

## CHAPTER 8.0

### CPA HOUSING

#### Introduction

This chapter contains historical data for the 1990 housing stock as well as recent residential permit activity in the Albuquerque CPA study area. The housing stock includes the number of single family, multi-family, and mobile homes from the 1990 Census of Population and Housing by community planning area (CPA) and for the total study area. Single family and multi-family residential building permits are included for the years, 1990-1998, by CPA. The housing permit data have been obtained from a variety of sources including the City of Albuquerque, the Village of Los Ranchos de Albuquerque, and the Middle Rio Grande Council of Governments that compiled some of the data. The CPA study area is equivalent to the PIA study area less Rio Rancho (PIA 24), Corrales (PIA 25), Kirtland Air Force Base (PIA 23), and the East Mountains (PIAs 18 and 19).

This chapter also contains 1999-2010 annual projections of residential building permits by CPA and the total study area. Projections are provided both for single family and multi-family residential permits. The projection methodology used to forecast study area and CPA residential building permits is presented along with an interpretation of findings.

#### 1990 Housing Stock

There were 182,739 total housing units as of April 1990. This breaks down to 120,975 single-family houses, 57,322 multi-family units, and 14,442 mobile homes. Table 8.1 displays the 1990 housing stock by CPA for single-family and multi-family housing units and Table 8.2 shows an inventory of mobile homes in the CPA study area.

The Mid Heights and Near Heights CPAs in Albuquerque's northeast quadrant had the largest concentration of single-family housing. The Mid Heights had 23,943 units and Near Heights had

TABLE 8.1  
ALBUQUERQUE STUDY AREA HOUSING STOCK, 1990  
BY CPA

CPA	1990 Housing Stock			Percent of Units *		
	Single Family	Multi-Family	Total	Single Family	Multi-Family	Total
West Side	10,004	2,306	12,310	8.3	4.0	6.9
North Valley	14,320	2,073	16,393	11.8	3.6	9.2
North Albuquerque	8,676	1,812	10,488	7.2	3.2	5.9
Mid Heights	23,943	15,866	39,809	19.8	27.7	22.3
Foothills	11,958	5,346	17,304	9.9	9.3	9.7
Southwest Mesa	7,297	1,021	8,318	6.0	1.8	4.7
Central	5,313	3,864	9,177	4.4	6.7	5.1
Near Heights	17,160	17,831	34,991	14.2	31.1	19.6
East Gateway	11,425	6,210	17,635	9.4	10.8	9.9
South Valley	10,879	993	11,872	9.0	1.7	6.7
Study Area Total	120,975	57,322	178,297	100.0	100.0	100.0

Source: U.S. Bureau of the Census. Excludes mobile homes.

\* Percent of units in the Study Area.

TABLE 8.2

STUDY AREA EXISTING MOBILE HOMES INVENTORY BY CPA, 1990

West Side	132
North Valley	2,935
North Albuquerque	2,181
Mid Heights	699
Foothills	126
Southwest Mesa	2,036
Central	160
Near Heights	1,101
East Gateway	2,869
South Valley	2,203
Study Area Total	14,442

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Sources: City of Albuquerque, Middle Rio Grande Council of Governments and Bureau of the Census, 1990.

17,160 units, which together represented 34 percent of the single-family housing stock. See Table 8.1. The North Valley CPA accounted for 14,320 units, or 11.8 percent of single-family houses. Other significant concentrations of single-family homes, with between 9 and 10 percent of the total, were located in the following three CPAs: Foothills, East Gateway, and South Valley.

In 1990 over three-fourths of the single-family stock and 92.5 percent of the multi-family stock was located east of the Rio Grande. In contrast, the three CPAs located west of the Rio Grande (West Side, Southwest Mesa, and South Valley) comprised only 23.3 percent of the single-family housing stock.

The 1990 multi-family housing stock was concentrated on the city's eastside in the following CPAs: Mid Heights, Foothills, Near Heights, and East Gateway. Fully 93.5 percent of the city's multi-family housing stock was located east of the Rio Grande but only 6.5 percent west of the Rio Grande in the West Side, Southwest Mesa, and South Valley CPAs. The largest concentration of apartments was located in the Near Heights CPA, with 17,831 units, representing 31.1 percent of the total multi-family housing stock. The next largest concentration was in the Mid Heights CPA, with 15,866 units and 27.7 percent of the total. Other significant concentrations of apartments in 1990 were in the Eastside CPA (10.8 percent), Foothills CPA (9.3 percent), and Central CPA (6.7 percent).

Five CPAs each had over 2,000 mobile homes sited within their boundaries in 1990. See Table 8.2. Two of these CPAs each had about 20 percent of the mobile home stock. The North Valley CPA recorded 2,935 units closely followed by the Eastside CPA with 2,869 units. Other CPAs recording over 2,000 mobile homes included the South Valley, North Albuquerque, and Southwest Mesa. The Near Heights and Mid Heights CPAs also recorded a significant number of mobile homes. In 1990 mobile homes represented 7.9 percent of the total housing stock among the CPAs.

### CPA Housing Occupancy Rate

Table 8.3 contains data from the 1990 Census of Population and Housing for the housing occupancy rate for single family and multi-family housing type by CPA. For the study area the single family occupancy rate was 95.4 percent, while for multi-family housing it was a lower 85.5 percent. The low occupancy rate for multi-family housing in 1990 reflected the aftermath of the over building of new apartments in the 1984-1986 time period.

The single family occupancy rate was highest in the Mid Heights CPA and lowest in the Central CPA. The multi-family occupancy rate was highest in the North Albuquerque CPA and lowest in the Southwest Mesa CPA.

### CPA Study Area Residential Building Permits, 1990-1998

Within the CPA study area, residential building activity reached a peak in 1995 with 4,950 total housing units permitted. This was up substantially from the 1991 recession level of only 1,668 housing permits. A surge in multi-family housing permits in 1995 as well as a strong single family housing market accounted for this 1995 peak. See Chart 8.1 and Tables 8.4 through 8.6.

Single family housing permits have remained at a high level of around 3,000 in the 1994-1997 time period. Then in 1998, single family housing permits jumped to 3,687, reflecting strong activity at the entry level end of the market in the Southwest Mesa and West Side CPAs. Multi-family housing development in the CPA study area averaged about 1,500 units per year in the 1994-1997 time period, but fell sharply to only 365 units in 1998. Some of the growth in single family housing in 1998 came at the expense of the apartment market. Apartment vacancy rates have risen recently, as first time home buyers are attracted to the affordable housing being built in the Southwest Mesa and West Side CPAs.

TABLE 8.3

## HOUSING OCCUPANCY RATE (%), BY TYPE, BY CPA, 1990

	Single Family	Multi Family
West Side	95.7	88.6
North Valley	94.1	86.9
North Albuquerque	96.5	90.4
Mid Heights	97.7	87.3
Foothills	96.9	79.7
Southwest Mesa	94.5	75.6
Central	89.9	83.2
Near Heights	95.8	85.8
East Gateway	96.9	85.9
South Valley	92.9	79.1
Study Area	95.4	85.5

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Source: U.S. Bureau of the Census, 1990 Census of Population and Housing,  
Summary Tape File 1A.

Chart 8.1

Albuquerque CPA Study Area Housing Permits, 1990 - 1998

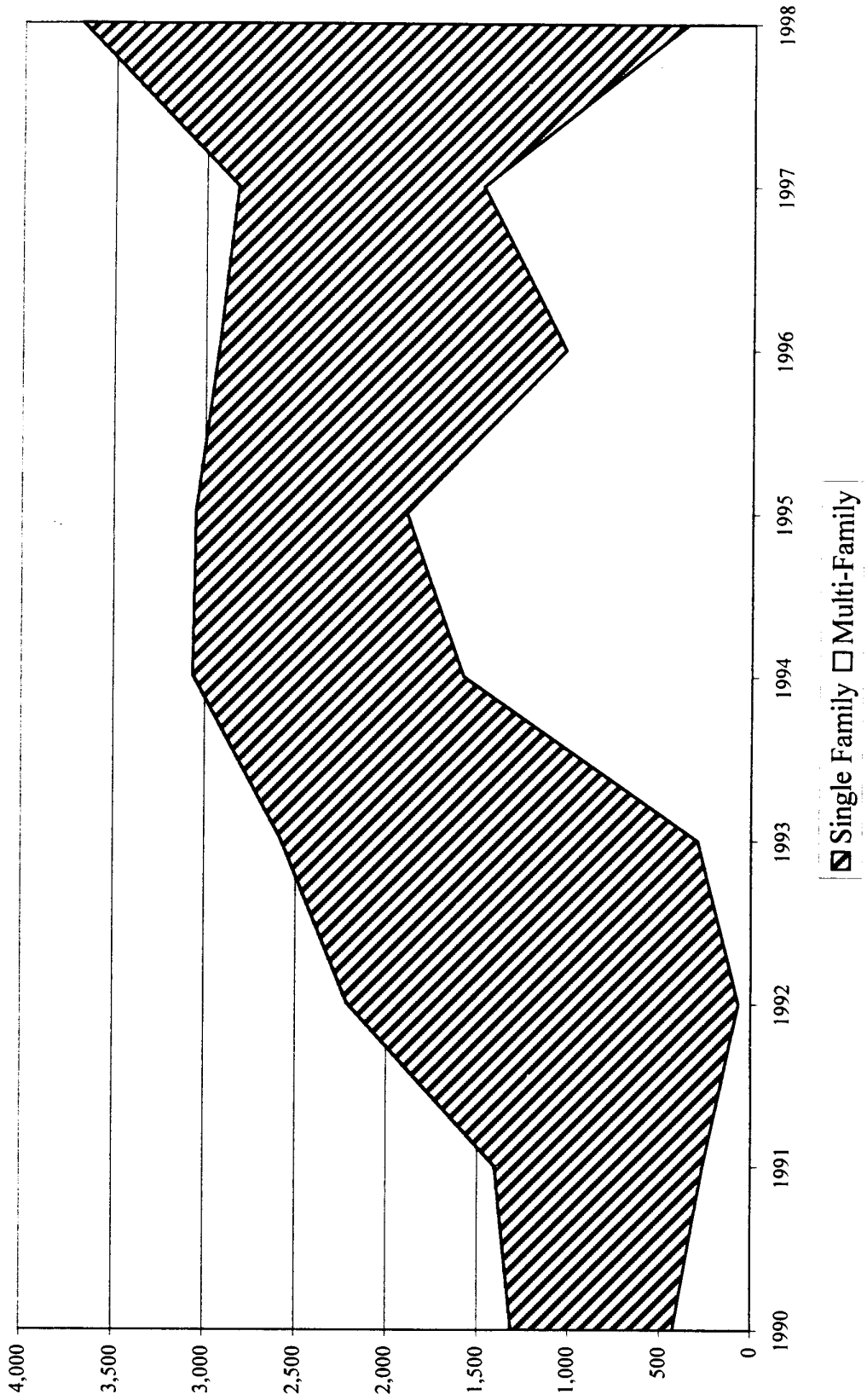


TABLE 8.4

STUDY AREA TOTAL RESIDENTIAL BUILDING PERMITS, BY CPA, 1990 - 1998

	NUMBER OF TOTAL UNITS											TOTAL
	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1998</u>	<u>1990 - 98</u>	
West Side	458	460	791	1,195	1,873	2,957	1,625	2,506	1,751	13,616		
North Valley	89	87	146	176	176	158	165	143	452	1,592		
North Albuquerque	290	308	544	537	1,035	381	403	839	655	4,992		
Mid Heights	4	8	61	204	9	18	14	9	8	335		
Foothills	475	518	402	312	926	424	233	102	139	3,531		
Southwest Mesa	66	33	33	51	114	563	951	435	831	3,077		
Central	13	22	29	11	15	26	54	24	24	218		
Near Heights	153	10	8	47	47	16	201	35	50	567		
East Gateway	124	161	175	254	351	216	211	123	90	1,705		
South Valley	66	61	97	88	105	191	98	92	52	850		
<u>Study Area Total</u>	<u>1,738</u>	<u>1,668</u>	<u>2,286</u>	<u>2,875</u>	<u>4,651</u>	<u>4,950</u>	<u>3,955</u>	<u>4,308</u>	<u>4,052</u>	<u>30,483</u>		

Note: Includes Bernalillo County building permits. Excludes mobile homes.

Sources: 1990-1991, City of Albuquerque;

1992-1994, Middle Rio Grande Council of Governments;

1995-98, City of Albuquerque and Middle Rio Grande Council of Governments.



TABLE 8.5

STUDY AREA SINGLE FAMILY RESIDENTIAL BUILDING PERMITS, BY CPA, 1990 - 1998

	NUMBER OF SINGLE FAMILY UNITS										TOTAL 1990 - 98
	1990	1991	1992	1993	1994	1995	1996	1997	1998		
West Side	458	460	791	1,191	1,486	1,477	1,401	1,414	1,715	10,393	
North Valley	89	87	142	176	176	147	153	123	127	1,220	
North Albuquerque	250	308	544	537	602	381	403	545	655	4,225	
Mid Heights	4	8	5	4	9	18	14	9	8	79	
Foothills	231	255	393	226	195	126	103	98	139	1,766	
Southwest Mesa	66	31	33	51	82	563	487	379	827	2,519	
Central	13	22	29	11	15	23	44	17	24	198	
Near Heights	10	10	8	43	47	14	31	29	50	242	
East Gateway	124	161	175	254	351	200	207	120	90	1,682	
South Valley	66	61	97	88	105	103	86	92	52	750	
<b>Study Area Total</b>	<b>1,311</b>	<b>1,403</b>	<b>2,217</b>	<b>2,581</b>	<b>3,068</b>	<b>3,052</b>	<b>2,929</b>	<b>2,826</b>	<b>3,687</b>	<b>23,074</b>	

Note: Includes Bernalillo County building permits. Excludes mobile homes.

Sources: 1990-1991, City of Albuquerque;  
 1992-1994, Middle Rio Grande Council of Governments;  
 1995-98, City of Albuquerque and Middle Rio Grande Council of Governments.

TABLE 8.6

## STUDY AREA MULTI-FAMILY RESIDENTIAL BUILDING PERMITS, BY CPA, 1990 - 1998

	NUMBER OF MULTI-FAMILY UNITS										TOTAL 1990 - 98
	1990	1991	1992	1993	1994	1995	1996	1997	1998		
West Side	0	0	0	4	387	1,480	224	1,092	36	3,223	
North Valley	0	0	4	0	0	11	12	20	325	372	
North Albuquerque	40	0	0	0	433	0	0	294	0	767	
Mid Heights	0	0	56	200	0	0	0	0	0	256	
Foothills	244	263	9	86	731	298	130	4	0	1,765	
Southwest Mesa	0	2	0	0	32	0	464	56	4	558	
Central	0	0	0	0	0	3	10	7	0	20	
Near Heights	143	0	0	4	0	2	170	6	0	325	
East Gateway	0	0	0	0	0	16	4	3	0	23	
South Valley	0	0	0	0	0	88	12	0	0	100	
Study Area Total	427	265	69	294	1,583	1,898	1,026	1,482	365	7,409	

Note: Includes Bernalillo County building permits. Excludes mobile homes.

Sources: 1990-1991, City of Albuquerque;

1992-1994, Middle Rio Grande Council of Governments;

1995-98, City of Albuquerque and Middle Rio Grande Council of Governments.

During the 1990-1998 time period 45 percent of residential building (30,483 units) occurred in the West Side CPA. Significant construction also took place in the North Albuquerque, Foothills, Southwest Mesa CPAs, all of which recorded at least 10 percent each of the total and a combined 39 percent. Over this same period, 23,074 single-family homes were built, representing three-fourths of total units. In addition 7,409 apartment units, representing one-fourth of all new units, were constructed.

#### CPA Residential Building Permits, 1990-1998

During the 1990-1998 time period single family housing construction has increasingly shifted to Albuquerque's westside. See Tables 8.7 through 8.17. Before 1995 the West Side and North Albuquerque CPAs accounted for over half of total single family construction. Since 1993, the West Side CPA alone has absorbed 48 percent of the area's single home building compared to 35 percent in the 1990-1992 period.

The majority of home building since 1995 has occurred in the West Side, North Albuquerque, and Southwest Mesa CPAs, with these three CPAs alone accounting for 86.7 percent of single family housing construction in 1998. The West Side CPA's continuing strong level of home building in 1997 and 1998 represents development of entry-level affordable housing in the Cottonwood Mall area and development of the Ventana Ranch property. The North Albuquerque CPA continues to build out and was second overall in home construction during the decade. Lately, housing activity has been boosted by the High Desert development and assemblage of parcels within the North Albuquerque Acres development, recently annexed by the City of Albuquerque. This CPA demonstrated steady activity and had the second highest level of construction in the 1990-1998 period. The Southwest Mesa CPA, ranked third over the 1990-1998 period, has seen much more development of entry-level affordable housing due to lower land costs.

TABLE 8.7

Total Residential Building Permits, by Type and Year  
Study Area

Year	Single Family	Multi- Family	Total
1990	1,311	427	1,738
1991	1,403	265	1,668
1992	2,217	69	2,286
1993	2,581	294	2,875
1994	3,068	1,583	4,651
1995	3,052	1,898	4,950
1996	2,929	1,026	3,955
1997	2,826	1,482	4,308
1998	3,687	365	4,052

Note: Includes Bernalillo County building permits. Excludes mobile homes.

Sources: 1990-1991, City of Albuquerque;  
1992-1994, Middle Rio Grande Council of Governments;  
1995-98, City of Albuquerque and Middle Rio Grande Council of Governments.

TABLE 8.8

## Total Residential Building Permits, by Type and Year

## WEST SIDE CPA

Year	Number of Units		Percent of Units*	
	Single Family	Multi-Family	Single Family	Multi-Family
1990	458	0	34.9	0.0
1991	460	0	32.8	0.0
1992	791	0	35.7	0.0
1993	1,191	4	46.1	1.4
1994	1,486	387	48.4	24.4
1995	1,477	1,480	48.4	78.0
1996	1,401	224	47.8	21.8
1997	1,414	1,092	50.0	73.7
1998	1,715	36	46.5	9.9

\* Percent of total units in the Study Area by type.

Sources: 1990-1991, City of Albuquerque;  
 1992-1994, Middle Rio Grande Council of Governments;  
 1995-98, City of Albuquerque and Middle Rio Grande Council of Governments.

TABLE 8.9

## Total Residential Building Permits, by Type and Year

## NORTH VALLEY CPA

Year	Number of Units		Percent of Units*	
	Single Family	Multi-Family	Single Family	Multi-Family
1990	89	0	6.8	0.0
1991	87	0	6.2	0.0
1992	142	4	6.4	5.8
1993	176	0	6.8	0.0
1994	176	0	5.7	0.0
1995	147	11	4.8	0.6
1996	153	12	5.2	1.2
1997	123	20	4.4	1.3
1998	127	325	3.4	89.0

\* Percent of total units in the Study Area by type.

Sources: 1990-1991, City of Albuquerque;  
 1992-1994, Middle Rio Grande Council of Governments;  
 1995-98, City of Albuquerque and Middle Rio Grande Council of Governments.

TABLE 8.10

Total Residential Building Permits, by Type and Year

## NORTH ALBUQUERQUE CPA

Year	Number of Units		Percent of Units*	
	Single Family	Multi-Family	Single Family	Multi-Family
1990	250	40	19.1	9.4
1991	308	0	22.0	0.0
1992	544	0	24.5	0.0
1993	537	0	20.8	0.0
1994	602	433	19.6	27.4
1995	381	0	12.5	0.0
1996	403	0	13.8	0.0
1997	545	294	19.3	19.8
1998	655	0	17.8	0.0

\* Percent of total units in the Study Area by type.

Sources: 1990-1991, City of Albuquerque;  
 1992-1994, Middle Rio Grande Council of Governments;  
 1995-98, City of Albuquerque and Middle Rio Grande Council of Governments.

TABLE 8.11

## Total Residential Building Permits, by Type and Year

## MID HEIGHTS CPA

Year	Number of Units		Percent of Units*	
	Single Family	Multi-Family	Single Family	Multi-Family
1990	4	0	0.3	0.0
1991	8	0	0.6	0.0
1992	5	56	0.2	81.2
1993	4	200	0.2	68.0
1994	9	0	0.3	0.0
1995	18	0	0.6	0.0
1996	14	0	0.5	0.0
1997	9	0	0.3	0.0
1998	8	0	0.2	0.0

\* Percent of total units in the Study Area by type.

Sources: 1990-1991, City of Albuquerque;  
 1992-1994, Middle Rio Grande Council of Governments;  
 1995-98, City of Albuquerque and Middle Rio Grande Council of Governments.



TABLE 8.12

## Total Residential Building Permits, by Type and Year

## FOOTHILLS CPA

Year	Number of Units		Percent of Units*	
	Single Family	Multi-Family	Single Family	Multi-Family
1990	231	244	17.6	57.1
1991	255	263	18.2	99.2
1992	393	9	17.7	13.0
1993	226	86	8.8	29.3
1994	195	731	6.4	46.2
1995	126	298	4.1	15.7
1996	103	130	3.5	12.7
1997	98	4	3.5	0.3
1998	139	0	3.8	0.0

\* Percent of total units in the Study Area by type.

Sources: 1990-1991, City of Albuquerque;  
 1992-1994, Middle Rio Grande Council of Governments;  
 1995-98, City of Albuquerque and Middle Rio Grande Council of Governments.

TABLE 8.13

Total Residential Building Permits, by Type and Year

## SOUTHWEST MESA CPA

Year	Number of Units		Percent of Units*	
	Single Family	Multi-Family	Single Family	Multi-Family
1990	66	0	5.0	0.0
1991	31	2	2.2	0.8
1992	33	0	1.5	0.0
1993	51	0	2.0	0.0
1994	82	32	2.7	2.0
1995	563	0	18.4	0.0
1996	487	464	16.6	45.2
1997	379	56	13.4	3.8
1998	827	4	22.4	1.1

\* Percent of total units in the Study Area by type.

Sources: 1990-1991, City of Albuquerque;  
 1992-1994, Middle Rio Grande Council of Governments;  
 1995-98, City of Albuquerque and Middle Rio Grande Council of Governments.

TABLE 8.14

Total Residential Building Permits, by Type and Year

CENTRAL CPA

Year	Number of Units		Percent of Units*	
	Single Family	Multi-Family	Single Family	Multi-Family
1990	13	0	1.0	0.0
1991	22	0	1.6	0.0
1992	29	0	1.3	0.0
1993	11	0	0.4	0.0
1994	15	0	0.5	0.0
1995	23	3	0.8	0.2
1996	44	10	1.5	1.0
1997	17	7	0.6	0.5
1998	24	0	0.7	0.0

\* Percent of total units in the Study Area by type.

Sources: 1990-1991, City of Albuquerque;  
 1992-1994, Middle Rio Grande Council of Governments;  
 1995-98, City of Albuquerque and Middle Rio Grande Council of Governments.

TABLE 8.15

Total Residential Building Permits, by Type and Year

## NEAR HEIGHTS CPA

Year	Number of Units		Percent of Units*	
	Single Family	Multi-Family	Single Family	Multi-Family
1990	10	143	0.8	33.5
1991	10	0	0.7	0.0
1992	8	0	0.4	0.0
1993	43	4	1.7	1.4
1994	47	0	1.5	0.0
1995	14	2	0.5	0.1
1996	31	170	1.1	16.6
1997	29	6	1.0	0.4
1998	50	0	1.4	0.0

\* Percent of total units in the Study Area by type.

Sources: 1990-1991, City of Albuquerque;  
 1992-1994, Middle Rio Grande Council of Governments;  
 1995-98, City of Albuquerque and Middle Rio Grande Council of Governments.

TABLE 8.16

Total Residential Building Permits, by Type and Year

EAST GATEWAY CPA

Year	Number of Units		Percent of Units*	
	Single Family	Multi-Family	Single Family	Multi-Family
1990	124	0	9.5	0.0
1991	161	0	11.5	0.0
1992	175	0	7.9	0.0
1993	254	0	9.8	0.0
1994	351	0	11.4	0.0
1995	200	16	6.6	0.8
1996	207	4	7.1	0.4
1997	120	3	4.2	0.2
1998	90	0	2.4	0.0

\* Percent of total units in the Study Area by type.

Sources: 1990-1991, City of Albuquerque;  
 1992-1994, Middle Rio Grande Council of Governments;  
 1995-98, City of Albuquerque and Middle Rio Grande Council of Governments.

TABLE 8.17

## Total Residential Building Permits, by Type and Year

## SOUTH VALLEY CPA

Year	Number of Units		Percent of Units*	
	Single Family	Multi-Family	Single Family	Multi-Family
1990	66	0	5.0	0.0
1991	61	0	4.3	0.0
1992	97	0	4.4	0.0
1993	88	0	3.4	0.0
1994	105	0	3.4	0.0
1995	103	88	3.4	4.6
1996	86	12	2.9	1.2
1997	92	0	3.3	0.0
1998	52	0	1.4	0.0

\* Percent of total units in the Study Area by type.

Sources: 1990-1991, City of Albuquerque;  
 1992-1994, Middle Rio Grande Council of Governments;  
 1995-98, City of Albuquerque and Middle Rio Grande Council of Governments.

Single family home construction varied among other CPAs during the 1990-1998 period. The North Valley CPA saw consistent activity peaking in 1993 and 1994. The Mid Heights, Central, and Near Heights CPAs experienced a consistently low level of home construction. The Foothills CPA experienced a healthy level of activity, but activity has halved since 1995 from earlier in the decade. Likewise, the East Gateway CPA had a moderate level of home construction throughout the decade, averaging 187 houses annually, but activity has declined recently. Finally, the South Valley CPA saw a consistently modest level of home building during the 1990s, averaging 83 new housing units annually, but activity weakened in 1998.

During the 1990-1998 time period, multi-family housing construction has varied across the CPAs, but has become more concentrated on the westside. The West Side CPA accounted for 3,223 of the 7,409 new multi-family units permitted between 1990 and 1998. Much of the apartment development has come since 1994. The Foothills CPA had the second highest level of apartment construction with 1,765 units, but has seen no activity in the last two years. Together, the West Side and Foothills CPAs accounted for about 5,000 units during the nine years -- two thirds of the area's new apartments.

The remaining eight CPAs constituted about one-third of total new multi-family units during the 1990-1998 period. Most CPAs saw either little or no activity each year, punctuated by the building of large apartment complexes. For example, the North Valley CPA displayed little multi-family activity until 1998 when 325 units were built. In 1997, almost all of the 1,482 total multi-family units were located in the West Side and North Albuquerque CPAs.

#### Residential Permit Projections Methodology

This chapter also includes annual projections of single family and multi-family housing permits for the total CPA study area and for the 10 individual CPAs for the 1999-2010 time period. The

CPA housing projection methodology followed a two-step procedure: (1) a total CPA study area housing permit projection was developed as a control total for each future year and (2) the study area housing projection was apportioned to the 10 CPAs based upon its assigned share of the CPA study area total. This projection methodology was applied to both the single family and the multi-family housing sectors.

The housing projections for the CPA total study area are consistent with the PIA housing projections, discussed in Chapter 5.0. The CPA study area is equivalent to the PIA study area less PIA 24 (Rio Rancho) and PIA 25 (Corrales) in Sandoval County, PIA 23 (Kirtland AFB), PIA 18 and PIA 19 in the east mountain area, and PIA 20 (Mesa del Sol). Thus, the CPA study area housing forecast is directly tied to and relies upon the detailed PIA housing projection methodology. In the 1990-1998 time period the CPA study area represented 81.0 percent of PIA study area single family housing permits, and 80.3 percent of PIA study area multi-family housing permits.

Readers are referred to Chapter 5.0 for a thorough discussion of the PIA housing projection methodology. It should be noted here that this housing projection methodology accounts for a variety of economic and demographic factors including expected population growth in the study area, trends in average household size, existing vacancy rates in the single family and multi-family housing market, the recent rise in mortgage interest rates, and the impact of nearby Valencia County on the PIA and CPA study area housing market.

Once the CPA study area housing projections were established<sup>1</sup> as a control total for the years 1999-2010, a share was allocated to each of the 10 individual CPAs. The share assigned to each CPA was in the end judgment based, but relied upon the following information:

1. historical CPA share in the 1990-1998 time period, See Tables 8.5 and 8.6.

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<sup>1</sup> The CPA total study area housing projection is equal to the PIA total study area housing projection less the housing projections for PIAs 18, 19, 20, 23, 24, and 25. This was done for both single family and multi-family housing for the years 1999-2010.



2. recent trends in single family and multi-family housing construction in each CPA, including actual permits issued through the first nine months of 1999 by CPA.
3. interviews with all the major housing developers in the study area concerning their plans for home building within the study area.
4. interviews with major land holders in the study area including Amrep and the State Land Office.
5. vacant developable land within the study area, which is zoned for residential use.
6. the City of Albuquerque and Bernalillo County's capital improvement plans, which provide information on the long term provision of water, sewer, and transportation services to developing areas within the study area.
7. interviews with officials from the City of Rio Rancho concerning redevelopment projects in Rio Rancho.<sup>2</sup>

#### Research Findings-Study Area

Table 8.18 presents the CPA study area projections of total, single family, and multi-family housing permits for the years 1999-2010. These data are also plotted in Charts 8.2 and 8.3. A cyclical single family housing downturn is expected in the 2000-2001 time period due to current disequilibrium in the Albuquerque study area's housing market brought on by recent overbuilding, now higher mortgage interest rates, and above-average vacancy rates for both single family and multi-family housing. Analysis suggests that the CPA study area can support about 2,700 single family housing units per year in the 1999-2010 time period. In 1998 there were 3,687 single family housing permits issued in the CPA study area, and based upon data for the first nine months of 1999, it is expected that 3,964 single family houses were permitted in all of 1999. Thus, recent single family homebuilding has been well above the equilibrium level based upon expected economic and demographic trends.

Much of the recent overbuilding has been at the entry level, affordable housing end of the market in the Southwest Mesa CPA and the Cottonwood Mall area of the West Side CPA. Rising

TABLE 8.18

RESIDENTIAL BUILDING PERMITS, 1999 - 2010  
CPA STUDY AREA

YEAR	SINGLE FAMILY	MULTI FAMILY	TOTAL	HOUSING STOCK*
1999	3,964	600	4,564	213,344
2000	3,083	560	3,643	216,987
2001	2,555	910	3,465	220,452
2002	2,648	910	3,558	224,010
2003	2,702	910	3,612	227,622
2004	2,692	760	3,452	231,074
2005	2,664	910	3,574	234,648
2006	2,671	760	3,431	238,079
2007	2,678	910	3,588	241,667
2008	2,686	760	3,446	245,113
2009	2,693	760	3,453	248,566
2010	2,721	700	3,421	251,987

Source: UNM Bureau of Business and Economic Research, December, 1999.

\* Excludes Mobile Homes.

Chart 8.2

CPA Study Area Single Family Housing Permits, 1990 - 2010

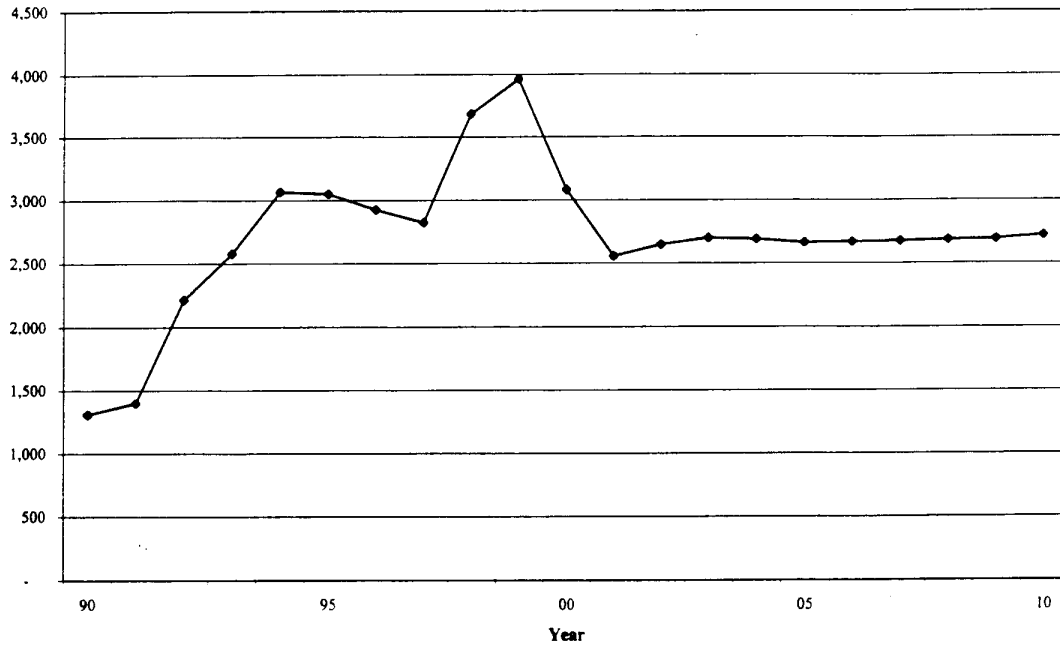
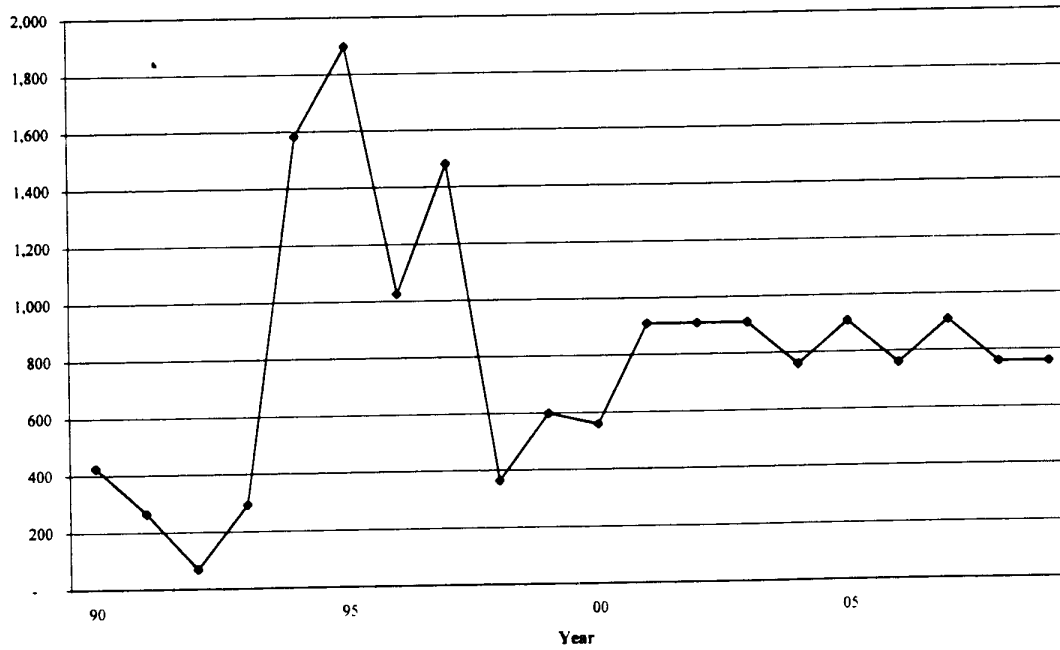


Chart 8.3

CPA Study Area Multi-Family Housing Permits, 1990 - 2010



vacancy rates for single family homes are apparent. Mortgage interest rates have also risen significantly since the Spring of 1999, which will squeeze out the marginal home buyer, particularly at the entry level end.

Some of the recent single family home building has come at the expense of the apartment market, where apartment vacancy rates have risen sharply. Multi-family housing permits numbered only 365 in 1998 and an estimated 600 in 1999, which is below the estimated equilibrium level of 700 units per year. Apartment construction is now already below its equilibrium level due to current high vacancy rates. The study area single family residential market appears to be at a cyclical peak and should fall back to near long term equilibrium levels, as defined by population demand. Multi-family housing activity, on the other hand, is now below equilibrium levels and should rise back to long term equilibrium levels, once vacancy rates begin to fall.

In 1999 single family residential permits are expected to be 3,964, up 7.5 percent from 3,687 in 1998. Single family housing permits are then expected to fall 16.4 percent to 3,083 in 2000 and fall a further 17.1 percent to 2,555 in 2001, before a cyclical recovery begins in 2002 back to the equilibrium level of 2,721. While a decline from 3,964 to 2,555 single family housing permits over the course of two years may seem severe, the level of single family residential building is still expected to remain well above the recession levels of the 1990-1991 time period, when CPA study area single family residential permits fell to as low as 1,311. See Table 8.5.

The multi-family housing sector, which began to turn down in 1998 in the face of increased competition from the entry level, affordable single family market and rising vacancy rates, increased to only 600 units in 1999 from 365 in 1998. This is still below the expected equilibrium level of 700 units per year, based upon the expected economic and demographic trends in the 1999-2010 time

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<sup>2</sup> While Rio Rancho is not part of the CPA study area, the CPA housing projection methodology is based upon the PIA study area housing methodology, which does include Rio Rancho. Expected residential development in Rio Rancho does impact expected residential development in the CPA study area.

period. Beginning in 2001, a recovery is expected in the multi-family housing market with the number of multi-family housing units permitted rising briefly above the 700 unit equilibrium level and then settling down near that 700 unit per year rate.

Table 8.18 also shows a column for the implied housing stock (excluding mobile homes) for the CPA study area for the years 1999-2010. The housing stock number was derived by adding new residential building permits since 1990 to the 1990 Census of Population and Housing housing stock number for the study area. See Table 8.1. By the year 2010 the CPA study area housing stock is expected to be 248,566 units<sup>3</sup>, a 39.4 percent increase over the 1990 total of 178,297.

#### Research Findings-Individual CPAs

Tables 8.19 and 8.20 present the projections of single family and multi-family housing permits by individual CPA for the 1999-2010 time period. These CPA housing projections represent the apportionment of the total study area housing projections (Table 8.18) to the 10 individual CPAs. Table 8.21 contains the implied housing stock for the year 2010 for each CPA. Annual growth rates in each CPA housing stock for the 1999-2010 time period are also shown in Table 8.21. Tables 8.22 through 8.31 provide the same housing projections and housing stock data for each individual CPA.

At the CPA level single family housing construction will continue to be concentrated, as in the recent past, in three CPAs—the West Side, North Albuquerque, and Southwest Mesa CPAs. These three CPAs accounted for almost 75.0 percent of single family housing permits in the 1990-1998 time period. And by 1998 the market share of these three CPAs had risen to 86.7 percent.

The West Side CPA has accounted for almost one-half of all CPA study area single family in the last five years. The West Side CPA includes the Westland, Taylor Ranch, Cottonwood Mall, and Ventana Ranch housing developments on the city's west side. Based upon actual data through the

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<sup>3</sup> Excludes the year 2010 housing permits, which are assumed not to be built and occupied until the year 2011.

TABLE 8.19  
SINGLE FAMILY HOUSING BY CPA  
1999 - 2010

CPA	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
West Side	1,522	1,199	986	1,043	1,075	1,098	1,127	1,143	1,160	1,163	1,166	1,178
North Valley	139	185	243	252	270	269	266	267	268	269	269	272
North Albuquerque	503	370	281	291	284	269	253	240	228	228	229	231
Mid Heights	12	9	8	8	8	8	8	8	8	8	8	8
Foothills	325	253	210	217	189	188	160	160	161	161	162	163
Southwest Mesa	1,070	755	588	609	676	686	679	681	683	685	687	694
Central	28	22	18	19	19	19	19	19	19	19	19	19
Near Heights	40	31	13	13	14	13	13	13	13	13	13	14
East Gateway	285	222	179	164	135	108	107	107	107	107	108	109
South Valley	40	37	31	32	32	32	32	32	32	32	32	33
<b>TOTAL</b>	<b>3,964</b>	<b>3,083</b>	<b>2,555</b>	<b>2,648</b>	<b>2,702</b>	<b>2,692</b>	<b>2,664</b>	<b>2,671</b>	<b>2,678</b>	<b>2,686</b>	<b>2,693</b>	<b>2,721</b>

Source: UNM Bureau of Business and Economic Research, December, 1999.

TABLE 8.20  
MULTI FAMILY HOUSING BY CPA  
1999 - 2010

CPA	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
West Side	368	100	710	300	500	200	600	400	600	400	550	150
North Valley	2	0	0	0	10	0	300	0	300	0	0	300
North Albuquerque	57	100	0	100	0	150	0	0	0	0	0	0
Mid Heights	0	0	0	150	200	0	0	0	0	0	0	0
Foothills	90	300	0	300	0	200	0	0	0	100	0	0
Southwest Mesa	0	0	200	0	200	150	0	300	0	200	200	200
Central	68	50	0	50	0	50	0	50	0	50	0	50
Near Heights	15	0	0	10	0	10	0	10	0	10	0	0
East Gateway	0	0	0	0	0	0	0	0	0	0	0	0
South Valley	0	10	0	0	0	0	10	0	10	0	10	0
TOTAL	600	560	910	910	910	760	910	760	910	760	760	700

Source: UNM Bureau of Business and Economic Research, December, 1999.

TABLE 8.21

ALBUQUERQUE STUDY AREA HOUSING STOCK  
BY CPA

CPA	1990-2010			Percent of Units*			
	1990	2000	2010	% Change	1990	2000	2010
West Side	12,310	29,115	44,664	262.8%	6.9%	13.4%	17.7%
North Valley	16,393	18,311	21,866	33.4%	9.2%	8.4%	8.7%
North Albuquerque	10,488	16,510	19,294	84.0%	5.9%	7.6%	7.7%
Mid Heights	39,809	40,165	40,595	2.0%	22.3%	18.5%	16.1%
Foothills	17,304	21,803	24,174	39.7%	9.7%	10.0%	9.6%
Southwest Mesa	8,318	13,220	21,338	156.5%	4.7%	6.1%	8.5%
Central	9,177	9,563	10,002	9.0%	5.1%	4.4%	4.0%
Near Heights	34,991	35,644	35,816	2.4%	19.6%	16.4%	14.2%
East Gateway	17,635	19,847	21,078	19.5%	9.9%	9.1%	8.4%
South Valley	11,872	12,809	13,159	10.8%	6.7%	5.9%	5.2%
Study Area Total	178,297	216,987	251,987	41.3%	100.0%	100.0%	100.0%

Source: U.S. Bureau of the Census and UNM Bureau of Business and Economic Research.  
Excludes mobile homes.

\* Percent of housing units in the Study Area.



first nine months of 1999, the West Side CPA saw a slight decrease in single family housing construction in 1999. After the expected cyclical housing correction in 2000-2001, this CPA will maintain its role as the CPA with the largest number of single family housing permits. By 2010 its single family market share will still be about 43.0 percent of the total CPA study area. There is still ample developable land in the Westland properties, around St. Pius High School, and west of Paradise Hills.

North Albuquerque CPA includes North Albuquerque Acres and housing developments around the La Cueva High School. While single family housing activity is expected to remain strong throughout the forecast period, this CPA will lose market share to other CPAs over time due to a growing scarcity of competitively priced developable land.

The Southwest Mesa saw a sharp increase in single family housing development, beginning in 1995. This CPA saw its single family market share jump from 2.7 percent in 1994 to 22.4 percent in 1998. Data for the first nine months of 1999 indicate a continuation of this trend, with the Southwest Mesa's share of single family housing construction expanding to 27.0 percent. Much of the current over capacity in the single family housing market exists at the entry level, affordable housing market, which homebuilders in the Southwest Mesa strategically target. Thus, the cyclical housing correction, expected in 2000 and 2001, will impact this CPA, although home building will still be at a substantial pace. The Southwest Mesa CPA is expected to maintain a 25.5 percent market share of single family housing throughout the forecast horizon. Low cost land is readily available here, and recent transportation infrastructure improvements to Rio Bravo SW will enhance the development potential in this CPA.

The North Valley CPA will become a major center for single family home construction in the 2000-2010 time period with the development of the new Vista del Norte housing project, which is north of Osuna and east of Edith. Currently with only about 3.5 percent of the total study area's

single family housing permits, this CPA's market share will expand to 10.0 percent by 2003. There is also housing development potential at the old Indian School site near I-25 and 12<sup>th</sup> Street.

The East Gateway CPA saw an increase in single family housing activity in 1999 with continued development at the Willow Wood project near the Eubank gate of Kirtland AFB. This higher level of single family housing construction is expected to continue until 2002, when the lack of developable land will cause a scaling back of single family housing projects in the East Gateway CPA.

The Foothills CPA saw a large increase in single family housing construction in 1999, as the High Desert housing development got underway in earnest. In 1998 there were only 139 single family housing permits issued in the Foothills CPA, but this jumped to 325 in 1999 based upon actual data for the first nine months. Single family housing permits will remain at a high level in the first part of the forecast period here, constrained only by the anticipated cyclical housing correction in 2000 and 2001. In the recent past this CPA's share of the single family housing market was about 3.5 percent, but its share expanded to 8.2 percent in 1999 and will remain above 6.0 percent.

In the multi-family housing area the CPA projections are somewhat more difficult because of the relatively small base of activity projected. In the 1990-1998 time period the West Side, North Albuquerque, and Foothills CPAs accounted for about 80.0 percent of all CPA study area multi-family housing permits. This concentration of multi-family housing construction is expected to continue in the first half of the 1999-2010 time period. By the second half of the forecast period multi-family housing construction will become more prevalent in the North Valley CPA, as part of the Visa del Norte master plan, and in the Southwest Mesa CPA due to available land and the increased concentration of population there from the expansion of single family housing since 1995. The West Side CPA will continue to be a magnet for new apartments throughout the forecast period, while the lack of developable land will slow apartment development in the North Albuquerque and

Foothills CPAs in the second half of the forecast period. The Central CPA will see some small scale multi-family housing development with the renewed focus on downtown revitalization.

TABLE 8.22

RESIDENTIAL BUILDING PERMITS, 1999 - 2010  
WEST SIDE CPA

YEAR	SINGLE FAMILY	MULTI FAMILY	TOTAL	HOUSING STOCK*
1999	1,522	368	1,890	27,816
2000	1,199	100	1,299	29,115
2001	986	710	1,696	30,811
2002	1,043	300	1,343	32,154
2003	1,075	500	1,575	33,729
2004	1,098	200	1,298	35,027
2005	1,127	600	1,727	36,754
2006	1,143	400	1,543	38,297
2007	1,160	600	1,760	40,057
2008	1,163	400	1,563	41,620
2009	1,166	550	1,716	43,336
2010	1,178	150	1,328	44,664

Source: UNM Bureau of Business and Economic Research, December, 1999.

\* Excludes Mobile Homes.

TABLE 8.23

RESIDENTIAL BUILDING PERMITS, 1999 - 2010  
NORTH VALLEY CPA

YEAR	SINGLE FAMILY	MULTI FAMILY	TOTAL	HOUSING STOCK*
1999	139	2	141	18,126
2000	185	0	185	18,311
2001	243	0	243	18,554
2002	252	0	252	18,806
2003	270	10	280	19,086
2004	269	0	269	19,355
2005	266	300	566	19,921
2006	267	0	267	20,188
2007	268	300	568	20,756
2008	269	0	269	21,025
2009	269	0	269	21,294
2010	272	300	572	21,866

Source: UNM Bureau of Business and Economic Research, December, 1999.

\* Excludes Mobile Homes.

TABLE 8.24

RESIDENTIAL BUILDING PERMITS, 1999 - 2010  
NORTH ALBUQUERQUE CPA

YEAR	SINGLE FAMILY	MULTI FAMILY	TOTAL	HOUSING STOCK*
1999	503	57	560	16,040
2000	370	100	470	16,510
2001	281	0	281	16,791
2002	291	100	391	17,182
2003	284	0	284	17,466
2004	269	150	419	17,885
2005	253	0	253	18,138
2006	240	0	240	18,378
2007	228	0	228	18,606
2008	228	0	228	18,834
2009	229	0	229	19,063
2010	231	0	231	19,294

Source: UNM Bureau of Business and Economic Research, December, 1999.

\* Excludes Mobile Homes.

TABLE 8.25

RESIDENTIAL BUILDING PERMITS, 1999 - 2010  
MID HEIGHTS CPA

YEAR	SINGLE FAMILY	MULTI FAMILY	TOTAL	HOUSING STOCK*
1999	12	0	12	40,156
2000	9	0	9	40,165
2001	8	0	8	40,173
2002	8	150	158	40,331
2003	8	200	208	40,539
2004	8	0	8	40,547
2005	8	0	8	40,555
2006	8	0	8	40,563
2007	8	0	8	40,571
2008	8	0	8	40,579
2009	8	0	8	40,587
2010	8	0	8	40,595

Source: UNM Bureau of Business and Economic Research, December, 1999.

\* Excludes Mobile Homes.

TABLE 8.26

RESIDENTIAL BUILDING PERMITS, 1999 - 2010  
FOOTHILLS CPA

YEAR	SINGLE FAMILY	MULTI FAMILY	TOTAL	HOUSING STOCK*
1999	325	90	415	21,250
2000	253	300	553	21,803
2001	210	0	210	22,013
2002	217	300	517	22,530
2003	189	0	189	22,719
2004	188	200	388	23,107
2005	160	0	160	23,267
2006	160	0	160	23,427
2007	161	0	161	23,588
2008	161	100	261	23,849
2009	162	0	162	24,011
2010	163	0	163	24,174

Source: UNM Bureau of Business and Economic Research, December, 1999.

\* Excludes Mobile Homes.



TABLE 8.27

RESIDENTIAL BUILDING PERMITS, 1999 - 2010  
SOUTHWEST MESA CPA

YEAR	SINGLE FAMILY	MULTI FAMILY	TOTAL	HOUSING STOCK*
1999	1,070	0	1,070	12,465
2000	755	0	755	13,220
2001	588	200	788	14,008
2002	609	0	609	14,617
2003	676	200	876	15,493
2004	686	150	836	16,329
2005	679	0	679	17,008
2006	681	300	981	17,989
2007	683	0	683	18,672
2008	685	200	885	19,557
2009	687	200	887	20,444
2010	694	200	894	21,338

Source: UNM Bureau of Business and Economic Research, December, 1999.

\* Excludes Mobile Homes.

TABLE 8.28

RESIDENTIAL BUILDING PERMITS, 1999 - 2010  
CENTRAL CPA

YEAR	SINGLE FAMILY	MULTI FAMILY	TOTAL	HOUSING STOCK*
1999	28	68	96	9,491
2000	22	50	72	9,563
2001	18	0	18	9,581
2002	19	50	69	9,650
2003	19	0	19	9,669
2004	19	50	69	9,738
2005	19	0	19	9,757
2006	19	50	69	9,826
2007	19	0	19	9,845
2008	19	50	69	9,914
2009	19	0	19	9,933
2010	19	50	69	10,002

Source: UNM Bureau of Business and Economic Research, December, 1999.

\* Excludes Mobile Homes.

TABLE 8.29

RESIDENTIAL BUILDING PERMITS, 1999 - 2010  
NEAR HEIGHTS CPA

YEAR	SINGLE FAMILY	MULTI FAMILY	TOTAL	HOUSING STOCK*
1999	40	15	55	35,613
2000	31	0	31	35,644
2001	13	0	13	35,657
2002	13	10	23	35,680
2003	14	0	14	35,694
2004	13	10	23	35,717
2005	13	0	13	35,730
2006	13	10	23	35,753
2007	13	0	13	35,766
2008	13	10	23	35,789
2009	13	0	13	35,802
2010	14	0	14	35,816

Source: UNM Bureau of Business and Economic Research, December, 1999.

\* Excludes Mobile Homes.

TABLE 8.30

RESIDENTIAL BUILDING PERMITS, 1999 - 2010  
EAST GATEWAY CPA

YEAR	SINGLE FAMILY	MULTI FAMILY	TOTAL	HOUSING STOCK*
1999	285	0	285	19,625
2000	222	0	222	19,847
2001	179	0	179	20,026
2002	164	0	164	20,190
2003	135	0	135	20,325
2004	108	0	108	20,433
2005	107	0	107	20,540
2006	107	0	107	20,647
2007	107	0	107	20,754
2008	107	0	107	20,861
2009	108	0	108	20,969
2010	109	0	109	21,078

Source: UNM Bureau of Business and Economic Research, December, 1999.

\* Excludes Mobile Homes.

TABLE 8.31

RESIDENTIAL BUILDING PERMITS, 1999 - 2010  
SOUTH VALLEY CPA

YEAR	SINGLE FAMILY	MULTI FAMILY	TOTAL	HOUSING STOCK*
1999	40	0	40	12,762
2000	37	10	47	12,809
2001	31	0	31	12,840
2002	32	0	32	12,872
2003	32	0	32	12,904
2004	32	0	32	12,936
2005	32	10	42	12,978
2006	32	0	32	13,010
2007	32	10	42	13,052
2008	32	0	32	13,084
2009	32	10	42	13,126
2010	33	0	33	13,159

Source: UNM Bureau of Business and Economic Research, December, 1999.

\* Excludes Mobile Homes.