

Housing Construction Steady in New Mexico's Oil Region

The crash of the oil business and the economic decline that has followed the COVID-19 pandemic hasn't stopped construction for the housing shortage in the heart of New Mexico's oil region.

The Hobbs News-Sun reported Hobbs is seeing new construction with three major developments, and building in continuing to grow through the pandemic.

On top of the lots and homes being sold, multiple companies are trying to meet the need for apartments. Real estate agents say that despite the oilfield crash, the region has a housing shortage.

Bobby Shaw, an agent with Burkett-Shaw Realty, said the housing market has slowed down, but not because of the economic decline.

"It's slowed down, maybe a little bit, because we don't have anything on the market," Shaw said. "I think there are buyers out there. I think we have a lot of demand for buyers on real estate."

Shaw said that given Hobbs' population, a healthy market should have 300 to 400 homes for sale any given day. Lea County only has 128 homes for sale, not including new construction.

Leon Ivie, a developer of Zia Crossing, said that normally six to seven homes are sold every month. Last month, 10 homes were sold, Ivie said.

A home can be built in under four months, and the oilfield crash and pandemic have not had the effect that Zia Crossing was expecting because people continue to buy houses, Ivie said.

Also in the works is Sorrento Apartments, which began its the second phase of construction. The expansion will add 88 apartments and give the complex 200 total apartments.

Pricing for the additional apartments is being determined.

"Hobbs is a growing area, as well as Lea County," said Jessica Fabrie, assistant vice president of Sun Ridge Management Group, which is the management company of Sorrento. "Hobbs has a strong and growing economy. Our analysis certainly shows that Hobbs will continue to need additional housing."