workers in some occupational groups are more likely to experience higher wage growth than workers in other occupations. Workers in occupations with higher wage growth potential are less likely to be rent burdened as they progress in their career, or require additional living space, than workers in occupations that experience less wage growth. These wage differences were also present in 2021 and 2022.

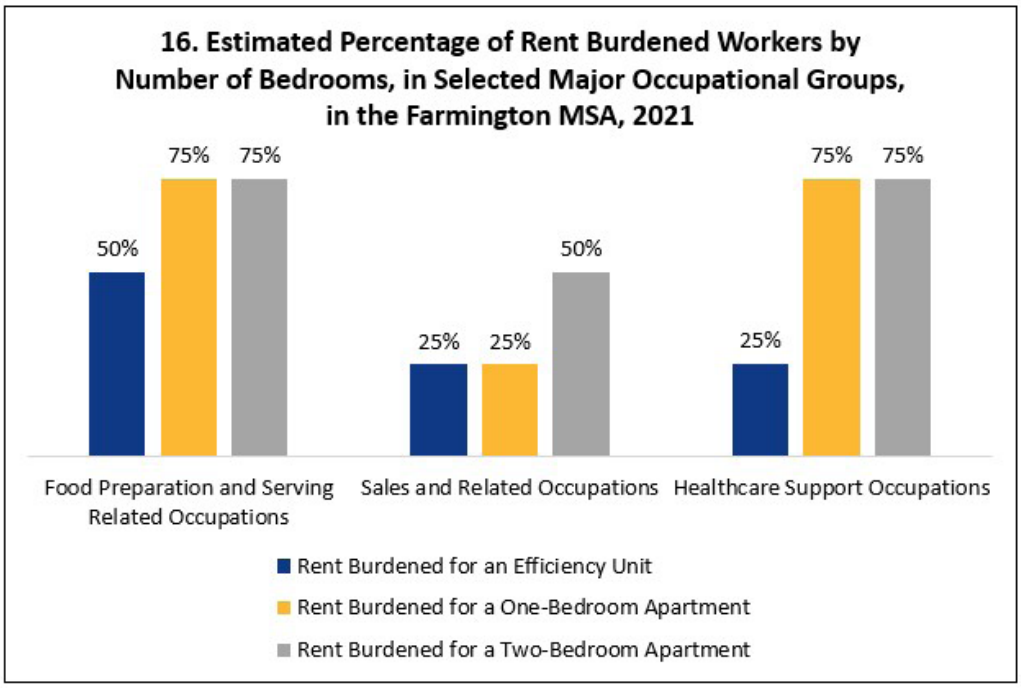
14. Employment and Wages in the Farmington MSA for Select Major Occupational Groups, by Year

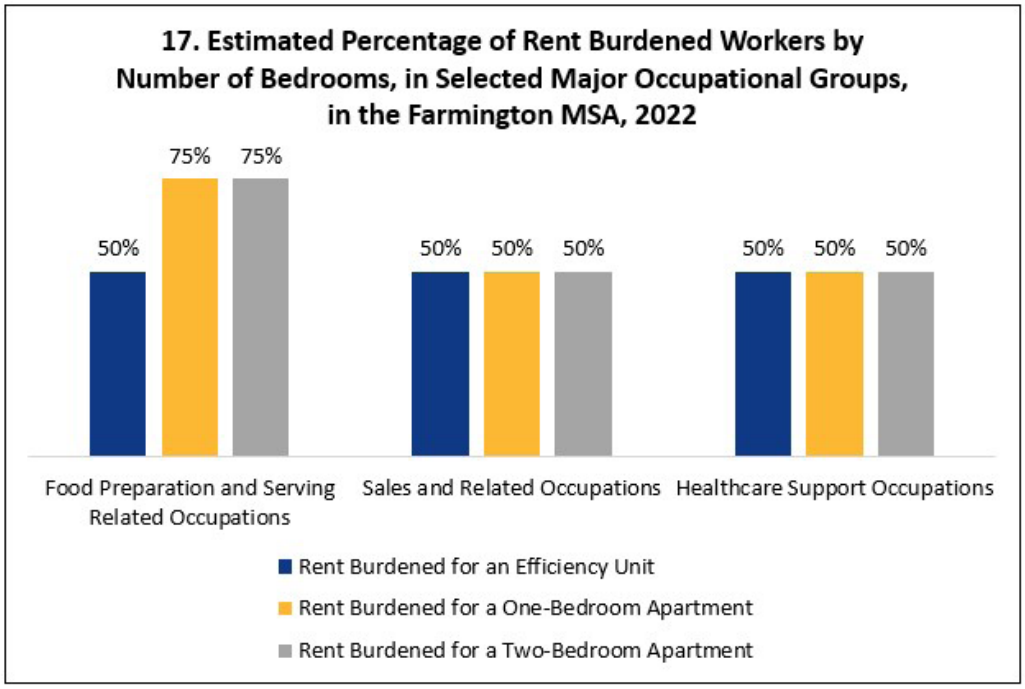
Major Occupational Group	Employment	10th Percentile Wage	25th Percentile Wage	50th Percentile/ Median Wage	75th Percentile Wage
2019					
Total all occupations	47,470	$18,660	$23,700	$36,020	$57,390
Business and Financial Operations	1,240	$33,790	$43,020	$56,730	$76,670
Computer and Mathematical	310	$28,520	$41,180	$58,170	$76,170
Healthcare Practitioners and Technical	2,470	$31,310	$48,390	$68,510	$96,110
Healthcare Support	2,810	$17,330	$19,760	$24,420	$30,880
Food Preparation and Serving Related	4,490	$16,960	$17,880	$19,390	$22,750
Sales and Related	4,640	$17,870	$20,530	$24,790	$38,190
2021					
Total all occupations	41,210	$22,600	$28,080	$37,300	$60,130
Business and Financial Operations	1,220	$37,040	$47,310	$61,070	$80,510
Computer and Mathematical	330	$36,900	$47,410	$62,160	$78,810
Healthcare Practitioners and Technical	2,430	$36,360	$49,770	$75,410	$99,370
Healthcare Support	2,860	$21,840	$22,600	$27,720	$30,710
Food Preparation and Serving Related	3,700	$21,840	$21,840	$23,130	$28,350
Sales and Related	3,950	$21,840	$22,930	$28,530	$37,540
2022					
Total all occupations	43,460	$23,930	$28,090	$38,420	$60,020
Business and Financial Operations	1,350	$37,130	$47,590	$62,620	$81,900
Computer and Mathematical	380	$34,010	$44,920	$64,940	$83,850
Healthcare Practitioners and Technical	2,320	$37,010	$53,100	$79,030	$110,610
Healthcare Support	2,730	$23,920	$23,920	$26,590	$34,380
Food Preparation and Serving Related	4,330	$23,920	$24,100	$26,280	$29,070
Sales and Related	3,990	$23,920	$24,760	$28,490	$37,770

Source: Occupational Employment and Wage Statistics (OEWS)

Comparing these wage values to HUD's fair market rent helps identify the potential number of rent burdened workers in each occupation. Using the formula described in the data and methods section, the estimated percentage of potentially rent burdened workers was calculated for select major occupational groups. It is interesting to note that the percentage of rent burdened food preparation and serving related workers in efficiency units fell from 75 percent in 2019 to 50 percent in 2021, where it remained in 2022, however, 75 percent of food preparation and serving related workers in one- and two-bedroom units remained rent burdened in all three years (Exhibits 15, 16, 17). It is also interesting to note that the percentage of rent burdened workers in sales and related occupations in efficiency and one-bedroom units fell from 50 percent in 2019 to 25 percent in 2021 before returning to 50 percent in 2022.







Wages in business and financial operations occupations were high enough in 2019, 2021, and 2022 that workers would likely pay less than 30 percent of their wages on rent and utilities for efficiency, one, and two-bedroom units. In 2019, workers in healthcare practitioners and technical occupations, and computer and mathematical occupations, were unlikely to be rent burdened if they lived in an efficiency or one-bedroom unit, however 10 percent in each occupation could be rent burdened if they lived in two-bedroom units. By 2021 and 2022, workers in healthcare practitioners and technical occupations, and computer and mathematical occupations, received wages sufficient not to be rent burdened in the housing units analyzed.

Exhibit 18 depicts the percentage of potential rent burdened workers in all occupations in the Farmington MSA by wage percentile, number of bedrooms, and year. It compares the share of workers who could be rent burdened, based on their assumed wage and the type of rental unit. The table depicts the distribution of rent burdened workers in two ways. The number in each cell represents the percentage of rent burdened workers by the number of bedrooms in a rental unit and the assumed wage level of the renter. The percent values are categorized and shaded to facilitate comparisons between the cells. The lightest shade includes instances where 10 percent or less of workers could be rent burdened. The slightly darker shade denotes cells where between 10 percent and 25 percent of workers may be rent burdened, and in the next level of shade intensity more than 25 percent to 50 percent of the workers could be rent burdened. More than half of the workers may be rent burdened in situations where the cells are the darkest shade.

There are two ways to read Exhibit 18. One way to read Exhibit 18 is across its rows. Using the top row of data as an example shows that in 2019, 65 percent of all workers in the 10th wage percentile were potentially rent burdened in an efficiency unit, however 57 percent of workers in the 10th to 25th wage percentile would have potentially been rent burdened in an efficiency unit that year. A smaller percentage (30 percent) of workers in the 25th to 50th wage percentile would likely be rent burdened in an efficiency unit in 2019, and it is estimated that only 10 percent of workers in the 50th to 75th wage percentile would be rent burdened in an efficiency unit in 2019. The last column of the table is the aggregated percentage of all potentially rent burdened workers in the 0 to 75th wage percentiles. This graph illustrates how increased wages reduces the likelihood that a worker would be rent burdened in Farmington.

Another way to read Exhibit 18 is down its data columns. Using workers in the 10th wage percentile as an example shows that 65 percent were potentially rent burdened in an efficiency unit in 2019, however 71 percent of these workers would have been rent burdened in a 1-bedroom unit and 91 percent would have been rent burdened in a 2-bedroom unit that year. As described above, rents increase based on the number of bedrooms in the unit. The increased expenses associated with a larger rental unit could lead to a higher percentage of workers that may be rent burdened.

This categorization makes it clear that in most years the majority of workers in the lowest wage category were rent burdened regardless of the number of bedrooms in their rental unit. As would be expected, fewer workers in the 10th to 25th percentile wage category would be rent burdened than workers earning less, however a majority of workers in this category were still rent burdened if they lived in two-bedroom units. Despite a decrease in the percentage of rent burdened workers between 2019 and 2021, the percentage of rent burdened workers increased in 2022. In that year there was a higher percentage of rent burdened workers in two-bedroom units (62 percent) than there were in 2019 (60 percent).

The percentage of rent burdened workers in the 25th to 50th wage percentile was lower, in many instances substantially so, compared with the 10th to 25th percentile. However, although for workers in the 25th to 50th wage percentile category the percentage that were rent burdened in efficiency and one-bedroom units decreased between 2019 and 2021 but returned back to the 2019 level in 2022; the percentage of rent burdened workers in two-bedroom units remained unchanged.

As expected, workers earning wages in the 50th to 75th percentile category were the least likely to be rent burdened, especially if they lived in an efficiency. Earning wages in the 50th to 75th percentile category, however, were not sufficient to enable all workers to find affordable housing. Ten percent of workers in this wage category would have been rent burdened in a one-bedroom unit and 14 percent would have been rent burdened if they lived in a two-bedroom unit in 2022.

18. Estimated Percentage of Rent Burdened Workers in the Farmington MSA by Wage Percentile, Number of Bedrooms, and Year

Farmington MSA	0 to 10th Wage Percentile	10th to 25th Wage Percentile	25th to 50th Wage Percentile	50th to 75th Wage Percentile	Rent Burdened Workers as a Percentage of all Workers in the 0 to 75th Wage Percentiles
2019, Efficiency Units	65	57	30	10	33
2019, 1-Bedroom Units	71	57	30	10	34
2019, 2-Bedroom Units	91	60	30	20	41
2021, Efficiency Units	66	30	11	0	18
2021, 1-Bedroom Units	66	30	20	20	28
2021, 2-Bedroom Units	84	59	30	20	40
2022, Efficiency Units	72	42	30	0	28
2022, 1-Bedroom Units	73	42	30	10	31
2022, 2-Bedroom Units	84	62	30	14	38

0-10 percent of all workers	11-25 percent of all workers	26-50 percent of all workers	51-100 percent of all workers

As illustrated in Exhibit 18, a large proportion of workers in the lowest wage category were likely rent burdened in an efficiency unit and the percentage of workers who could have been rent burdened increased as the size of the unit increased. Exhibit 19 quantifies this by replacing percentages used in Exhibit 18 with counts for the number of workers potentially impacted. Despite having fewer workers, in 2022 there were 3,097 potentially rent burdened workers in efficiency units in the 0 to 10th percentile range category in efficiency units compared with only 2,720 in the 10th to 25th wage percentile group. As to be expected, people who are paid a higher wage are less likely to be rent-burdened than those who are paid a lower wage. The estimated percentage of rent burdened workers in the Farmington MSA suggests that a large number of workers could be living in unaffordable housing.

Numbers in each row are cumulative, so the number of rent burdened workers in a one-bedroom unit includes workers who would be rent burdened in a less expensive efficiency unit, while the number of rent burdened workers in a two-bedroom unit includes workers who would be rent burdened in efficiencies and one-bedroom units. For all wage categories, it is estimated that 11,751 workers were potentially rent burdened if they lived in efficiency units and 14,441 were potentially rent burdened if they lived in two-bedroom units.

19. Estimated Number of Rent Burdened of Workers in the Farmington MSA by Wage Percentile, Number of Bedrooms, and Year

Farmington MSA	0 to 10th Wage Percentile	10th to 25th Wage Percentile	25th to 50th Wage Percentile	50th to 75th Wage Percentile	0 to 75th Wage Percentile
2019, Efficiency Units	3,037	4,049	3,543	1,122	11,751
2019, 1-Bedroom Units	3,342	4,049	3,543	1,122	12,056
2019, 2-Bedroom Units	4,291	4,224	3,543	2,383	14,441
2021, Efficiency Units	2,709	1,849	1,085	0	5,643
2021, 1-Bedroom Units	2,709	1,855	2,095	2,095	8,754
2021, 2-Bedroom Units	3,439	3,630	3,092	2,095	12,256
2022, Efficiency Units	3,097	2,720	3,223	0	9,040
2022, 1-Bedroom Units	3,166	2,720	3,223	1,082	10,191
2022, 2-Bedroom Units	3,619	4,027	3,238	1,544	12,428

The estimated number of housing cost burdened renters living in efficiency units declined from 11,751 in 2019 to 9,040 in 2022. The estimated number of people who could be rent burdened if they lived in one or two-bedroom units declined as well. It is possible that the 17.8 percent decrease in occupied rental units in Farmington, which equated to 2,521 fewer in 2022 than in 2019 lead landlords to increase the number of efficiency units and one-bedroom, units renting for less than $300 a month and reducing the number of units that rented for more than that.[xvi] It is also possible that the 8.4 percent decline in the number of workers between 2019 and 2022 was partly responsible the relatively modest increase in fair market rents, which ranged from a low of $57 for efficiency units to $66 for two-bedroom units, during the study years.



LAS CRUCES MSA

Fair market rents for all categories of units in the Las Cruces MSA increased between 2019 and 2022 (Exhibit 20). The fair market rent for efficiency units in the Las Cruces MSA had the largest increase among all units analyzed, $129 a month, and they also increased the fastest (25.5 percent). Although fair market rent values in the Las Cruces MSA were the lowest among all MSAs in the state, from 2019 to 2022 it increased at a faster rate than all other MSAs in New Mexico.

From 2019 to 2022, the total number of rental units increased in the Las Cruces MSA, thereby increasing the availability of rental units for workers that either chose not to purchase a house, or were unable to afford to do so. As seen in Exhibit 21, from 2019 to 2022, the number of total renter occupied units increased from 28,020 to 28,739, an increase of 719 or 2.6 percent.[xvii] Between 2019 and 2022 the combined number of efficiency and one-bedroom units inceased by 2,679, which exceeded by 130 units the number of two-bedroom units lost during that time.

The total number of owner occupied units increased by 5,933, and made up 89.2 percent of the growth of occupied units between 2019 and 2022. The increase in the number and share of owner occupied housing units between 2019 and 2022 suggests that builders and developers were actively building owner occupied units instead of rental units, or perhaps they were converting rental units into owner occupied units.

20. Fair Market Rent, 2019-2022, Las Cruces MSA

Year	Efficiency	One-Bedroom	Two-Bedrooms
2019	$506	$574	$700
2020	$544	$602	$742
2021	$571	$603	$734
2022	$635	$649	$787
$ change, 2019–2022	$129	$75	$87
% change, 2019–2022	25.5%	13.1%	12.4%

Source: U.S. Department of Housing and Urban Development's Office of Policy Development and Research

21. Estimated Number of Rental Units, by Number of Bedrooms, in the Las Cruces MSA

	2019	2022	# Difference	% Difference
Total:	79,094	85,746	6,652	8.4%
Owner occupied:	51,074	57,007	5,933	11.6%
Renter occupied:	28,020	28,739	719	2.6%
No bedroom	782	1,719	937	119.8%
1 bedroom	4,156	5,898	1,742	41.9%
2 bedrooms	12,296	9,747	-2,549	-20.7%

Source: U.S. Census Bureau, 2019 and 2022 American Community Survey 1-Year Estimates, Table B25042

Note: The number of units with bedrooms 3 and over were excluded from the table.



As can be seen in Exhibit 22, there was a lot of variability in the number and type of rental units available between 2019 and 2022. The number of efficiency units that cost less than $750 was almost unchanged, decreasing by 14 units (2.3 percent, from 617 to 603) between 2019 and 2022, however the number of units that cost $750 or more a month increased by more than five times (520 percent, from 165 to 1,023). The number of one-bedroom units that cost $1,000 or more increased 383.5 percent (from 188 to 909), while the number of units costing less than $1,000 increased at a slower rate (28.3 percent), from 3,604 to 4,624. The number of two-bedrooms that cost $1,000 or more increased by 1,288, or 123.7 percent, while the number of two bedrooms that cost $999 or less declined by 2,752, or 27.4 percent.

22. Number of Renter Occupied Units in the Las Cruces MSA, by Rent and Number of Bedrooms, 2019 to 2022

	# Units, 2019	# Units, 2022	# Difference	% Difference
Total:	28,020	28,739	719	2.6%
No bedroom	782	1,719	937	119.8%
Less than $300	154	140	-14	-9.1%
$300 to $499	222	150	-72	-32.4%
$500 to $749	241	313	72	29.9%
$750 to $999	165	760	595	360.6%
$1,000 to $1,499	0	263	263	-
$1,500 or more	0	0	0	-
1 bedroom:	4,156	5,898	1,742	41.9%
Less than $300	979	120	-859	-87.7%
$300 to $499	508	417	-91	-17.9%
$500 to $749	929	2,869	1,940	208.8%
$750 to $999	1,188	1,218	30	2.5%
$1,000 to $1,499	0	863	863	-
$1,500 or more	188	46	-142	-75.5%
2 bedrooms:	12,296	9,747	-2,549	-20.7%
Less than $300	360	771	411	114.2%
$300 to $499	711	1,499	788	110.8%
$500 to $749	4,778	2,837	-1,941	-40.6%
$750 to $999	4,198	2,188	-2,010	-47.9%
$1,000 to $1,499	781	1,563	782	100.1%
$1,500 or more	260	766	506	194.6%

Source: U.S. Census Bureau, 2019 and 2022 American Community Survey 1-Year Estimates, Table B25068

Note: The totals include all units, including those for which rent is not paid.

Exhibit 23 shows the employment and wages for select major occupational groups for 2019, 2021, and 2022. The data is not comparable across the different years but is useful in comparing wages across different occupational groups. Workers in business and financial operations, computer and mathematical, and healthcare practitioners and technical occupations consistently earned above the Las Cruces average, while those in healthcare support, food preparation, and sales earned less than the MSA's average wage.

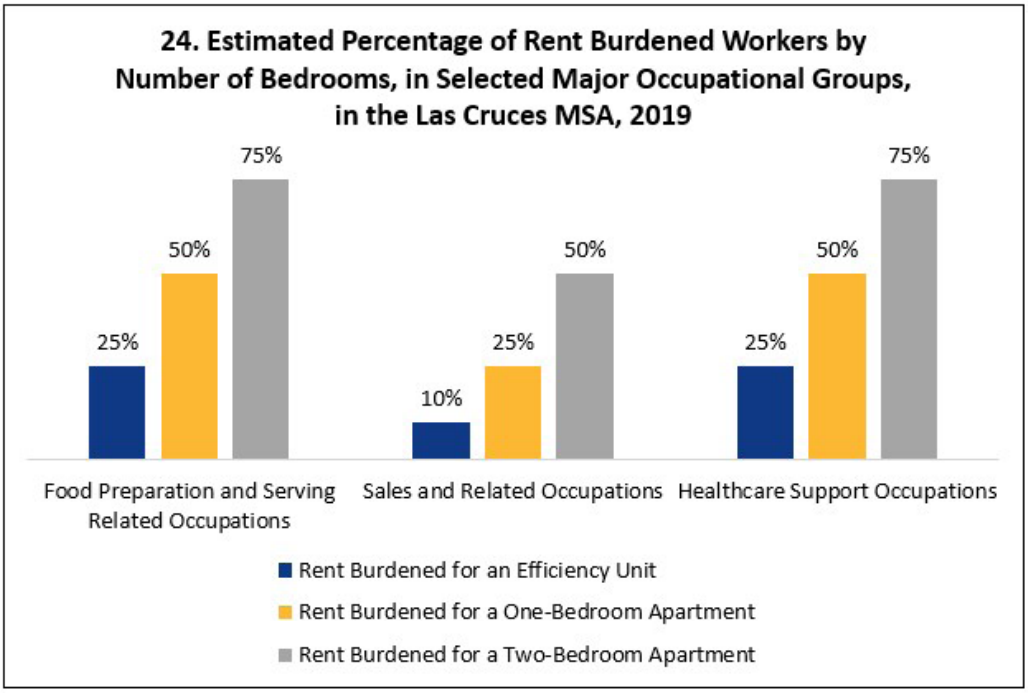
Exhibit 23 also lists the wages at each percentile, which can be used to measure the potential wage growth available in that occupation. In 2019, the wages of workers in computer and mathematical occupations at the 10th percentile was $27,340, while the wages at the 75th percentile was $90,170, a difference of $62,830, or 229.8 percent. But for food preparation and serving related occupations, that difference was only $7,380, or 42.9 percent. This suggests that workers in some occupational groups are more likely to experience higher wage growth than workers in other occupations. Workers in occupations with higher wage growth potential are less likely to be rent burdened as they progress in their career, or require additional living space, than workers in occupations that experience less wage growth. These wage differences were also present in 2021 and 2022.

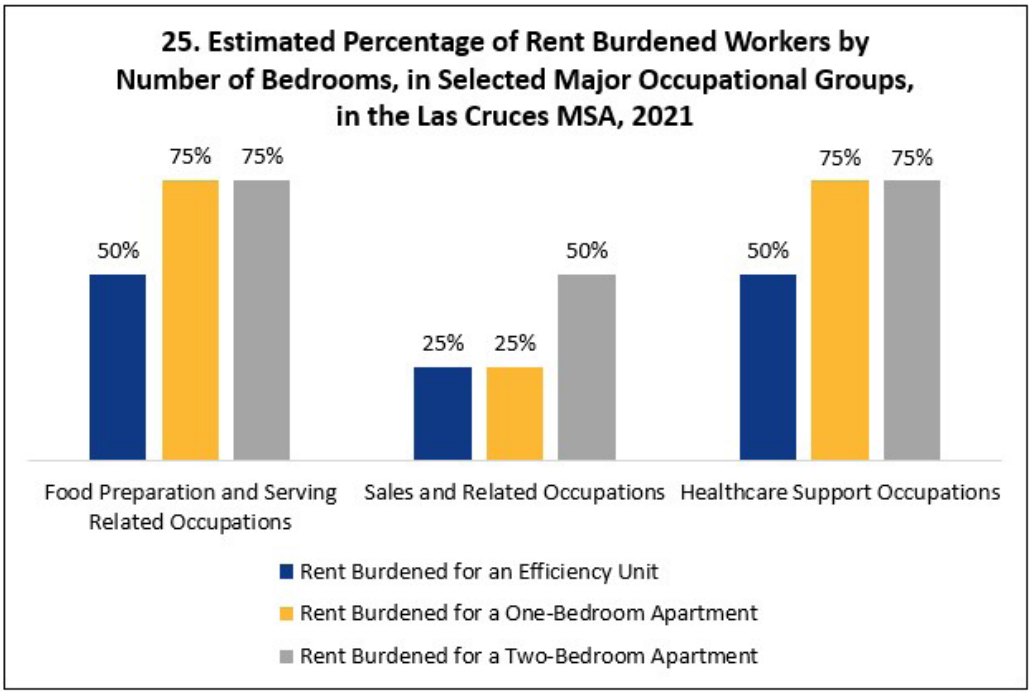
23. Employment and Wages in the Las Cruces MSA for Select Major Occupational Groups, by Year

Major Occupational Group	Employment	10th Percentile Wage	25th Percentile Wage	50th Percentile/ Median Wage	75th Percentile Wage
2019					
Total all occupations	71,160	$18,500	$21,950	$30,670	$52,960
Business and Financial Operations	2,580	$32,420	$41,330	$54,460	$76,270
Computer and Mathematical	1,900	$27,340	$43,270	$64,860	$90,170
Healthcare Practitioners and Technical	4,080	$31,760	$48,850	$67,670	$93,480
Healthcare Support	6,160	$17,450	$19,190	$22,320	$26,780
Food Preparation and Serving Related	7,330	$17,210	$18,410	$20,640	$24,590
Sales and Related	6,800	$18,430	$20,830	$24,310	$32,860
2021					
Total all occupations	68,190	$37,160	$47,310	$59,930	$79,000
Business and Financial Operations	2,700	$36,750	$48,100	$72,040	$98,530
Computer and Mathematical	1,700	$34,090	$47,310	$72,460	$95,040
Healthcare Practitioners and Technical	4,150	$21,840	$22,080	$22,720	$28,010
Healthcare Support	6,810	$21,840	$21,840	$22,670	$27,280
Food Preparation and Serving Related	6,280	$21,840	$22,590	$26,980	$35,240
Sales and Related	5,320	$37,160	$47,310	$59,930	$79,000
2022					
Total all occupations	72,600	$23,920	$26,660	$35,770	$58,820
Business and Financial Operations	2,910	$38,150	$48,130	$61,990	$80,810
Computer and Mathematical	1,690	$39,140	$52,600	$76,650	$101,660
Healthcare Practitioners and Technical	4,320	$34,930	$50,190	$75,030	$99,430
Healthcare Support	6,980	$23,920	$23,920	$24,170	$29,110
Food Preparation and Serving Related	7,330	$23,920	$23,920	$25,980	$28,610
Sales and Related	5,370	$23,920	$25,170	$28,200	$37,350

Source: Occupational Employment and Wage Statistics (OEWS)

Comparing these wage values to HUD's fair market rent helps identify the potential number of rent burdened workers in each occupation. Using the formula described in the data and methods section, the estimated percentage of potentially rent burdened workers was calculated for select major occupational groups. It is interesting to note that although the percentage of rent burdened workers in two-bedroom units remained the same for workers in the food preparation and serving related occupations, sale and related occupations, and healthcare support occupations between 2019 and 2022, the percentage of rent burdened workers in efficiency and one-bedroom units fluctuated during that time. (Exhibits 24, 25, 26).





Wages for business and financial operations, and healthcare practitioners and technical occupations, were high enough in 2019, 2021, and 2022 that they would likely pay less than 30 percent of their wages on rent and utilities for efficiency, one-bedroom, and two-bedroom units. Workers in computer and mathematical occupations received wages sufficient enough to not be rent burdened if they lived in efficiency units or one-bedroom units, however 10 percent of workers in these occupations could be rent burdened if they lived in two-bedroom units in 2019. Workers in computer and mathematical occupations were unlikely to be rent burdened if they lived in an efficiency, one-bedroom, or two-bedroom units in 2021 or 2022.

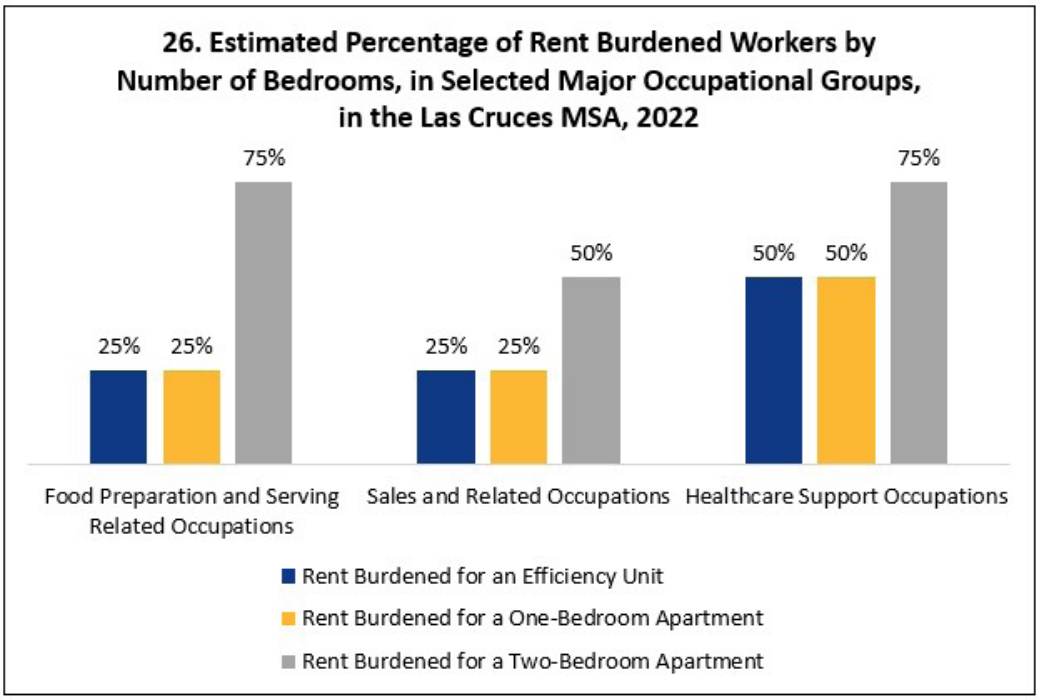


Exhibit 27 depicts the percentage of potential rent burdened workers in all occupations in the Las Cruces MSA by wage percentile, number of bedrooms, and year. It compares the share of workers who could be rent burdened, based on their assumed wage and the type of rental unit. The exhibit depicts the distribution of rent burdened workers in two ways. The number in each cell represents the percentage of rent burdened workers by the number of bedrooms in a rental unit and the assumed wage level of the renter. The percent values are categorized and shaded to facilitate comparisons between the cells. The lightest shade includes instances where 10 percent or less of workers could be rent burdened. The slightly darker shade denotes cells where between 10 percent and 25 percent of workers may be rent burdened, and in the next level of shade intensity more than 25 percent to 50 percent of the workers could be rent burdened. More than half of the workers may be rent burdened in situations where the cells are the darkest shade.

There are two ways to read Exhibit 27. One way to read Exhibit 27 is across its rows. Using the top row of data as an example shows that in 2019, 66 percent of all workers in the 10th wage percentile were potentially rent burdened in an efficiency unit, however 25 percent of workers in the 10th to 25th wage percentile would have potentially been rent burdened in an efficiency unit that year. A much smaller percentage (2 percent) of workers in the 25th to 50th wage percentiles would likely be rent burdened in an efficiency unit in 2019, and it is estimated that no workers in the 50th to 75th wage percentile would be rent burdened in an efficiency unit in 2019. The last column of the exhibit is the aggregated percentage of all potentially rent burdened workers in the 0 to 75th wage percentiles. This graph illustrates how increased wages reduces the likelihood that a worker would be rent burdened in Las Cruces.

Another way to read Exhibit 27 is down its data columns. Using workers in the 10th wage percentile as an example shows that 66 percent were potentially rent burdened in an efficiency unit in 2019, however 73 percent of these workers would have been rent burdened in a 1-bedroom unit and 83 percent would have been rent burdened in a 2-bedroom unit that year. As described above, rents increase based on the number of bedrooms in the unit. The increased expenses associated with a larger rental unit could lead to a higher percentage of workers that may be rent burdened.

This categorization makes it clear that in most years the majority of workers in the lowest wage category were rent burdened regardless of the number of bedrooms in their rental unit. As would be expected, fewer workers in the 10th to 25th percentile wage category would be rent burdened than workers earning less, however a majority of workers in this category were still rent burdened if they lived in two-bedroom units. The percentage of rent burdened workers in all three types of units generally decreased between 2019 and 2022. As expected, workers earning wages in the 50th to 75th percentile category were the least likely to be rent burdened, particularly if they lived in efficiency units. Earning wages in the 50th to 75th percentile category, however, were not sufficient to enable all workers to find affordable housing; 21 percent would have been rent burdened if they lived in a two-bedroom unit in 2022.

27. Estimated Percentage of Rent Burdened Workers in the Las Cruces MSA by Wage Percentile, Number of Bedrooms, and Year

Las Cruces MSA	0 to 10th Wage Percentile	10th to 25th Wage Percentile	25th to 50th Wage Percentile	50th to 75th Wage Percentile	Rent Burdened Workers as a Percentage of all Workers in the 0 to 75th Wage Percentiles
2019, Efficiency Units	66	25	2	0	14
2019, 1-Bedroom Units	73	44	23	0	26
2019, 2-Bedroom Units	83	69	40	23	46
2021, Efficiency Units	64	32	20	0	22
2021, 1-Bedroom Units	68	42	22	22	32
2021, 2-Bedroom Units	77	59	39	23	43
2022, Efficiency Units	56	33	11	0	18
2022, 1-Bedroom Units	56	42	11	0	20
2022, 2-Bedroom Units	80	60	39	21	43

0-10 percent of all workers	11-25 percent of all workers	26-50 percent of all workers	51-100 percent of all workers

As illustrated in Exhibit 27, a large proportion of workers in the lowest wage category were likely rent burdened in an efficiency unit and the percentage of workers who could have been rent burdened increased as the size of the unit increased. Exhibit 28 quantifies this by replacing percentages used in Exhibit 27 with counts for the number of workers potentially impacted. Despite having fewer workers, in 2022 there were 4,080 potentially rent burdened workers in efficiency units in the 0 to 10th percentile range category compared with 3,559 in the 10th to 25th wage percentile group. As to be expected, people who are paid a higher wage are less likely to be rent-burdened than those who are paid a lower wage. The estimated percentage of rent burdened workers in the Las Cruces MSA suggests that a large number of workers could be living in unaffordable housing.

Numbers in each row are cumulative, so the number of rent burdened workers in a one-bedroom unit includes workers who would be rent burdened in a less expensive efficiency unit, while the number of rent burdened workers in a two-bedroom unit includes workers who would be rent burdened in efficiencies and one-bedroom units. For all wage categories, an estimated 7,613 workers were potentially rent burdened in efficiency units in 2019; 14,001 workers were potentially rent burdened if they lived in a one bedroom apartment; and 24,532 were potentially rent burdened if they lived in two-bedroom units.

28. Estimated Number of Rent Burdened Workers in the Las Cruces MSA by Wage Percentile, Number of Bedrooms, and Year					
Las Cruces MSA	0 to 10th Wage Percentile	10th to 25th Wage Percentile	25th to 50th Wage Percentile	50th to 75th Wage Percentile	0 to 75th Wage Percentile
2019, Efficiency Units	4,661	2,675	277	0	7,613
2019, 1-Bedroom Units	5,178	4,649	4,174	0	14,001
2019, 2-Bedroom Units	5,880	7,354	7,124	4,174	24,532
2021, Efficiency Units	4,357	3,311	3,467	0	11,135
2021, 1-Bedroom Units	4,604	4,297	3,682	3,682	16,265
2021, 2-Bedroom Units	5,241	6,049	6,581	3,974	21,845
2022, Efficiency Units	4,080	3,559	1,947	0	9,586
2022, 1-Bedroom Units	4,080	4,616	1,947	0	10,643
2022, 2-Bedroom Units	5,779	6,519	7,088	3,779	23,165

The estimated number of housing cost burdened renters living in efficiency units increased from 7,613 in 2019 to 9,586 in 2022. This increase is likely the result of the net loss of efficiency units renting for less than $750, and the 25.5 percent increase in the fair market rent, from $506 in 2019 to $635 in 2022. But there was a decrease in the estimated number of rent burdened renters living in one-bedroom units (from 14,001 in 2019 to 10,643 in 2022) and two-bedroom units (from 24,531 in 2019 to 23,165 in 2022) in the Las Cruces MSA. The fair market rent for these units increased only 13.1 percent ($75) for one-bedroom units and 12.4 percent ($87) for two bedroom units between 2019 and 2022.



SANTA FE MSA

Fair market rents for all categories of units in the Santa Fe MSA increased between 2019 and 2022 (Exhibit 29). The fair market rent for one-bedroom units in the Santa Fe MSA increased the most ($47 a month), and the fastest (5.1 percent), among all units analyzed. Although fair market rent values in the Santa Fe MSA were the highest among all MSAs in the state, from 2019 to 2022 it increased at a lower rate than all other MSAs in New Mexico.

The Santa Fe MSA was the only MSA in the state that had a substantial increase in both owner and renter occupied units from 2019 to 2022. As seen in Exhibit 30, the number of total renter occupied units increased from 17,797 to 21,893, an increase of 4,096 or 23.0 percent. The number of one-bedroom rental units increased by 3,112, or 84.3 percent, and the number of two-bedroom rental units increased by 2,148 or 36.4 percent, from 2019 to 2022. Owner occupied units increased as well—growing by 6,024 or 13.6 percent between 2019 and 2022.

29. Fair Market Rent, 2019-2022, Santa Fe MSA

Year	Efficiency	One-Bedroom	Two-Bedrooms
2019	$818	$928	$1,069
2020	$802	$928	$1,057
2021	$804	$940	$1,071
2022	$842	$975	$1,113
$ change, 2019–2022	$24	$47	$44
% change, 2019–2022	2.9%	5.1%	4.1%

Source: U.S. Department of Housing and Urban Development's Office of Policy Development and Research

30. Estimated Number of Rental Units, by Number of Bedrooms, in the Santa Fe MSA

	2019	2022	# Difference	% Difference
Total:	62,182	72,302	10,120	16.3%
Owner occupied:	44,385	50,409	6,024	13.6%
Renter occupied:	17,797	21,893	4,096	23.0%
No bedroom	1,298	1,497	199	15.3%
1 bedroom	3,692	6,804	3,112	84.3%
2 bedrooms	5,901	8,049	2,148	36.4%

Source: U.S. Census Bureau, 2019 and 2022 American Community Survey 1-Year Estimates, Table B25042

Note: The number of units with bedrooms 3 and over were excluded from the table.



As can be seen in Exhibit 31, more expensive renter occupied units increased at a faster rate than less expensive renter occupied units. From 2019 to 2022, the number of efficiency units that cost $750 or more a month increased by more than one-third (36.4 percent, from 745 to 1,016), while the number of units that cost less than $750 a month decreased by 8.9 percent (from 528 to 481). The number of one-bedroom units that cost $1,000 or more increased 177.8 percent (from 1,234 to 3,428), while the number of units costing less than $1,000 only increased by 33.5 percent (e from 2,170 to 2,898). The number of two-bedrooms that cost $1,000 or more increased by 2,549, or 46.2 percent, while the number of two bedrooms that cost $999 or less declined by 598, or 21.6 percent.

31. Number of Renter Occupied Units in the Santa Fe MSA, by Rent and Number of Bedrooms, 2019 to 2022

	# Units, 2019	# Units, 2022	# Difference	% Difference
Total:	17,797	21,893	4,096	23.0%
No bedroom	1,298	1,497	199	15.3%
Less than $300	148	21	-127	-85.8%
$300 to $499	150	59	-91	-60.7%
$500 to $749	230	401	171	74.3%
$750 to $999	611	250	-361	-59.1%
$1,000 to $1,499	118	600	482	408.5%
$1,500 or more	16	166	150	937.5%
1 bedroom:	3,692	6,804	3,112	84.3%
Less than $300	318	424	106	33.3%
$300 to $499	438	411	-27	-6.2%
$500 to $749	540	402	-138	-25.6%
$750 to $999	874	1,661	787	90.0%
$1,000 to $1,499	944	2,429	1,485	157.3%
$1,500 or more	290	999	709	244.5%
2 bedrooms:	5,901	8,049	2,148	36.4%
Less than $300	371	195	-176	-47.4%
$300 to $499	182	207	25	13.7%
$500 to $749	572	519	-53	-9.3%
$750 to $999	1,642	1,248	-394	-24.0%
$1,000 to $1,499	2,024	2,283	259	12.8%
$1,500 or more	947	3,237	2,290	241.8%

Source: U.S. Census Bureau, 2019 and 2022 American Community Survey 1-Year Estimates, Table B25068

Note: The totals include all units, including those for which rent is not paid.

Exhibit 32 shows the employment and wages for select major occupational groups for 2019, 2021, and 2022. The data is not comparable across the different years but is useful in comparing wages across different occupational groups. Workers in business and financial operations, computer and mathematical, and healthcare practitioners and technical occupations consistently earned above the Santa Fe average, while those in healthcare support, food preparation, and sales earned less than the MSA's average wage.

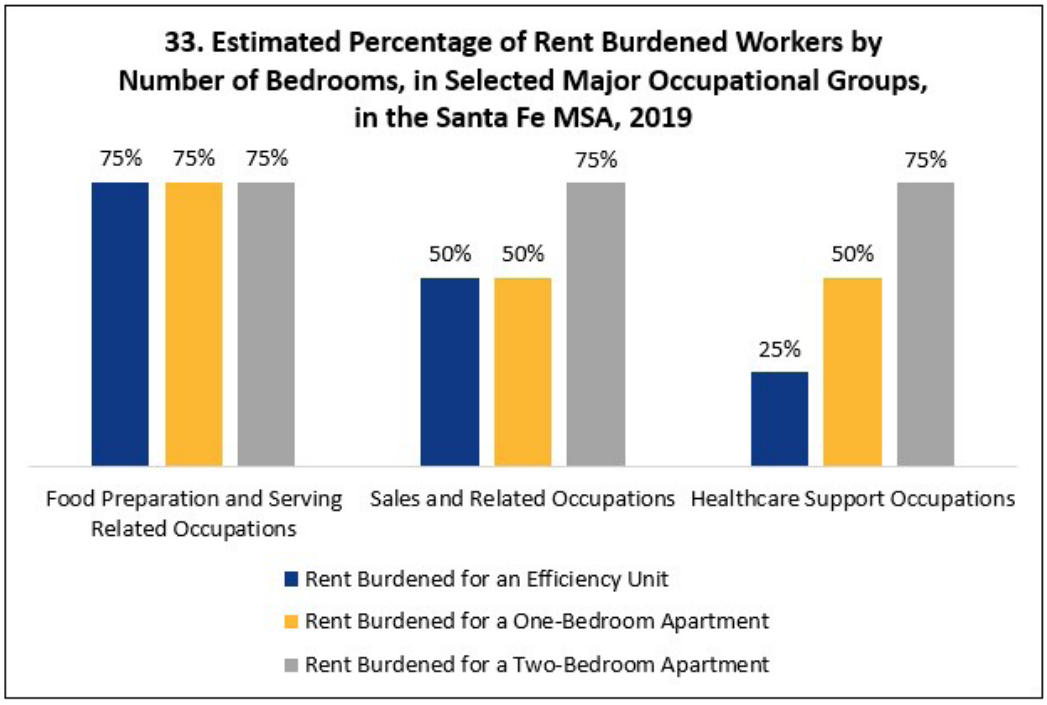
Exhibit 32 also lists the wages at each percentile, which can be used to measure the potential wage growth available in that occupation. In 2019, the wages of workers in computer and mathematical occupations at the 10th percentile was $32,880, while the wages at the 75th percentile was $83,610, a difference of $50,730, or 154.3 percent. But for food preparation and serving related occupations, that difference was only $11,730, or 66.4 percent. This suggests that workers in some occupational groups are more likely to experience higher wage growth than workers in other occupations. Workers in occupations with higher wage growth potential are less likely to be rent burdened as they progress in their career, or require additional living space, than workers in occupations that experience less wage growth. These wage differences were also present in 2021 and 2022.

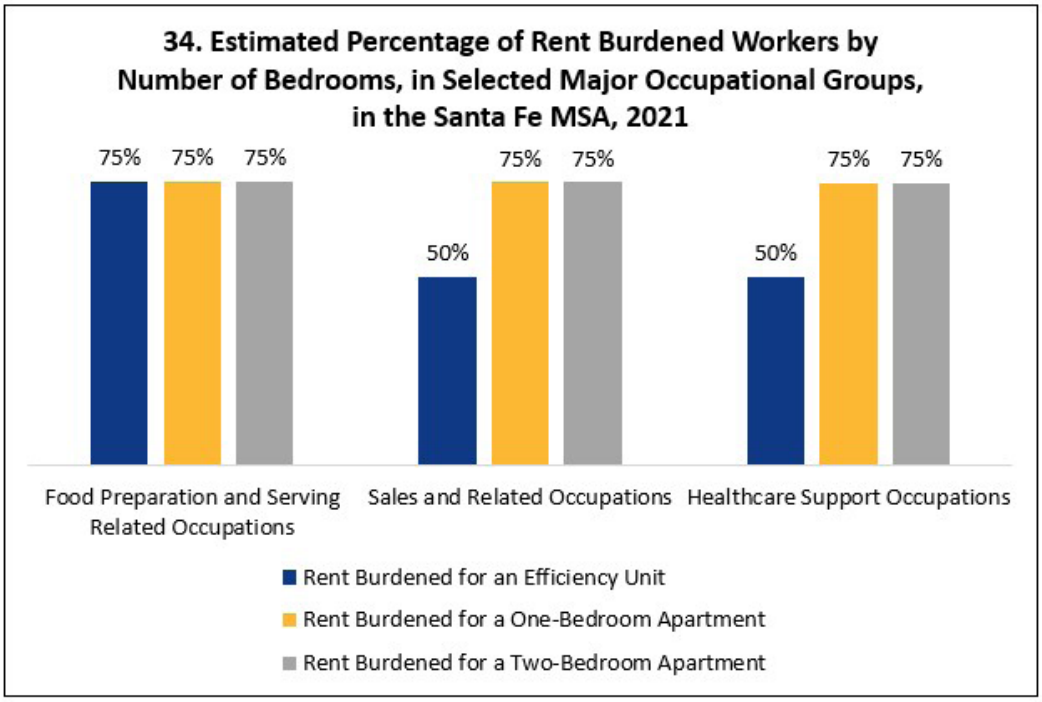
32. Employment and Wages in the Santa Fe MSA for Select Major Occupational Groups, by Year

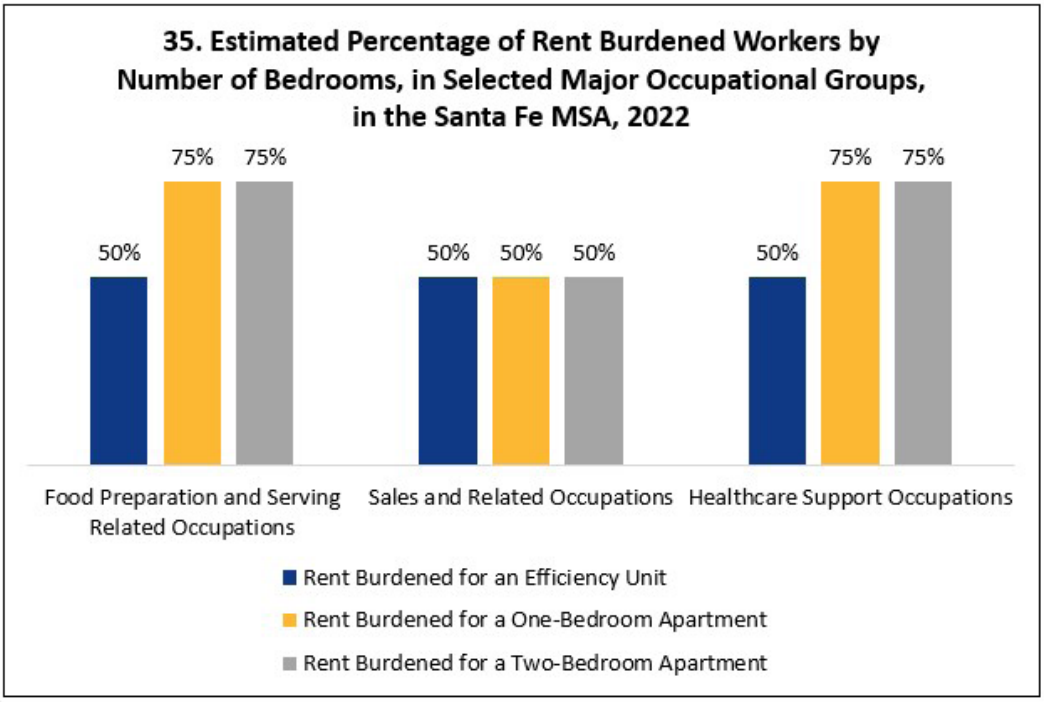
Major Occupational Group	Employment	10th Percentile Wage	25th Percentile Wage	50th Percentile/ Median Wage	75th Percentile Wage
2019					
Total all occupations	62,160	$21,240	$27,580	$38,110	$58,300
Business and Financial Operations	4,280	$37,150	$44,240	$54,130	$71,450
Computer and Mathematical	1,580	$32,880	$52,180	$70,290	$83,610
Healthcare Practitioners and Technical	3,170	$37,570	$53,990	$76,300	$102,300
Healthcare Support	2,740	$23,120	$26,780	$33,110	$39,300
Food Preparation and Serving Related	7,830	$17,670	$19,630	$24,640	$29,400
Sales and Related	6,610	$21,880	$25,640	$30,550	$39,960
2021					
Total all occupations	56,310	$23,870	$29,420	$38,880	$60,630
Business and Financial Operations	4,110	$38,630	$47,040	$54,450	$71,740
Computer and Mathematical	1,380	$41,480	$52,000	$72,610	$87,650
Healthcare Practitioners and Technical	3,020	$37,500	$53,720	$76,020	$101,200
Healthcare Support	2,970	$22,720	$23,190	$29,690	$37,660
Food Preparation and Serving Related	6,000	$21,840	$23,160	$27,120	$30,240
Sales and Related	5,410	$23,390	$27,500	$29,740	$40,100
2022					
Total all occupations	59,770	$27,150	$30,780	$41,990	$61,890
Business and Financial Operations	4,040	$39,890	$47,230	$56,220	$72,920
Computer and Mathematical	1,440	$46,520	$57,990	$73,690	$92,500
Healthcare Practitioners and Technical	3,040	$37,670	$56,170	$79,840	$116,770
Healthcare Support	2,860	$23,920	$25,960	$29,630	$37,680
Food Preparation and Serving Related	7,330	$24,110	$26,980	$28,840	$35,230
Sales and Related	5,240	$26,090	$28,060	$32,340	$45,280

Source: Occupational Employment and Wage Statistics (OEWS)

Comparing these wage values to HUD's fair market rent helps identify the potential number of rent burdened workers in each occupation. Using the formula described in the data and methods section, the estimated percentage of potentially rent burdened workers was calculated for select major occupational groups. It is interesting to note that the estimated percentage of workers in food preparation and serving related operations that were rent burdened in efficiency units declined from 75 percent to 50 percent between 2019 and 2022, but remained at 75 percent for these workers in one- or two bedroom units. At the same time, the percentage of potentially rent burdened workers in healthcare support occupations in efficiency and one-bedroom units increased between 2019 and 2022, while the percentage remained the same for two-bedroom units (Exhibits 33, 34, 35).







Wages in business and financial operations and computer and mathematical occupations were high enough in 2019, 2021, and 2022 that workers would likely pay less than 30 percent of their wages on rent and utilities for efficiency or one-bedroom units, however it is expected that 10.0 percent of workers in this occupation would be rent burdened if they lived in a two-bedroom unit. Workers in healthcare practitioners and technical occupations were unlikely to be rent burdened in 2019, however in 2021 and 2022, it is estimated that 10 percent of workers in these occupations could be rent burdened if they lived in one- and two-bedroom units. Ten percent of workers in computer and mathematical occupations were probably rent burdened if they lived in one- and two-bedroom units in 2019, however by 2022 their wages were sufficient enough to not be rent burdened in any of the housing units analyzed.

Exhibit 36 depicts the percentage of potential rent burdened workers in all occupations in the Santa Fe MSA by wage percentile, number of bedrooms, and year. It compares the share of workers who could be rent burdened, based on their assumed wage and the type of rental unit. The exhibit depicts the distribution of rent burdened workers in two ways. The number in each cell represents the percentage of rent burdened workers by the number of bedrooms in a rental unit and the assumed wage level of the renter. The percent values are categorized and shaded to facilitate comparisons between the cells. The lightest shade includes instances where 10 percent or less of workers could be rent burdened. The slightly darker shade denotes cells where between 10 percent and 25 percent of workers may be rent burdened, and in the next level of shade intensity more than 25 percent to 50 percent of the workers could be rent burdened. More than half of the workers may be rent burdened in situations where the cells are the darkest shade.

There are two ways to read Exhibit 36. One way to read Exhibit 36 is across its rows. Using the top row of data as an example shows that in 2019, 76 percent of all workers in the 10th wage percentile were potentially rent burdened in an efficiency unit, however 62 percent of workers in the 10th to 25th wage percentile would have potentially been rent burdened in an efficiency unit that year. A smaller percentage (37 percent) of workers in the 25th to 50th wage percentiles would likely be rent burdened in an efficiency unit in 2019, and it is estimated that 1,957 workers in the 50th to 75th wage percentile would be rent burdened in an efficiency unit in 2019. The last column of the exhibit is the aggregated percentage of all potentially rent burdened workers in the 0 to 75th wage percentiles. This graph illustrates how increased wages reduces the likelihood that a worker would be rent burdened in Santa Fe.

Another way to read Exhibit 36 is down its data columns. Using workers in the 10th wage percentile as an example shows that 76 percent were potentially rent burdened in an efficiency unit in 2019, however 78 percent of these workers would have been rent burdened in a 1-bedroom unit and 93 percent would have been rent burdened in a 2-bedroom unit that year. As described above, rents increase based on the number of bedrooms in the unit. The increased expenses associated with a larger rental unit could lead to a higher percentage of workers that may be rent burdened.

This categorization makes it clear that in most years the majority of workers in the lowest wage category were rent burdened regardless of the number of bedrooms in their rental unit, however in 2022 the percentage of rent burdened workers in efficiency units declined to 40 percent. As would be expected, fewer workers in the 10th to 25th percentile wage category would be rent burdened than workers earning less, however a majority of workers in this category were still rent burdened if they lived in one- or two-bedroom units. Despite a decrease in the percentage of rent burdened workers, more than three in ten (32.0 percent) were still likely rent burdened if they lived in an efficiency unit in 2022.

There was a substantial decrease in the percentage of rent burdened workers in the 25th to 50th wage percentile compared with the 10th to 25th percentile, and in 2022 it was unlikely that any worker in the former category was rent burdened if they lived in an efficiency unit. However, more than 60 percent of workers in the 25th to 50th wage percentile category would be rent burdened if they lived in two-bedroom units between 2019 and 2022. As expected, workers earning wages in the 50th to 75th percentile category were the least likely to be rent burdened, especially if they lived in efficiency units. Earning wages in the 50th to 75th percentile category however was not sufficient to enable all workers to find affordable housing. Twenty-one percent of workers in this wage category were rent burdened in a one-bedroom unit and 29 percent were rent burdened in a two-bedroom unit in 2022.

36. Estimated Percentage of Rent Burdened of Workers in the Santa Fe MSA by Wage Percentile, Number of Bedrooms, and Year

Santa Fe MSA	0 to 10th Wage Percentile	10th to 25th Wage Percentile	25th to 50th Wage Percentile	50th to 75th Wage Percentile	Rent Burdened Workers as a Percentage of all Workers in the 0 to 75th Wage Percentiles
2019, Efficiency Units	76	62	37	13	39
2019, 1-Bedroom Units	78	70	45	19	46
2019, 2-Bedroom Units	93	76	66	39	63
2021, Efficiency Units	72	57	37	11	37
2021, 1-Bedroom Units	79	72	39	39	51
2021, 2-Bedroom Units	92	74	61	37	60
2022, Efficiency Units	72	61	32	0	32
2022, 1-Bedroom Units	79	72	40	21	45
2022, 2-Bedroom Units	86	74	65	29	58

0-10 percent of all workers	11-25 percent of all workers	26-50 percent of all workers	51-100 percent of all workers

As illustrated above, a large proportion of workers in the lowest wage category were likely rent burdened in an efficiency unit and the percentage of workers who could have been rent burdened increased as the size of the unit increased. Exhibit 37 quantifies this by replacing percentages used in Exhibit 36 with counts for the number of workers potentially impacted. In 2022 there were 5,128 potentially rent burdened workers in two-bedroom units in the 0 to 10th percentile range category compared with 6,651 for two-bedroom units for workers in the 10th to 25th wage percentile group. As expected, it is likely that there were proportionally more rent burdened workers in the 0 to 10th percentile category than in any of the other, larger, percentile categories.

37. Estimated Number of Rent Burdened Workers in the Santa Fe MSA by Wage Percentile, Number of Bedrooms, and Year					
Santa Fe MSA	0 to 10th Wage Percentile	10th to 25th Wage Percentile	25th to 50th Wage Percentile	50th to 75th Wage Percentile	Total Number of Rent Burdened Workers in the 0 to 75th Wage Percentiles
2019, Efficiency Units	4,689	5,776	5,711	1,957	18,133
2019, 1-Bedroom Units	4,846	6,506	6,951	3,014	21,317
2019, 2-Bedroom Units	5,744	7,052	10,265	6,101	29,162
2021, Efficiency Units	4,015	4,813	5,245	1,500	15,573
2021, 1-Bedroom Units	4,453	6,039	5,527	5,527	21,546
2021, 2-Bedroom Units	5,148	6,246	8,624	5,245	25,263
2022, Efficiency Units	4,312	5,473	4,756	0	14,541
2022, 1-Bedroom Units	4,725	6,485	5,920	3,184	20,314
2022, 2-Bedroom Units	5,128	6,651	9,779	4,298	25,856

Numbers in each row are cumulative, so the number of rent burdened workers in a one-bedroom unit, while the number of rent burdened workers in a two-bedroom unit includes workers who would be rent burdened in efficiencies and one-bedroom units. For all wage categories, it is estimated that 18,133 workers in 2019 were potentially rent burdened if they lived in efficiency units and 29,000 were potentially rent burdened if they lived in two-bedroom units.

The estimated number of housing cost burdened renters living in efficiency units declined from 18,133 in 2019 to 14,541 in 2022. The estimated number of people who could be rent burdened if they lived in one or two-bedroom units declined as well. This is likely due to the 23 percent increase in all rental units, including a 15.3 percent increase in efficiency units, and 84.3 percent increase in one-bedroom units, and a 36.4 percent increase in two-bedroom units between 2019 and 2022. The relatively moderate increases in fair market rents, including a $24 increase for efficiency units, a $47 increase for one-bedroom units, and $44 for two-bedroom units, between 2019 and 2022 also likely contributed to the overall reduction in the number of rent burdened workers in 2022 compared with in 2019.

---

[i] Public Law 171, Chapter 338, 81st Cong.; 63 Stat. 432; 42 U.S.C. 1471 et seq., as Amended Through P.L. 117–328, Enacted December 29, 2022, emphasis added.

[ii] Housing and Homelessness Prevention Program Evaluation Status Update FINAL, A January 16, 2023 MEMORANDUM to LFC Members from Kathleen Gygi and Micaela Fischer

https://www.nmlegis.gov/Entity/LFC/Documents/Program_Evaluation_Reports/Housing%20and%20Homelessness%20Prevention%20Program%20Evaluation%20Status%20Update%20FINAL.pdf

[iii] This report does not include an analysis of rental affordability in 2020 because it was the COVID-19 transition year in the United States.

[iv] The Census Bureau also provides data on the number and type of rental units where no cash rent is paid.

[v] Metropolitan Statistical Areas are delineated by the United States Office of Management and Budget. Fair Market Rents are housing market-wide estimates of rents that provide opportunities to rent standard quality housing throughout the geographic area in which rental housing units are in competition. The level at which FMRs are set is expressed as a percentile point within the rent distribution of standard quality rental housing units in the FMR area. FMRs are set at the 40th percentile rent, the dollar amount below which the rent for 40 percent of standard quality rental housing units falling within the FMR area. The 40th percentile rent is drawn from the distribution of rents of all units within the FMR area that are occupied by recent movers. Adjustments are made to exclude public housing units, newly built units and substandard units (24 CFR § 888.113 Fair Market Rent for existing housing: Methodology).

[vi] A household includes all the people who occupy a housing unit (such as a house or apartment) as their usual place of residence. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household. Source: https://www.census.gov/glossary/?term=Household. Income can include government transfer payments, such as income from AFDC, ADC, TANF, SSI, other public assistance programs such as unemployment insurance or social security payments; capital gains and stock dividends; and inheritances (https://www.census.gov/topics/income-poverty/income/about/glossary/alternative-measures.html). Data on these sources is not available, therefore this analysis uses aggregated wage data as a proxy for income.

[vii] Data used in this report are from HUD (https://www.huduser.gov/portal/datasets/cp/CHAS/bg_chas.html#:~:text=Cost%20burden%20(%E2%80%93%20Monthly%20housing%20costs,exceeding%2050%25%20of%20monthly%20income) and the US Bureau of Labor Statistics (BLS), an agency of the US Department of Labor (DOL). The advantage of using these data is that they are publicly available to all.

[viii] Details on how HUD calculated the Fair Market Rent are available here: https://www.huduser.gov/portal/datasets/fmr.html; the estimates are based on rent data collected as part of the American Community Survey (ACS) 5-year estimates.

[ix] Although the report focuses on rental units with two or fewer bedrooms, changes in rent in this section will occasionally note changes in rent in larger units.

[x] Measuring the Nation's Rental Housing Affordability Problems. Eric S. Belsky, Jack Goodman, and Rachel Drew. Joint Center for Housing Studies Harvard University, June 2005; 2020 New Mexico Affordable Housing Needs Assessment. Produced by the New Mexico Mortgage Finance Authority.

[xi] Although NM DWS calculates and provides wage information for entry-level and experienced workers by occupation, as well as the average wage for workers by occupation, using their percentile calculations enables us to estimate the number of rent burdened workers. Wage data are collected from employers. Data for 2019, 2021, and 2022 can be found at https://www.bls.gov/oes/tables.htm.

[xii] A complete list of occupations within each two-digit SOC code is available at: https://www.bls.gov/oes/current/oes_stru.htm

[xiii] Wages fall along a continuum from the lowest to the highest paid workers. The wage value at each percentile is the maximum wage earned by a worker at a particular point along the continuum. For example, the 10th percentile of the distribution of wages means that ten percent of workers in an occupation earn less than this wage, while 90 percent earn more. The 25th percentile of the distribution of wages means twenty-five percent of workers in an occupation earn less than this wage, while 75 percent earn more. The 50th percentile of the distribution of wages means fifty percent (half) of workers in an occupation earn less than this wage, while 50 percent earn more. The 75th percentile of the distribution of wages means seventy-five percent of workers in an occupation earn less than this wage, while 25 percent earn more (https://www.bls.gov/oes/oes_perc.htm). The total number of workers earning a particular wage, or less, can be calculated by multiplying the total number of workers in an occupation by the percentage of workers within wage percentiles. For example, 15 percent of workers earn wages between the 10th and 25th percentile.

[xiv] Owner-Occupied – A housing unit is owner-occupied if the owner or co-owner lives in the unit, even if it is mortgaged or not fully paid for. The owner or co-owner must live in the unit. Renter-Occupied – All occupied housing units which are not owner-occupied, whether they are rented or occupied without payment of rent, are classified as renter-occupied. "No rent paid" units are separately identified in the rent tabulations. Such units are generally provided free by friends or relatives or in exchange for services such as resident manager, caretaker, minister, or tenant farmer. Housing units on military bases are also captured in the "No rent paid" category. Additionally, the Census classified units in continuing care, sometimes called life care arrangements, as rental units. https://www2.census.gov/programs-surveys/acs/tech_docs/subject_definitions/2022_ACSSubjectDefinitions.pdf.

Data Source: U.S. Census Bureau. (2024). 2019, 2021, 2022 American Community Survey 1-year Public Use.

[xv] Owner-Occupied – A housing unit is owner-occupied if the owner or co-owner lives in the unit, even if it is mortgaged or not fully paid for. The owner or co-owner must live in the unit. Renter-Occupied – All occupied housing units which are not owner-occupied, whether they are rented or occupied without payment of rent, are classified as renter-occupied. "No rent paid" units are separately identified in the rent tabulations. Such units are generally provided free by friends or relatives or in exchange for services such as resident manager, caretaker, minister, or tenant farmer. Housing units on military bases are also captured in the "No rent paid" category. Additionally, the Census classified units in continuing care, sometimes called life care arrangements, as rental units. https://www2.census.gov/programs-surveys/acs/tech_docs/subject_definitions/2022_ACSSubjectDefinitions.pdf.

Data Source: U.S. Census Bureau. (2024). 2019, 2021, 2022 American Community Survey 1-year Public Use.

[xvi] The exceptions being the additional 210 one-bedroom units renting for between $750 and $999 added between 2019 and 2022. Only 24 more two-bedroom units were rented for less than $300 in 2022 than in 2019. There was a substantial decrease in the number of units renting for between $300 and $1,000 between 2019 and 2022, and a concomitant increase of 1,129 two-bedroom units renting for at least $1,000 per month over that four year period (see Exhibit 19).

[xvii] Owner-Occupied – A housing unit is owner-occupied if the owner or co-owner lives in the unit, even if it is mortgaged or not fully paid for. The owner or co-owner must live in the unit. Renter-Occupied – All occupied housing units which are not owner-occupied, whether they are rented or occupied without payment of rent, are classified as renter-occupied. "No rent paid" units are separately identified in the rent tabulations. Such units are generally provided free by friends or relatives or in exchange for services such as resident manager, caretaker, minister, or tenant farmer. Housing units on military bases are also captured in the "No rent paid" category. Additionally, the Census classified units in continuing care, sometimes called life care arrangements, as rental units. https://www2.census.gov/programs-surveys/acs/tech_docs/subject_definitions/2022_ACSSubjectDefinitions.pdf.

Data Source: U.S. Census Bureau. (2024). 2019, 2021, 2022 American Community Survey 1-year Public Use.

[xviii] Owner-Occupied – A housing unit is owner-occupied if the owner or co-owner lives in the unit, even if it is mortgaged or not fully paid for. The owner or co-owner must live in the unit. Renter-Occupied – All occupied housing units which are not owner-occupied, whether they are rented or occupied without payment of rent, are classified as renter-occupied. "No rent paid" units are separately identified in the rent tabulations. Such units are generally provided free by friends or relatives or in exchange for services such as resident manager, caretaker, minister, or tenant farmer. Housing units on military bases are also captured in the "No rent paid" category. Additionally, the Census classified units in continuing care, sometimes called life care arrangements, as rental units. https://www2.census.gov/programs-surveys/acs/tech_docs/subject_definitions/2022_ACSSubjectDefinitions.pdf.

Data Source: U.S. Census Bureau. (2024). 2019, 2021, 2022 American Community Survey 1-year Public Use.