2018 was another spectacular year at MFA. For the third year in a row, a record-number of New Mexican families became homeowners. We are pleased to report that the number of homebuyers in 2018 is almost exactly double the number from 2015!

In addition, MFA increased its funding through two new sources, adding $3.7 million to our down payment assistance and housing counseling programs. Local governments across the state donated a total of $5.4 million to build new affordable housing in their communities. And private donations to the state’s tax credit program totaled $700,000.

MFA’s partners, board of directors and staff are keenly aware that our mission is far more than accumulating record numbers, however. Every day and with every task, we know that what we do makes an enormous difference in the lives of the people of our state. Safe, stable affordable housing is the foundation upon which our neighborhoods and communities are built. We are honored to be a part of that critical effort.

We’re MFA. And we are Housing New Mexico.
PRODUCTION HIGHLIGHTS

HOMEOWNERSHIP
In 2018, MFA made more loans to homebuyers than in any time in its history. More than 2,800 New Mexican families became homeowners in 2018 using $420.1 million in MFA loans and $16.8 million in down payment assistance. The numbers reflect an increase of 13 percent from 2017.

CONSTRUCTION FINANCING
MFA provided $52.4 million in financing to construct and rehabilitate more than 370 apartments and affordable homes.

REHABILITATION AND ENERGY-EFFICIENCY IMPROVEMENTS
Almost 800 low-income families received home rehabilitation or energy-efficiency improvements through $8 million in MFA funding.

HOMELESS PREVENTION AND SUPPORTIVE HOUSING
MFA partners sheltered and housed almost 8,700 people experiencing homelessness with $1.3 million in MFA funding. In addition, $1.9 million in supportive housing vouchers and services stabilized or prevented homelessness for 300 households with special needs, and $830,000 in rental assistance rapidly re-housed or prevented homelessness for 700 households.

RENTAL ASSISTANCE
MFA processed more than $30 million in project-based Section 8 rental assistance for 5,200 low-income renter households.

PRODUCTION TOTALED $531 MILLION IN 2018

FINANCIAL HIGHLIGHTS

MFA’s overall financial position and results of operations for the current and most recent prior year are presented below (in thousands):

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents (unrestricted and restricted)</td>
<td>132,023</td>
<td>72,123</td>
</tr>
<tr>
<td>Notes receivable</td>
<td>–</td>
<td>22,268</td>
</tr>
<tr>
<td>Investments (unrestricted and restricted)</td>
<td>70,553</td>
<td>61,071</td>
</tr>
<tr>
<td>Mortgage-backed securities and mortgage loans receivable</td>
<td>897,192</td>
<td>775,794</td>
</tr>
<tr>
<td>Total assets</td>
<td>1,115,401</td>
<td>942,204</td>
</tr>
<tr>
<td>Bonds payable</td>
<td>815,322</td>
<td>646,567</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>880,769</td>
<td>695,260</td>
</tr>
<tr>
<td>Total net position</td>
<td>235,115</td>
<td>247,569</td>
</tr>
<tr>
<td>Total operating revenues</td>
<td>50,745</td>
<td>50,481</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>40,569</td>
<td>38,228</td>
</tr>
<tr>
<td>Operating income</td>
<td>10,176</td>
<td>12,253</td>
</tr>
<tr>
<td>Total nonoperating revenues (expenses)</td>
<td>(22,630)</td>
<td>(18,204)</td>
</tr>
<tr>
<td>Change in net position</td>
<td>(12,454)</td>
<td>(5,951)</td>
</tr>
</tbody>
</table>

For the full report of independent auditors and financial statements, go to housingnm.org/financials.
THE MFA TEAM

2018 BOARD OF DIRECTORS
Dennis R. Burt, Chair
Burt & Company CPAs
Angel Reyes, Vice Chair
Sentinel Bank
Steven J. Smith, Treasurer
R.O.G. Enterprises
John A. Sánchez
Lieutenant Governor
Hector Balderas
Attorney General
Tim Eichenberg
State Treasurer
Randy McMillan
NAI First Valley Realty

MFA EXECUTIVE TEAM
Jay Czar
Executive Director
Isidoro "Izzy" Hernandez
Deputy Director of Programs
Gina Hickman
Deputy Director of Finance and Administration

2018 LEGISLATIVE OVERSIGHT COMMITTEE
Senator Nancy Rodriguez (D)
Chair
Representative Eliseo Lee Alcon (D)
Vice Chair
Senator Gregory A. Baca (R)
Representative Alonzo Baldonado (R)
Representative George Dodge, Jr. (D)
Representative Kelly K. Fajardo (R)
Representative Bealquin “Bill” Gomez (D)
Representative Roberto “Bobby” Gonzales (D)
Senator Stuart Ingle (R)
Senator Richard C. Martinez (D)
Representative Bill McCamley (D)
Senator Cisco McSorley (D)
Representative Rod Montoya (R)
Senator Gerald Ortiz y Pino (D)
Senator Michael Padilla (D)
Representative Dennis J. Roch (R)
Senator Sander Rue (R)
Representative Nathan P. Small (D)
Representative Sheryl Williams
Stapleton (D)
Senator Jeff Steinborn (D)