

NewHome Rate Advantage Program



Program Overview

Qualified homebuyers purchasing a newly constructed home through Housing New Mexico's HomeForward program will receive a permanent 1.00% interest rate buydown on a fixed-rate 30-year first mortgage.

Borrower Qualifications:

To be eligible for this interest rate buydown, borrowers must meet the HomeForward income limits. Applicable income limits are posted here: <https://housingnm.org/lenders-realtors/income-and-purchase-price-limits#homeforward>

Income limits are based on the number of persons in the borrower's household. Two household size categories are used: 1-4 persons and 5 or more persons.

To determine income eligibility, the borrower's total qualifying income will be used. The borrower's mortgage lender will calculate their total qualifying income.

Property Requirements:

The property being purchased must be a newly constructed, site built, detached or attached home. The certificate of occupancy (CO) must not have been issued more than twelve months prior to the date of purchase. Eligible homes cannot have been previously occupied.

Eligible properties may be located anywhere in New Mexico, including on Federally Designated Tribal Land.

The purchase price must not exceed the applicable HomeForward program limit. Purchase price limits are available at: <https://housingnm.org/lenders-realtors/income-and-purchase-price-limits#homeforward>

Quick Facts

- Provides a permanent 1.00% interest rate buydown on a fixed-rate 30-year first mortgage
- Funds received under the NewHome Rate Advantage program do not require repayment
- Available through Housing New Mexico's HomeForward program
- Must purchase a newly constructed, site built, detached or attached home
- Home must be used as the borrower's primary residence
- Home must meet HomeForward income and purchase price limits
- Available only through approved participating lenders
- Not available for investment properties, rental properties, second homes, manufactured, or modular homes
- Limited funding available

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Optional Down Payment Assistance Available:

The HomeForward Down Payment Assistance (DPA) second mortgage loan is available to eligible borrowers as an option. The HomeForward DPA provides up to 3 percent of the sales price of the home to be used toward the down payment. More information about HomeForward DPA is available on our website at: <https://housingnm.org/individuals-and-families/homebuyers/mortgage-programs>

Accessing the Program:

Only approved participating lenders will have access to the interest rate buydown program on behalf of their borrowers. A list of participating lenders is available here: <https://housingnm.org/lenders-realtors/participating-lenders>

Homebuyers wishing to use this interest rate buydown program must contact an approved lender from the list. Participating lenders may charge their normal and customary lender fees.

Owner Occupancy Requirement

This program is only for borrowers who will occupy the home as their primary residence. This program is not available to borrowers seeking to purchase an investment property, rental, property, or a second home.

Note: NewHome Rate Advantage is a pilot program with limited funding and is subject to change.



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