

New Homes for New Mexico

Program Overview

Builders constructing homes which meet program guidelines may apply and request a reservation of up to $1,000,000 for qualifying sales of newly constructed homes to eligible first-time homebuyers.

This program is designed to provide qualified low– and moderate-income first-time homebuyers with substantial down payment and closing cost assistance toward the purchase of a newly constructed single-family, attached or detached home from a participating homebuilder. Homebuyers must obtain mortgage financing using either the First*Home* or Home*Forward* program through a Housing New Mexico | MFA-approved lender.

An internal review committee will score and recommend approval of builder proposals meeting the minimum threshold for consideration and approval by the Housing New Mexico Board of Directors. Housing New Mexico staff will evaluate builder applications using the Threshold Requirements and Ranking Criteria as described in the Notice of Funding Availability (NOFA). Housing New Mexico will follow its own policies and procedures to obtain the necessary reservation approvals. Housing New Mexico reserves the right to make final decisions at its discretion.

Program requirements were specified in House Bill 200 in the 2026 New Mexico Legislative Session.

Property Requirements:

Eligible homes shall be no more than 1,800 square feet on a lot consisting of no more than 5,000 square feet. Proposed homes must be newly constructed, fee-simple attached or detached, single-family residences which have never been occupied and have a certificate of occupancy (CO) that is no older than twelve months at the time of closing.

Borrower Qualifications:

First-time homebuyers with total income that is less than 120% of the county area median income (AMI) for a household size of four. A first-time homebuyer has not owned and occupied a home as their primary residence within the last three years. (Married homebuyers must individually meet the definition of a first-time homebuyer.)

Homebuyers must occupy the home as their primary residence and must be able to successfully document their eligibility for either Housing New Mexico's First*Home* program or Home*Forward* program, including verifications for rental history, employment, income, acceptable credit score and debt-to-income ratio, as applicable.

Homebuyers using the New Homes for New Mexico program may not utilize other Housing New Mexico down payment assistance (DPA) or buydown programs.

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Housing New Mexico | New Mexico Mortgage Finance Authority (MFA)
7425 Jefferson St. NE, Albuquerque, NM 87109
505-843-6880 | 800-444-6880 | ***housingnm.org***

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New Homes for New Mexico

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Down Payment Assistance:

New Homes for New Mexico provides a fixed amount of $50,000, which may be used toward down payment and closing costs. In the high-cost counties of Los Alamos, Santa Fe and Taos, the amount provided is $75,000.

This down payment assistance (DPA) loan has a zero-percent interest rate and is non-amortizing, meaning there is no monthly payment required.

Homebuyers will repay the loan upon the sale of the property, transfer of title, change in occupancy, or refinancing of the first mortgage.

Borrowers must certify they will occupy property as their primary residence and agree to notify Housing New Mexico of any change in the occupancy status.

Accessing the Program:

Applications for funding will be accepted from homebuilders who meet the requirements and qualifications set forth in the NOFA, which may be viewed here:
https://housingnm.org/funding-opportunities/rfps-rfqs/new-homes-for-new-mexico-notice-of-funding-availability

In addition to other qualifications, builder applicants must:

- Be a general contractor, licensed in the state of New Mexico
- Demonstrate they have experience in constructing single-family homes
- Be in good standing with the Construction Industry Licensing Division of the State of New Mexico
- Be in good standing with Housing New Mexico
- Be registered and in good standing with the New Mexico Secretary of State

***Note:** Individual consumer, owner-builder applicants are not eligible for the New Homes for New Mexico program.*

Housing New Mexico encourages builder applicants to discuss proposed projects with the New Homes for New Mexico point of contact listed in the NOFA prior to submission of an application:

View the New Homes for New Mexico NOFA to Learn More!

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Tips for Becoming Mortgage-Ready

1. Review Your Credit Report

- Check your credit report for accuracy at: www.annualcreditreport.com
- You can get one free report from each of the three major bureaus per year. (Experian, TransUnion, Equifax)
- Avoid paying for your credit score—save that money to reduce debt.

If you spot errors, contact the credit bureau to correct them.

2. Dos and DON'Ts Before Applying

DO:	DO NOT:
• Pay all bills on time • Limit spending and start saving • Consider using a budget worksheet: *https://consumer.gov/content/make-budget-worksheet* • Pay down debts	• Open new credit accounts • Close existing accounts* • Deposit large amounts of cash* **Check with your lender first before taking action.*

3. Organize Your Financial Information *(Check with your lender for a complete list of required documents.)*

EQUAL HOUSING OPPORTUNITY

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