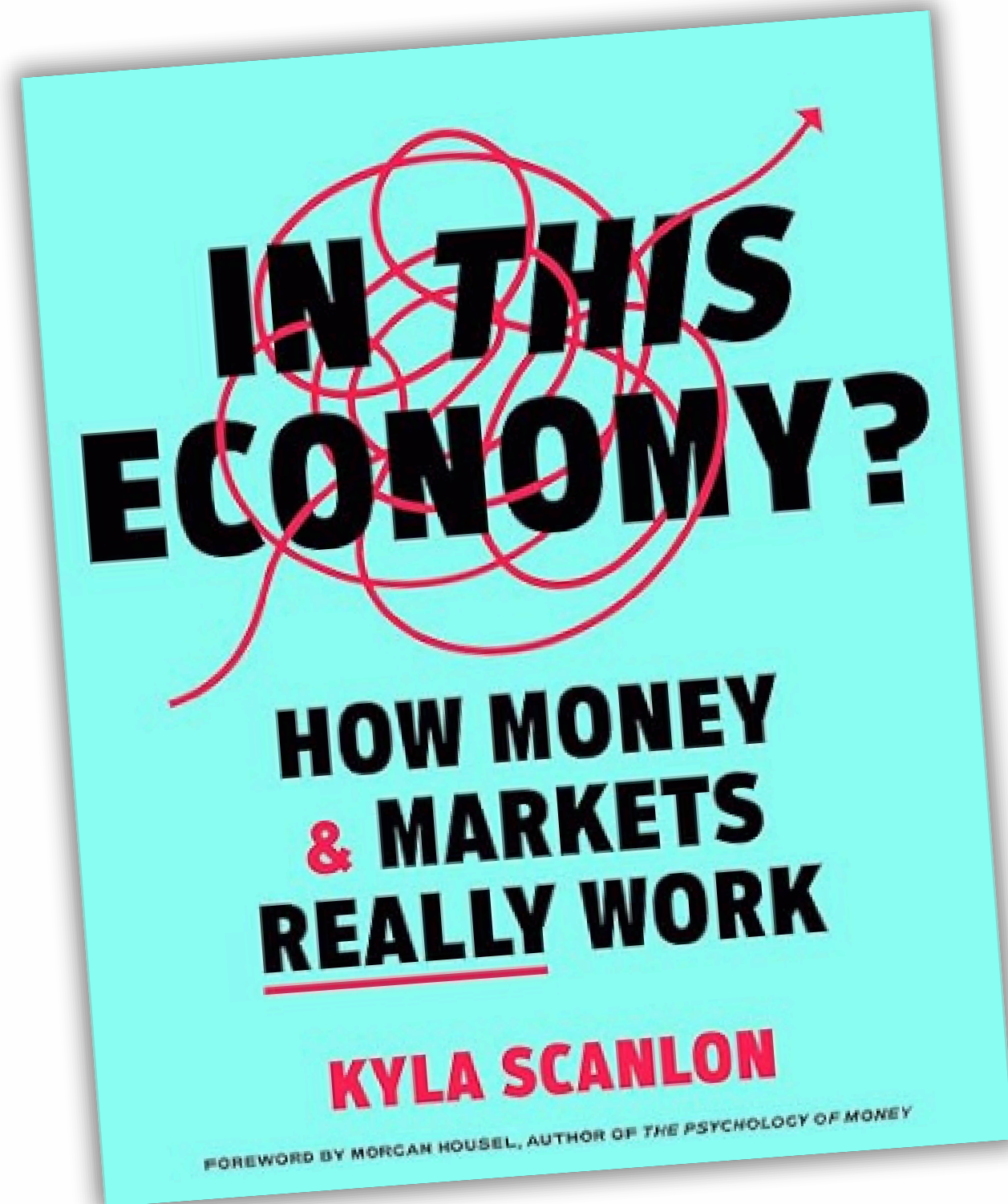


# HOUSING, AFFORDABILITY AND THE FUTURE OF NEW HAMPSHIRE

Kyla Scanlon

# WHO AM I?

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I'm a writer and educator, and my work focuses on how economic systems are evolving.

My research is around how technology and demographics are reshaping the future.



# A BOOK TOUR

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at WKU



at IWI



at Harvard



On Jon Stewart



at the Journal  
for Teaching  
Economics Forum



with David  
Beckworth



at a consumer  
VC conference



at NATO

# THE GOAL

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- Today we're going to talk about why housing matters for the workforce, for schools, and for our collective future.
- We are going to focus specifically on New Hampshire, and look at people instead of just prices.







# UNCERTAINTY

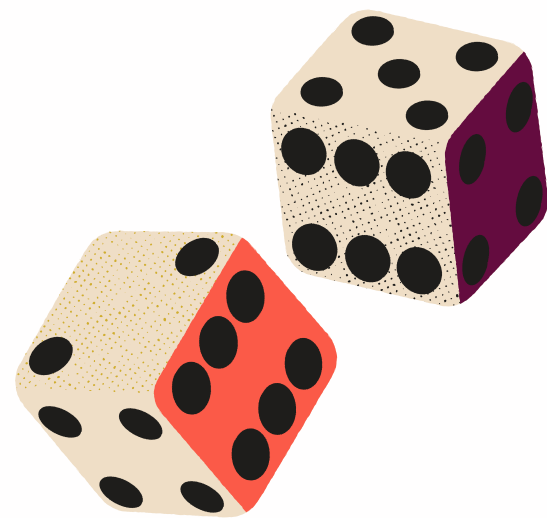




# WHAT IS UNCERTAINTY?

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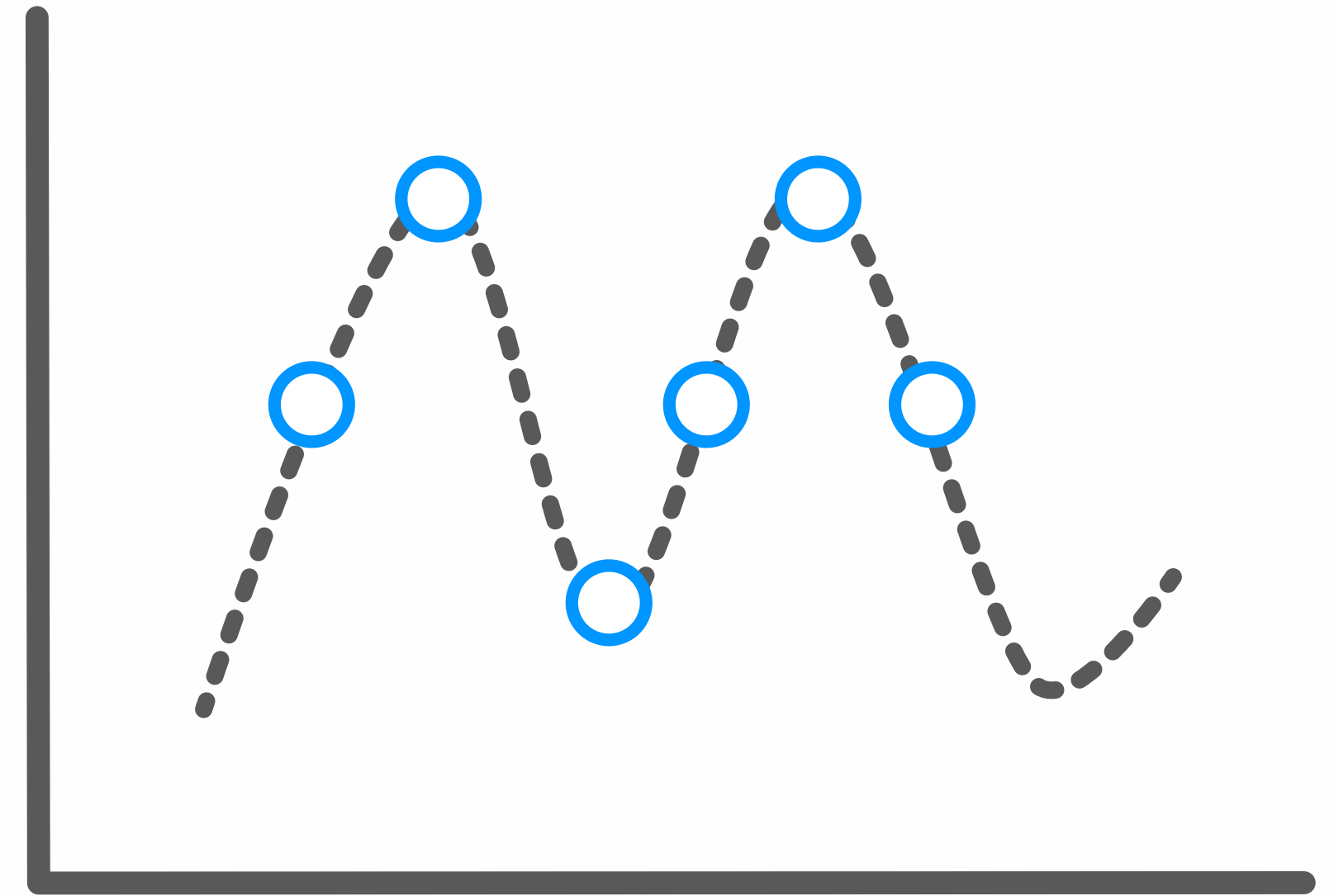
- Risk is like rolling dice. It's measurable. You know the possible outcomes and can assign probabilities to each one.
- Uncertainty is walking into a casino where you don't even know the game. It's immeasurable. You don't know the outcomes!
- That's the economy right now, where we're trying to guess the rules while playing.



# THE GREAT ACCELERATION

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- Economic cycles that used to take 7-10 years now happen in 18-24 months
- Add in the sector specific problems - price swings in raw materials, shorter production planning horizons, trade policy uncertainty and all sorts of other unknowns





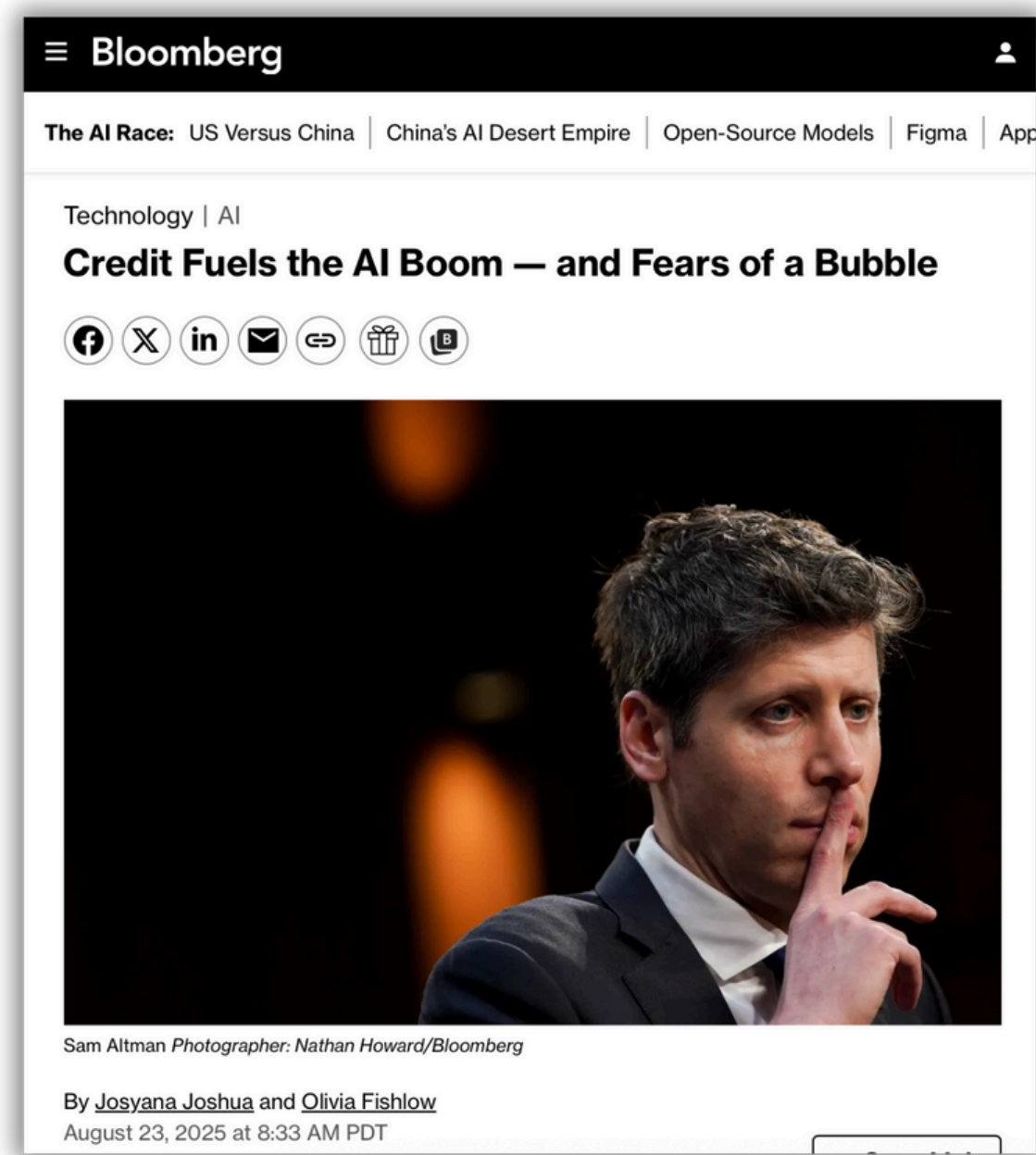
# THE UNCERTAINTY SMOOTHIE

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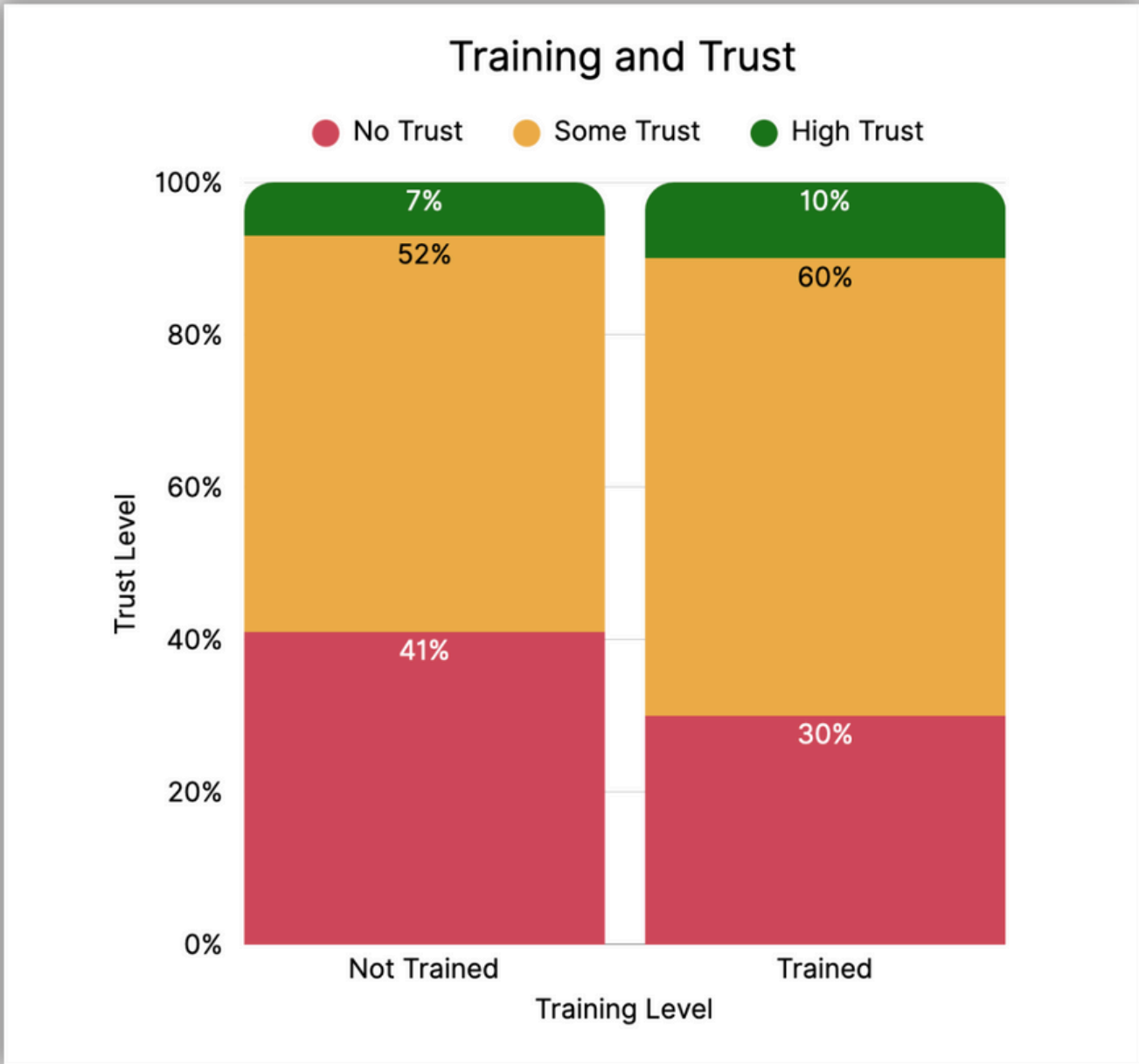


AI disruption  
Geopolitical fragmentation  
Demographic shifts  
Changing fiscal and  
monetary policy

# AI DISRUPTION



Is it a... bubble?



Do workers like it?

# AI DISRUPTION

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Employment

+ Add to myFT

## Is AI killing graduate jobs?

Factors including economic uncertainty and offshoring may be more responsible for a decline in entry-level roles

## Bridging the Gap: How Smart Demand Management Can Forestall the AI Energy Crisis

Aug 11, 2025 Share

Technology, Media & Telecommunications Practice

## The cost of compute: A \$7 trillion race to scale data centers

AI is fueling high demand for compute power, spurring companies to invest billions of dollars in infrastructure. But with future demand uncertain, investors will need to make calculated decisions.

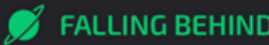
*This article is a collaborative effort by Jesse Noffsinger, Mark Patel, and Pankaj Sachdeva, with Arjita Bhan, Haley Chang, and Maria Goodpaster, representing views from McKinsey's Technology, Media & Telecommunications Practice.*

## Billion-Dollar AI Company Gives Up on AGI While Desperately Fighting to Stop Bleeding Money

"We are no longer doing that."

/ ArtificialIntelligence / Agi / AIIndustry / AISafety

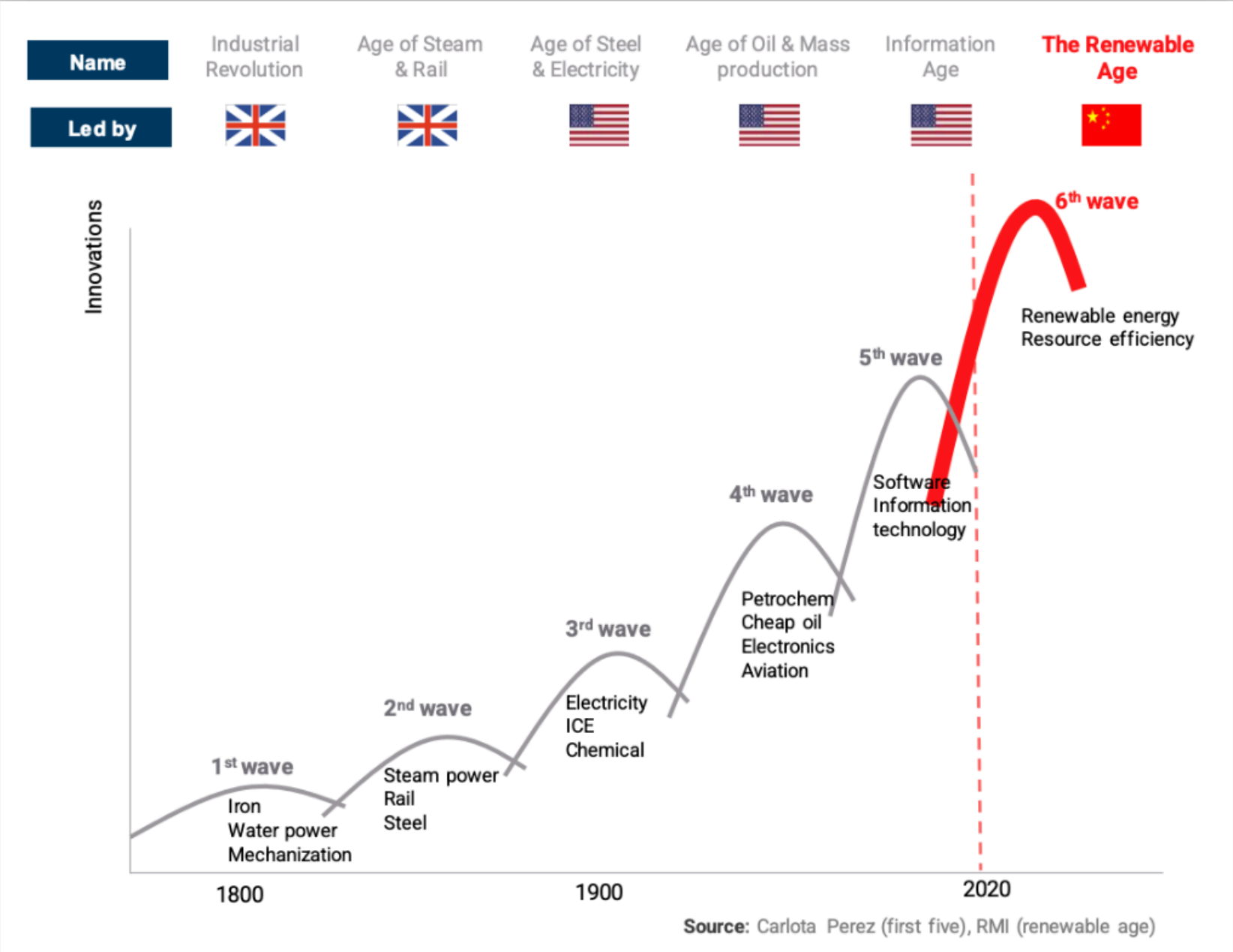
# GEOPOLITICAL FRAGMENTATION

 **FALLING BEHIND**

## After recent tests, China appears likely to beat the United States back to the Moon

An expert explains why this will be enormously bad for the United States.

**ERIC BERGER** – AUG 18, 2025 10:18 AM | 248

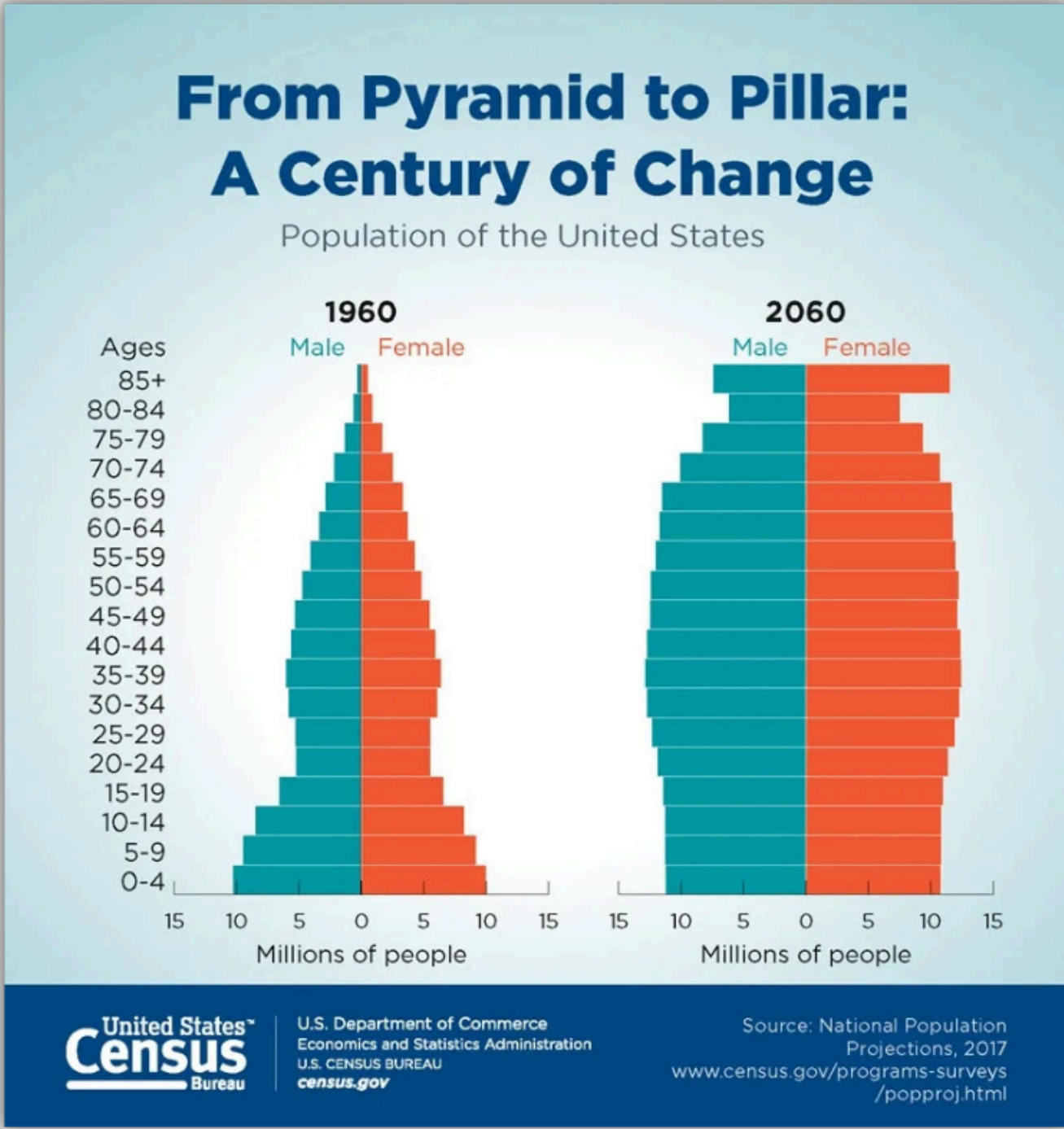




# DEMOGRAPHIC SHIFTS

He stressed that Japan's shrinking, aging population has long pressured the economy, with nearly 30% of people aged 65 or older. While higher participation among women and seniors has helped offset demographic decline, Ueda said the room for further gains is limited. He warned that, absent a major economic downturn, Japan's labor market will remain tight and continue pushing wages higher—one factor behind persistent inflation.

*From a speech from the Bank of Japan's Governor about their own demographic crisis*





# CHANGING FISCAL AND MONETARY POLICY

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***Trump's Tariffs Are Damaging  
America's Biggest Foreign Source of  
Screws***

Taiwan has long been the top provider of screws to the United States. But its factories are struggling to survive under tariffs on steel and aluminum.

The New York Times

**Gold Steady, Supported by Hopes for  
More Fed Rate Cuts**

*Sept. 22, 2025 at 7:41 pm ET*



Gift unlocked article



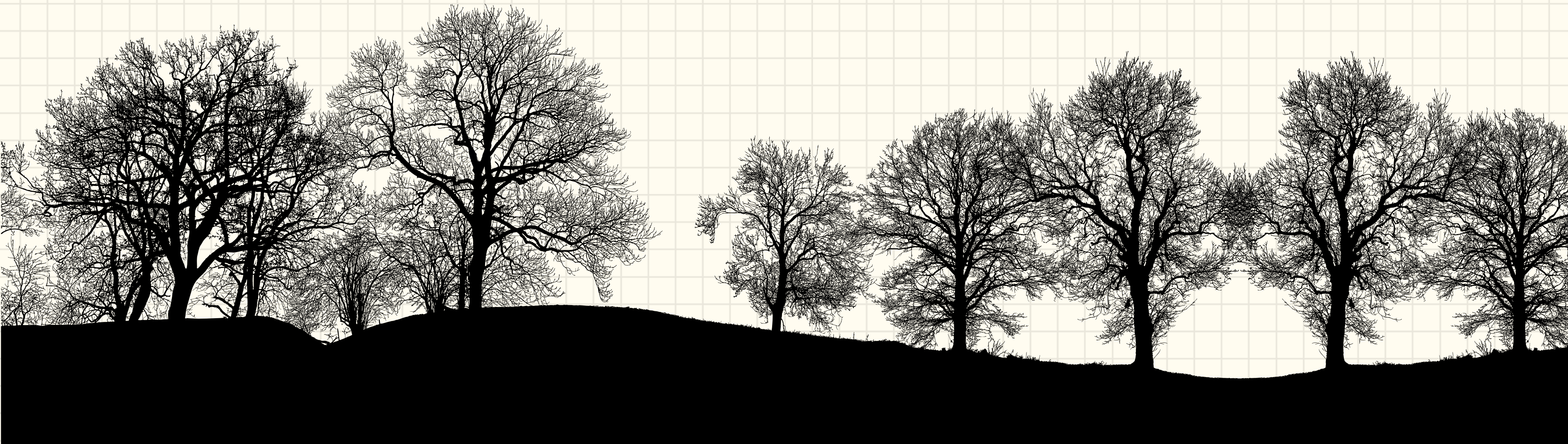
Listen (53 sec)



The Wall Street Journal



# NAVIGATING UNCERTAINTY

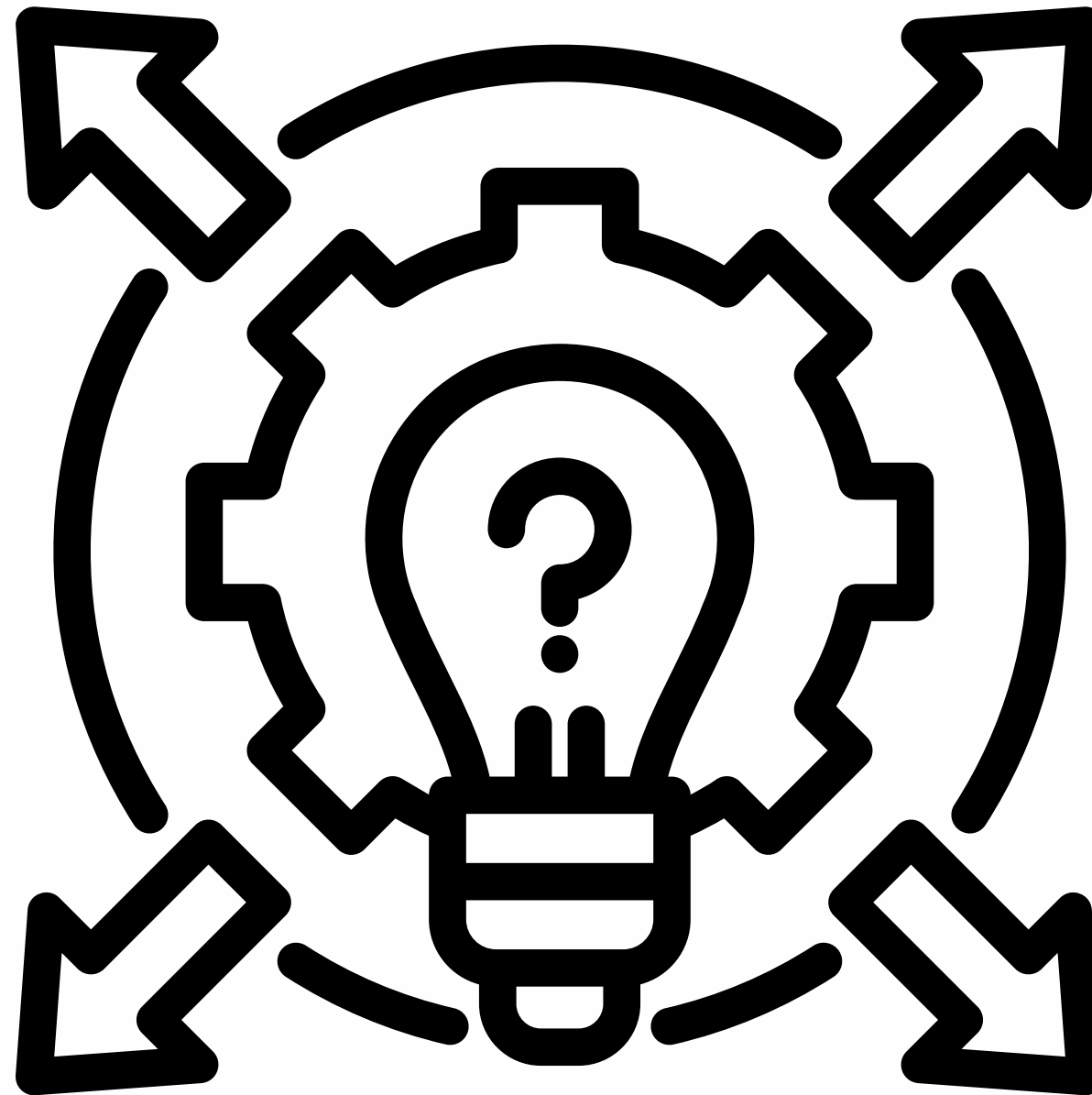




# THE NEW ECONOMY

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Right now, the challenge isn't removing uncertainty. It's living with it.



# PERCEPTION VS. DATA

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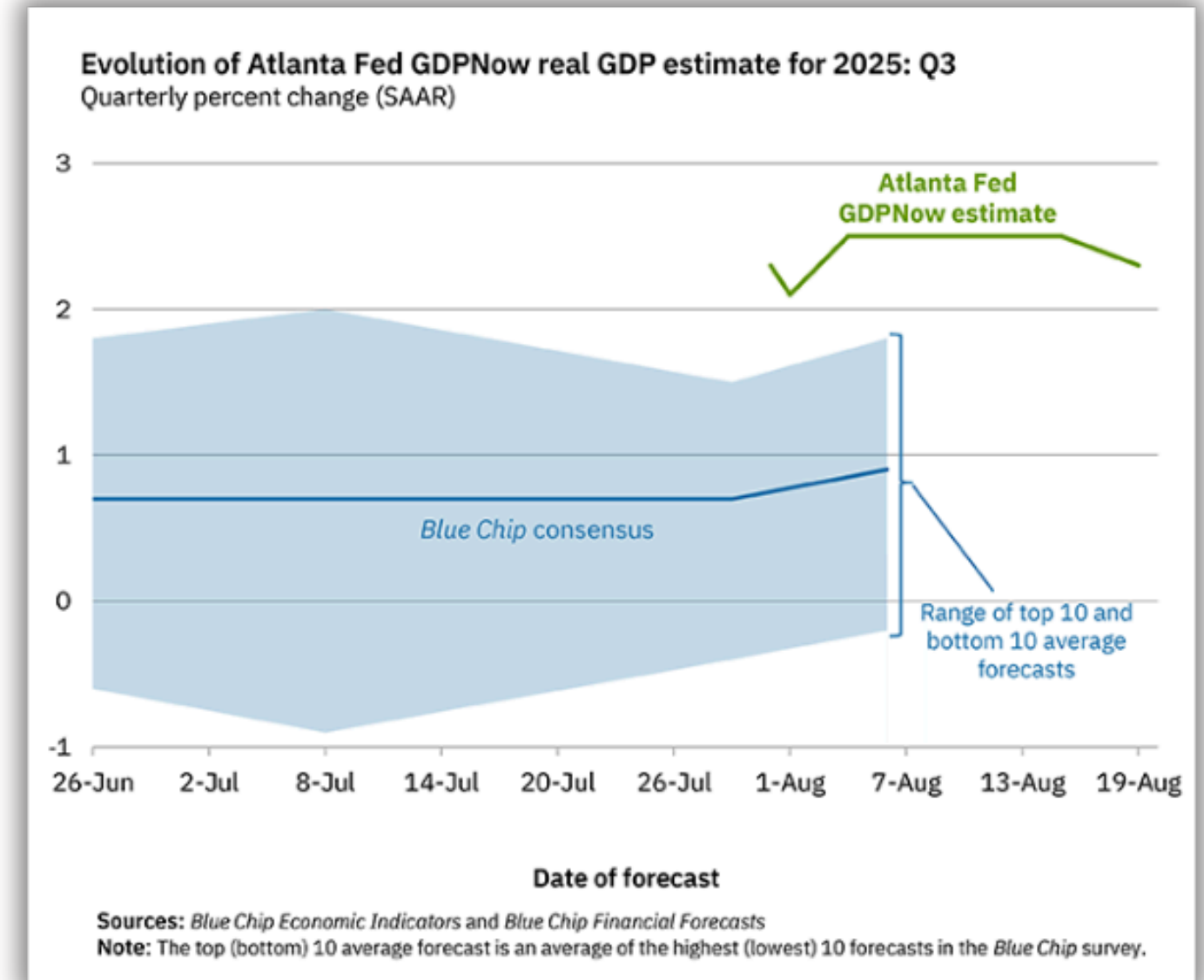
- Averages lie, distribution matters.
- Think about your smartwatch - sometimes it's telling you that you're falling to pieces, but you feel relatively okay. Or it's the opposite - everything is fine, but you feel terrible. There is a balance of intuition and analysis.



# PERCEPTION VS. DATA

- It's the same thing with the economy

Consumer sentiment fell back about 5% in August, declining for the first time in four months. This deterioration largely stems from rising worries about inflation. Buying conditions for durables plunged 14%, its lowest reading in a year, on the basis of high prices. Current personal finances declined modestly amid growing concerns about purchasing power. In contrast, expected personal finances inched up a touch along with a slight firming in income expectations, which remain subdued. Overall, consumers are no longer bracing for the worst-case scenario for the economy feared in April when reciprocal tariffs were announced and then paused. However, consumers continue to expect both inflation and unemployment to deteriorate in the future. Year-ahead inflation expectations rose from 4.5% last month to 4.9% this month. This increase was seen across multiple demographic groups and all three political affiliations. Long-run inflation expectations also lifted from 3.4% in July to 3.9% in August. This month ended two consecutive months of receding inflation for short-run expectations and three straight months for long-run expectations. Still, both readings remain well below the highs seen briefly in April and May 2025.



Survey of Consumers, University of Michigan



# AUDIENCE QUESTION

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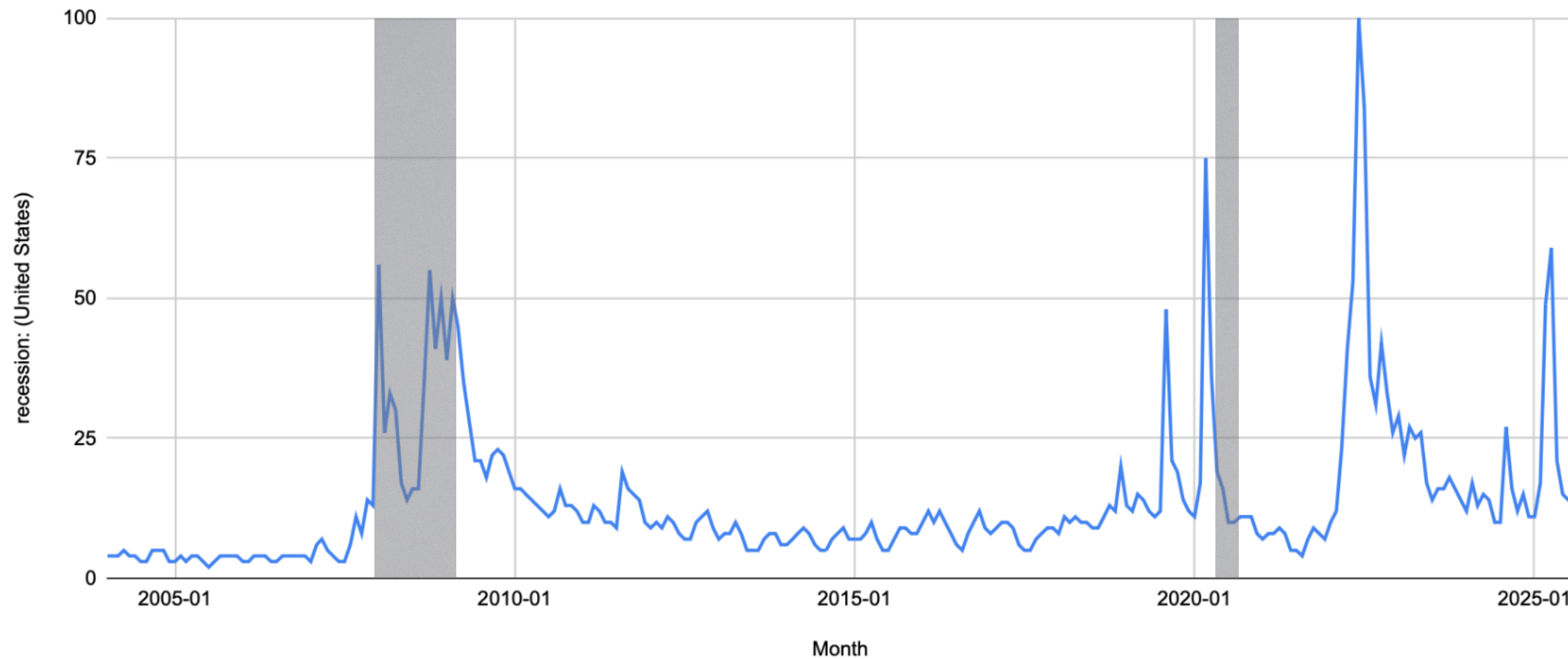
- Who feels the economy is worse than what the numbers actually say?

# BUT - ATTENTION ECONOMICS PLAY A ROLE HERE TOO

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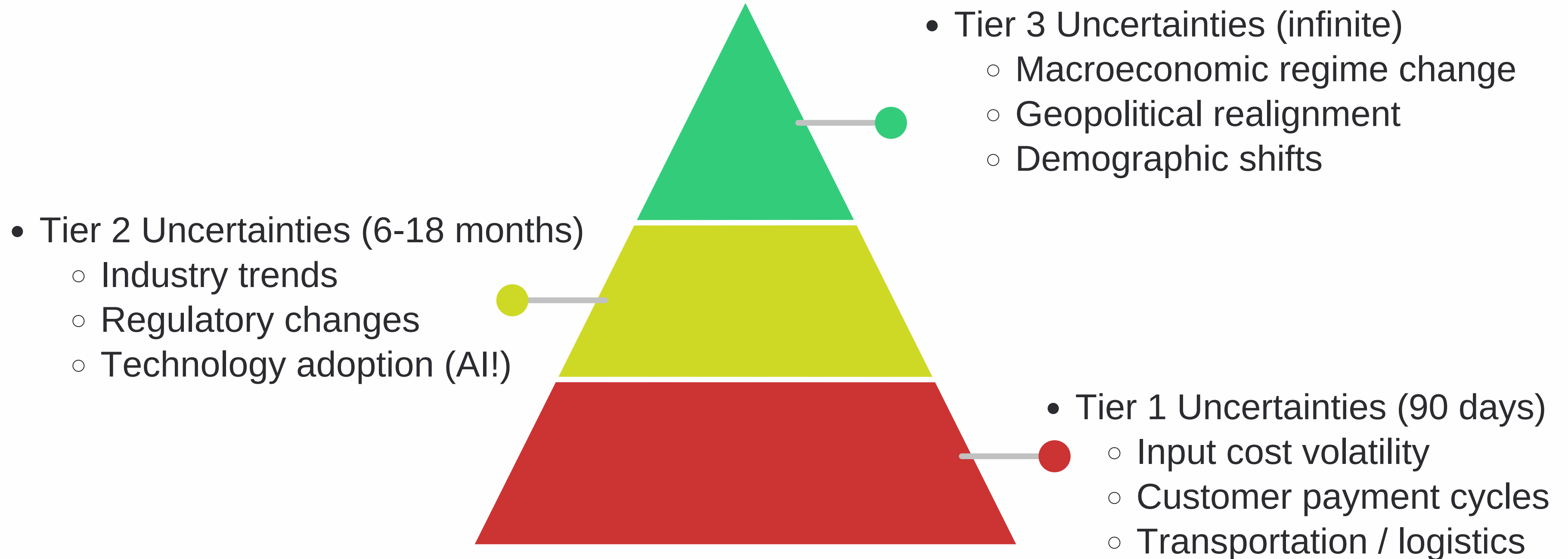
- Attention (social media) can amplify or distort risk perception

Google Search: Recession



# THE THREE TIERS OF UNCERTAINTY

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# THAT'S... A LOT

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- Signal: Information that changes your decisions
- Noise: Everything else

## Framework for Signal Detection:

1. **Magnitude:** Is the change large enough to matter?
2. **Persistence:** Is this a trend or a blip?
3. **Relevance:** Does this affect your specific value chain?
4. **Actionability:** Can you respond to this information?





# NATIONAL HOUSING CONTEXT





# NATIONWIDE

- There are signs that rent growth is cooling nationwide.
- Rents in the top 20 U.S. markets for single-family homes are expected to rise 0.8% this year, the slowest pace since 2011.

Rent growth, single-family homes\*\*



\*2025 data is through July; \*\*top 20 markets  
Source: Burns Single-Family Rent Index

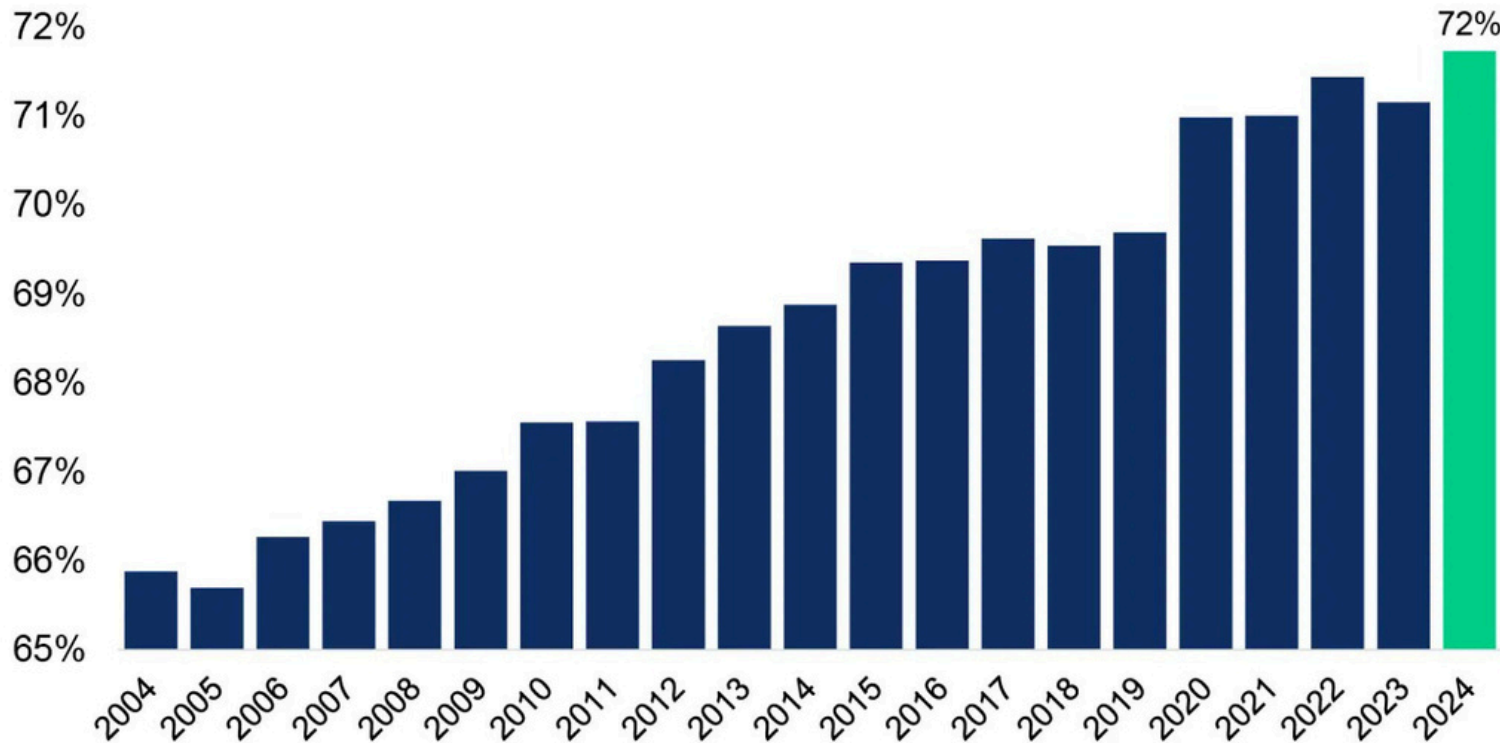
- This is partly happening because people can't sell their homes - of the 3.06 million properties listed at the start of summer 2025, only 28% sold, according to Parcl Labs.

# NATIONWIDE

- 72% of renters are over the age of 30 years old. The typical first-time homebuyer is now 38, compared to 33 in 2020.
- Only 33% of 30-year-olds own a home today, compared to 47% in 1984

**Delayed homeownership means the typical US renter is older. 72% of the US renter population is age 30 or older, an all-time high.**

Percent of US Renter Population Age 30+

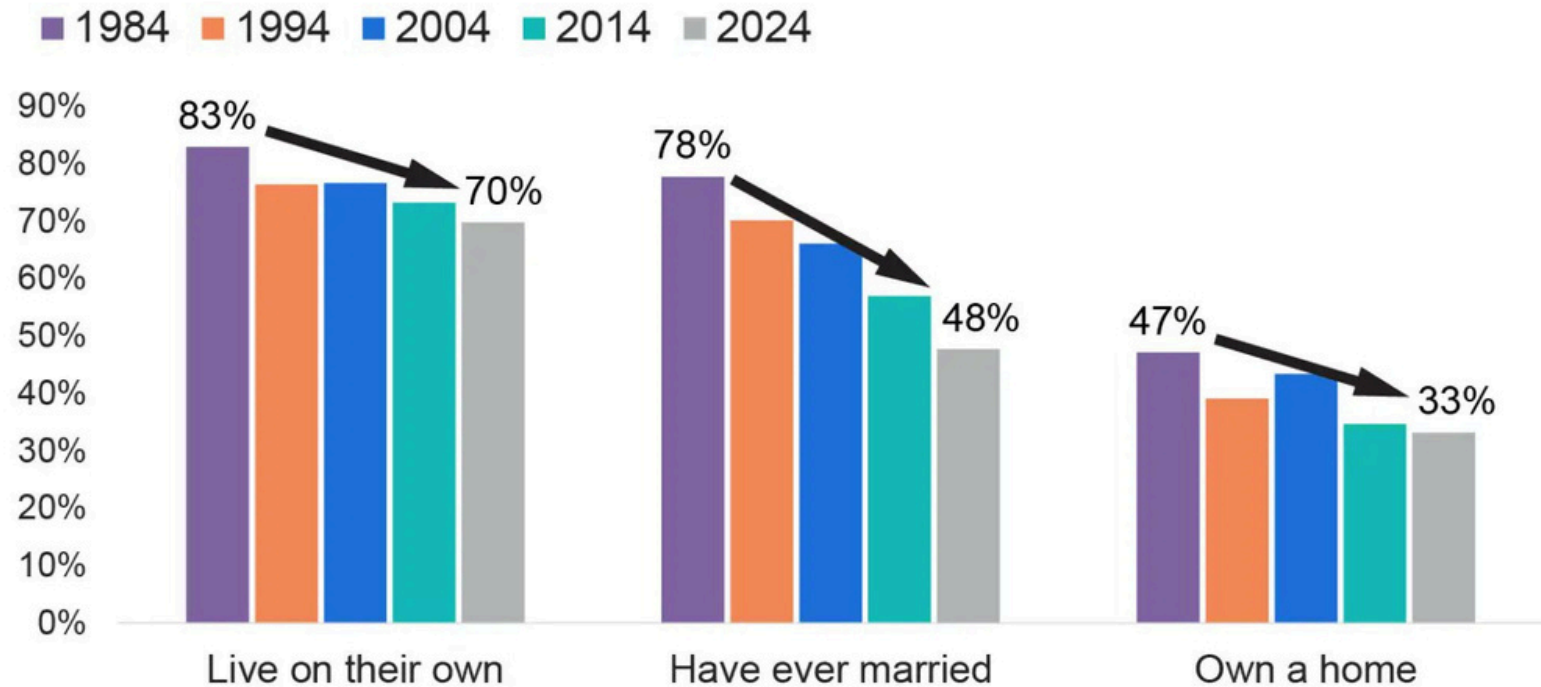


Source: John Burns Research and Consulting, LLC (Pub: Apr-25)



**Shifts in family trends, along with other delayed 'adult' milestones, impact housing demand between generations.**

Percentage of US 30-Year-Olds Reaching 'Adult' Milestones

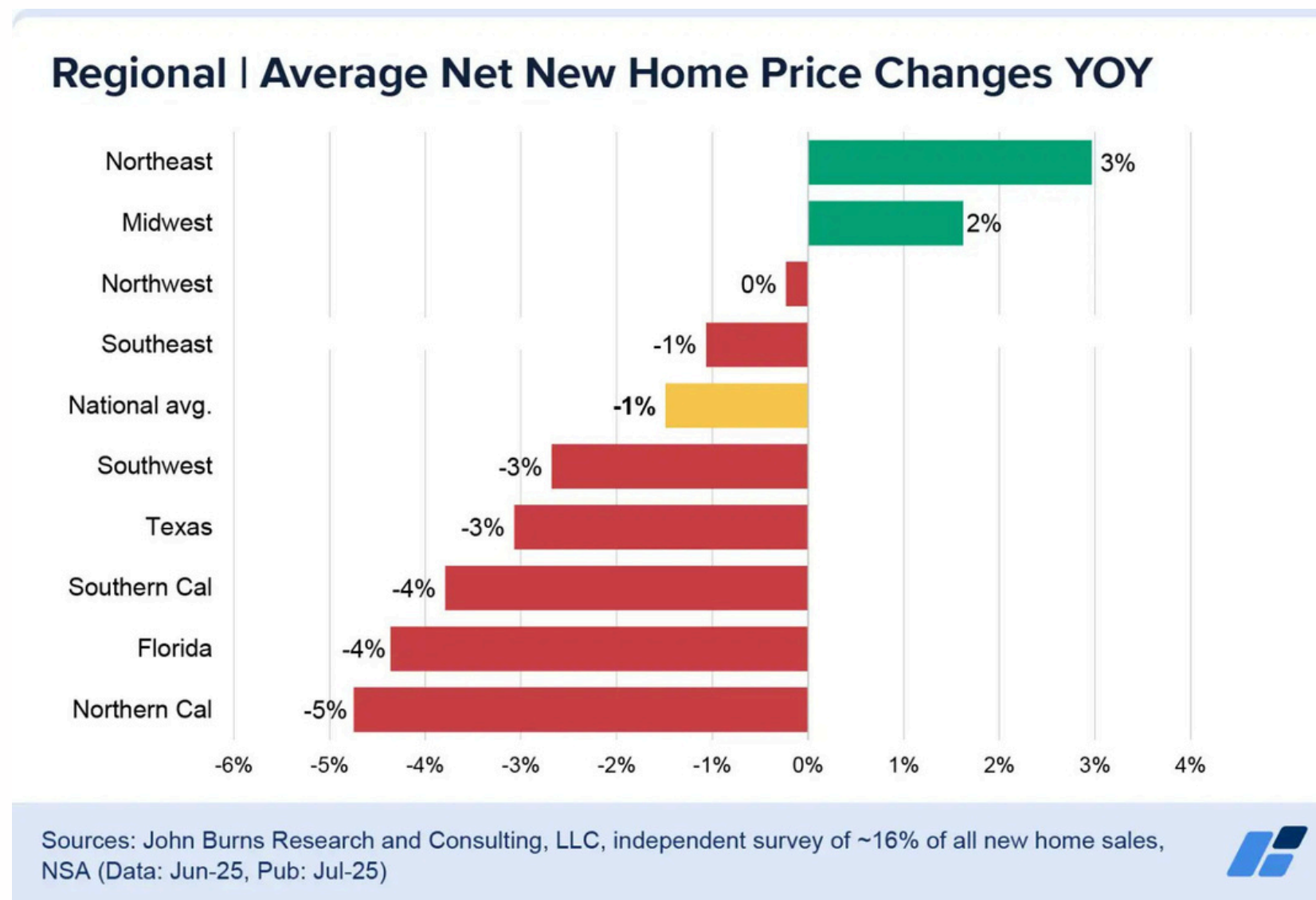


Sources: John Burns Research and Consulting, LLC, tabulations of US Census Bureau CPS/Annual Social and Economic Supplement via IPUMS-USA (Data: 2024 Pub: Apr-25)



# NATIONWIDE

- The housing market is cooling quickly - according to John Burns Research and Consulting, home prices are falling in 35% of the country
- Part of this is driven by labor market weakness - new home construction has exceeded new jobs created in many areas across the country







# **NEW HAMPSHIRE HOUSING LANDSCAPE**





## 4 STRUCTURAL REALITIES

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*Why supply doesn't move even when demand does*

### Golden Handcuffs

- Nearly 80% of homeowners couldn't afford to buy their own home today
- Locked-in equity reduces mobility and supply
- Creates an illusion of stability while deepening scarcity



### NIMBYISM

- Communities resist change but that's shifting
- New Hampshire's new ADU law opens the door for local reform
- From “not in my backyard” → “yes, but how” solutions



## 4 STRUCTURAL REALITIES

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### Property Taxes & Schools

- New homes add just 0.16 students per unit
- Each new unit adds \$1,711 in net fiscal benefit for districts
- The data shows growth pays for itself



### Home Insurance

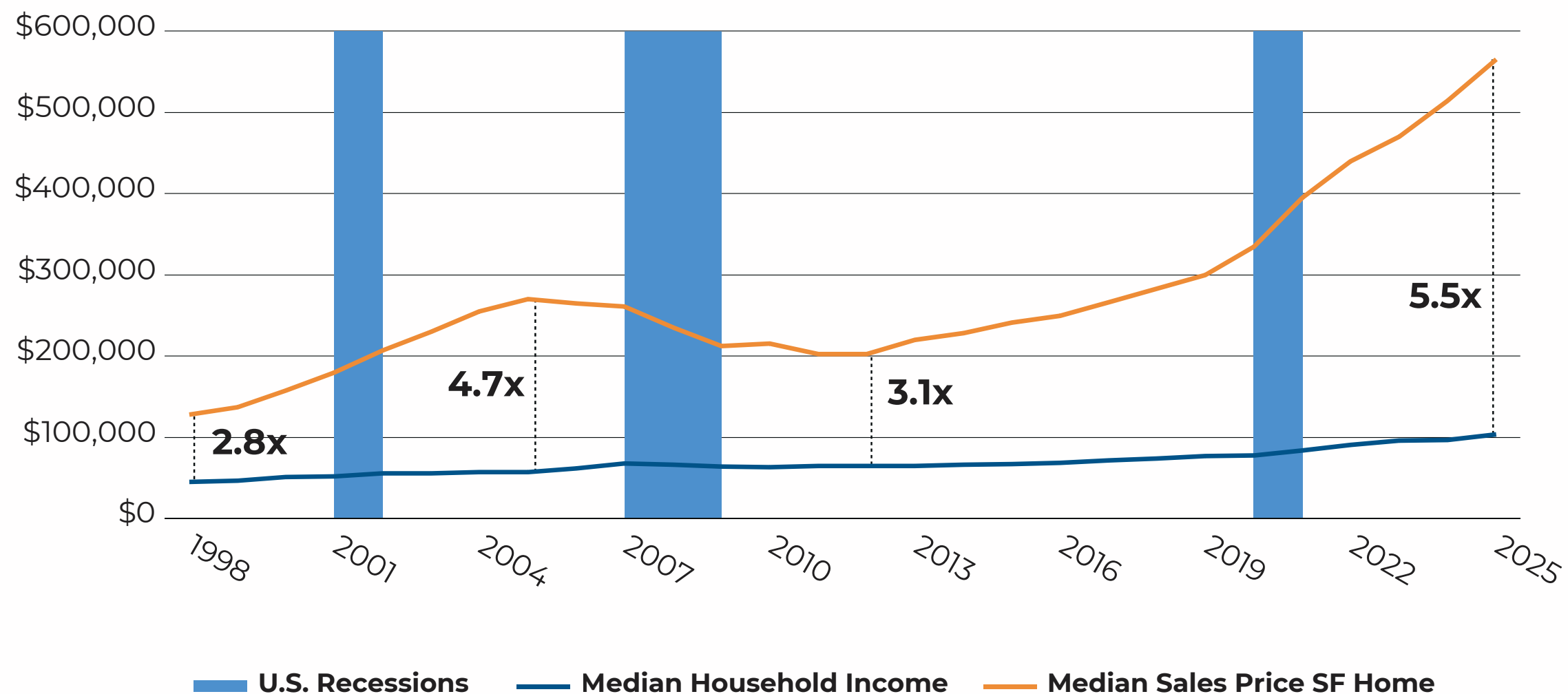
- NH remains relatively stable, unlike FL or CA
- Nationally, premiums are rising 30–40% in climate-risk zones
- A quiet competitive advantage for the Granite State





# THE PRICE-TO-INCOME GAP

- NH ratio = 5.5x income (was 2.8x in 1998)
- National affordability benchmark = 2–3x
- Today: even middle-income families priced out



Source: New Hampshire Realtors Association

Notes: Home prices are the median sale price of all single-family homes in New Hampshire from the New Hampshire Association of Realtors. Incomes are median household incomes from U.S. Census American Community Survey 5-year estimates. Ratios were calculated by dividing the median home price by the median household income.

# RENTERS IN CRISIS

- 51% of NH renters are cost-burdened
- Teachers, nurses, home health aides can't afford median rents
- Essential workers pushed into long commutes or leaving the state



Sources: New Hampshire Employment Security, New Hampshire Occupational Employment & Wages - 2024. New Hampshire Department of Business and Economic Affairs, PY24 Final High Demand Occupations List with WorkKeys, July 2024. CoStar. "Median Effective Rent by Bedroom, 2024." CoStar Market Analytics. Note: Rent affordability assumes 30% of gross monthly income assuming a 40-hour work week. Median hourly wage comes from NH Dept. of Employment Security. To calculate the monthly median wage, the median hourly wage was calculated by multiplying by 40 to calculate the annual wage and then multiplied by 52 and then divided by 12 to calculate the monthly median wage and then multiplied by 30% to calculate the monthly affordable rent.

# RENTERS IN CRISIS

- 2009: 13.9 months supply (buyer's market)
- 2025: ~1.5 months supply (record lows)
- Low supply → high prices → affordability collapse

NH Months Supply of Inventory by Property Type, Years 2009–Present



Source: This analysis is based on data from PrimeMLS for the state of New Hampshire, compiled and analyzed by New Hampshire Housing. Manufactured homes are included in the single-family category. The data excludes land, timeshares, seasonal camps and cottages, multi-family properties, age restricted properties, and commercial or industrial real estate.





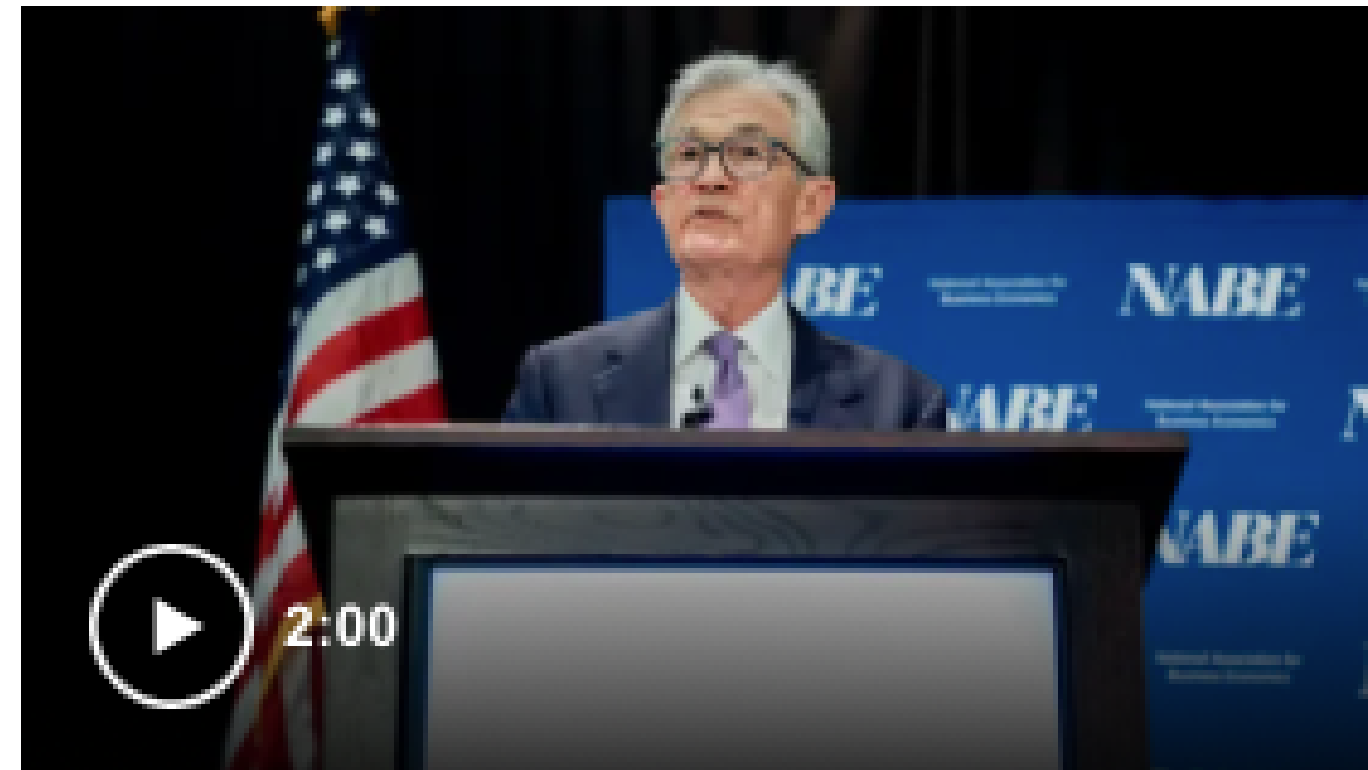
# **ECONOMIC OVERVIEW + DEMOGRAPHICS**



# MACRO ENVIRONMENT

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- High mortgage rates push affordability down
- Construction costs + labor shortages keep supply tight
- Inflation moderating, but shelter costs still sticky
- We have a weakening labor market



**Powell Says Fed May Stop Shrinking  
Balance Sheet in Months Ahead**

Source: Bloomberg, October 14, 2025



# WORKFORCE LINK

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- Businesses can't hire if workers can't live nearby
- Healthcare & education most strained
- Affordability → Worker Mobility → Retention → Economic Output

***Deputy Secretary Adeyemo:** Traditionally, I think the federal government spends maybe somewhere in the neighborhood of \$1 billion on an annual basis on workforce training. Because the American Rescue Plan over the course of the last three years, we spent \$12.8 additional billion on workforce training to help people get the skills they need to do the jobs that are need in the economy... So the key for us is making sure that we invest in the training so that we have the employees to not only build housing, but to build all the things that the economy needs. And because of the money that has been been invested in workforce training by communities, but also by the federal government, I think we're better positioned to do that.*

But ultimately, finding more people to do these jobs is going to be a critical path, a critical thing that we have to do to be able to succeed at building more housing. The housing crisis impacts the entire economy - it's not just individual homes and invidiual lots, these are communities.



# PROPERTY TAXES & SHRINKING SCHOOLS

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- Public school enrollment is down 21% since early 2000s
- But costs per student have risen ~40% over the same period
- That means higher spending per student and higher property taxes
- When new families don't move in, the math stops working

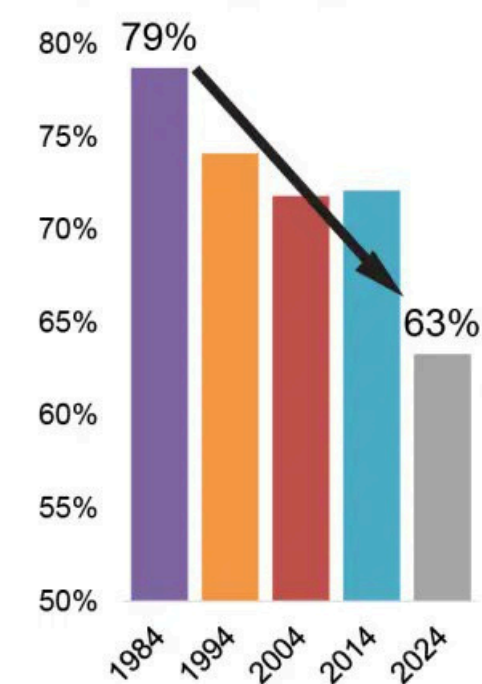


# AGING POPULATION

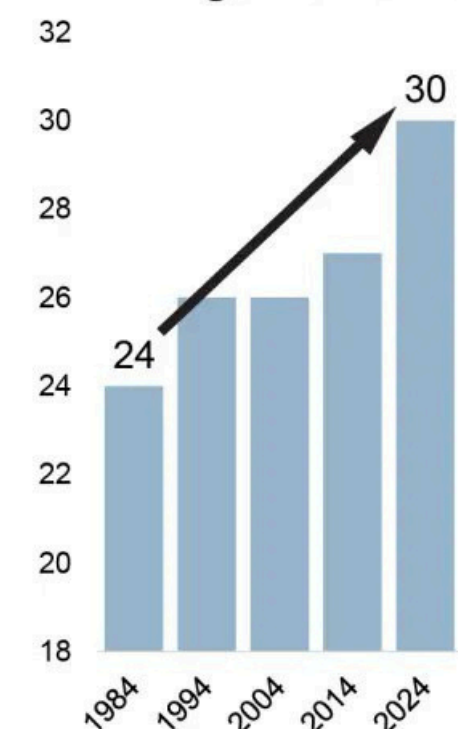
- NH median age = 43.4 (2nd oldest in US)
- By 2030, nearly one in three residents will be 60+
- Housing must adapt: downsizing, caregivers, aging-in-place
- This is a problem across the country - 63% of women over the age of 34 have a kid today - in the 1980s, it was 80%

**Each new generation of women is less likely to become mothers, more likely to delay childbirth, and has fewer kids overall**

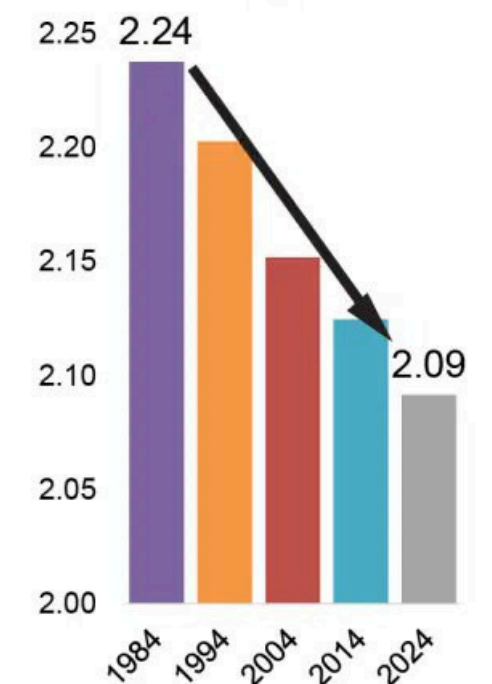
**% of US Women at Age 34 with at Least 1 Child**



**Median Age at First Birth**



**Average Babies Born per Mother at Age 34**



Sources: John Burns Research and Consulting, LLC, tabulations of US Census Bureau Current Population Survey Annual Social and Economic Supplement via IPUMS-USA (Data: 2024 Pub: Apr-25)







# FINAL THOUGHTS





# BULL / BEAR / BASE CASE

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Bear	Base	Bull
<ul style="list-style-type: none"><li>• Sticky inflation, high rates</li><li>• Housing supply blocked (labor, regulation)</li><li>• Weak demand, affordability crisis</li></ul>	<ul style="list-style-type: none"><li>• Moderate inflation, moderate rates</li><li>• Incremental supply improvements</li><li>• Modest relief</li></ul>	<ul style="list-style-type: none"><li>• Inflation controlled, lower rates</li><li>• Innovation + policy expand supply</li><li>• Demand stabilizes</li></ul>



**THANK YOU! ANY QUESTIONS?**

