

# New Hampshire ECONOMIC CONDITIONS

September 2024

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## How New Hampshire's Housing Shortage Has Affected Residents' Living Arrangements

The U.S. Census Bureau's 2022 5-year American Community Survey (covering responses between 2018 and 2022) estimated that just over half of New Hampshire residents age 18 and older were the "householder" or spouse of the householder. The householder is the person (or people) in whose name a home is owned, bought, or rented. An additional nine percent of New Hampshire adults were householders living with a partner but were not married, 11 percent were the children of householders and nine percent lived with other relatives. Fourteen percent of residents lived alone, and five percent lived with nonrelatives.

These percentages varied substantially by age. Among residents 18 to 34 years old, 36 percent were the children of householders, three times the overall average. Only 23 percent of residents in this age group lived with a

spouse, less than half the overall average, although they were more likely to live with an unmarried partner (16 percent) than residents age 35 and older. Residents 18 to 34 years old were less likely to live alone (7 percent), and more likely to live with nonrelatives (ten percent).

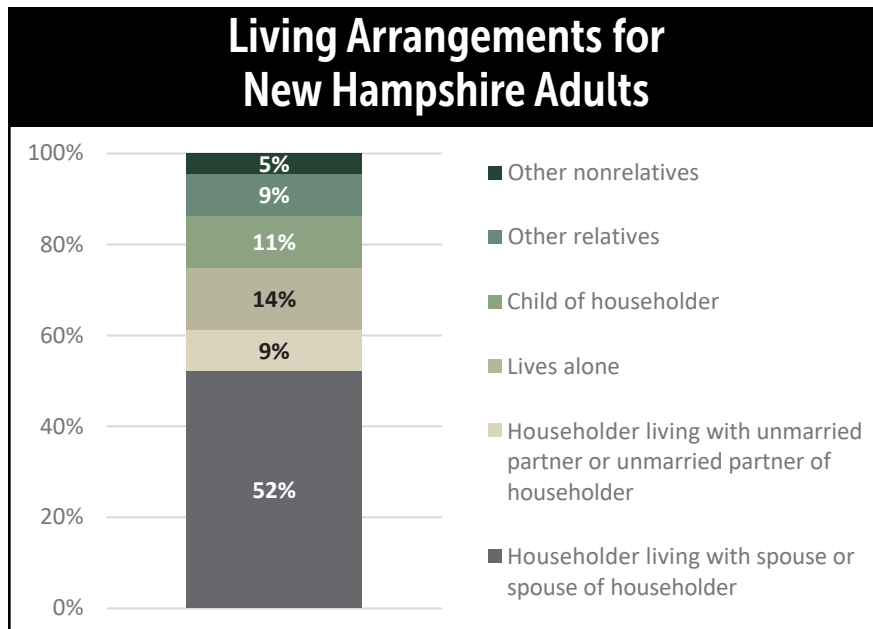
Among residents 35 to 64 years old, nearly two-thirds lived with a spouse, and an additional eight percent lived with an unmarried partner; in total 73 percent of residents in this age group lived with a partner, compared to 61 percent of all New Hampshire adults. Just four percent were the children of householders, and nine percent lived with other relatives.

Among residents age 65 and older, 58 percent lived with a spouse, while just three percent lived with an unmarried partner. Compared to other age groups, a much higher

percentage, 26 percent, lived alone, likely because residents in this age group were more likely to have lost a spouse. Residents 65 and older were more likely to live with other relatives, likely because of residents in this age cohort living with their children; 12 percent of residents 65 and older lived with other relatives compared to nine percent of adult New Hampshire residents overall.

### Recent Changes to Living Arrangements

Comparing living arrangements from the 2022 5-Year ACS survey to the 2015 survey (covering 2011 through 2015) suggests living arrangements for New Hampshire residents have changed in recent years. In the 2022 survey, New Hampshire residents were more likely to be householders living with an unmarried partner, and less likely to be householders living with a spouse. This shift was particularly notable among residents age 18 to 34, where the percentage of residents who were householders living with a spouse declined from 25 percent in 2015 to 23 percent in 2022, while those with an unmarried partner increased from



Source: U.S. Census Bureau, 2022 American Community Survey, ACS 5-Year Estimates

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14 percent to 16 percent. The percentage of New Hampshire adults living alone increased from 13 percent in 2015 to 14 percent in 2022; while the percentage increase was relatively small, it represented an increase of almost 15,000 residents. This increase was primarily due to an increase in the number of residents over 65, who were most likely to live alone.

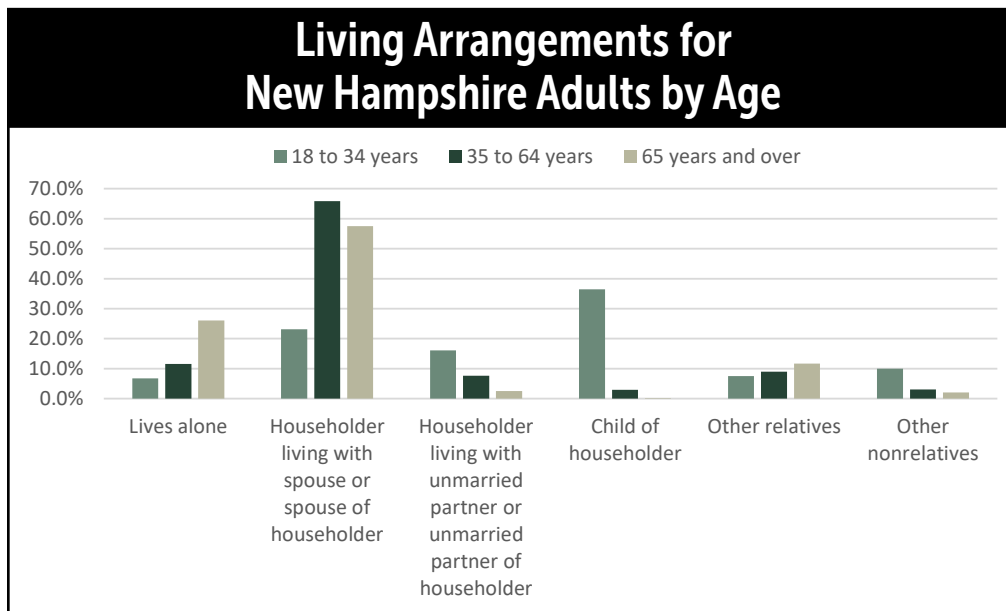
Among adults age 18 to 34, the number of residents who were the children of householders increased by approximately 12,000 residents between the 2015 survey and the 2022 survey. This accounted for half the increase in this age cohort’s population over that time, suggesting that this living situation was becoming more common. Even residents age 35 to 64 were more likely to live with their parents by 2022; the number of adults age 35 to 64 who were the children of householders increased by 6,600 residents, even as the number of residents in this age cohort declined by 11,000.

This increase in adults living with their parents is caused, in part, by New Hampshire’s current housing market. High prices and limited supply of housing in New Hampshire since the pandemic have made homeownership a financial challenge for many New Hampshire residents, particularly younger and lower-income residents. As a result, some residents have delayed buying or renting their own housing.<sup>1</sup> Nationwide, the median age of first-time homebuyers

increased from 31 in 2021 to 36 in 2023, as high home prices and mortgage rates have priced out potential buyers.<sup>2</sup> In addition to the increase in adults living with their parents, this has affected rental markets; some residents who are priced out of home ownership rent instead, raising competition and prices for rental housing. This has a disproportionate impact on lower-income renters, who are more likely to be cost-burdened by housing (spending more than 30 percent of income on housing), rent units that are in poor condition, or become homeless.

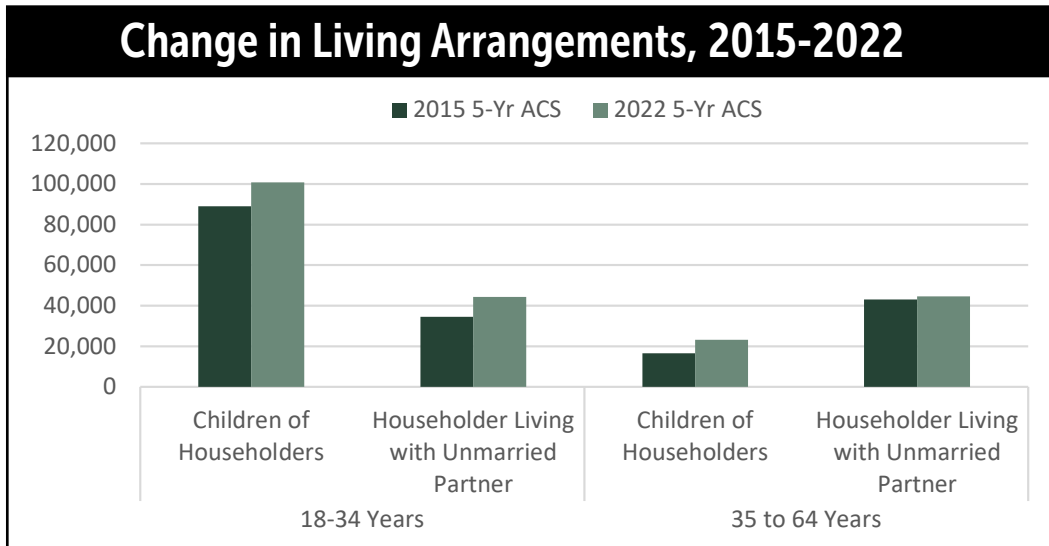
Even prior to the pandemic, New Hampshire’s housing market was tight and younger residents were getting priced out of the market. In their 2023 Statewide Housing Needs Assessment, New Hampshire Housing Finance Authority (NHHFA) found that between 2010 and 2020, homeownership had declined among residents age 25 and 44, as well as among residents with families and households with incomes between \$75,000 and \$100,000.<sup>3</sup> This trend has only worsened since the beginning of the pandemic. To stabilize housing prices and improve affordability, New Hampshire needs to increase the supply of housing; the NHHFA estimates New Hampshire needs an additional 60,000 new housing units, including 20,000 rental units, by 2030 to stabilize the housing market.

– Greg David, Economist



Source: U.S. Census Bureau, 2022 American Community Survey, ACS 5-Year Estimates

1 Demand and prices for housing in New Hampshire accelerated in 2020. Since the 2022 ACS survey includes two years prior to this change, these trends will likely be more notable in subsequent surveys.  
 2 Christopher J. Brooks, “It’s taking Americans much longer in life to buy their first home,” CBS News, August 15, 2023. <https://www.cbsnews.com/news/average-homebuyer-age-millennial-data-realtor/>  
 3 New Hampshire Housing Finance Authority, 2023 New Hampshire Statewide Housing Needs Assessment, 8. <https://www.nhhfa.org/wp-content/uploads/2023/04/2023-NH-Statewide-Housing-Needs-Assessment.pdf>



Source: U.S. Census Bureau, 2015 and 2022 American Community Surveys, ACS 5-Year Estimates