



HOUSING
NEW MEXICO | MFA

AVAILABLE PROGRAMS

housingnm.org

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Programs to Create More Housing

9% Low-Income Housing Tax Credits (LIHTC)*

Each state receives federal tax credits to support development and rehabilitation of low-income units. The 9% tax credits are awarded through a competitive process to projects throughout the state. The tax credits are sold to investors which creates approximately 70% equity for the project.*

4% LIHTC Tax Exempt Bonds*

Private Activity Bonds (PABs) are tax-exempt bonds issued to finance projects with a public benefit, such as affordable housing. Beginning in 2026, when over 25% of a project's financing comes from PABs, the project then qualifies for a non-competitive, "as-of-right" 4% LIHTC allocation. This tax credit provides approximately 30% equity into the project, thereby reducing the project's financing costs. The combination of PABs and the 4% LIHTC facilitates the development of affordable housing by making projects more financially feasible and ensuring lower rents for low-income residents.

542(c) HUD & 538 Rural Development Risk Share Loan Programs

Multifamily housing loan enhancement programs/products. The 542(c) program allows for a risk sharing arrangement between Housing New Mexico | MFA and U.S. Department of Housing and Urban Development (HUD). The 538 program is a loan guarantee program for construction and permanent loans for affordable rental developments in eligible rural areas.

HOME Rental Development Funds*

HOME funds are used as gap financing and are typically the last dollars committed to a project. HOME funds are used in combination with other housing resources such as the LIHTC and 542(c) loan programs.

National Housing Trust Fund*

Federal funding in the form of loans that are extended at a 0% interest rate and assist in construction or acquisition/rehabilitation of affordable housing for extremely low-income households whose incomes do not exceed the greater of 30% Area Median Income (AMI) or the federal poverty line.

New Mexico Affordable Housing Tax Credit (State Tax Credit)*

A tax credit program created by the State of New Mexico to encourage charitable donations to affordable housing projects. Donors receive 50% of the donation as a tax credit toward their New Mexico state tax liability.

New Mexico Housing Trust Fund*

Flexible funding for housing initiatives that provide acquisition, construction and/or preservation of affordable single or multifamily housing for persons or households of low or moderate income.

Primero

A flexible, low-cost loan program created to finance the development of affordable rental, special needs residential facilities, or single-family subdivisions that might be considered "high risk" by traditional lenders.

Single-Family Development

Flexible, low-cost loan programs that may be used for single-family development, including HOME, New Mexico Housing Trust Fund, Primero and Zero Interest Homebuilder Program.

*These programs also support multifamily rental preservation projects.



Programs to Preserve and Improve Existing Affordable Housing and Catalyze Redevelopment

Emergency Housing Needs Program

Provides rapid assistance to very low-income households (at or below 50% AMI) in response to unexpected events occurring within the previous 90 days that have displaced or threaten to displace individuals or families from their homes. Services are limited to the structure of the home, which includes electrical and plumbing issues, roof repair or replacement, water heater replacement, and furnace replacement.

HOME Rehabilitation

Provides home rehabilitation for health and safety issues, fall reduction items, accessibility and caregiver modifications, and code compliance upgrades at no cost to eligible homeowners.

Home Improvement Program

A direct service program that provides home rehabilitation to New Mexicans that live in counties that are not served by existing providers as part of the HOME Rehabilitation program. Provides home rehabilitation for health and safety issues, fall reduction items, accessibility and caregiver modifications, and code compliance upgrades at no cost to eligible homeowners.

Housing Innovation Program

A resource to spur innovative housing projects and create an opportunity to test novel housing solutions. The program addresses housing needs that are currently unmet by other Housing New Mexico programs.

NM EnergySmart Weatherization Program

Provides energy-saving retrofits and home modifications at no charge to eligible homeowners and renters.

New Mexico Preservation Loan Fund

Provides funding for projects to support the preservation of at-risk affordable housing in the state.

Restoring Our Communities

Provides funding for the acquisition, rehabilitation, and resale of vacant, abandoned or foreclosed single-family homes with a goal of increasing homeowner opportunities for low- and moderate- income households while assisting communities in reducing abandoned properties.

Veterans Home Rehabilitation and Modification Program

Provides home rehabilitation for health and safety issues, fall reduction items, accessibility and caregiver modifications, and code compliance upgrades at no cost to eligible veterans.



Programs to Build Homeownership and Wealth

FirstHome

An affordable mortgage loan option for first-time homebuyers.

FirstDown

A fixed-rate second mortgage loan program that provides up to 4% of the home sales prices to assist with down payment and closing costs and must be combined with FirstHome.

FirstDown Plus

A third mortgage down payment assistance loan fixed at \$10,000. It is designed to provide additional down payment to first-time homebuyers who are qualified to use the FirstHome program. The loan is amortized over 15 years at 0.00% interest.

HomeNow

A second mortgage loan available to first-time homebuyers who have lower household incomes. Provides \$7,000 for down payment and closing costs.

HomeForward (First Mortgage Loan)

A recently updated first mortgage loan option for non-first-time homebuyers. Formerly known as NextHome.

HomeForward DPA (Second Mortgage Loan)

A 10 or 15 year, amortizing down payment assistance program with monthly payments that must be combined with HomeForward.

Partners

Housing New Mexico purchases first time homebuyer loans originated by Habitat for Humanity affiliates in New Mexico.

Programs to Create Stable Housing Environments

Continuum of Care

Funding provides housing assistance to individuals/families experiencing homelessness and supportive services, such as assistance with medical, financial, and educational programs. The New Mexico Coalition to End Homelessness and the City of Albuquerque administer the federal Continuum of Care awards to selected service providers, and Housing New Mexico provides the state match funding.

Emergency Homeless Assistance Program

Housing New Mexico is awarded state homeless and federal Emergency Solutions Grant (ESG) funds annually for this program. Funding supports emergency shelter operations, essential services, and data collection.

Housing Opportunities for Persons With AIDS

Provides housing assistance, in the form of rent, mortgage or utility payments, to people who have a documented HIV/AIDS diagnosis that are at or below 80% AMI.

Landlord Collaboration Program

A collaboration between New Mexico Children, Youth and Families Department and Housing New Mexico that increases access to safe, permanent, and supportive housing for youth (ages 18-24) who are experiencing homelessness or are at risk of homelessness. The program provides incentive for landlords to rent to these youth by covering costs such as damages to the unit that are in excess of the security deposit.

Landlord Engagement Program

Increases access to safe, permanent, and supportive housing to City of Albuquerque voucher holders who are experiencing homelessness or are at risk of homelessness. The program provides incentive for landlords to rent to this population by covering costs such as damages to the unit that are in excess of the security deposit.

Linkages

A state-funded permanent supportive housing program that provides long-term rental subsidies, utility assistance, and supportive services to vulnerable populations. Serves homeless consumers with housing needs, prioritizing individuals with a serious mental illness, including Native Americans living off a reservation.

Rapid Rehousing and Homeless Prevention

Housing New Mexico is awarded state homeless and federal ESG funds annually for this program to assist individuals with short- and medium-term rental assistance that are homeless or at risk of homelessness. HOME American Rescue Plan funds are also used for the same purpose.

Recovery Housing Program

Provides funds to develop housing or maintain housing and recovery services for individuals impacted by a substance use disorder, supporting efforts for independent living by providing stable housing to support recovery.

Rehab-2-Rental

In partnership with New Mexico Department of Finance and Administration, the goal of the of this program is to increase housing stability for tenant-based housing voucher households by bringing below-standard rental properties up to housing quality standards.

Statewide Landlord Incentive Program

In partnership with New Mexico Department of Finance and Administration, this program provides landlord incentives, wherein landlords renting to eligible housing voucher holders can receive payments for claims. The goal is to increase the number of safe, adequate voucher-supported rental units in the state.

Section 8 Project-Based Rental Assistance

A public-private partnership to maintain rental homes for low-income persons. HUD provides private owners of multifamily housing a rental subsidy between the market rent and 30% of the household income as rental payment.

Section 811 Rental Assistance

A HUD initiative that assists extremely low-income people with disabilities to live independently in the community by providing rental subsidies linked with voluntary supportive services. Operated by Housing New Mexico in collaboration with New Mexico Health Care Authority's Behavioral Health Services Division, program subsidies are project-based and remain with the housing unit at turnover.

Youth Homeless Demonstration Project

Designed by HUD in cooperation with youth who have experienced homelessness. The goal is to drastically reduce the number of youth experiencing homelessness, including unaccompanied, pregnant, and parenting youth.

Other

Affordable Housing Act (State Statute)

The New Mexico State Legislature created the Affordable Housing Act as an exception to the anti-donation clause in the New Mexico Constitution to allow local governments and other political subdivisions to put resources towards affordable housing acquisition, development, financing, maintenance, and operation. Essentially, the Act permits public-private partnerships for affordable housing activities. It allows local governments to donate land, buildings, and money to affordable housing projects.