

# Forum on Workforce Housing

Housing Affordability in 2020

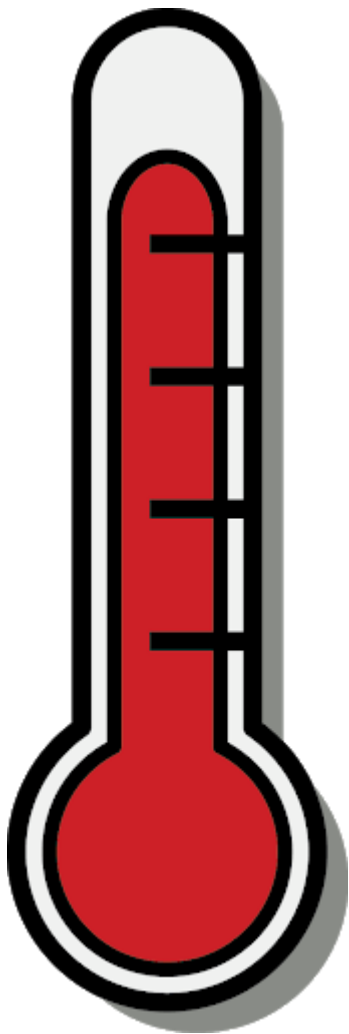
By Chris Norwood

# Chris Norwood, CCIM

- 20+ years of commercial real estate experience
- President of NAI Norwood Group, Inc (14 commercial real estate agents)
- 2020 Public Policy Chair, New Hampshire Association of Realtors
- NHHFA Board Member

# Overview

- Why is housing so important to the state?
- Single Family Housing
  - Historic Comparison
  - Why are we here
- Rental Units
- New Starts



**“Record-setting hot and staying warm”**  
By Kathleen D. Bailey Special to the Union Leader

**“N.H. continues to face  
tight housing market”**  
By David Brooks Concord Monitor

**“Workforce Shortage Highlights NH’s Housing Crisis”**  
Author Judi Currie Business NH Magazine

**“Middle class feeling the housing squeeze”**  
by ROBERTA BAKER, *The Laconia Daily Sun*



**"Surging rents point to migration"**  
By Hadley Barndollar Seacoastonline

**"New Hampshire real estate market faces its toughest test"**  
By Michael McCord NH Business Reivew

**"Fierce competition for fewer homes up for sale in NH"**  
By Michael Cousineau New Hampshire Union Leader

**"COVID-19, Mortgage Rates Create N.H. Housing Market 'Feeding Frenzy'"**  
by Todd Bookman, *NHPR*



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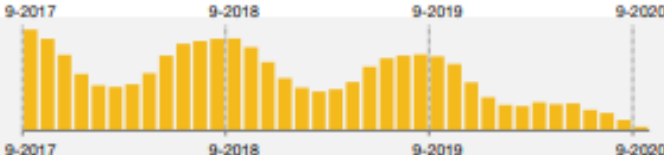
"There are three kinds of lies:  
lies, damned lies, and statistics."

# Single Family Indicators

## NH Single Family Residential Activity Overview

Key metrics by report month and for year-to-date (YTD) starting from the first of the year.



Key Metrics	Historical Sparkbars	9-2019	9-2020	Percent Change	YTD 2019	YTD 2020	Percent Change
Closed Sales		1,643	1,901	+ 15.7%	13,064	12,836	- 1.7%
Homes for Sale		5,588	2,254	- 59.7%	--	--	--

# Single Family Indicators

Year	Median Home Price (statewide)
2015	\$241,500
2016	\$249,800
2017	\$266,000
2018	\$283,000
2019	\$300,000
2020	\$330,000 (projected)

36%+



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*New Hampshire Association of Realtors*



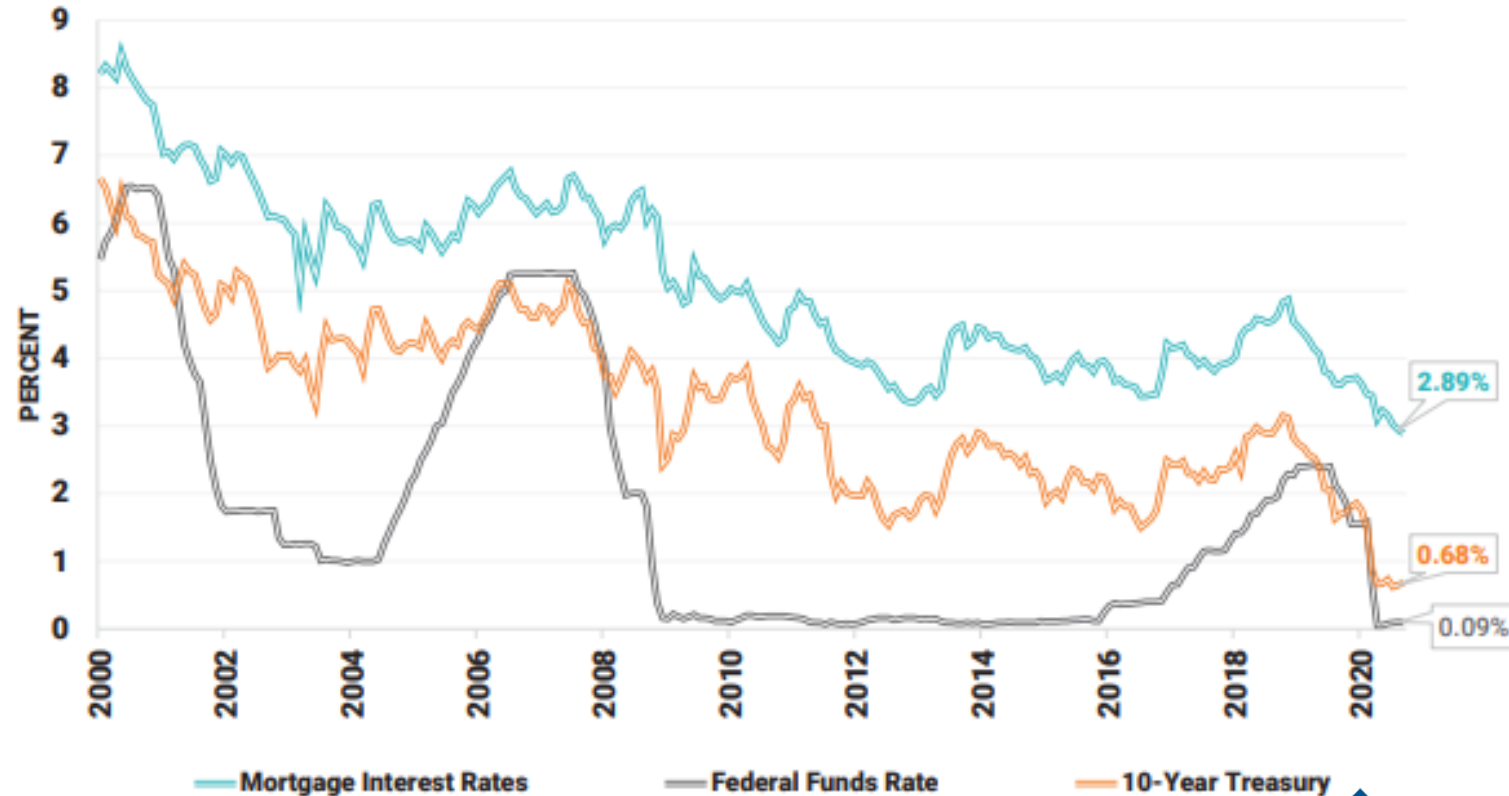
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## COMPARISON OF INTEREST RATES

Source: Freddie Mac Primary National Mortgage Market Survey; US Federal Reserve Selected Interest Rate H.15.

Interest rates remain historically low, leading to very favorable financing for those who already own a home and wish to refinance, or those who are purchasing a home. Freddie Mac's Primary Mortgage Market Survey shows an average commitment rate of 2.89% for the month of September with 0.8 points.



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While the great majority of New Hampshire's homebuyers are moving within the state (73%), about a third of buyers come from elsewhere. These are the top 15 states of origin of homebuyers this year. (See pages 2 - 3 for insights on this in-migration to New Hampshire.)

## WHERE NH'S HOMEBUYERS ARE COMING FROM

*Number of homes purchased in  
New Hampshire by in- and  
out-of-state buyers,  
January - August 2020  
(top 15 states).*

*Source: The Warren Group;  
filtered and analyzed by NHHFA*

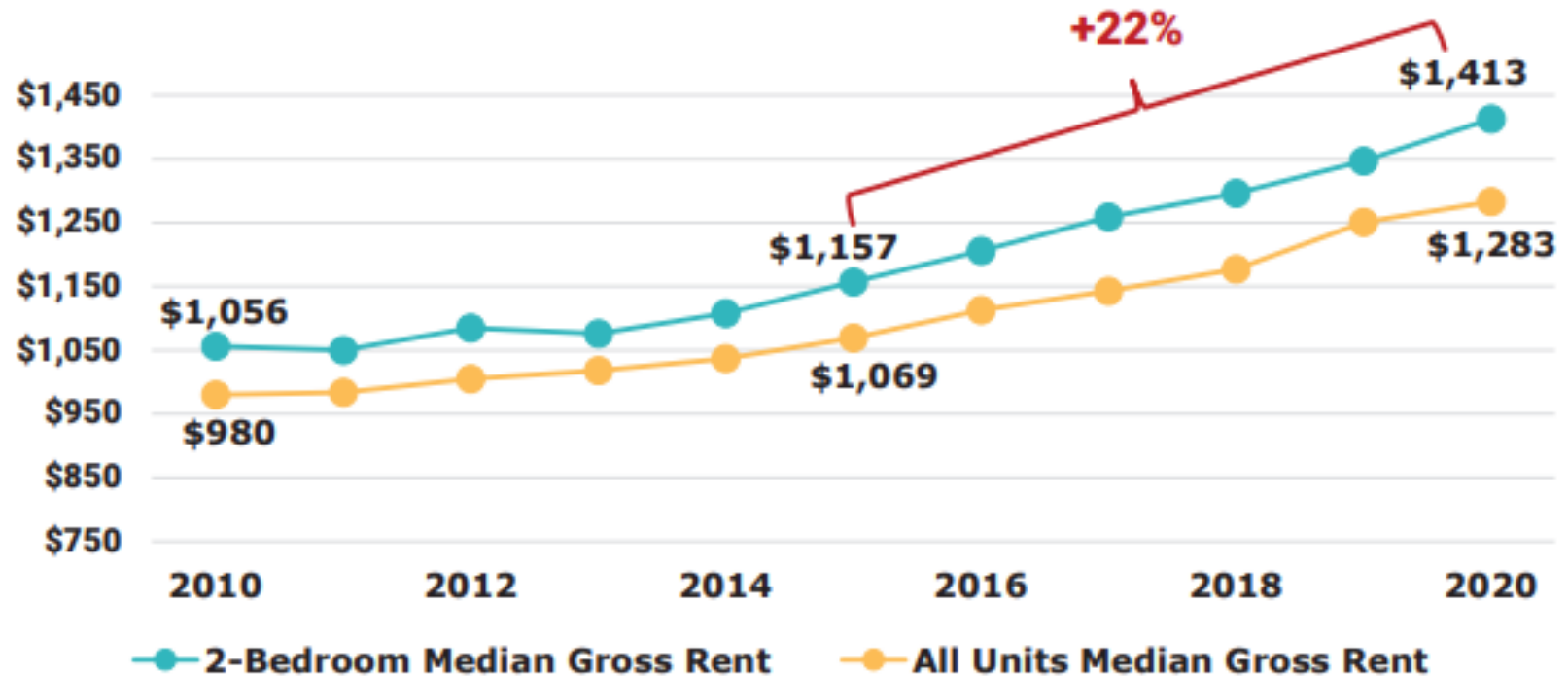


## MONTHLY MEDIAN GROSS RENT, 2-BEDROOM & ALL UNITS (STATEWIDE)

*Includes utilities*

*Source: NHHFA 2020 Residential Rental Cost Survey*

The statewide median gross rent (including utilities) for a 2-bedroom unit has increased over 22% in the past 5 years.

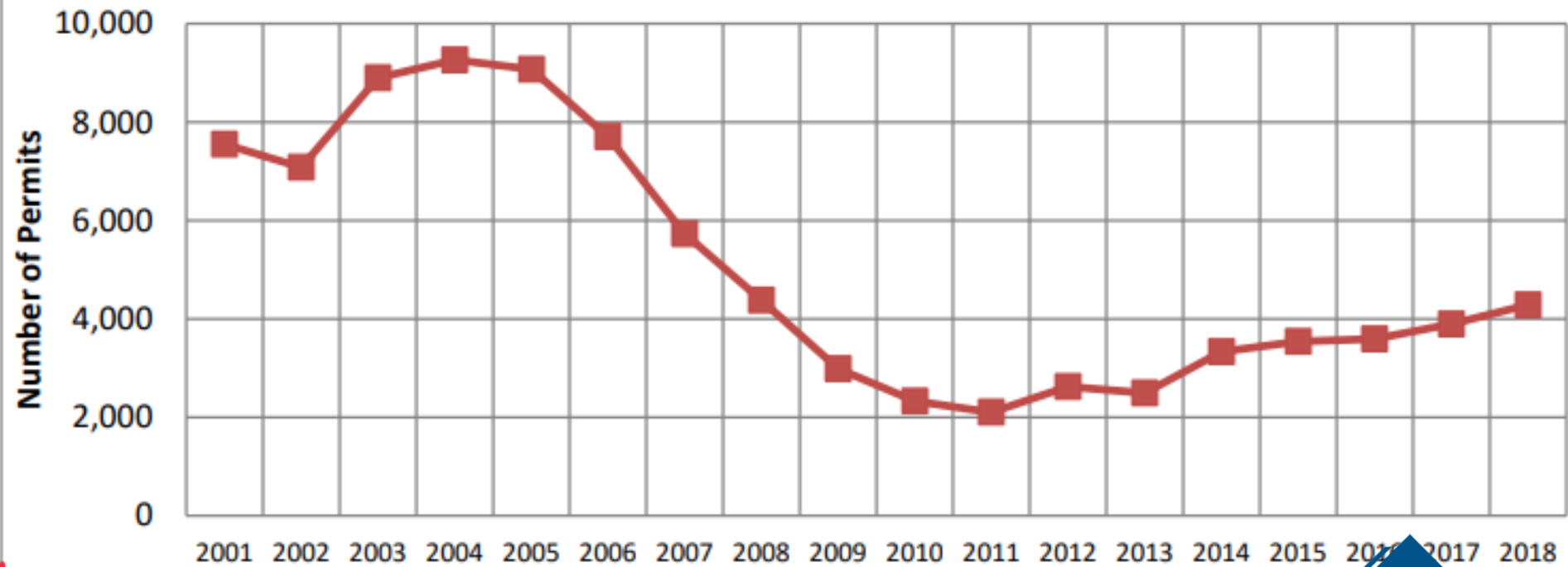


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## Number of Building Permits Issued in New Hampshire, 2001-2018



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<https://www.nh.gov/osi/> Office of Strategic Initiatives



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