

## MFA Housing New Mexico MFA February Board of Directors Meeting February 21, 2024 10:30 am-1:30 pm Mountain Time

## **Chair Convenes Meeting**

- ➤ Roll Call (Izzy Hernandez)
- ➤ Approval of Agenda Board Action
- ➤ Approval of 1/17/24 Board Meeting Minutes Board Action

## Closed Session (Action Required) (Motion and affirmative vote required to close the meeting)

- 1 Executive Session Limited Personnel Matters (YES)
  - Executive Session to be held pursuant to Section 10-15-1 H (2) of the Open Meetings Act: Executive Director

## **Open Session (Action Required)**

- 2 (Motion and affirmative vote required to open the meeting) (YES)
  - Executive Director Updates
  - Governor Michelle Lujan Grisham Comments

#### **Board Action Items**

(Action Required?)

## **Consent Agenda**

3 Board Update - Real Estate Owned Update (Teresa Lloyd) (YES)

#### Other

- 4 Annual Disclosures, Board Members and Executive Directors/CEO (Elenor Werenko) (NO)
- 5 MFA Portfolio Delinguency Update (Teresa Lloyd) (NO)
- 6 Consolidated Plan Consultant Overview (Sherry Stephens, Erich Chatham, Owner/Lead Consultant, Spencer Christian, Director of Operations, Civitas) (NO)

#### **Finance Committee**

- 7 MFA Employee Benefits & Management Internal Audit Report (Claire Hilleary, CPA, Director with Moss Adams) (YES)
- 8 Delegation of Authority for Multifamily Bond Inducement Resolution Approval – One-Year Renewal (Christi Wheelock & Alex Lundy) (YES)
- 9 12/31/23 Financial Statement Review (Arundhati Bose) (YES)

#### **Contracted Services/Credit Committee**

10 FY2023 Recurring Severance Tax Bond Funding Resolution, Notification and Certification, and Reallocation (Stephanie Gonzales & Robyn Powell) (YES) 11 Housing Innovation Award Recommendations (Daniela Freamon & Sonja Unrau) (YES)

#### Other

- 12 Annual Presentation by Capital Solutions Group (CSG) / Royal Bank of Canada (RBC)- (Arundhati Bose, RBS Underwriter, Mina Choo & CSG Financial Advisor, David Jones) (NO)
- 13 MFA Housing Continuum Updates (Donna Maestas DeVries & Jeff Payne) (NO)
- 14 Quarterly Multifamily Project Completion Report (George Maestas) (NO)

#### Other Board Items

## **Information Only**

- 15 (Staff is available for questions)
  - Staff Action Requiring Notice to Board
  - 12/31/23 Quarterly Investment Financial Review
  - MFA Strategic Plan Benchmarks FY 2024 Q1
  - New Mexico Housing Trust Fund Monthly Update
  - Marketing & Communications Monthly Update
  - Quarterly Board Report

## **Announcements and Adjournment**

**Discussion Only** 

Confirmation of Upcoming Board Meetings

- ➤ February 22, 2024 Thursday- 3:00 p.m. Investment Committee Meeting (Board Members please RSVP if interested in attending)
- ➤ March 12, 2024 Tuesday, Contracted Services 10:00 a.m. Finance Committee 1:30 p.m.
- ➤ March 20, 2024 Wednesday 9:30 a.m. (MFA Board of Directors Meeting)
- ➤ March 20, 2024 Wednesday 12:30 p.m. MFA Board Working Session
- ➤ March 28, 2024 Thursday- 3:00 p.m. Investment Committee Meeting (Board Members please RSVP if interested in attending)
- ➤ April 9, 2024 Tuesday, Contracted Services 10:00 a.m. Finance Committee 1:30 p.m.
- ➤ April 17, 2024 Wednesday- 9:30 a.m. (MFA Board of Directors Meeting)
- ➤ April 17, 2024 Wednesday- 12:30 p.m. MFA Board Working Session
- ➤ April 25, 2024 Thursday- 3:00 p.m. Investment Committee Meeting (Board Members please RSVP if interested in attending)
- ➤ May 7, 2024 Tuesday, Contracted Services 10:00 a.m. Finance Committee 1:30 p.m.
- ➤ May 15, 2024 Wednesday- 9:30 a.m. (MFA Board of Directors Meeting)



## NEW MEXICO MORTGAGE FINANCE AUTHORITY

## **Board Meeting**

## 344 4th St. SW, Albuquerque, NM Wednesday, February 21, 2024- 10:30 a.m.

## **Proposed Agenda**

Ch	air Convenes Meeting	
$\overline{\triangleright}$	Roll Call (Izzy Hernandez)	
	Approval of Agenda – Board Action	
	Approval of 1/17/24 Board Meeting Minutes – Board Action	
Cle	osed Session Action Re	auired
	otion and affirmative vote required to close the meeting)	<u></u>
1	Executive Session – Limited Personnel Matters	YES
1	• Executive Session to be held pursuant to Section 10-15-1 H (2) of the Open Meetings Act: Executive	LLS
	Director	
Or	pen Session Action Re	eavired
2	(Motion and affirmative vote required to open the meeting)	YES
>	Executive Director Updates	
>	Governor Michelle Lujan Grisham Comments	
Bo	ard Action Items Action Re	<u>equired</u>
~		
	nsent Agenda	MEG
3	Board Update - Real Estate Owned Update (Teresa Lloyd)	YES
<u>Ot</u>	<u>her</u>	
4	Annual Disclosures, Board Members and Executive Directors/CEO (Elenor Werenko)	NO
5	MFA Portfolio Delinquency Update (Teresa Lloyd)	NO
6	Consolidated Plan Consultant Overview (Sherry Stephens, Erich Chatham, Owner/Lead Consultant,	Spencer
	Christian, Director of Operations, Civitas)	NO
Fir	nance Committee	
7	MFA Employee Benefits & Management Internal Audit Report (Claire Hilleary, CPA, Director with Moss A	dams)
		YES
8	Delegation of Authority for Multifamily Bond Inducement Resolution Approval – One-Year Renewal (Christ	ti
	Wheelock & Alex Lundy)	YES
9	12/31/23 Financial Statement Review (Arundhati Bose)	YES
Co	ntracted Services/Credit Committee	
10	FY2023 Recurring Severance Tax Bond Funding Resolution, Notification and Certification, and Reallocation	1
	(Stephanie Gonzales & Robyn Powell)	YES
11	Housing Innovation Award Recommendations (Daniela Freamon & Sonja Unrau)	YES
Ot	<u>her</u>	
12	Annual Presentation by Capital Solutions Group (CSG) / Royal Bank of Canada (RBC)- (Arundhati Bose, RE	3C
	Underwriter, Mina Choo & CSG Financial Advisor, David Jones)	NO
	MFA Housing Continuum Updates (Donna Maestas DeVries & Jeff Payne)	NO
14	Quarterly Multifamily Project Completion Report (George Maestas)	NO

Other Board Items Information Only

#### 15 (Staff is available for questions)

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- ➤ Roll Call (Izzy Hernandez)
- ➤ Approval of Agenda Board Action
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Closed Session Action Required

(Motion and affirmative vote required to close the meeting)

1 Executive Session- Limited Personnel Matters

YES

• Executive Session to be held pursuant to Section 10-15-1 H (2) of the Open Meetings Act: Executive Director

Open Session Action Required

2 (Motion and affirmative vote required to open the meeting)

YES

- > Executive Director Updates
- ➤ Governor Michelle Lujan Grisham Comments

Board Action Items Action Required

#### **Consent Agenda**

**Board Update - Real Estate Owned Update (Teresa Lloyd)-** Provide an annual update to the Board regarding MFA's Real Estate Owned portfolio. MFA anticipates no foreclosures in FY 2024 to result in a Real Estate Owned portfolio. MFA's exposure will be assessed at that time, but staff anticipates the financial impact to MFA will not be material.

YES

## **Other**

4 Annual Disclosures, Board Members and Executive Directors/CEO (Elenor Werenko)

NO

- 5 MFA Portfolio Delinquency Update (Teresa Lloyd)- Delinquency trends for MFA's loan portfolio as of December 31, 2023 to include the first mortgage portfolio subserviced by Idaho Housing Finance Association and MFA's in house direct servicing portfolio. MFA's subserviced portfolio delinquency as of December 31, 2023 is 12.97% up from 9.84% June 30, 2023. MFA's in house direct servicing portfolio delinquency as of December 31, 2023 is 8.52% down from 9.96% as of June 30, 2023. The presentation will also discuss actions taken to reduce delinquency and the impacts the economy and other factors have on both portfolios.
- 6 Consolidated Plan Consultant Overview (Sherry Stephens, Erich Chatham, Owner/Lead Consultant, Spencer Christian, Director of Operations, Civitas)- The attached PowerPoint presentation is to provide an informational update on efforts made to summarize the process for community outreach, statewide engagement, survey tools, and data compilation for this regulated and required HUD process.
  NO

## **Finance Committee**

MFA Employee Benefits & Management Internal Audit Report (Claire Hilleary, CPA, Director with Moss Adams)- Moss Adams LLP (Moss Adams) was contacted by the NMMFA to perform an internal audit related to MFA's employee management and retirement plan functions. The areas of focus for this internal audit included determining whether MFA followed select internal procedures as well as complying with the 401K Plan Document. Further testing was done to evaluation compliance with select MFA policies and procedures (P&Ps) related to MFA's employee management practices including maintaining employee files, employee disciplinary action, employee

- terminations and the Family and Medical Leave Act (FMLA). This internal audit took place between September 2023 through January 2024. There were no findings for this internal audit.
- 8 Delegation of Authority for Multifamily Bond Inducement Resolution Approval One-Year Renewal (Christi Wheelock & Alex Lundy) MFA Staff recommends renewal of the approval from the MFA Board to delegate the authority to issue individual Inducement Resolutions to each project as a staff action, extending the approval for another year. The following individuals would be authorized to execute the Inducement Resolutions issued through a staff action.

  YES
- 9 12/31/23 Financial Statement Review (Arundhati Bose)- Ongoing. Discuss the Quarterly financial statement for the Quarter ending Dec 31, 2023. Provide insights into trends and variance analysis highlighting key variables impacting the organization's financial health.
  YES

## **Contracted Services/Credit Committee**

- 10 FY2023 Recurring Severance Tax Bond Funding Resolution, Notification and Certification, and Reallocation (Stephanie Gonzales & Robyn Powell) Staff recommends that the MFA Board of Directors adopt the New Mexico Mortgage Finance Authority Resolution, Notification and Certification Amendment to the New Mexico State Board of Finance certifying the need for funding in the amount of \$37,530,000 for state fiscal year 2024. The amended certification will reallocate the \$3,400,000 in the first mortgage; affordable homeownership loan purchase to down payment assistance for \$3,125,000 and to single family emergency repairs, accessibility, energy efficiency improvements and rehabilitation for \$275,000.
- 11 Housing Innovation Award Recommendations (Daniela Freamon & Sonja Unrau) The Housing Innovation Scoring Committee recommends awarding \$262,498 to the Sawmill Community Land Trust under the Housing Innovation Notice of Funding Availability, and as Trustee of the New Mexico Housing Trust Fund. YES

#### **Other**

- 12 Annual Presentation by Capital Solutions Group (CSG) / Royal Bank of Canada (RBC)- (Arundhati Bose, RBC Underwriter, Mina Choo & CSG Financial Advisor, David Jones)- presentation by NMMFAs Financial Advisor and Senior Underwriter highlighting the macro environment, bond structures designed and process of bond marketing.
- 13 MFA Housing Continuum Updates (Donna Maestas DeVries & Jeff Payne)

14 Quarterly Multifamily Project Completion Report (George Maestas) - For informational purposes, staff will provide an overview of the quarter one report on the construction progress for multifamily projects and present information on any upcoming loan closings and ribbon cuttings.
NO

Other Board Items Information Only

#### 15 (Staff is available for questions)

- Staff Action Requiring Notice to Board
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**Discussion Only** 

NO

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## NEW MEXICO MORTGAGE FINANCE AUTHORITY

Board Meeting Minutes
La Fonda on the Plaza – New Mexico Room
100 E San Francisco St, Santa Fe, NM 87501
Wednesday, January 17, 2024 at 9:30 a.m.

Chair Angel Reyes convened the meeting on January 17, 2024, at 9:37 a.m. Secretary Hernandez called the roll. Members attending in person: Chair Angel Reyes, John Kreienkamp (designee for State Treasurer Laura M. Montoya), Gideon Elliot (designee for Attorney General Raúl Torrez), Rebecca Wurzburger and State Treasurer Laura M. Montoya (arrived at 10:36 a.m. prior to Tab 2). Virtual attendance: Derek Valdo, Martina C'de Baca (designee for Lieutenant Governor Howie Morales) (Joined during Tab 1 at 9:39 a.m., virtually and in person during presentations at 10:13 a.m.). Absent: Patricia Sullivan. Hernandez informed the Board that everyone had been informed about today's meeting in accordance with the New Mexico Open Meetings Act.

Chair Reyes welcomed Board members, guests, and staff. He informed everyone that the meeting is being recorded, making reference to the microphone sensitivity. He then provided voting protocol for those members participating virtually.

Approval of Agenda – Board Action. Motion to approve the January 17, 2024, Board agenda as presented: Wurzburger. Seconded by Kreienkamp. Roll Call Vote: Angel Reyes- yes, Derek Valdo- yes, Gideon Elliot- yes, Proxy John Kreienkamp- yes, Rebecca Wurzburger- yes, Sullivan- absent, Proxy Martina C'de Baca- absent. Vote: 5-0.

Approval of 12/13/23 Board Meeting Minutes – Board Action. Motion to approve the December 13, 2023, Board Meeting Minutes as presented: Wurzburger. Seconded by Kreienkamp. Roll Call Vote: Angel Reyes- yes, Derek Valdo-yes, Gideon Elliot- yes, Proxy John Kreienkamp- yes, Rebecca Wurzburger- yes. Sullivan- absent, Proxy Martina C'de Baca- absent. Vote: 5-0.

Hernandez provided his Executive Director updates: **Program Updates**: Mortgage Ops- Ahead of last year's weekly avg. **Significant meetings/presentations**: 12/14: NMBA Legislative Meeting. 1/08: House Appropriations and Finance Committee Mtg. 1/11: NM Housing Strategy Adv. Committee Mtg. 1/12: Kirtland Partnership Mtg. 1/16: 2024 Legislative Sessions- 1st Day. **Upcoming Meetings**: 1/16: Mtg with various Legislators. 1/19: Taos County Mtg-LIHTC. 02/15: Last day of Legislative Session. Hernandez mentioned the focus for the month is the 2024 Legislative Session, meeting with various Legislators to emphasize Senate Bill 7 and Senate Bill 31. He then discussed median home prices and mortgage rates graph provided: Home prices have grown by around 40% since 2019 and Mortgage Rated came down from 23-year high. Lastly, he informed the Board that the next MFA Board of Directors meetings will also consist of working sessions and training.

## **Local Perspectives**

- ➤ Paul Andrus, Community Development Director, Daniel Osborn and Dan Ungerleider, Los Alamos County Andrus, Osborn and Ungerleider presented the housing needs and strategies in Los Alamos. Approximately 20% of households have lower incomes (<\$50K). Total workforce commuting into Los Alamos >8,000 with 2,300 outcommuting. Fourteen percent of owner-occupied households are cost burdened (1036 units). Twenty-five percent of renter-occupied households are cost burdened (502 units). A chart of challenges, actions and projects was provided. Challenges Los Alamos face is limited supply of land, housing choice, new housing, and aging housing stock. Affordable housing and lack of housing authority or core development partner necessary to implement a permanent affordability regime is also a challenge.
- Monica Abeita, Executive Director, North Central New Mexico Economic Development District Abeita began her presentation discussing the greatest housing needs: housing rehabilitation, workforce housing, senior housing, and special needs housing. In rural areas needs include housing stock is older, rates of vacant and abandoned homes are

higher, population is aging, little to no population growth and limited new development and investment. She also discussed various projects with MFA: Housing Technical Assistance Program- \$80,00, Recovery Housing- \$2.7 million CSLFRF grant, Senior Home Repair- \$1 million CSLFRF grant and Resorting our Community (ROC).

#### **Consent Agenda**

**2024 Open Meeting Resolution (Eleanor Werenko)** - The New Mexico Mortgage Finance Authority Open Meetings Resolution is submitted for MFA Board of Directors approval pursuant to Section 10-15-1 (B) and (D) of the New Mexico Open Meetings Act (Sections 10-15-1 to 10-15-4 NMSA 1978), and the MFA Bylaws, Section 7.4, which require that the MFA determine annually, in a public meeting, what constitutes reasonable notice of its public meetings. Motion to approve the 2024 Open Meetings Resolution as presented: Kreienkamp. Seconded by Elliot. Roll Call Vote: Angel Reyes- yes, Derek Valdo- yes, Gideon Elliot- yes, Proxy Martina C'de Baca- yes, Proxy John Kreienkamp- yes, Rebecca Wurzburger- yes, Patricia Sullivan-absent. Vote: 6-0.

Proxy John Kreienkamp yield, and State Treasurer Laura M. Montoya joined the meeting at 10:36 a.m. prior to Tab 2.

#### **Finance Committee**

- NMMFA FY23 Audit Report (Christopher Gregory, Audit Manager, Clifton Larson Allen, LLP & Arundhati Bose, CFO NMMFA) Bose began her presentation introducing and providing a brief background of Gregory, Audit Manager. Gregory then discussed the Report of Independent Auditors and Financial Statements with Supplemental Schedules for the year ended 9/30/2023 and comparative information for 9/30/2022. Key Points of the Audit were highlighted during the discussion session. Auditor communication included Overall: No changes from planned scope. Estimates: Evaluated management's estimates and are comfortable with them. Disclosures: Neutral, consistent, and clean, no omissions. Difficulties: No significant difficulties, no disagreement with management. Other: No audit adjustments, no uncorrected misstatements and management representations forthcoming. The annual audit was unmodified and there were no findings on the single audits performed in fiscal year 2023. Next steps include GNMA Report submitted and data collection form submission to the Federal Audit Clearinghouse. Following the External Auditor's discussion Bose discussed key highlights of the audit focusing on trends and new GASB adaptations. Motion to approve the NMMFA FY23 Audit Report as recommended: C'de Baca. Seconded by Wurzburger. Roll Call Vote: Angel Reyes- yes, Derek Valdo- yes, Gideon Elliot- yes, Proxy Martina C'de Baca- yes, State Treasurer Laura M. Montoya- Yes, Rebecca Wurzburger- yes, Patricia Sullivan- absent. Vote: 6-0
- MFA's Policies & Procedures Manual and Delegations of Authority Proposed Revisions (Julie Halbig) Halbig began her presentation requesting approval of the proposed changes to the Policies and Procedures Manual for the purpose of conducting MFA's business. Annually, the MFA Policies & Procedures Manual and Delegations of Authority are reviewed and updated as needed for changes relating to compliance, audit findings, clarifications and changes in general practices or policies. Outlined for the Board's consideration are substantive changes for the annual update. Motion to approve MFA's Policies & Procedures Manual and Delegations of Authority with proposed revisions and amendment to include in Section E, page 9; to strike red language after no member and include "all Members, Management and Employees should comply with the state Gift Act (\$250)" and "the prohibition does not include gift motivated by a family relationship or close relationship". Also on page 15, Section D; "Member may attend monthly meetings in compliance with open meeting act" and in section E; add "as directed (delete "request") and add by Executive Director/CEO". State Treasurer Laura M. Montoya. Seconded by Elliot. Roll Call Vote: Angel Reyes- yes, Derek Valdoyes, Gideon Elliot- yes, Proxy Martina C'de Baca- yes, State Treasurer Laura M. Montoya- Yes, Rebecca Wurzburger-yes, Patricia Sullivan- absent. Vote: 6-0
- 4 NMMFA Third Party Sender ACH Audit 2023 (Julie Halbig) Halbig began her presentation requesting the approval of the NMMFA Third Party Sender ACH Audit. Annually, MFA must conduct a Third-Party Sender Automated

Clearing House (ACH) audit to be in compliance with the National Automated Clearing House Association (NACHA) rules. The firm of Edwards Valen & Associates completed this annual audit and found MFA to be in compliance with the 2023 NACHA Rule books. MFA earned an overall Satisfactory rating. There was one recommendation related to Record Retention. The recommendation is to keep all electronic records for at least six years and all paper records that are on-site for two years. Motion to approve NMMFA Third Party Sender ACH Audit 2023 as presented: State Treasurer Laura M. Montoya. Seconded by Elliot. Roll Call Vote: Angel Reyes- yes, Derek Valdo- yes, Gideon Elliot- yes, Proxy Martina C'de Baca- yes, State Treasurer Laura M. Montoya- Yes, Rebecca Wurzburger- yes, Patricia Sullivan- absent. Vote: 6-0

Lender Compensation for Native American Single-Family Programs (Jeff Payne) – Payne began his presentation requesting approval to increase participating lender compensation by 1.0% to a total of 3.5% for single family mortgage loans originated on tribal land. He then stated the potential benefit of this proposal is that lenders would better be able to offset their costs and break even or realize a small profit on these loan programs sold to MFA. Mortgage lending companies face challenges in originating loans profitably in today's economic environment. Depending on company policy and regulations governing loan officer compensation, the additional compensation offered by MFA may or may not be passed on in whole or in part to originating loan officers. MFA staff believes that if lenders do more of these targeted loan programs, they will become more familiar with the process and create capacity to expand the number of loans offered to Native American homebuyers in New Mexico. Motion to approve the Lender Compensation for Native American Single-Family Programs as presented: C'de Baca. Seconded by State Treasurer Laura M. Montoya. Roll Call Vote: Angel Reyes- yes, Derek Valdo- yes, Gideon Elliot- yes, Proxy Martina C'de Baca- yes, State Treasurer Laura M. Montoya- yes, Rebecca Wurzburger- yes, Patricia Sullivan- absent. Vote: 6-0

State Treasurer Laura M. Montoya stepped out at end of Tab 5 at 11:36 a.m. Proxy John Kreienkamp proceeded in her place for the remainder of the meeting.

**2024 Employee Manual Revisions (Dolores Wood)** – Wood began her presentation recommending proposed revisions to the Employee Manual. Annually, the MFA Employee Manual is reviewed and updated. The Employee Manual is revised as needed for changes as it relates to compliance, audit findings, clarifications, and changes in general practices. She stated the revisions in the employee manual are minor in nature. Motion to approve the 2024 Employee Manual Revisions with amendment to include added language on accrual rated grandfathered for current employee's vs new employees. Motion to approve the 2024 Employee Manual Revisions as presented: Wurzburger. Seconded by C'de Baca. Roll Call Vote: Angel Reyes- yes, Derek Valdo- yes, Gideon Elliot- yes, Proxy Martina C'de Baca- yes, Proxy John Kreienkamp- yes, Rebecca Wurzburger- yes, Patricia Sullivan- absent. Vote 6-0

#### Other

- 7 Quarterly Marketing Summary Report (Kristie Garcia) Garcia presented the quarterly marketing and communications presentation consisting of the strategic marketing overview of MFA's recent activities related to press releases, advertising, media coverage, social media posts and outreach efforts. Non-Action item.
- **8 2023 Series D Bond Issuance Pricing Summary (Arundhati Bose)** Bose began discussing the Pricing Summary, the impact of using Volume Cap and the 2023D Bond Issue highlights from Pricing to Closing. All topics discussed were for information purposes. Non-Action item.

#### **Other Board Items- Information Only**

- 9 There were no questions asked of staff.
- Staff Action Requiring Notice to Board

## MFA Regular Board Meeting Minutes January 17, 2024

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## **Monthly Reports- Non-Action Required**

- There were no questions asked of staff.
- 11/30/2023 Financial Statements
- New Mexico Housing Trust Fund Monthly Update

## Announcements and Adjournment- Confirmation of upcoming Board Meetings.

There being no further business the meeting was adjourned	l at 12:05 p.m.
Approved:	
Chair, Angel Reyes	Secretary, Isidoro Hernandez



TO: MFA Board of Directors

Through: Policy Committee - February 6, 2024

FROM: Teresa Lloyd – Director of Servicing

DATE: February 21, 2024

SUBJECT: Board Update – Real Estate Owned Property

**Background:** MFA staff is providing this annual Real Estate Owned (REO) portfolio update to the Board for FY2023. MFA's REO portfolio typically consists of single family and multi-family loans that MFA services and has foreclosed. Most of the single family, first mortgage loans that MFA services were originated through our Partners program. As a result, most of the properties that come into our REO portfolio are Partners loans. MFA attempts to work with the borrowers and Habitat for Humanity affiliates to avoid taking these homes back. MFA has also analyzed the potential for REO resulting in foreclosure of our subserviced portfolio and whole loans acquired via repurchase due to modifications and lender repurchases.

**Discussion:** As of December 31, 2023, MFA holds no REO properties. All foreclosure sales held in FY 2023 resulted in full conveyance to HUD and Fannie Mae or resulted in Third Party Sales.

MFA anticipates no foreclosure completions resulting in an REO portfolio in FY 2024 for the MFA direct servicing portfolio or the subserviced first mortgage portfolio.

As foreclosure sales take place and if properties are brought into the REO portfolio, MFA's exposure will be analyzed and approvals to move forward with disposition will be obtained according to policy. The MFA Board will receive updates from time to time via the Staff Action report.

**Summary:** The purpose of this memo is to provide an annual update to the Board regarding MFA's Real Estate Owned portfolio. MFA anticipates **no** foreclosures in FY 2024 to result in a Real Estate Owned portfolio. MFA's exposure will be assessed at that time, but staff anticipates the financial impact to MFA will not be material.



## New Mexico Mortgage Finance Authority Portfolio Delinquency Update

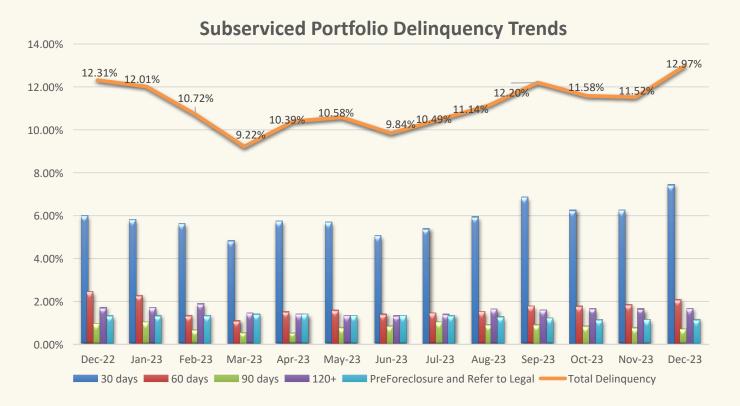
Teresa Lloyd Director of Servicing

Board of Directors February 21, 2024

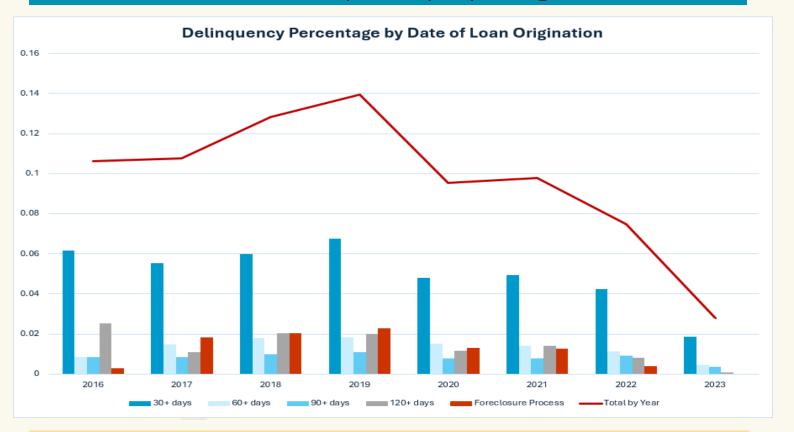
## Today's Delinquency Factors



## 2023 Subserviced Portfolio Delinquency Trends



## Subserviced Delinquency by Origination Year



## 2023 Subserviced Portfolio Benchmarks

# Delinquency Performance Comparison September 30, 2023

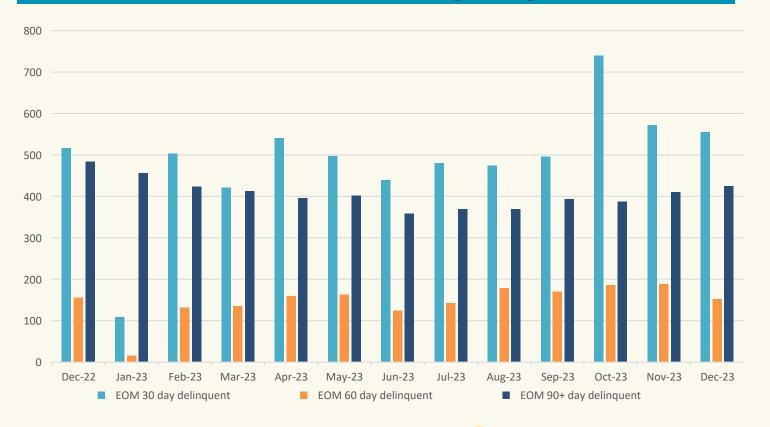


## MFA Serviced Portfolio Delinquency Trends

## **In-House Portfolio Delinquency**



## **2023 MFA Serviced Delinquency Trends**



## Addressing Delinquency and Processes

- Increasing right party contact rates.
- Identify borrower's reason for default.
- Discuss options for reinstatement with borrowers (depending on investor. options vary)
  - FHA primary options, Repay Plans, Partial Claims, Modification
  - Conventional, Repay Plans, Payment Deferral, Modification
  - IHFA has increased staff to improve borrower contact
  - If borrower cannot afford the home, workout options not viable, discussion will be toward liquidating the home to avoid foreclosure.
- Agreed Delinquency Target set for IHFA to bring and keep delinquency below the FHA Purchase Loan Delinquency rates for NM through out 2024.
- Monitoring foreclosure actions and timeline to reduce risk of increased loss.
- MFA's collection team holds monthly and quarterly strategy meeting to address any new trends in delinquencies and to improve conversations with borrowers to bring them current.
- MFA's ACH Gift Card drawing is successful, and more borrowers are still signing up for Auto Drafts for their payments.

## New Mexico Mortgage Finance Authority

Comments/Questions





## **MEMO**

DATE: February 21, 2024

TO: Board of Directors

FROM: Julie Halbig and Sherry Stephens, Compliance and Initiatives

RE: Consolidated Plan Consultant Overview Board Presentation

#### Recommendation:

Compliance and Initiatives staff along with Consultant Civitas present to the Board of Directors an overview of Civitas method for gathering and compiling data through survey tools and community engagement for the 2025 – 2029 Consolidated Plan.

#### Background:

It is a requirement of U.S. Department of Housing and Urban Development (HUD) to assess affordable housing, community development needs and market conditions to make data driven investment decisions every five years. This planning process helps identify and align housing and community needs. This is a prescribed and regulated process by HUD.

#### Discussion:

In June 2023, MFA published a Request for Proposal (RFP) and accepted proposals for 30 days. In September 2023, Civitas was selected as the preferred consultant. In October 2023, the contract commenced. February through July 2024, the formal data collection phase begins. This planning process will identify community needs and trends. Through analysis the next strategic and comprehensive plan will be drafted and submitted to HUD. This will become the framework for the next five years for allocated funding and associated goals.

#### **Summary:**

The attached PowerPoint presentation is to provide an informational update on efforts made to summarize the process for community outreach, engagement, survey tools, and data compilation for this regulated and required HUD process.



# New Mexico Mortgage Finance Authority Consolidated Plan 2025 – 2029 Consultant Overview

Sherry Stephens, Compliance and Initiatives

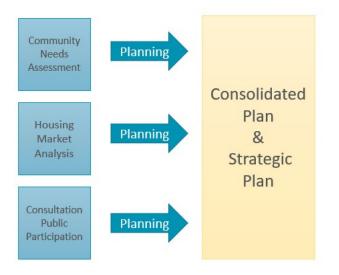
Program Manager

Board of Directors February 21, 2024

## Consolidated Plan

(Identify Needs)

The consolidated plan is a comprehensive and strategic document required by U.S. Housing and Urban Development (HUD) to be submitted every five years. The plan is designed to help states and local jurisdictions assess affordable housing, community development needs, market conditions, and make data driven decisions. The consolidated planning process serves as the framework for community wide dialogue to identify housing and community development priorities for low-income persons and areas of the state.





## Formula Fund Programs

New Mexico receives five (5) separate formula funds from HUD. These federal funds are provided to address infrastructure, housing needs, economic development, improve communities, and enforce fair housing.

**MFA** 

ESG – Emergency Solutions Grant

HOME – Home Investment Partnership

HTF – Housing Trust Fund

HOPWA – Housing Opportunities for Persons with AIDS

DFA

CDBG – Community Development Block Grant





# Civitas LLC (Consultant)

In June 2023, MFA began the process of seeking a qualified consultant via RFP. In September 2023, Civitas was selected. In October 2023, the contract commenced. In February 2024, the formal data collection launched.

## **Meet Civitas**



**Erich Chatham/ Owner Lead Consultant** 



**Spencer Christian, Director of Operations** 



# Outreach Campaign for Consolidated Plan & Equity Plan

## <u>Overview</u>

Public engagement efforts will be combined to capture input for the ConPlan needs assessment and impediments to fair housing choice. We will ensure all outreach methods are accessible, providing materials in Spanish and English formats. We will work with community advocates and local government incorporate strategies for reaching underrepresented and marginalized groups.

## In-Person Meetings (including Virtual Option)

- Organize public gatherings across in Albuquerque, Santa Fe, and Las Cruces.
- Discuss programs, plans and gather feedback.
- Utilize social media and stakeholder organizations to promote.

## Online Survey

- Distribute a comprehensive survey to capture resident input on community needs.
- Disseminate a separate stakeholder survey.

## One-on-One Interviews

- Schedule interviews with government officials, community leaders, and housing advocates.
- Document insights and recommendations for the final plan.



## Outreach Campaign for Consolidated Plan & Equity Plan

## In-Person Public Meetings

## Albuquerque – March 11, 2024

- New Mexico Mortgage Finance Authority
  - Discussions with Program Directors
  - 2:15pm: Stakeholder and Partner Engagement (virtual option)
  - 6:30pm: Community and Public Comment (virtual option)

## <u>Santa Fe</u> – March 12, 2024

- Santa Fe Community College
  - Discussions with CDBG Program Directors
  - 1:00pm: Stakeholder and Partner Engagement (virtual option)
  - 6:00pm: Community and Public Comment (virtual option)

## Las Cruces – March 14, 2024

- Dona Ana Community College
  - 1:00pm: Stakeholder and Partner Engagement (virtual option)
  - 5:30pm: Community and Public Comment (virtual option)



# Outreach Campaign for Consolidated Plan & Equity Plan

## Survey Input

- Stakeholder Survey
  - Open February 1, 2024 through July 31, 2024
- Community and Public Survey
  - Open February 1, 2024 through July 31, 2024
- Promotion: Flyers and online short video
  - Social media and official website promotion
  - Stakeholder assistance
  - Local venues



## Survey Snapshot (Citizen, Community and Stakeholder)



## **State of New Mexico**

Community Feedback Needed

# COMMUNITY *Assessment*

THE FAIR HOUSING ACT HOUSING IS AFFORDABLE WHEN IT COMPRISES NO MORE THAN 30% OF PROTECTS AGAINST HOUSING DISCRIMINATION BASED ON RACE, COLOR, THE FAMILY'S BUDGET.

FAMILIES SPENDING MORE THAN THIS ON HOUSING ARE COST-BURDENED.

LET'S HEAR



#### **PURPOSE**

FAMILIAL STATUS, NATIONAL ORIGIN, RELIGION, SEX,

DISABILITY

The State of New Mexico is developing its Consolidated Plan to assess affordable housing needs and community development goals that will help prioritize decisions for the federally funded programs.

The State is also completing the Analysis of Impediments to Fair Housing Choice to identify and address fair housing issues within our community.

Your feedback is crucial to this process!

OR GO TO THE LINK BELOW:

https://www.research.net/r/NM-Community-Survey





## The State of New Mexico: Community & **Fair Housing Survey**

Purpose of Survey

The New Mexico Mortgage Finance Authority and the Department of Finance and Administration, Community Development Bureau request your participation in a brief survey designed to identify fair housing and other housing and economic development issues in the

The State of New Mexico expects to receive funding from the U.S. Department of Housing and Urban Development (HUD) to support the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), Housing Opportunities for Persons with AIDS (HOPWA), and Housing Trust Fund (HTF) programs which will help to address affordable housing and community development needs. Program activities must meet at least one of three national objectives outlined by the Department of Housing and Urban Development (HUD).

Activities must (1) benefit low-to-moderate income persons/households; (2) prevent or eliminate slums or blight and/or (3) address an emergency need that poses a serious and immediate threat to the health or welfare of the community.

The survey is divided into 3 sections:

- 1. Non-attributable demographic information (Responses are completely anonymous.)
- 2. Community needs
- 3. Fair housing

It should only take 5-10 minutes of your time and your input is important to us.



#### The State of New Mexico - Stakeholder Survey

Housing New Mexico

#### **HUD Consolidated Plan Stakeholder Survey**

The New Mexico Mortgage Finance Authority and the Department of Finance Administration, Community Development Bureau request your participation in a brief survey designed to identify fair housing and other housing and economic development issues in the State. The State of New Mexico expects to receive funding from the U.S. Department of Housing and Urban Development (HUD) to support the Community Development Block Grant (CDBG). HOME Investment Partnerships Program (HOME), Emergency Solutions Grants (ESG), Housing Opportunities for Persons with AIDS (HOPWA) and Housing Trust Fund (HTF) programs which will help to address affordable housing and community development needs. Program activities must meet at least one of three national objectives outlined by HUD. Activities must benefit low-to-moderate income persons/households; prevent or eliminate slums or blight and/or address an emergency need that poses a serious and immediate threat to the health or welfare of the community. The Plan will describe the State's housing and community development needs, strategies, and priorities.

The survey is divided into organizational info, community needs assessment, and fair housing issues. It should only take five - ten minutes of your time.

Name of your organization?	
2. Organization Type	
Medical or Health	Services - Employment/Jobs/Economic
Housing Counseling	Development
Multi-family Development	Services - Veterans
Community Agency/Organization	Business
Services - Children/Elderly/Disability/Persons w	Fair Housing
HIV/AIDS/Victims of Domestic Violence	Advocacy and/or legal services
Services - Homeless, Outreach, Shelter	Government - state/county/local
Services - Education	Public Housing Authority
Other (please specify)	

## Promotional Video

# COMMUNITY

CITIZENS HAVE A VOICE IN ADDRESSING COMMUNITY NEEDS & FAIR HOUSING CHALLENGES IN YOUR REGION:







HTTPS://WWW.SURVEYMONKEY.COM/R/NM-CONPLAN

# New Mexico Mortgage Finance Authority

## Comments or Questions?

Sherry Stephens
Program Manager
505-767-2250
sstephens@housingnm.org





## New Mexico Mortgage Finance Authority

## Finance/Operations Committee Meeting Tuesday, February 13, 2024 at 1:30 p.m.

Webex - call-in information is 1-408-418-9388 (access code): 2494 245 9027 or you can join the call from the calendar item

	Agenda Item			HTTEE MENDED	BOARD ACTION REQUIRED	
Ag	genda		Appr	oved 3		
1	MFA Employee Benefits & Management Into Chelsea Ritchie, CPA, Consulting Senior Ma Adams				YES	
2	Delegation of Authority for Multifamily Bond Inducement Resolution Approval – Renewal for Five Years- Christi Wheelock & Alex Lundy		Approved 3 with changes in section 4 to change date to Jan 15, 2025		YES	
3	3 Financial Statements Review 12-31-23 – Arundhati Bose		Approved 3		YES	
In	formation items					
4	December 2023 Wire Transfers				NO	
5	December 2023 Check Register				NO	
Com	mittee Members present:					
	Derek Valdo, Chair	□ present	□ absent	□ confer	ence call	
	State Treasurer Laura M. Montoya/					
	JR Rael	☐ present	□ absent	□ confer	rence call	
	Lt. Governor Howie Morales or					
	Proxy Martina C'de Baca □ present □ absent □ conference call			ence call		
	All present via conference call – C De Bac	A JOINED AT 1:50	om			



## FINAL REPORT

## **New Mexico Mortgage Finance Authority** EMPLOYEE MANAGEMENT AND RETIREMENT PLAN INTERNAL AUDIT

January 26, 2024

Moss Adams LLP 999 Third Avenue, Suite 2800 Seattle, WA 98104 (206) 302-6500



## **Table of Contents**

l.	Executive Summary	1
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IV.	Other Matters for Consideration	7
App	endix A: Definitions of Internal Audit Finding Rankings	9

## I. EXECUTIVE SUMMARY

Moss Adams LLP (Moss Adams) was contracted by the New Mexico Mortgage Finance Authority (MFA) to perform an internal audit related to MFA's employee management and retirement plan functions. Our procedures included evaluating and testing internal controls and evaluating for compliance with select MFA policies and procedures (P&Ps) related to MFA's employee management and retirement plan functions. This internal audit took place between September 2023 through January 2024.

This engagement was performed in accordance with Standards for Consulting Services established by the American Institute of Certified Public Accountants. Accordingly, we provide no opinion, attestation, or other form of assurance with respect to our work or the information upon which our work is based. This engagement was also performed consistent with the guidance issued by the Institute of Internal Auditor's International Professional Practices Framework. This report was developed based on information gained from our interviews and analyses of provided documentation. The procedures we performed do not constitute an examination in accordance with generally accepted auditing standards or attestation standards.

#### A. OBJECTIVES

Our objectives for this internal audit focused on determining whether MFA:

- Followed select internal processes pertaining to the 401(k) plan
- Complied with certain requirements of the 401(k) Plan Document
- Had sound internal controls in place to identify potential errors with the 401(k) plan
- Complied with select internal P&Ps pertaining to its Human Resources (HR) and employee management practices
- Had sound internal controls in place to identify potential errors with HR and employee
  management practices pertaining to maintaining employee files, employee disciplinary action,
  employee terminations, and Family and Medical Leave Act (FMLA)

#### **B. CONCLUSIONS**

As a result of our testing, we did not identify any findings. We did identify three other matters for consideration that MFA should review and consider implementing.

#### C. COMMENDATIONS

Although the focus of this internal audit was to identify opportunities for improvement, it is important to note areas of commendable operations. MFA should be commended for the following accomplishments:

Loan Processes: For the sample transactions tested relating to participant loans for the 401(k) plan, controls relating to loan initiation and compliance with the 401(k) Plan Document were well-designed and appeared to be functioning as intended.

- **401(k)** Distributions: For the sample transactions tested relating to 401(k) distributions, controls were well-designed and appeared to be functioning as intended.
- 401(k) User Controls: Based on review of the Bank of Oklahoma's System and Organization Controls (SOC) 1 Report, it appeared that MFA had properly designed and implemented the recommended complementary user controls identified by Bank of Oklahoma within the SOC 1 Report.

We would like to thank MFA staff and management for their time and efforts in assisting with this project. MFA staff were consistently professional, responsive, and knowledgeable in their responses, allowing us to sufficiently understand nuances relative to the applicable requirements.

## II. DETAILED REPORT

#### A. INTRODUCTION

Moss Adams was contracted by MFA to conduct an internal audit of MFA's employee management and retirement plan functions. This internal audit assessed for the following objectives to determine whether MFA:

- Followed select internal processes pertaining to the 401(k) plan
- Complied with certain requirements of the 401(k) Plan Document
- Had sound internal controls in place to identify potential errors with the 401(k) plan
- Complied with select internal P&Ps pertaining to its HR and employee management practices
- Had sound internal controls in place to identify potential errors with HR and employee management practices pertaining to maintaining employee files, employee disciplinary action, employee terminations, and FMLA

#### **B. BACKGROUND**

MFA is a quasi-governmental entity that finances affordable housing and other related services to low- and moderate-income residents of New Mexico. As of November 24, 2023, MFA had 125 employees to help support their services. The HR department within MFA is responsible for all employee hiring, employee terminations, storage of employee files, employee disciplinary actions, and FMLA handling. Additionally, MFA offers all eligible employees a 401(k) plan, which is administered by the Bank of Oklahoma. The HR department within MFA works to provide precise participant information for accurate reporting to the Bank of Oklahoma. MFA last had internal audits performed on its employee management and retirement plan functions in March and June 2017, respectively.

#### C. SCOPE AND METHODOLOGY

The scope of this project was focused on employee management and retirement plan controls administered from September 1, 2022 through August 31, 2023 (internal audit period).

We performed the following procedures as part of this internal audit:

- Interviews: We conducted interviews with employees within the HR and finance departments to gain an understanding of the overall employee management and 401(k) plan processes at MFA and to understand each interviewed employee's specific role with each function.
- Participant Data and Contributions: Using the list of active and terminated participants for the internal audit period, we selected a sample of 19 participants. For each sampled participant, we selected two pay dates to test whether:
  - Accurate participant data was included in the payroll system (ADP) as well as in the 401(k) plan administrator system (Bank of Oklahoma). This participant data included:
    - Date of birth
    - Date of hire
    - Date of termination, if applicable

- Social security number
- Address
- Compensation was calculated accurately according to the 401(k) Plan Document, and compensation agreed to the authorized pay records for the pay periods selected.
- o Participant contributions were accurately withheld based on their election.
- Participant contributions were remitted for the correct amount to the participant's account with Bank of Oklahoma.
- Employer match and employer non-discretionary contributions were accurately calculated and correctly remitted to the participant's account with Bank of Oklahoma.
- Review of contributions occurred and was documented for the pay periods selected.
- Newly eligible participants were entered into the 401(k) plan timely.
- Participant Loans: Using the loan listing from the Bank of Oklahoma for the internal audit period, we selected a sample of three new loans to test whether:
  - Loan payment deductions were properly withheld and were for the correct amount and deductions started timely.
  - The loan term was for no longer than a five-year period from the loan origination date unless the loan was for the purchase of a participant's principal residence.
  - The loan face amount was not more than one-half of the participant's vested account balance (not to exceed \$50,000).
  - The loan deductions appeared current, and the loan was not in default.
- Participant Distributions: Using the distribution listing from the Bank of Oklahoma for the internal audit period, we selected a sample of six distributions to test whether:
  - Documentation was on file to support that a valid distributable event occurred.
  - The distribution amount was properly calculated including vesting and forfeitures, if applicable.
  - For hardship withdrawals:
    - Documentation was on file to support that the employee had exhausted all other means
      of obtaining funds prior to obtaining a hardship withdrawal.
    - Contributions were not made to the 401(k) plan for six months following the hardship withdrawal.
    - There was a qualifying hardship event.
- 401(k) Plan Remittances: We selected four pay dates during the internal audit period and tested whether:
  - Contributions were remitted to the Bank of Oklahoma in a timely manner and for the correct amount.
  - A review of contributions took place for the pay date selected.
  - The annual contributions according to payroll totals agreed to the amounts according to the Bank of Oklahoma report.
- 401(k) Plan Governance: We obtained 401(k) Committee meeting agendas and minutes during
  the internal audit period to determine whether at least two meetings were held and included
  discussions on benefits, plan administration, investment review, fee review, and other fiduciary
  responsibilities.

- 401(k) User Controls: We obtained the SOC 1 Report and SOC 1 Report Gap Period Statement for Bank of Oklahoma for the internal audit period and assessed whether it appeared that MFA had implemented the complementary user controls identified by Bank of Oklahoma.
- Employee Terminations: We selected a sample of five employee terminations processed during the internal audit period and tested whether:
  - The final payment made to the employee was accurate, properly calculated, and agreed to supporting documentation.
  - The termination of benefits was completed in accordance with the MFA Employee Manual.
- FMLA: We selected a sample of two employees who used FMLA leave during the internal audit period and tested whether:
  - Documentation was on file to support that the employee was eligible for FMLA leave under the MFA eligibility guidelines and had not exceeded 12 weeks of leave.
  - All required documentation was evidenced in the employee's file.
  - Appropriate documentation was maintained in the employee's file if the employee had returned to work.

## III. FINDINGS AND RECOMMENDATIONS

Moss Adams did not identify any items that were considered low, moderate or high-risk findings; however, we did identify some other matters for consideration that did not rise to the level of a low risk finding. Please see Section IV – Other Matters for Consideration.

## IV. OTHER MATTERS FOR CONSIDERATION

The following items are other matters we did not believe rose to the level of a low-risk finding, but we wanted to include for purposes of additional consideration by MFA. These items do not require a management response.

#### 1. Developing Comprehensive Operating Procedures

While MFA has a robust Employee Manual that includes many policies and procedures relative to the oversight of personnel functions, we identified two areas in which MFA could improve operating procedural guidance.

#### Record Retention

MFA migrated all current and historical employee files from MFA's internal SharePoint site to ADP during the internal audit period. However, we did not identify any documented operating procedures to instruct employees and supervisors on how to maintain files outside of ADP properly and securely and the roles and responsibilities that guide these processes. Currently, it is up to the data requestor to ensure files stay confidential. MFA has a Record Retention chart from April 2023, which includes the retention periods and disposal method for various groups of file types, which constitute MFA's policies in this area. MFA should consider also developing comprehensive operating procedures related to record retention, which could include the following topics:

- Roles and Responsibilities: This section outlines the responsibilities of different individuals at MFA for implementing and enforcing the policy.
- Record Categories: This section identifies the different types of records MFA creates and maintains.
- Retention Periods: This section specifies the length of time that each type of record should be retained.
- Record Destruction: This section outlines how to securely destroy records that have reached the end of their retention period.
- Exceptions: This section identifies any exceptions to the retention policy, such as legal requirements or contractual obligations.
- Recordkeeping System: This section outlines the system used to manage and store records, including the format of records, the location of storage, and which individuals should have access.
- Training and Awareness: This section outlines the training and awareness programs that MFA
  will implement to ensure that employees understand and comply with the policy and operating
  procedures.

#### **Disciplinary Action**

MFA has policies pertaining to employee disciplinary action within its Employee Manual; however, the policies do not include comprehensive operating procedures and are more designed for employee use rather than HR Department use. MFA should consider expanding existing guidance related to employee disciplinary action to include comprehensive operating procedures to address the following topics:

- Roles and Responsibilities: This section outlines the responsibilities of different individuals at MFA for implementing and enforcing the policy.
- Types of Disciplinary Action: This section outlines the different types of disciplinary action that may be taken, such as verbal warnings, written warnings, suspension, and termination.
- Grounds for Disciplinary Action: This section outlines the grounds for disciplinary action, such as violation of MFA policies, misconduct, poor performance, and attendance issues.
- **Disciplinary Process:** This section outlines the process for initiating and conducting disciplinary action, including guidelines for investigation, notification, and documentation.
- Employee Rights: This section outlines the rights of employees during the disciplinary process, such as the right to due process and the right to appeal.
- Supervisor Responsibilities: This section outlines the responsibilities of supervisors in initiating and conducting disciplinary action, including guidelines for communication, documentation, and follow-up.
- **Confidentiality:** This section outlines the confidentiality requirements related to disciplinary action, including guidelines for sharing information with appropriate parties while respecting individuals' privacy.
- Training and Awareness: This section outlines the training and awareness programs that the organization will implement to ensure that supervisors and employees understand and comply with the policy.

### 2. Completing FMLA Documentation

For the FMLA testing, return to work documentation for one employee was not documented. Within the employee's Personnel Action Form (PAF), there was a designated spot for the employee's return date, but this spot was left blank. To have complete and accurate FMLA documentation, MFA should make sure to enter return to work dates for employees returning from FMLA leave.

## 3. Completing Employee Status Documentation

During employee termination testing, we discovered that two of our five selections were temporary employees and not eligible for benefits. This information was verbally communicated during our testing and was not documented on the employees' PAFs. MFA should ensure it marks the correct employee status box on PAFs to clearly show whether an employee is benefit-eligible.

## APPENDIX A: DEFINITIONS OF INTERNAL AUDIT FINDING RANKINGS

A qualitative assessment of high, medium, or low helps to prioritize implementation of corrective action as shown in the following table.

HIGH

LOW

Critical control deficiencies that expose MFA to a high degree of combined risks. Recommendations from high-risk findings should be implemented immediately (preferably within three months) to address areas with the most significant impact or highest likelihood of significant noncompliance, loss, misappropriation, or damage related to the MFA assets.

Represents less than critical deficiencies that expose MFA to a moderate degree of combined risks. Recommendations arising from medium-risk findings should be implemented in a timely manner (preferably within six months), to address moderate risks and strengthen or enhance efficiency in internal controls on areas with moderate impact and likelihood of exposure.

Represents low risk or control deficiencies and the exposure is not likely to expose MFA to a significant likelihood of material noncompliance. However, these should be addressed to improve efficiency and effectiveness of operations. Recommendations arising from low-risk findings should be implemented within 12 months.



TO: MFA Board

Through: Policy Committee (February 6, 2024)
Through: Finance Committee (February 13, 2024)

FROM: Christi Wheelock, Tax Credit Program Analyst

Alex Lundy, Finance Manager

DATE: February 21, 2024

SUBJECT: Delegation of Authority for Multifamily Bond Inducement Resolution

Approval - One Year Renewal

#### Recommendation

This request recommends that the MFA Board approve the 2024 annual Inducement Resolution for the Multifamily Bond program; this would extend the 2023 approval for another year to delegate the authority to issue individual Inducement Resolutions to each project. The following individuals would be authorized to execute the Inducement Resolution and the resolution will be reported to the Board as a staff action:

- Isidoro Hernandez, Executive Director
- Arundhati Bose, Chief Financial Officer
- Jeff Payne, Chief Lending Officer
- Donna Maestas-DeVries, Chief Housing Officer

#### **Background**

In March of 2023, the MFA Board of Directors approved the delegation of authority to the MFA Executive Officers to issue an Inducement Resolution for each multifamily bond transaction on an annual basis. This action has successfully allowed two projects to receive Private Activity Bonds in 2023 through the process below:

An Inducement Resolution is drafted by bond counsel for each project, which is then presented for approval to one of the authorized MFA Executive Officers. This approval does not require MFA to issue private activity bonds; it indicates a willingness to issue bonds when all conditions are met after they are reviewed by the State Board of Finance, MFA Policy Committee, MFA Finance Committee and finally by the MFA Board of Directors.

- Once the Inducement Resolution is approved, MFA submits it with an application to the State Board of Finance for approval of private activity bond volume cap.
- 2. A Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) hearing is held, and the Certificate of Governor is sent to the Governor's Office for certification.

3. Upon approval of private activity bond volume cap, the Bond Resolution is drafted and presented for approval to Policy Committee, Finance Committee and the MFA Board. The Bond Resolution is executed by the Board Chair and attested to by the Secretary.

#### Discussion

The renewal recommendation seeks to continue to streamline the approval process for Inducement Resolutions by extending the delegation of authority to approve such resolutions for an additional one-year period. This streamlined process enables developers to promptly account for eligible costs for tax credits and any qualifying expenses incurred in the preceding 60 days. Importantly, the approval of an Inducement Resolution does not create an obligation for MFA to issue private activity bonds; this approval is a procedural step, signifying a request for bond issuance rather than a financial obligation.

#### Summary

MFA Staff recommends renewal of the approval from the MFA Board to delegate the authority to issue individual Inducement Resolutions to each project as a staff action, extending the approval for another year. The following individuals would be authorized to execute the Inducement Resolutions issued through a staff action:

- Isidoro Hernandez, Executive Director
- Arundhati Bose, Chief Financial Officer
- Jeff Payne, Chief Lending Officer
- Donna Maestas-DeVries, Chief Housing Officer

## Reimbursement Intent Delegation Resolution New Mexico Mortgage Finance Authority Multifamily Housing Revenue Bond Program

A RESOLUTION OF THE NEW MEXICO MORTGAGE FINANCE AUTHORITY AUTHORIZING CERTAIN OFFICERS TO GRANT PRELIMINARY FEDERAL TAX LAW APPROVAL REGARDING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS OR NOTES TO FINANCE MULTIFAMILY HOUSING DEVELOPMENTS

WHEREAS, pursuant to the Mortgage Finance Authority Act, Sections 58-18-1 through 58-18-27, inclusive, NMSA 1978, and Section 2-12-5, NMSA 1978, as amended (collectively, the "Act"), the New Mexico Mortgage Finance Authority (the "Authority") is a public body politic and corporate, separate and apart from the State, constituting a governmental instrumentality servicing a public purpose and acting for the public benefit by improving the health, safety, welfare and prosperity of the State and the general public; and

WHEREAS, the Authority is authorized under the Act (a) to issue revenue bonds to achieve its corporate purposes, including, but not limited to, the making of project mortgage loans to finance the acquisition, construction or rehabilitation of multiple-family dwelling projects (each, a "Project"), (b) to issue refunding bonds to refund outstanding bonds of the Authority, (c) to enter into agreements for the purpose of providing revenues to pay such revenue bonds upon such terms and conditions as the Authority may deem advisable, and (d) to secure the payment of such revenue bonds; and

WHEREAS, from time to time, to comply with the Internal Revenue Code of 1986, as amended (the "Code"), and Section 1.150-2 of the Treasury Regulations, hereinafter referred to as the "Regulations"), individual developers/borrowers or affiliates thereof (each, the "Borrower") have requested that the Authority take official action evidencing an intent to reimburse certain qualified expenditures with proceeds of one or more issues of tax-exempt multifamily housing revenue bonds or notes ("Bonds"), such expenditures to be paid with funds of the Borrower to finance in part the acquisition, construction and/or rehabilitation of a Project; and

WHEREAS, the Code and the Regulations permit the Authority to delegate to specified senior employees the authority to declare the "official intent" of the Authority to consider issuing bonds for the purpose of reimbursing the Borrower for Project costs; and

WHEREAS, because (a) many Borrower requests are often time sensitive and (b) official intent actions do not legally obligate the Authority to issue any Bonds, the Authority has determined to delegate to its Executive Director/Chief Executive Officer, its Chief Financial Officer, its Chief Lending Officer and its Chief Housing Officer (each, an "Authorized Officer") the authority to declare the official intent of the Authority to reimburse certain capital expenditures of the Borrower from the proceeds of future Bonds for the benefit of the Borrower.

## NOW, THEREFORE, BE IT RESOLVED BY THE NEW MEXICO MORTGAGE FINANCE AUTHORITY, AS FOLLOWS:

- Section 1. Delegation to Authorized Officers of Authority to Declare Official Intent. Any Authorized Officer is authorized to take such action to declare the official intent of the Authority to (a) issue its Bonds for the purpose of loaning the proceeds thereof to finance the costs of a Project and (b) reimburse the Borrower for such Project costs expended by the Borrower prior to the issuance of the Bonds, all in accordance with and pursuant to the Regulations. Such action shall be memorialized in writing and shall be reported to the Board at its next succeeding meeting.
- **Section 2.** Conditions. Any such official intent and preliminary approval does not obligate the Authority to approve the issuance of any Bonds. Final approval of the issuance of the Bonds can only be authorized by subsequent Authority action, which may contain such conditions thereto as the Authority may deem appropriate. The Authority in its absolute discretion may refuse to authorize the issuance of Bonds and shall not be liable to the Borrower or any other person for its refusal to do so.
- **Section 3. Prior Resolutions**. All resolutions of the Authority or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency.
- **Section 4. Effectiveness**. This Resolution shall be effective immediately. Such delegation and authorization shall expire on January 15, 2025.

ADOP	PTED:							
	Aye:							
	Nay:							
	Abstain:							
	Absent:							
AUTH	PASSED AND IORITY THIS	APPROVED _ DAY OF	BY	THE	NEW , 2024.	MEXICO	MORTGAGE	FINANCE
						Chair	î	
(SEAI	L)							
4 TTE	CT.							
ATTE	51:							
	Secretary			-				

New Mexico Mortgage Finance Authority

Combined Financial Statements and Schedules

December 31, 2023

# NEW MEXICO MORTGAGE FINANCE AUTHORITY FINANCIAL REVIEW For the three-month period ended December 31, 2023

c	OMPARATIVE FISCAL YEAR-TO-DATE FIGURES (Dollars in millions):	3 months	3 months	% Change	Forecast	Actual to	Forecast/Target
	PRODUCTION	12/31/2023	12/31/2022	<u>Year / Year</u>	12/31/2023	<u>Forecast</u>	<u>9/30/24</u>
1	Single family issues (new money):	\$125.0	\$75.0	66.7%	\$75.2	66.3%	\$300.6
2	Single family loans sold (TBA):	\$22.4	\$0.0	00.776	\$6.1	267.2%	\$24.4
3	Total Single Family Production	\$147.4	\$75.0	96.5%	\$81.3	81.4%	\$325.0
4	Single Family Bond MBS Payoffs:	\$147.4 \$11.0	\$15.8	-30.3%	\$15.0	-26.3%	\$525.0 \$59.8
4	STATEMENT OF NET POSITION	\$11.0	\$15.0	-30.3%	\$15.0	-20.5%	٥.٤٥۶
5	Avg. earning assets:	\$1,834.3	\$1,663.0	10.3%	\$1,985.3	-7.6%	\$1,985.3
6	General Fund Cash and Securities:	\$113.1	\$97.6	15.9%	\$117.4	-3.7%	\$117.4
7	General Fund SIC FMV Adj.:	\$0.0	\$0.3	-101.3%	N/A	N/A	N/A
8	Total bonds outstanding:	\$1,671.8	\$1,372.6	21.8%	\$1,712.5	-2.4%	\$1,712.5
Ū	STATEMENT OF REVENUES, EXPENSES AND NET POSITION	ψ <u>1</u> ,σ, 1.0	ψ±/σ/ 2.0	221078	¥1), 12.0	21.75	ψ±), ±±10
9	General Fund expenses (excluding capitalized assets):	\$7.3	\$6.8	7.1%	\$7.8	-6.5%	\$30.3
10	General Fund revenues:	\$8.6	\$7.9	8.3%	\$7.6	13.2%	\$31.7
11	Combined net revenues (all funds):	\$5.7	\$1.6	246.9%	(\$0.0)	52342.5%	(\$0.0)
12	Combined net revenues excluding SIC FMV Adj. (all funds):	\$5.3	\$1.7	210.5%	(\$0.0)	49066.4%	(\$0.0)
13	Combined net position:	\$306.7	\$287.3	6.8%	\$350.0	-12.4%	\$350.0
14	Combined return on avg. earning assets:	1.24%	0.40%	214.5%	0.00%	56644.2%	0.00%
15	Combined return on avg. earning assets excluding SIC FMV Adj. (all funds):	1.17%	0.41%	181.5%	0.00%	53098.4%	0.00%
16	Net TBA profitability:	0.91%	0.00%		0.10%	814.1%	0.10%
17	Combined interest margin:	0.95%	0.84%	12.9%	0.40%	134.2%	0.40%
	MOODY'S BENCHMARKS						
18	Net Asset to debt ratio (5-yr avg):	23.81%	25.31%	-5.9%	24.82%	-4.0%	24.82%
19	Net rev as a % of total rev (5-yr avg):	8.58%	6.87%	24.9%	8.98%	-4.4%	8.98%
	SERVICING		_		_		
20	Subserviced portfolio	\$2,245.6	\$1,961.3	14.5%	\$2,149.4	4.5%	\$2,217.7
21	Servicing Yield (subserviced portfolio)	0.37%	0.42%	-10.7%	0.36%	3.3%	0.36%
22	Combined average delinquency rate (MFA serviced)	9.10%	8.95%	1.7%	9.50%	-4.2%	9.50%
23	DPA loan delinquency rate (all)	8.52%	9.04%	-5.8%	N/A	N/A	N/A
24	Default rate (MFA serviced-annualized)	0.20%	0.56%	-64.3%	0.33%	-38.5%	1.30%
25	Subserviced portfolio delinquency rate (first mortgages)	12.97%	12.31%	5.4%	N/A	N/A	N/A
26	Purchased Servicing Rights Valuation Change (as of 12/31/23)	\$30.6	\$11.4	168.7%	N/A	N/A	N/A
	Legend:	Positive Trend	Caution	Negative Trend	Known Trend/I	mmaterial	

## NEW MEXICO MORTGAGE FINANCE AUTHORITY FINANCIAL REVIEW For the three-month period ended December 31, 2023

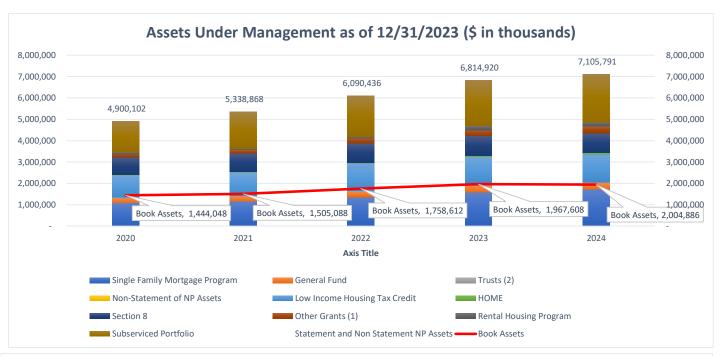
#### **SUMMARY OF BOND ISSUES:**

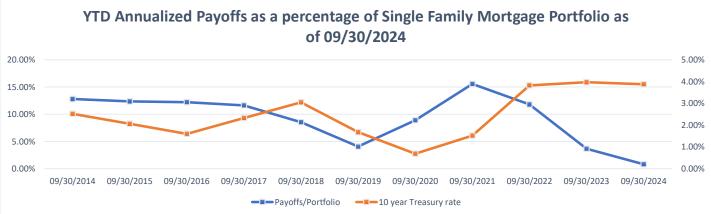
Single Family Issues:

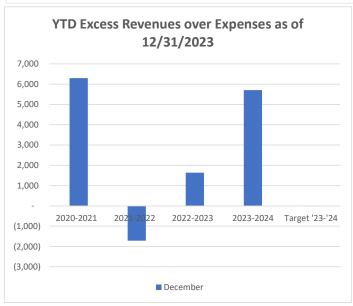
2023D: \$125.0M

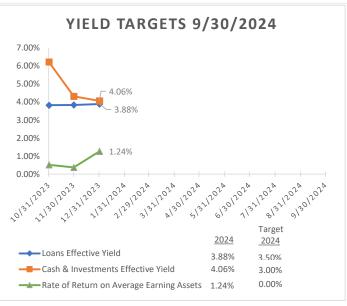
#### **CURRENT YEAR FINANCIAL TRENDS & VARIANCES:**

- MFA has closed on one bond deal as of the start of the new fiscal year, for \$125 million. This bond deal is the largest single-family bond deal that MFA has issued, due to increased single-family mortgage production thorughout 2023; even mortgages funded via TBA outpaced its forecast for the month. MFA has exceeded our overall single-family production forecast (made in September 2023) by 81%. Payoffs have slowed 30%, primarily because of the high-interest rate environment.
- Average earning assets are 10% higher than they were at least year, though slightly behind where we forecasted for the month. Increases in new bond issues primarily explain how MFA is earning interest on its balance sheet mortgages. General Fund investments with the State Investment Council saw a small loss this past month, largely due to macro-economic factors outside of MFA's control.
- Revenues and expenses for the month were higher than they were last year, although expenses were lower than its budget for the month. With revenues outpacing expenses, our combined net revenues saw a welcome gain.
- MFA's combined interest margin increased to 0.95% from 0.84% last year due to higher interest income on loans and investments. The rising interest rates are positively impacting loan portfolio performance, bolstering MFA's investment income and discouraging homeowners from refinancing their loans.
- Based on Moody's issuer credit rating scorecard, MFA's 23.81% net asset to debt ratio (5-year average), which measures balance sheet strength, indicates a strong and growing level of resources for maintaining HFA's creditworthiness under stressful circumstances (>20 %). MFA's net revenue as a % of total revenue (5-year average) is currently 8.58%, just shy of the optimal range (10-15%). Moody's Investor Services completed an updated credit opinion on MFA's Issuer Credit Rating in June 2020. They assigned the Aa3 rating. Comments included a high asset-to-debt ratio, good profitability, and a low-risk profile due to a mortgage-backed security structure, and no exposure to variable-rate debt. Additionally, Moody's reaffirmed the Aaa rating on the single-family indenture in January 2024.
- MFA continues to monitor delinquencies and defaults on our loan portfolio to identify reduction strategies and refer borrowers to available loss mitigation programs. The subserviced portfolio delinquency rate, currently serviced by Idaho Housing Finance Authority, is 12.97%. The subserviced portfolio is currently characterized by approximately 82% FHA-insured loans. The Mortgage Bankers Association quarterly survey as of September 30, 2023, indicates that the delinquency rate for FHA loans nationally is 9.50%, and for New Mexico is 8.04%. In addition, FHA Single Family Loan Performance Trends for November 2023 showed 13.51% delinquency (for purchase loans only), which increased from 11.97% in October 2023. Please note, FHA delinquency data is only available from HUD through November month-end.
- The fair market value for purchased servicing rights as of December 2023 is \$30.6 million, an increase of about \$9.4 million over cost. GASB requires MFA to record the value of servicing rights at the 'lower of cost or market'. The elevated FMV is related to decreased prepayment speed projections, and increased earnings rates impacted portfolio value positively. The current recorded cost of the asset is \$21.1 million. Valuations are obtained every quarter.
- Items 2 and 16 do not show a percent change year over year. As last year's values were zero, the percentage resulted in an error, resulting from an attempt to divide by zero. While the trend is positive, there is not a accurate depiction of the change as a percentage.
- The forecasted numbers for FYE 2024 are based off of actuals ending September 2023.

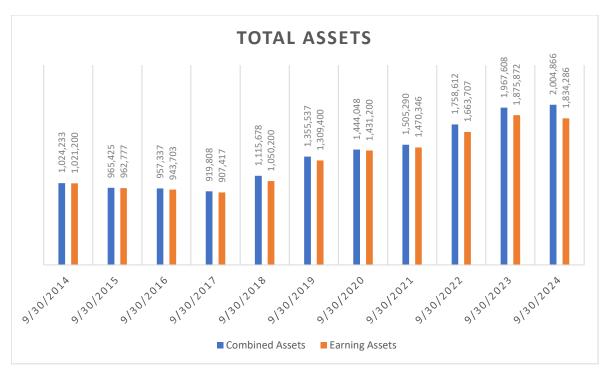


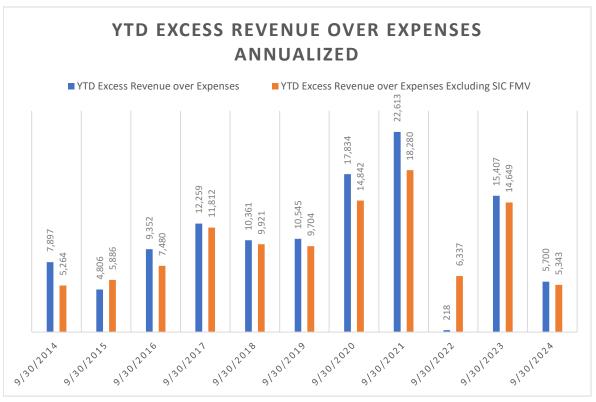


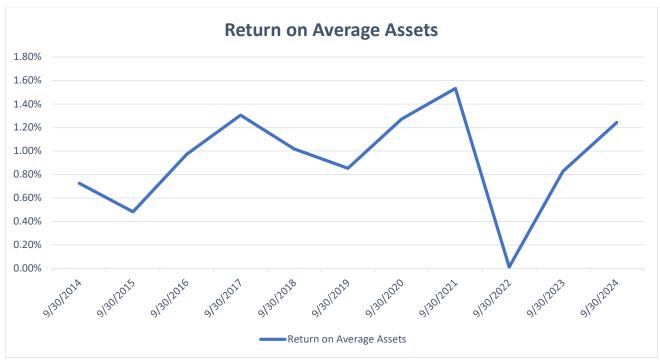


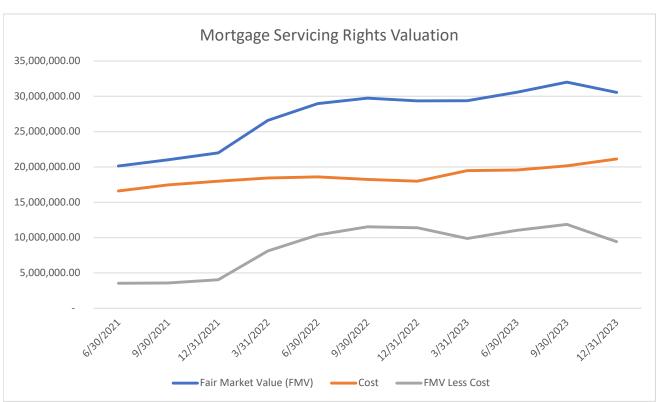


<sup>(1)</sup> Weatherization Assistance Programs; Emergency Shelter Grant; State Homeless; Housing Opportunities for People With Aids; NM State Tax Credit; Governor's Innovations; EnergySaver; Tax Credit Assistance Program; Tax Credit Exchange; Neighborhood Stabilization Program; Section 811 PRA; Homeownership Preservation Program (2) NM Affordable Housing Charitable Trust Fund; Land Title Trust Fund; Housing Trust Fund









## NEW MEXICO MORTGAGE FINANCE AUTHORITY COMBINED STATEMENT OF NET POSITION DECEMBER 2023 (THOUSANDS OF DOLLARS)

	YTD 12/31/23	YTD 12/31/22
ASSETS:		
CURRENT ASSETS:		
CASH & CASH EQUIVALENTS	\$60,698	\$53,385
RESTRICTED CASH HELD IN ESCROW SHORT-TERM INVESTMENTS	9,858	9,334
ACCRUED INTEREST RECEIVABLE	6,532	4,842
OTHER CURRENT ASSETS	6,784	6,725
ADMINISTRATIVE FEES RECEIVABLE (PAYABLE)	- (0)	- (0)
INTER-FUND RECEIVABLE (PAYABLE) TOTAL CURRENT ASSETS	<u>(0)</u> 83,873	<u>(0)</u> 74,286
TOTAL CONNENT ACCETO	00,073	74,200
CASH - RESTRICTED	148,191	126,249
LONG-TERM & RESTRICTED INVESTMENTS	67,632	60,554
INVESTMENTS IN RESERVE FUNDS FNMA, GNMA, & FHLMC SECURITIZED MTG. LOANS	- 1,575,900	- 1,286,982
MORTGAGE LOANS RECEIVABLE	192,538	179,418
ALLOWANCE FOR LOAN LOSSES	(9,288)	(9,856)
NOTES RECEIVABLE	- -	- -
FIXED ASSETS, NET OF ACCUM. DEPN	11,571	1,755
OTHER REAL ESTATE OWNED, NET OTHER NON-CURRENT ASSETS	3,292 10	2,125 13
INTANGIBLE ASSETS	21,565	18,090
TOTAL ASSETS	2,095,282	1,739,607
DEFERRED OUTFLOWS OF RESOURCES		
REFUNDINGS OF DEBT	146	178
TOTAL ASSETS & DEFERRED OUTFLOWS OF RESOURCES	2,095,428	1,739,785
LIABILITIES AND NET POSITION:		
LIABILITIES:		
CURRENT LIABILITIES:		
ACCRUED INTEREST PAYABLE	\$21,629	\$16,669
ACCOUNTS PAYABLE AND ACCRUED EXPENSES ESCROW DEPOSITS & RESERVES	15,743 9,689	20,134 9,207
TOTAL CURRENT LIABILITIES	47,061	46,009
	,	2,222
BONDS PAYABLE, NET OF UNAMORTIZED DISCOUNT	1,671,817	1,372,600
MORTGAGE & NOTES PAYABLE ACCRUED ARBITRAGE REBATE	69,071	33,446
OTHER LIABILITIES	524	210
TOTAL LIABILITIES	1,788,474	1,452,266
DEFERRED INFLOWS TOTAL LIAB/DEFERRED INFLOWS	238 1,788,712	268 1,452,534
TOTAL LIADIDEI ENNED INI LOWS	1,700,712	1,432,334
NET POSITION:		
NET INVESTED IN CAPITAL ASSETS	11,571	1,755
UNAPPROPRIATED NET POSITION (NOTE 1) APPROPRIATED NET POSITION (NOTE 1)	75,948 219,197	61,969 223,527
TOTAL NET POSITION (NOTE 1)	306,716	287,251
	<u> </u>	
TOTAL LIABILITIES & NET POSITION	2,095,428	1,739,785

## NEW MEXICO MORTGAGE FINANCE AUTHORITY STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE THIRD MONTH ENDED DECEMBER 2023 (THOUSANDS OF DOLLARS)

	YTD 12/31/23	YTD 12/31/22
OPERATING REVENUES: INTEREST ON LOANS	\$16,844	\$12,526
INTEREST ON INVESTMENTS & SECURITIES LOAN & COMMITMENT FEES	2,581 1,329	1,375 949
ADMINISTRATIVE FEE INCOME (EXP)	1,490	1,251
RTC, RISK SHARING & GUARANTY INCOME	8	9
HOUSING PROGRAM INCOME	66	34
LOAN SERVICING INCOME	2,406	2,828
OTHER OPERATING INCOME	- 04.700	- 10.070
SUBTOTAL OPERATING REVENUES	24,726	18,972
NON-OPERATING REVENUES:		
ARBITRAGE REBATE INCOME (EXPENSE)	-	-
GAIN(LOSS) ASSET SALES/DEBT EXTINGUISHMENT	(18)	(59)
OTHER NON-OPERATING INCOME	60	0
GRANT AWARD INCOME	25,851	18,619
SUBTOTAL NON-OPERATING REVENUES	25,894	18,561
TOTAL REVENUES	50,620	37,532
OPERATING EXPENSES:		
ADMINISTRATIVE EXPENSES	5,938	6,116
INTEREST EXPENSE	15,077	10,409
AMORTIZATION OF BOND/NOTE PREMIUM(DISCOUNT)	(721)	(749)
PROVISION FOR LOAN LOSSES	(27)	(11)
MORTGAGE LOAN & BOND INSURANCE	-	-
TRUSTEE FEES	47	40
AMORT. OF SERV. RIGHTS & DEPRECIATION BOND COST OF ISSUANCE	417	406
SUBTOTAL OPERATING EXPENSES	<u>1,057</u> 21,788	699 16,910
	,,, 00	. 5,5 . 5
NON-OPERATING EXPENSES:		
CAPACITY BUILDING COSTS	69	18
GRANT AWARD EXPENSE OTHER NON-OPERATING EXPENSE	23,062	18,960
SUBTOTAL NON-OPERATING EXPENSES	23,131	18,978
SUBTOTAL NON-OF ENATING EXPENSES	25,151	10,970
TOTAL EXPENSES	44,920	35,888
NET REVENUES	5,700	1,643
OTHER FINANCING SOURCES (USES)		
NET REVENUES AND OTHER FINANCING SOURCES(USES)	5,700	1,643
NET POSITION AT BEGINNING OF YEAR	301,015	285,608
NET POSITION AT 12/31/23	306,716	287,251

#### NOTES TO FINANCIAL STATEMENTS

(For Informational Purposes Only) (in Thousands of Dollars)

#### (Note 1) MFA Net Position as of December 31, 2023

#### UNAPPROPRIATED NET POSITION:

\$ 34,382	is held by Bond Program Trustees and is pledged to secure repayment of the Bonds.
\$ 40,771	is held in Trust for the NM Housing Trust Fund and the NM Land Title Trust Fund.
\$ 795	is held for New Mexico Affordable Housing Charitable Trust.
\$ 75.948	Total Unappropriated Net Position

#### APPROPRIATED NET POSITION: GENERAL FUND

By actions of the Board of Directors on various dates, General Fund net assets have been appropriated as follows:

\$ 118,129	for use in the Housing Opportunity Fund (\$108,184 in loans and grants plus \$9,945 unfunded, of which \$5,276 is committed).
\$ 28,363	for future use in Single Family & Multi-Family housing programs.
\$ 1,086	for loss exposure on Risk Sharing loans.
\$ 11,571	invested in capital assets, net of related debt.
\$ 21,145	invested in mortgage servicing rights.
\$ 29,783	for the future General Fund Budget year ending 09/30/24 (\$38,374 total budget
	less \$8,591 expended budget through 12/31/23.)
\$ 210,077	Subtotal - General Fund

#### APPROPRIATED NET POSITION: HOUSING

\$_	20,691	for use in the federal and state housing programs administered by MFA.
\$_	20,691	Subtotal - Housing Program
\$	230,768	Total Appropriated Net Position
\$	306,716	Total Combined Net Position at December 31,2023

Total combined Net Position, or reserves, at December 31, 2023 was \$307 million, of which \$76 million was pledged to the bond programs, Affordable Housing Charitable Trust and fiduciary trusts. \$231 million of available reserves, with \$113 million primarily liquid in the General Fund and in the federal and state Housing programs and \$117.7 million illiquid in the programs of the General Fund, have been:

- for use in existing and future programs
- for coverage of loss exposure in existing programs
- to meet servicing requirements, and
- for support of operations necessary to carry out the programs.

MFA's general plan for bond program reserves as they may become available to MFA over the next 30 years is to use the reserves for future programs, loss exposure coverage, servicing requirements and operations.

# GENERAL FUND Fiscal Year 2023-2024 Budget For the three months ended 12/31/2023

	One Month Actual	Year to Date Actuals	Year to Date ProRata Budget	Annual Budget	YTD Budget Under/(Over)	Annual Budget Under/(Over)	Expended Annual Budget %
Revenue	One Worth Actual	Tear to Date Actuals	Tronutu buuget	Amuai buaget	Onder/(Over)	Olidel/(Over)	Buuget //
Interest Income	926 752	2 450 245	2,007,970	8,031,882	(450,374)	E E 72 E 27	30.61%
	826,752	2,458,345			, , ,	5,573,537	
Interest on Investments & Securities	304,771	932,124	707,511	2,830,046	(224,613)	1,897,922	32.94%
Loan & Commitment Fees	26,387	68,829	38,250	153,000	(30,579)	84,171	44.99%
Administrative Fee Income (Exp)	807,700	2,526,128	2,407,298	9,629,192	(118,830)	7,103,063	26.23%
Risk Sharing/Guaranty/RTC fees	1,814	8,085	160,252	641,008	152,167	632,923	1.26%
Housing Program Income	29,480	66,484	83,656	1,835,258	17,172	1,768,774	3.62%
Loan Servicing Income	812,181	2,406,398	2,139,843	8,559,371	(266,555)	6,152,973	28.11%
Other Operating Income		0.466.000		-	- (004.640)	-	25.720/
Operating Revenues	2,809,084	8,466,393	7,544,781	31,679,756	(921,612)	23,213,363	26.72%
Gain (Loss) Asset Sale/Debt Ex	1,042,850	31,945	-	-	(31,945)	(31,945)	
Other Non-operating Income	20,065	60,155	15,059	60,235	(45,096)	80	99.87%
Non-Operating Revenues	1,062,915	92,100	15,059	60,235	(77,041)	(31,865)	152.90%
Revenue	3,871,999	8,558,493	7,559,840	31,739,991	(998,653)	23,181,498	26.96%
Expenses							
Salaries	594,594	1,598,253	2,246,431	8,323,579	648,178	6,725,326	19.20%
Overtime	2,989	9,940	8,412	31,885	(1,527)	21,946	31.17%
Incentives	170,692	131,113	192,855	714,768	61,742	583,656	18.34%
Payroll taxes, Employee Benefits	317,929	790,745	1,125,681	4,381,069	334,936	3,590,324	18.05%
Compensation	1,086,204	2,530,051	3,573,380	13,451,302	1,043,329	10,921,251	18.81%
Business Meals Expense	227	658	3,475	13,900	2,817	13,242	4.73%
Public Information	29,273	65,423	90,477	361,909	25,055	296,486	18.08%
In-State Travel	8,516	41,747	35,395	141,581	(6,352)	99,834	29.49%
Out-of-State Travel	4,678	55,391	78,518	314,070	23,127	258,679	17.64%
Travel & Public Information	42,695	163,218	207,865	831,460	44,647	668,242	19.63%
Utilities/Property Taxes	20,793	47,853	52,641	210,562	4,788	162,710	22.73%
Insurance, Property & Liability	23,567	69,552	61,378	245,510	(8,174)	175,958	28.33%
Repairs, Maintenance & Leases	159,606	388,264	437,084	1,709,334	48,820	1,321,070	22.71%
Supplies	2,241	9,415	8,675	34,700	(740)	25,285	27.13%
Postage/Express mail	4,514	13,228	11,400	45,600	(1,828)	32,372	29.01%
Telephone	1,798	5,341	7,375	29,501	2,034	24,160	18.10%
Janitorial	3,675	12,335	22,285	89,139	9,950	76,804	13.84%
Office Expenses	208,221	529,772	591,143	2,325,571	61,371	1,795,799	22.78%
Dues & Periodicals	14,278	29,224	20,024	80,097	(9,200)	50,873	36.49%
Education & Training	1,523	23,968	43,298	173,193	19,330	149,225	13.84%
Contractual Services	122,012	298,276	364,658	1,458,632	66,382	1,160,357	20.45%
Professional Services-Program	21,375	36,950	28,975	115,900	(7,975)	78,950	31.88%
Direct Servicing Expenses	694,927	2,009,584	1,465,120	5,860,479	(544,465)	3,850,895	34.29%
Program Expense-Other	16,268	40,492	69,456	277,824	28,964	237,332	14.57%

# GENERAL FUND Fiscal Year 2023-2024 Budget For the three months ended 12/31/2023

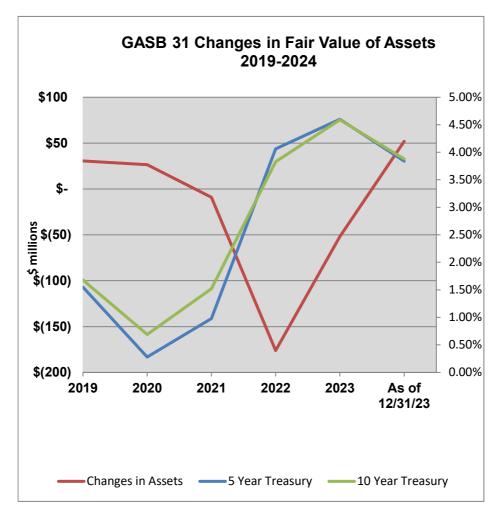
	One Month Actual	Year to Date Actuals	Year to Date ProRata Budget	Annual Budget	YTD Budget Under/(Over)	Annual Budget Under/(Over)	Expended Annual Budget %
Rebate Analysis Fees			398	1,590	398	1,590	
Other Operating Expense	870,384	2,438,494	1,991,929	7,967,715	(446,566)	5,529,221	30.60%
Interest Expense	332,930	1,036,376	472,509	1,890,036	(563,867)	853,660	54.83%
Non-Cash Expenses	155,767	394,845	849,179	3,396,718	454,335	3,001,873	11.62%
Expensed Assets	38,380	118,693	43,337	173,350	(75,356)	54,657	68.47%
Operating Expenses	2,734,581	7,211,448	7,729,342	30,036,151	517,895	22,824,703	24.01%
Program Training & Tech Asst	2,421	8,257	25,811	103,242	17,554	94,985	8.00%
Program Development	28,185	61,061	34,075	136,300	(26,986)	75,239	44.80%
Capacity Building Costs	30,607	69,318	59,886	239,542	(9,432)	170,224	28.94%
Non-Operating Expenses	30,607	69,318	59,886	239,542	(9,432)	170,224	28.94%
Expenses	2,765,187	7,280,766	7,789,228	30,275,693	508,462	22,994,927	24.05%
Excess Revenue over Expenses	1,106,812	1,277,727	(229,388)	1,464,298	(1,507,115)	186,571	87.26%

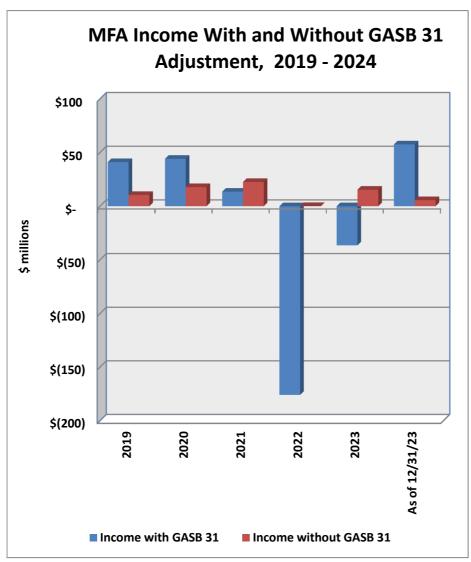
# GENERAL FUND CAPITAL BUDGET Fiscal Year 2023-2024 Budget For the three months ended 12/31/2023

	One Month Actual	Year to Date Actuals	Year to Date ProRata Budget	Annual Budget	YTD Budget Under/(Over)	Annual Budget Under/(Over)	Expended Annual Budget %
	Current Month	Year to Date	Year to Date	Year to Date	Year to Date	Year to Date	Year to Date
2690 PURCHASED SERVICING RIGHTS	458,775	1,310,474	943,091	3,772,362	(367,384)	2,461,888	34.74%
2950 COMPUTER HARDWARE	-	-	26,331	105,324	26,331	105,324	0.00%
2960 SOFTWARE LICENSES	-	-	-	-	-	-	
2920 FURNITURE & EQUIPMENT-10 YR	-	-	194,625	778,500	194,625	778,500	0.00%
2930 FURNITURE & EQUIP, 5 YR.	-	-	-	-,	-	-	
2860 BUILDING	-	-	860,547	3,442,189	860,547	3,442,189	0.00%
Capital Budget	458,775	1,310,474	2,024,594	8,098,375	714,120	6,787,901	16.18%

## **New Mexico Mortgage Finance Authority**

Effect of GASB31 on Financials





## New Mexico Mortgage Finance Authority Loan and Credit Line Activity As of 12/31/2023

Lender	Purpose	Collateral	Board Authorization Date	Authority Limit	Outstanding 09/30/2023	Advances	Repayments	Outstanding 12/31/2023	Maturity	Interest Rate as of 12/31/23	Interest Payments this quarter
Community Banks	Fund DPA program and assist financial institutions meet CRA requirements	DPA portfolio	March 2018	5,000,000	-		-	-	n/a	n/a	_
FHLB	Mortgage Backed Security Warehouse, Loans Held for Sale Program	Mortgage loan pipeline	October 2017	60,000,000	70,000,000	250,750,000	275,750,000	45,000,000	1/11/2024	5.59%	825,666
FHLB	Mortgage Backed Security Warehouse, Loans Held for Sale Program & operations	Securities	October 2017	25,000,000	-	30,000,000	15,000,000	15,000,000	12/2/2024	5.41%	121,344
Main Bank	Loan for Building on Jefferson	Jefferson Building	May 15, 2023	8,000,000	7,783,541	-	164,346	7,619,195	5/15/2033	4.26%	83,818
USDA-RD	Preservation Revolving Loan Fund Demonstration Program	PRLF mortgage loans	September 2015 April 2014, March	2,125,000	-	-	-	-	n/a		
SBIC	Capitalize Primero Loan Fund	None	2019, September 2023	3,500,000	-	-		-	11/30/2028	n/a	
FHLB	Mortgage Revenue Bond (MRB) Warehousing	MRB Mortgage backed securities	June 2013	30,000,000	-	-	-	-	n/a	n/a	
Wells Fargo	Capitalize Primero Loan Fund	None	October 2011	850,000	106,250	106,250	212,500	-	12/7/2023	2.00%	260
USDA-RD	Preservation Revolving Loan Fund Demonstration Program	PRLF mortgage loans	May 2011	2,000,000	1,451,969	-		1,451,969	1/20/2042	1.00%	3,660
	TOTAL			131,475,000	79,341,760	280,856,250	291,126,846	69,071,164			1,034,747



## NEW MEXICO MORTGAGE FINANCE AUTHORITY

## Contracted Services/Credit Committee Meeting Tuesday, February 13, 2024 @ 10:00 am MFA – Albuquerque

WebEx join the meeting from the calendar or call 1-408-418-9388 (access code): 2485 316 1174

AGENDA ITEM			TIME ALLOTTEI	<b>D</b>		MITTEE IMENDED	BOARD ACTION REQUIRED
	1 FY2023 Recurring Severance Tax Bond Funding Resolution, Notification and Certification, and Reallocation (Stephanie Gonzales & Robyn Powell)	3	10:00-10:10		2-0 Appro	oved	YES
	2 Housing Innovation Award Recommendations (Daniela Freamon & Sonja Unrau)		10:10-10:20		2-0	1	YES
$\vdash$	· · · · · · · · · · · · · · · · · · ·				Appro	ved	
	3 Questions/comments from Committee						NO
_	Committee Members present:						
	-		present $\square$	abs	sent	☑ conference	e call
	Attorney General Raul Torrez/Designee Gideon Elliot	⊐p	oresent $\Box$	] abs	sent	☑ conference	e call
	Patricia Sullivan	⊐р	oresent	abs	sent	□conference	ce call

Dus I De Vies



**TO:** MFA Board of Directors

**Through:** Policy Committee on January 30, 2024

New Mexico Housing Trust Fund Advisory Committee on February 12, 2024

Contracted Services Committee on February 13, 2024

**FROM:** Robyn Powell, Director of Policy and Planning

Stephanie Gonzales, Research and Development Manager

**DATE:** February 21, 2024

SUBJECT: FY2024 Recurring Severance Tax Bond Funding Resolution, Notification and Certification, and

Allocation Amendment Recommendation

#### Recommendation

Staff recommends approval of the proposed amended certified use funding allocations and adoption of the New Mexico Mortgage Finance Authority Resolution, Notification and Certification (Certification) to the New Mexico State Board of Finance certifying the need for funding in the amount of \$37,530,000 for state fiscal year 2024 (July 1 to June 30).

#### Background

In 2022, the State of New Mexico enacted Senate Bill 134 into law, allocating severance tax bonding capacity to the New Mexico Housing Trust Fund for the purposes of carrying out the provisions in the New Mexico Housing Trust Fund Act. Senate Bill 134 requires MFA to certify uses of the bond sale proceeds with the State Board of Finance. In 2023, the State of New Mexico enacted Senate Bill 384 that adjusted the effective date of Senate Bill 134 from state SFY2025 to SFY2024, setting into motion the actions recommended herein.

In April 2023, MFA Board of Director certified approved used for the SFY2024 Severance Tax Bond Funding to State Board of Finance. State Board of Finance provided guidance that MFA must recertify amendments to certified use allocations.

#### **Discussion**

MFA staff have identified that the original certified uses should be reallocated to better serve the state of New Mexico. It has been determined that there is limited need for the "first mortgage; affordable homeownership loan purchase" certified use compared to the "down payment assistance" and "single family emergency repairs, accessibility, energy efficiency improvements and rehabilitation" certified uses. As a result, staff recommends that \$3,125,000 of the first mortgage certified use be reallocated to the "down payment assistance certified use" and the remaining balance of \$275,000 be reallocated to the "single family emergency repairs, accessibility, energy efficiency improvements and rehabilitation" certified use.

The table below outlines the anticipated impact of the amended certified uses.

Certified Uses	Certified Use Amount Approved on April 19, 2023	Certified Use Amount Amended on February 21, 2024	Anticipated Impact
First mortgage; Affordable homeowners hip loan purchase	\$3,400,000	\$-	MFA intended to use this certified use for 40-year loan modifications to ease the challenging market conditions that face homeowners during the coronavirus pandemic period. However, the need for 40-year loan modifications has been lower than anticipated. Further MFA has found solutions to provide loan modifications that do not require the New Mexico Housing Trust Fund.
Down Payment Assistance	\$8,500,000	\$11,625,000	The original allocation for this certified use was intended to help 366 households become homeowners through MFA's FirstDown Plus Program. Additional funding for this certified use will support 208 more households through this program. Demand for FirstDown Plus has exceeded expectations, resulting in an average of \$795,000 in reservations a week since it launched January 15, 2024.
Single family emergency repairs, accessibility, energy efficiency improvement s and rehabilitation	\$1,000,000	\$1,775,000	The original allocation for this certified use was intended to provide weatherization and rehabilitation to 36 homes through the NMEnergy\$mart program. Additional funding for this certified use will support 20 more homes with urgent health and safety concerns. The weatherization single family program is funded by federal (~65%), private utility grants (~20%) and state (~15%). Flexible state funding is used to cover program gaps is federal and private sources.

Reference Exhibit A: Amendment to State Fiscal Year 2024 Certified Uses as documentation of the allocation changes.

### **Summary**

Staff recommends that the MFA Board of Directors adopt the New Mexico Mortgage Finance Authority Resolution, Notification and Certification Amendment to the New Mexico State Board of Finance certifying the need for funding in the amount of \$37,530,000 for state fiscal year 2024. The amended

certification will reallocate the \$3,400,000 in the first mortgage; affordable homeownership loan purchase to down payment assistance for \$3,125,000 and to single family emergency repairs, accessibility, energy efficiency improvements and rehabilitation for \$275,000.

## NEW MEXICO MORTGAGE FINANCE AUTHORITY RESOLUTION, NOTIFICATION AND CERTIFICATION

#### February 21, 2024

WHEREAS, the Legislature of the State of New Mexico (the "State"), at its 1975 regular session, adopted Chapter 303, Laws of New Mexico, 1975, known and cited as the Mortgage Finance Authority Act, NMSA 1978 §§ 58-18-1 through 58-18-27 (the "Act");

WHEREAS, there was created by the Act, a public body politic and corporate, separate and apart from the State, constituting a governmental instrumentality known and identified as the "New Mexico Mortgage Finance Authority" ("MFA"), MFA being created and established to serve a public purpose and to act for the public benefit by improving the health, safety, welfare and prosperity of the State and the general public;

WHEREAS, MFA was created to provide decent, safe and sanitary residential housing to persons of low or moderate income;

WHEREAS, the purpose of the New Mexico Housing Trust Fund Act, as defined below, is to provide flexible funding for housing initiatives in order to produce and preserve significant housing investment in the state;

WHEREAS, money from the proceeds of severance tax revenue bonds or notes ("Bonds") authorized in the Severance Tax Bonding Act, Sections 7-27-1 et seq. NMSA 1978, as amended (the "Severance Tax Bonding Act") and particularly Section 7-27-49 thereof, is to be allocated to the New Mexico Housing Trust Fund (the "Fund") created within the New Mexico Mortgage Finance Authority (the "MFA") under the New Mexico Housing Trust Fund Act, Section 58-18C-1 et seq. NMSA 1978, as amended (the "HTF Act") for the purposes of carrying out the provisions of the HTF Act; and

WHEREAS, The MFA Board of Directors approved certified the uses of the state fiscal year severance tax allocation to the New Mexico Housing Trust Fund on April 19, 2023.

WHEREAS, since the April 19, 2023 MFA identified a need to amend the certified uses to better serve New Mexico's housing needs and present the amended certified uses in **Exhibit A: Amendment to State Fiscal Year 2024 Certified Uses**.

NOW, THEREFORE, BE IT RESOLVED AND CERTIFIED BY THE NEW MEXICO MORTGAGE FINANCE AUTHORITY THAT:

1. MFA, as trustee of the New Mexico Housing Trust Fund, hereby certifies and notifies the State Board of Finance that at least Thirty-seven Million Five Hundred Thousand Dollars (\$37,500,000) is needed for the purposes listed on Exhibit A, and that each of such purposes: (a) is an authorized use of such proceeds under the terms of the Severance Tax Bonding Act and the HTF Act, (b) constitutes a capital project, (c) does not include any indirect project costs or operational or working capital expenditures, and (d) to the extent proceeds are transferred to a non-governmental entity, complies (or will comply, when such proceeds are transferred) with the Affordable Housing Act, Sections 6-27-1 et seq. NMSA 1978, which codifies the exception to the Anti-Donation Clause of the New Mexico Constitution contemplated in Article IX, Section 14, Paragraphs E and F of the Constitution.

- 2. Should the purposes to which such funds are to be applied change such that (a) the amount allocated to any category shown on Exhibit A is increased or reduced by more than five percent (5%), or (b) such changes result in an aggregate change in the amount needed to an amount which is less than the amount certified in this Resolution, the MFA will promptly (and no later than 60 days after such change is identified) supplement and re-certify to the State Board of Finance its needs as detailed on Exhibit A to reflect any updates in the anticipated or actual application of such proceeds in accordance with the Severance Tax Bonding Act and the HTF Act.
- 3. The State Board of Finance is hereby requested and instructed to issue and sell Bonds (expected to consist of short-term taxable severance tax notes) in the aggregate principal amount of Thirty-seven Million Five Hundred Thousand Dollars (\$37,500,000) for the purposes set forth on Exhibit A.
- 4. During the course of expenditure of proceeds certified herein, MFA shall monitor the use and expenditure of proceeds and ensure proper reversions as provided in clause C of Section 7-27-49 of the Severance Tax Bonding Act, and shall from time to time (at least annually) provide a written report to the State Board of Finance describing: (a) actual expenditure of Bond proceeds, (b) reconciliation of actual expenditures against anticipated and previously certified projects, (c) reversions, if any, (d) specific projects funded by proceeds deposited in any revolving loan fund, and (e) MFA's policies and procedures for determination and prioritization of eligible projects expected to be funded with proceeds of Bonds.
- 5. All conditions, contingencies and limitations imposed by law with respect to the certification of the need for the Bonds to finance the projects and the expenditure of funds with respect thereto, if any, have been satisfied.

The undersigned hereby certifies that the above and foregoing resolutions were duly adopted by the Board of Directors of the New Mexico Mortgage Finance Authority at a meeting duly called, held and conducted on February 21, 2024.

ADOPT	בט:
	Aye:
	Nay:
	Abstain:
	Absent:
	PASSED AND APPROVED BY THE NEW MEXICO MORTGAGE FINANCE AUTHORITY THIS, 2024.
	Ву:
	Angel Reyes, Chair
	New Mexico Mortgage Finance Authority

#### **CERTIFICATION**

I HEREBY CERTIFY, that I am the Secretary of the New Mexico Mortgage Finance Authority; that the above and foregoing is a full, true and correct copy of a resolution, notification and certification of the duly and regularly adopted by the vote of the majority or more of the directors of the New Mexico Mortgage Finance Authority in accordance with the MFA bylaws in effect on January 18, 2023; that there is no provision in the articles of the MFA bylaws conflicting with said resolution, notification and certification; and that said resolution, notification and certification has not been modified or revoked and still remains in full force and effect.

IN WITNESS WHER	EOF, I have hereunto	set my hand and seal of	f the New Mexico Mortgage Fin	iance
Authority this	day of	, 2024.		
Isidoro Hernandez,	Secretary			
(SEAL)				

**Exhibit A: Amendment to State Fiscal Year 2024 Certified Uses** 

Certified Use	Description	Certified Uses Approved on April 19, 2023	Certified Uses Amended on February 21, 2024
Down Payment Assistance	Provide down payment assistance to first-time and non-first-time homebuyers with low to moderate incomes	\$8,500,000	\$11,625,000
First Mortgage	Provide first mortgage loans for first-time and non-first-time homebuyers with low to moderate incomes; purchase home loans originated by partners and provided to low to moderate income homeowners	\$3,400,000	\$ -
Single Family emergency repairs, accessibility, energy efficiency improvements and rehabilitation	Home (vacant or occupied) emergency repairs, accessibility and energy efficiency improvements and complete rehabilitation for low to moderate income homeowners.	\$1,500,000	\$1,775,000
Single family acquisition and rehabilitation	Provide assistance to stabilize communities by acquiring vacant, abandoned and/or foreclosed homes and by rehabilitating, reselling and/or redeveloping these homes; conduct demolition or deconstruction of vacant or abandoned buildings (including residential, commercial, or industrial buildings) paired with greening or other lot improvement as part of a strategy for neighborhood revitalization.	\$2,000,000	\$2,000,000
Housing development	Provide construction and permanent financing to develop, including both new and substantial rehabilitation, affordable rental and homeownership for low to moderate income households.	\$22,130,000	\$22,130,000
TOTAL		\$37,530,000	\$37,530,000



## MEMO

**TO:** Board of Directors

**THROUGH:** Contracted Services Committee on February 13, 2024

New Mexico Housing Trust Fund Advisory Committee on February 12, 2024

Policy Committee on January 30, 2024

**FROM:** Daniela Freamon, Program Manager

Sonja Unrau, Sr. Research and Development Manager

**DATE:** February 21, 2024

**SUBJECT:** Recommendation to Award \$262,498 to Sawmill Community Land Trust Application

Under the Housing Innovation Notice of Funding Availability

#### Recommendation

Staff recommends the approval of a \$262,498 award to the Sawmill Community Land Trust under the Housing Innovation Program Notice of Funding Availability (NOFA). The funding source of the Housing Innovation Program is New Mexico Housing Trust Funds, therefore staff recommends approval by MFA, as Trustee of the New Mexico Housing Trust Fund.

#### **Background**

The Housing Innovation Program NOFA was approved by the MFA Board of Directors in September 2023 as a resource to address housing needs that are currently not being served through other MFA programs and an opportunity for eligible applicants to fund a community tailored housing solution. Through the \$5 million initially available from the New Mexico Housing Trust Fund, MFA assists underserved populations, to cultivate new partnerships, and to fund projects that may be scalable.

#### Discussion

The Housing Innovation Program Scoring Committee was approved by the Policy Committee on September 5, 2023. Per the Scoring Committee review on January 17, 2024, the Sawmill Community Land Trust application met all threshold requirements and score sufficient points to merit an award.

#### Sawmill Community Land Trust

The Sawmill Community Land Trust is a 501(c)3 nonprofit community that offers rental units and homeownership opportunities to low- and moderate-income New Mexicans. The community lives on a 27-acre site which is home to 566 rental tenants and 97 homeowners.

If awarded, funding will address urgent repairs needed to the roofs of two large rental complexes, Sawmill Lofts and Villa Nueva. The Land Trust has obtained bids for both roofs and is prepared to contribute funding from their MFA reserve and Bank of Oklahoma reserve. Their reserves require \$1,000/unit and do not have sufficient funding to fully cover each bid.

Recommended Award	# of Units	Application Score
\$262,498.00	105	78

#### Leverage and Award Budget Recommendation.

	Sawmill Lofts	Sawmill Senior/Villa Nueva
Bid Amount	\$ 309,418.33	\$ 219,663.75
Available Reserves for Project	\$ 171,152.08	\$95,432.00
Leverage Based on Minimum		
Balance Requirements		
Award Budget	\$138,266.25	\$124,231.75
Recommendation		

#### Summary

The Housing Innovation Scoring Committee recommends awarding \$262,498 to the Sawmill Community Land Trust under the Housing Innovation Notice of Funding Availability, and as Trustee of the New Mexico Housing Trust Fund.



New Mexico Mortgage Finance Authority February 2024



# MFA Resources for Funding Affordable Loans

## 1. Tax-exempt bonds

# 2. Packaging loans into MBS and selling the loans

• Selling MBS via the To-Be Announced (TBA) market through 3<sup>rd</sup> party administrator

## 3. Downpayment assistance (DPA) to eligible borrowers

- Funds for downpayment is often the biggest obstacle for first-time homebuyers
- MFA has used more than \$85 million of Housing Opportunity funds to purchase DPA second mortgages the last 6 years



## MFA Production Growth and Shift

- Substantial increase in production through FY 2021
- FY 2022 production began declining with Next Home program pause, rising rates and home prices



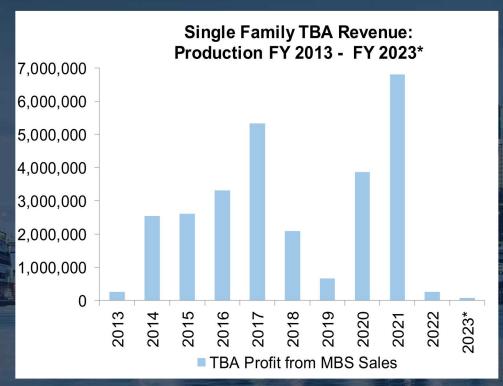


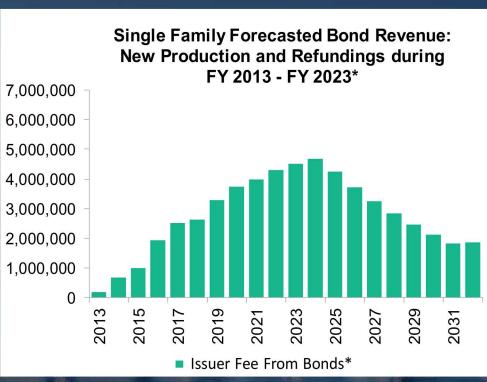
<sup>\*</sup> Based on MBS settled or purchased each fiscal year.

<sup>\*</sup> FY2024 YTD actual production is shown through July 2023, and projected production is shown for subsequent months.

# MFA Has Generated a Mix of Revenue Streams

MFA has generated both immediate revenue from TBA, as well as long-term revenue streams from bonds.





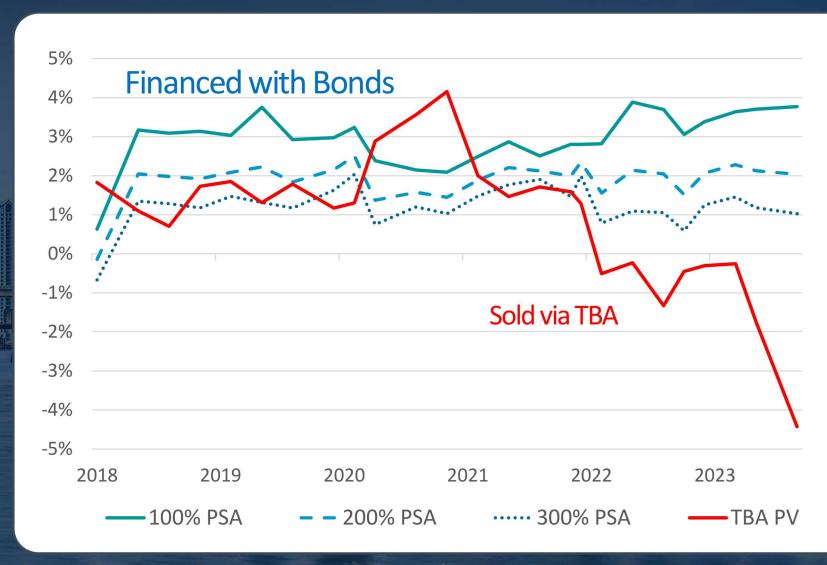
<sup>\*</sup> Based on actual loan production through FYE 2023 and projected production for subsequent months



<sup>\*</sup> Issuer fee run at 150% PSA

# It Pays to be Flexible

## Net Present Value: Funding with TBA or Bonds



- Assumes full spread mortgage rates and 84% GNMA / 16% Conventional loan split, with 0.5% origination fee.
- Bond financing scenarios represent a full spread traditional bond issuance with premium PAC bonds.

# New Mexico Mortgage Finance Authority Single Family Mortgage Program Class I Bonds, 2024 Series AB

\$96,000,000 2024 Series A (Non-AMT) \$24,000,000 2024 Series B (Federally Taxable)

Pricing Date: January 24, 2024

Delivery Date: February 22, 2024

Bond Rating: Aaa (Moody's)

Financial Advisor: CSG Advisors

Senior Manager: RBC Capital Markets

### **Transaction Summary**

Bond proceeds will be used to finance \$122.75MM of new loan production (74% GNMA / 26% FNMA split); for the first time in a decade, a portion (20%) of new money financing was taxable to save volume cap

#### Objectives:

- Finance loan production at attractive interest rates for buyers over a three-to-four-month origination period
- Strategically use MFA's ~\$26.6MM of zeroes to achieve full spread
- Keep negative arbitrage to a minimum
- Raise bond premium to cover the costs of issuance and cash flow lag

#### NEW ISSUE - BOOK-ENTRY ONLY

tating for Offered Bonds: Moody's: "Ana" (See "RATING" herein)

In the opinion of Kutak Rock LLP, Bond Counsel, under existing lanes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the 2024 Series A Bonds (including an original issue discount properly allocable to the owner of a 2024 Series A Bond) is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals. Interest on the 2024 Series A Bonds may affect the federal alternative minimum tax imposed on certain corporations. Interest to 2024 Series Bonds is included in gross income for federal income tax purposes. Bond Counsel is also of the opinion that, under existing laws of the State of New Mexico (the "State"), the Offered Bonds and the income therefrom are free from State taxation except for estate or gift taxes and taxes on transfers. See "TAX MATTERS" kerein.



#### NEW MEXICO MORTGAGE FINANCE AUTHORITY \$120,000,000

Single Family Mortgage Program Class I Bonds

\$96,000,000 2024 Series A (Tax-Exempt) (Non-AMT)

\$24,000,000 2024 Series B (Federally Taxable)

Dated: Date of Delivery

Due: As shown on inside cover

The New Mexico Mortgage Finance Authority (the "Authority") is issuing the above captioned bonds (the "Offered Bonds"), in the aggregate principal amount of \$120,000,000 pursuant to a General Indenture of Trust dated as of November 1, 2005, as heretofore amended and supplemented (the "General Indenture") and a 2024 Series AB Indenture dated as of Pebruary 1, 2024 (the "2024 Series AB Indenture"), each between the Authority and Ziore Bancorporation, National Association, as trustee (the "Trustee"), to finance certain mortgage loans under the single family mortgage programs of the Authority.

The Offered Bonds are issuable only as fully registered bonds in denominations of \$5,000 each or any integral multiple thereof. The Offered Bonds are registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. Interest on the Offered Bonds is payable by the Trustee to the registered owners thereof semiannually on March 1 and September 1 of each year, commencing September 1, 2024, at the rates set forth on the inside front cover hereof. Principal on the Offered Bonds is payable at maturity or earlier redemption upon surrender at the principal corporate trust office of the Trustee. So long as DTC or its nominee is the registered owner of the Offered Bonds, disbursement of payments of principal, redemption price and interest to DTC is the responsibility of the Trustee; disbursement of such payments to Direct Participants (as defined herein) is the responsibility of DTC; and disbursement of such payments to the Beneficial Owners (as defined herein) is the responsibility of DTrcct Participants. See "APPENDIX F = BOOKENTRY SYSTEM" attached hereto.

Under the General Indenture, the Authority may issue additional series of bonds ("Additional Bonds") and other obligations related to bonds ("Auxiliary Obligations") upon satisfaction of the conditions set forth in the General Indenture. The General Indenture provides that Bonds (defined herein) and Auxiliary Obligations be designated a priority class, with Class I being the highest priority and the priority order decreasing as the Roman numerals increase. Bonds and Auxiliary Obligations of each Class issued under the General Indenture are equally and ratably secured by the pledges and covenants contained therein with other Bonds and Auxiliary Obligations of the same Class. The Offered Bonds are being issued as Class IB Bonds under the General Indenture are described by the "Outstanding Bonds"), and the Outstanding Bonds, the Offered Bonds and any Additional Bonds are referred to herein collectively as the "Bonds." The General Indenture, the 2024 Series AB Indenture, and all supplemental indentures, including supplemental indentures providing for the issuance or remarketing of any Bonds, are referred to herein collectively as the "Indenture". See "APPENDIX A - SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE" attached herefor.

The proceeds of the Offered Bonds, together with any moneys made available upon the issuance of the Offered Bonds and other nealbable funds, will be made available for use by the Trustee, on behalf of the Authority, to (a) purchase: (i) mortgage loan pass-through certificates (the 'GNMA') (ii) mortgage loan pass-through certificates (parameter das to timely payment of principal and interest by the Government National Mortgage Association ('GRMA'), (ii) mortgage loan pass-through certificates (the 'Fannie Mae Certificates') issued and guaranteed as to timely payment of principal and interest by the Federal National Mortgage Association ('Fannie Mae') and/or (iii) mortgage loan pass-through certificates (the "Fannie Mae Certificates") issued and guaranteed as to timely payment of principal and interest by the Federal Home Loan Mortgage Corporation ('Freddie Mac'), and (b) pay certain costs of issuing the Offered Bonds. The GNMA Certificates, the Fannie Mae Certificates and the Freddie Mac Certificates are collectively referred to herein as 'Mortgage Certificates'. See 'FINANCING PLAN' herein.

The Offered Bonds are subject to redemption prior to maturity as more fully described herein. Any investor purchasing an Offered Bond at a price in excess of its principal amount should consider that such Offered Bond is subject to redemption without premium in certain cases as described herein. See "DESCRIPTION OF THE OFFERED BONDS" herein.

The Offered Bonds are special obligations of the Authority, payable solely from and secured solely by the pledge pursuant to the Indenture of the revenues and assets derived from the proceeds of the Bonds, including the Mortgage Certificates and the moneys and securities held in the Funds and Accounts created by the Indenture (other than the Rebate Account and amounts deposited therein). In no event shall the Offered Bonds constitute an obligation or liability (either general or special) of the State of New Mexico (the "State") or any political subdivision thereof or constitute or give rise to a pecuniary liability of the State or any political subdivision thereof. The Authority has no taxing power and has no power to pledge the general credit or taxing power of the State or any political subdivision thereof. The Offered Bonds and all other Bonds outstanding from time to time, and all interest thereon, are secured on a parity basis.

The Offered Bonds are not a debt of the United States of America, or any agency thereof, including GNMa, or of Fannie Mae or Freddie Mac, are not guaranteed by the full faith and credit of the United States of America, GNMA, Fannie Mae or Freddie Mac. The obligations of Fannie Mae and Freddie Mac are not backed by the full faith and credit of the United States of America.

The Offered Bonds are offered when, as and if issued and received by the Underveriters, subject to the approval of Kutak Rock LLP, Omaha, Nebraska, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon the Underveriters by Orrick, Herrington & Sutcliffe Up, San Francisco, California, and for the Authority by Stelzner, Winter, Warburton, Flores & Daves, P.A., Albuquerque, New Macrico. It is expected that the Offered Bonds will be available for delivery through the facilities of DTC in New York, New York on or about February 22, 2023.

RBC Capital Markets
Dated: January 24, 2024

Raymond James



# MFA as viewed by Rating Agencies

MFA's Issuer Credit Rating was affirmed by Moody's Investors Service ("Moody's") in June 2020 with a "Aa3" / Stable rating

## Strengths noted by Moody's included:

- High asset-to-debt ratio
- High quality of MFA's asset portfolio
- Low risk debt profile (no variable rate debt)
- Well-established risk management policies
- Sound oversight and management

## Credit challenges:

 Lower profitability compared to Aa3 rating category peers; "expect trend to reverse"

# 2023 Moody's Update to Credit Analysis on Single Family Indenture (2005) "Aaa" / Stable:

 "Strong credit quality, strong asset-to-debt ratio, satisfactory liquidity resources, capable and active management team"

MFA Current Ratings									
<u>S&amp;P</u> <u>Moody</u>									
Issuer Credit Rating	AA-	Aa3							
2005 Indenture		Aaa							
2009 Indenture	AA+								

Rating Definitions									
Moody's	S&P	Fitch							
Aaa	AAA	AAA							
Aa	AA	AA							
А	Α	Α							
Ваа	BBB	BBB							
Ва	ВВ	ВВ							
В	В	В							
С	D	D							
1,2,3	+/-	+/-							



## New Mexico Mortgage Finance Authority Board of Directors Meeting

February 21, 2024

STRICTLY PRIVATE AND CONFIDENTIAL





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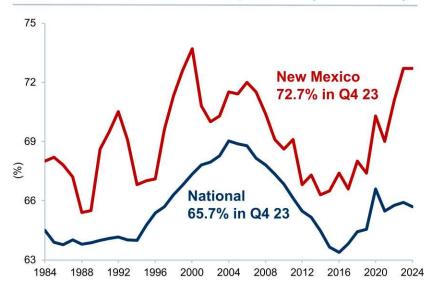
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To the extent projections and financial analyses are set forth herein, they may be based on estimated financial performance prepared by or in consultation with the recipient and are intended only to suggest reasonable ranges of results. The printed presentation is incomplete without reference to the oral presentation or other written materials that supplement it.

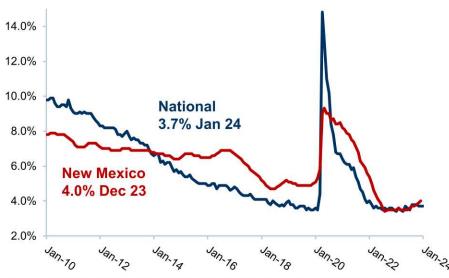
IRS Circular 230 Disclosure: RBCCM and its affiliates do not provide tax advice and nothing contained herein should be construed as tax advice. Any discussion of U.S. tax matters contained herein (including any attachments) (i) was not intended or written to be used, and cannot be used, by you for the purpose of avoiding tax penalties; and (ii) was written in connection with the promotion or marketing of the matters addressed herein. Accordingly, you should seek advice based upon your particular circumstances from an independent tax advisor.



## Historical Homeownership Rates (US vs NM)<sup>1</sup>



## Historical Unemployment Rates (US vs NM)<sup>2</sup>



Sources: 1 US Census; Federal Housing Finance Agency, 2 U.S. Bureau of Labor Statistics, 3 Zillow (December 2023)

## Top 20 State Homeownership Rates (4Q 2023)1

1	West Virginia	79.4
2	Delaware	76.2
3	Michigan	75.9
4	Vermont	74.9
5	Wyoming	74.4
6	Mississippi	74.3
7	Montana	74.1
8	Minnesota	73.9
9	New Hampshire	73.7
10	Alabama	73.6
11	Maine	73.2
12	South Carolina	73.0
13	Maryland	72.9
14	New Mexico	72.7
15	Kentucky	72.3
16	Indiana	72.2
17	Tennessee	72.2
18	Pennsylvania	71.3
19	Missouri	70.5
20	ldaho	70.2

## Median Home Prices (December 2023)<sup>3</sup>

U.S. Median Home Price: \$342,685 (up 2.6% YOY)

New Mexico Median Home Price: \$288,855 (up 4.8% YOY)

## Challenges and Opportunities for HFAs



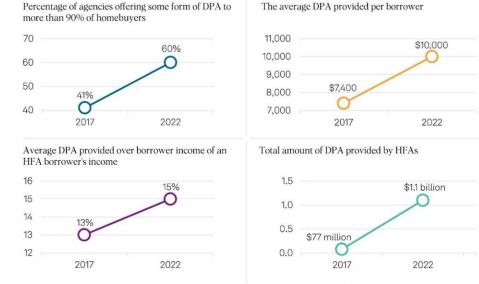
## Challenges

- Macro-Economic Conditions (inflation vs recession)
- Geopolitical Uncertainty (Wars in Ukraine and Middle-East)
- 2024 Elections (Uncertainty)
- Housing Unaffordability (lack of supply keeping prices high with high mortgage rates)
- Limited Private Activity Cap (loan production exceeding demand)
- TBA pricing will continue to be challenging

### **Opportunities**

- With elevated rates, single family bond financing continue to thrive
- Limited loan pay-offs will help balance sheet grow
- First-Time homebuyers 32% of market in 2023\*
- DPA will remain a critical component of HFA homeownership programs \*\*

#### HFAs' increasing use of DPA products is unlikely to abate



DPA--Down payment assistance. HFA--Housing finance agency. Source: S&P Global Ratings. Copyright © 2024 by Standard & Poor's Financial Services LLC. All rights reserved.

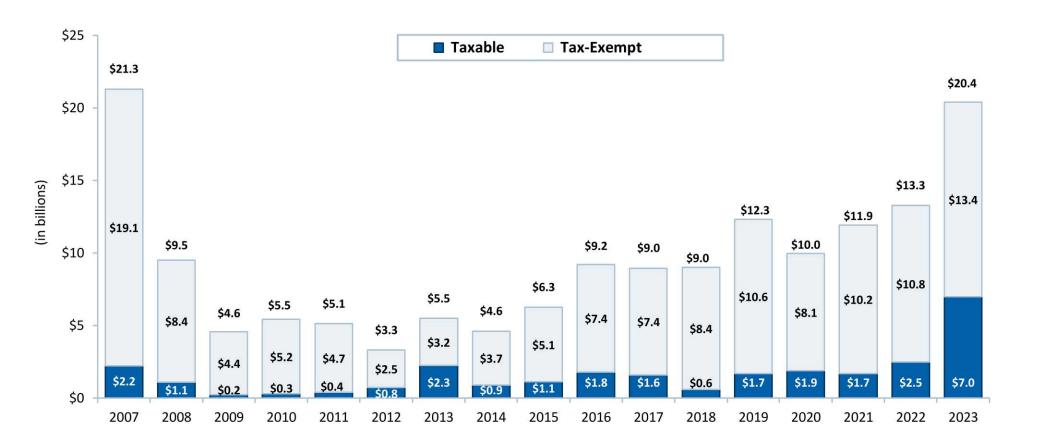
## State HFA Single Family Programs

MFA does not take real estate risk because mortgages are securitized into MBS (GNMA, FNMA and Freddie Mac). US Government guarantee on MBS gives MFA Bonds the highest Aaa rating.

	State HFAs MBS vs	Whole Loan
	MBS	Whole Loan
1	Alaska Housing Finance Corporation	Connecticut Housing Finance Authority
2	Arkansas Development Finance Authority	Maine State Housing Authority
3	California Housing Finance Agency	Michigan State Housing Development Authority
4	Colorado Housing & Finance Agency	Montana Board of Housing
5	Delaware State Housing Authority	New York State HFA / SONYMA
6	Florida Housing Finance Corporation	North Dakota Housing Finance Agency
7	Georgia Housing and Finance Authority	Oregon Housing and Community Services Dept
8	Idaho Housing & Finance Association	Tennessee Housing Development Agency
9	Illinois Housing Development Authority	Utah Housing Corporation
10	Indiana Housing & Comm Development Authority	Vermont Housing Finance Agency
11	lowa Finance Authority	Virginia Housing Development Authority
12	Kentucky Housing Corporation	Wisconsin Housing & Economic Devt Authority
13	Louisiana Housing Corporation	Wyoming Community Development Authority
14	Maryland Dept. of Housing & Community Development	
15	Massachusetts Housing Finance Agency	
16	Minnesota Housing Finance Agency	
17	Mississippi Home Corporation	
18	Missouri Housing Dev Commission	
19	Nebraska Investment Finance Authority	
20	Nevada Housing Division	
21	New Hampshire Housing Finance Authority	
22	New Jersey Housing & Mortgage Finance Agency	
23	New Mexico Mortgage Finance Authority	
24	North Carolina Housing Finance Agency	
25	Ohio Housing Finance Agency	
26	Oklahoma Housing Finance Agency	
27	Pennsylvania Housing Finance Agency	
28	Rhode Island Housing & Mortgage Finance Corp	
29	South Carolina State Housing Finance & Development Authority	
30	South Dakota Housing Development Authority	
31	Texas Department of Housing and Community Affairs	
32	Washington State Housing Finance Commission	
33	West Virginia Housing Development Fund	



### Single Family Housing Bond Volume in 2023 was the Highest Since 2007 (a third of which is taxable)



In 2023, HFAs issued the most single-family taxable bonds in history – shortage of private activity cap and to finance non-first-time homebuyer, higher income or higher purchase price loans

## Marketing Advertisement



RBC created the sale announcement and Indenture Summary below which our retail brokers and underwriters utilized to premarket NMMFA's 2024 Series AB bonds



New Mexico Mortgage Finance Authority
Single Family Mortgage Program Class I Bonds
2005 General Indenture

I. Parity as of Sep 30, 2023	
Total MBS Outstanding	\$1,431,023,714
Total Assets	\$1,535,376,254
Total Bonds Outstanding	\$1,490,801,723
Parity	102.42%
20.00(M.005 B)	

Bonds Summary	
Ratings	Moody's Aaa
Profile	100% Fixed Rate
Outstanding Balance as of Sep 30, 2023	\$1,490,801,723

Loan Summary as of Sep 30, 202	23	
MBS Type	Par Outstanding	% of Total
GNMA	\$1,190,141,756	83.17%
FNMA	240,881,958	16.83%
FHLMC	121	-0
Total	\$1,431,023,714	100.0%

Sources: NMMFA 2024AB POS, Moody's rating report



## Historical MFA Single Family Retail Orders

01/24/2024         2024 Series A         \$96,000,000         2,615,000         18,535,000         14%           10/19/2023         2023 Series D         \$125,000,000         23,210,000         60,715,000         38%           07/13/2023         2023 Series C         \$100,000,000         3,835,000         53,275,000         7%           04/20/2023         2023 Series B         \$80,000,000         1,385,000         31,235,000         4%           01/25/2023         2023 Series A         \$60,000,000         7,090,000         28,710,000         25%           11/08/2022         2022 Series E         \$74,990,000         4,785,000         45,275,000         11%           07/12/2022         2022 Series D         \$99,990,000         14,560,000         68,840,000         21%           04/12/2022         2022 Series C         \$90,000,000         9,145,000         18,480,000         49%           01/13/2021         2021 Series D         \$99,990,000         1,185,000         16,890,000         7%           10/13/2021         2021 Series B         \$100,000,000         9,810,000         28,125,000         35%           04/13/2021         2021 Series A         \$78,000,000         333,500         12,015,000         3%           09/24/2020<	Sale		Issue	New Mexico	Total Retail	% NM of	% Total
10/19/2023         2023 Series D         \$125,000,000         23,210,000         60,715,000         38%           07/13/2023         2023 Series C         \$100,000,000         3,835,000         53,275,000         7%           04/20/2023         2023 Series B         \$80,000,000         1,385,000         31,235,000         4%           01/25/2023         2023 Series A         \$60,000,000         7,090,000         28,710,000         25%           11/08/2022         2022 Series E         \$74,990,000         4,785,000         45,275,000         11%           07/12/2022         2022 Series D         \$99,990,000         14,560,000         68,840,000         21%           04/12/2022         2022 Series C         \$90,000,000         9,145,000         18,480,000         49%           01/13/2021         2022 Series A         \$100,000,000         1,185,000         16,890,000         7%           10/13/2021         2021 Series D         \$99,990,000         2,155,000         15,740,000         14%           07/08/2021         2021 Series A         \$100,000,000         9,810,000         28,125,000         35%           04/13/2021         2021 Series A         \$78,000,000         333,500         12,015,000         3%           09/24/2020	Date	Series	Size	<b>Retail Order</b>	Orders	Retail	Retail
07/13/2023         2023 Series C         \$100,000,000         3,835,000         53,275,000         7%           04/20/2023         2023 Series B         \$80,000,000         1,385,000         31,235,000         4%           01/25/2023         2023 Series A         \$60,000,000         7,090,000         28,710,000         25%           11/08/2022         2022 Series E         \$74,990,000         4,785,000         45,275,000         11%           07/12/2022         2022 Series D         \$99,990,000         14,560,000         68,840,000         21%           04/12/2022         2022 Series A         \$100,000,000         9,145,000         18,480,000         49%           01/13/2022         2022 Series A         \$100,000,000         1,185,000         16,890,000         7%           01/13/2021         2021 Series D         \$99,990,000         2,155,000         15,740,000         14%           07/08/2021         2021 Series C         \$100,000,000         9,810,000         28,125,000         35%           04/13/2021         2021 Series A         \$78,000,000         333,500         12,015,000         3%           09/24/2020         2020 Series B         \$55,000,000         1,880,000         20,085,000         9%           01/22/2020 </td <td>01/24/2024</td> <td>2024 Series A</td> <td>\$96,000,000</td> <td>2,615,000</td> <td>18,535,000</td> <td>14%</td> <td>19%</td>	01/24/2024	2024 Series A	\$96,000,000	2,615,000	18,535,000	14%	19%
04/20/2023         2023 Series B         \$80,000,000         1,385,000         31,235,000         4%           01/25/2023         2023 Series A         \$60,000,000         7,090,000         28,710,000         25%           11/08/2022         2022 Series E         \$74,990,000         4,785,000         45,275,000         11%           07/12/2022         2022 Series D         \$99,990,000         14,560,000         68,840,000         21%           04/12/2022         2022 Series C         \$90,000,000         9,145,000         18,480,000         49%           01/13/2022         2022 Series A         \$100,000,000         1,185,000         16,890,000         7%           01/13/2021         2021 Series D         \$99,990,000         2,155,000         15,740,000         14%           07/08/2021         2021 Series C         \$100,000,000         9,810,000         28,125,000         35%           04/13/2021         2021 Series A         \$78,000,000         333,500         12,015,000         3%           09/24/2020         2020 Series B         \$55,000,000         1,880,000         20,085,000         9%           01/22/2020         2020 Series A         \$70,000,000         6,080,000         27,650,000         22%           10/02/2019 <td>10/19/2023</td> <td>2023 Series D</td> <td>\$125,000,000</td> <td>23,210,000</td> <td>60,715,000</td> <td>38%</td> <td>49%</td>	10/19/2023	2023 Series D	\$125,000,000	23,210,000	60,715,000	38%	49%
01/25/2023         2023 Series A         \$60,000,000         7,090,000         28,710,000         25%           11/08/2022         2022 Series E         \$74,990,000         4,785,000         45,275,000         11%           07/12/2022         2022 Series D         \$99,990,000         14,560,000         68,840,000         21%           04/12/2022         2022 Series C         \$90,000,000         9,145,000         18,480,000         49%           01/13/2022         2022 Series A         \$100,000,000         1,185,000         16,890,000         7%           10/13/2021         2021 Series D         \$99,990,000         2,155,000         15,740,000         14%           07/08/2021         2021 Series C         \$100,000,000         9,810,000         28,125,000         35%           04/13/2021         2021 Series A         \$78,000,000         333,500         12,015,000         3%           09/24/2020         2020 Series B         \$55,000,000         1,880,000         20,085,000         9%           01/22/2020         2020 Series A         \$70,000,000         6,080,000         27,650,000         22%           10/02/2019         2019 Series F         \$120,000,000         7,810,000         53,355,000         44%           07/09/2019<	07/13/2023	2023 Series C	\$100,000,000	3,835,000	53,275,000	7%	53%
11/08/2022         2022 Series E         \$74,990,000         4,785,000         45,275,000         11%           07/12/2022         2022 Series D         \$99,990,000         14,560,000         68,840,000         21%           04/12/2022         2022 Series C         \$90,000,000         9,145,000         18,480,000         49%           01/13/2022         2022 Series A         \$100,000,000         1,185,000         16,890,000         7%           10/13/2021         2021 Series D         \$99,990,000         2,155,000         15,740,000         14%           07/08/2021         2021 Series C         \$100,000,000         9,810,000         28,125,000         35%           04/13/2021         2021 Series A         \$78,000,000         333,500         12,015,000         3%           09/24/2020         2020 Series B         \$55,000,000         1,880,000         20,085,000         9%           01/22/2020         2020 Series A         \$70,000,000         6,080,000         27,650,000         22%           10/02/2019         2019 Series F         \$120,000,000         23,360,000         53,355,000         44%           07/09/2019         2019 Series D         \$100,000,000         7,450,000         18,485,000         35%           01/17/201	04/20/2023	2023 Series B	\$80,000,000	1,385,000	31,235,000	4%	39%
07/12/2022         2022 Series D         \$99,990,000         14,560,000         68,840,000         21%           04/12/2022         2022 Series C         \$90,000,000         9,145,000         18,480,000         49%           01/13/2022         2022 Series A         \$100,000,000         1,185,000         16,890,000         7%           10/13/2021         2021 Series D         \$99,990,000         2,155,000         15,740,000         14%           07/08/2021         2021 Series C         \$100,000,000         9,810,000         28,125,000         35%           04/13/2021         2021 Series A         \$78,000,000         333,500         12,015,000         3%           09/24/2020         2020 Series B         \$55,000,000         1,880,000         20,085,000         9%           01/22/2020         2020 Series A         \$70,000,000         6,080,000         27,650,000         22%           10/02/2019         2019 Series F         \$120,000,000         23,360,000         53,355,000         44%           07/09/2019         2019 Series D         \$100,000,000         7,810,000         22,235,000         35%           04/10/2019         2019 Series A         \$70,000,000         7,450,000         18,485,000         40%           01/17/201	01/25/2023	2023 Series A	\$60,000,000	7,090,000	28,710,000	25%	48%
04/12/2022         2022 Series C         \$90,000,000         9,145,000         18,480,000         49%           01/13/2022         2022 Series A         \$100,000,000         1,185,000         16,890,000         7%           10/13/2021         2021 Series D         \$99,990,000         2,155,000         15,740,000         14%           07/08/2021         2021 Series C         \$100,000,000         9,810,000         28,125,000         35%           04/13/2021         2021 Series A         \$78,000,000         333,500         12,015,000         3%           09/24/2020         2020 Series B         \$55,000,000         1,880,000         20,085,000         9%           01/22/2020         2020 Series A         \$70,000,000         6,080,000         27,650,000         22%           10/02/2019         2019 Series F         \$120,000,000         23,360,000         53,355,000         44%           07/09/2019         2019 Series D         \$100,000,000         7,810,000         22,235,000         35%           04/10/2019         2019 Series C         \$80,000,000         7,450,000         18,485,000         40%           01/17/2019         2019 Series A         \$70,000,000         2,680,000         20,970,000         13%           11/01/2018	11/08/2022	2022 Series E	\$74,990,000	4,785,000	45,275,000	11%	60%
01/13/2022         2022 Series A         \$100,000,000         1,185,000         16,890,000         7%           10/13/2021         2021 Series D         \$99,990,000         2,155,000         15,740,000         14%           07/08/2021         2021 Series C         \$100,000,000         9,810,000         28,125,000         35%           04/13/2021         2021 Series A         \$78,000,000         333,500         12,015,000         3%           09/24/2020         2020 Series B         \$55,000,000         1,880,000         20,085,000         9%           01/22/2020         2020 Series A         \$70,000,000         6,080,000         27,650,000         22%           10/02/2019         2019 Series F         \$120,000,000         23,360,000         53,355,000         44%           07/09/2019         2019 Series D         \$100,000,000         7,810,000         22,235,000         35%           04/10/2019         2019 Series C         \$80,000,000         7,450,000         18,485,000         40%           01/17/2019         2019 Series A         \$70,000,000         2,680,000         20,970,000         13%           11/01/2018         2018 Series D         \$49,900,000         2,010,000         7,055,000         28%           08/08/2018<	07/12/2022	2022 Series D	\$99,990,000	14,560,000	68,840,000	21%	69%
10/13/2021         2021 Series D         \$99,990,000         2,155,000         15,740,000         14%           07/08/2021         2021 Series C         \$100,000,000         9,810,000         28,125,000         35%           04/13/2021         2021 Series A         \$78,000,000         333,500         12,015,000         3%           09/24/2020         2020 Series B         \$55,000,000         1,880,000         20,085,000         9%           01/22/2020         2020 Series A         \$70,000,000         6,080,000         27,650,000         22%           10/02/2019         2019 Series F         \$120,000,000         23,360,000         53,355,000         44%           07/09/2019         2019 Series D         \$100,000,000         7,810,000         22,235,000         35%           04/10/2019         2019 Series C         \$80,000,000         7,450,000         18,485,000         40%           01/17/2019         2019 Series A         \$70,000,000         2,680,000         20,970,000         13%           11/01/2018         2018 Series D         \$49,900,000         2,010,000         7,055,000         28%           08/08/2018         2018 Series B         \$65,000,000         8,710,000         17,200,000         51%           06/06/2018<	04/12/2022	2022 Series C	\$90,000,000	9,145,000	18,480,000	49%	21%
07/08/2021         2021 Series C         \$100,000,000         9,810,000         28,125,000         35%           04/13/2021         2021 Series A         \$78,000,000         333,500         12,015,000         3%           09/24/2020         2020 Series B         \$55,000,000         1,880,000         20,085,000         9%           01/22/2020         2020 Series A         \$70,000,000         6,080,000         27,650,000         22%           10/02/2019         2019 Series F         \$120,000,000         23,360,000         53,355,000         44%           07/09/2019         2019 Series D         \$100,000,000         7,810,000         22,235,000         35%           04/10/2019         2019 Series C         \$80,000,000         7,450,000         18,485,000         40%           01/17/2019         2019 Series A         \$70,000,000         2,680,000         20,970,000         13%           11/01/2018         2018 Series D         \$49,900,000         2,010,000         7,055,000         28%           08/08/2018         2018 Series C         \$75,000,000         8,710,000         17,200,000         51%           06/06/2018         2018 Series B         \$65,000,000         4,320,000         9,765,000         44%           04/03/2017 </td <td>01/13/2022</td> <td>2022 Series A</td> <td>\$100,000,000</td> <td>1,185,000</td> <td>16,890,000</td> <td>7%</td> <td>17%</td>	01/13/2022	2022 Series A	\$100,000,000	1,185,000	16,890,000	7%	17%
04/13/2021         2021 Series A         \$78,000,000         333,500         12,015,000         3%           09/24/2020         2020 Series B         \$55,000,000         1,880,000         20,085,000         9%           01/22/2020         2020 Series A         \$70,000,000         6,080,000         27,650,000         22%           10/02/2019         2019 Series F         \$120,000,000         23,360,000         53,355,000         44%           07/09/2019         2019 Series D         \$100,000,000         7,810,000         22,235,000         35%           04/10/2019         2019 Series C         \$80,000,000         7,450,000         18,485,000         40%           01/17/2019         2019 Series A         \$70,000,000         2,680,000         20,970,000         13%           11/01/2018         2018 Series D         \$49,900,000         2,010,000         7,055,000         28%           08/08/2018         2018 Series C         \$75,000,000         8,710,000         17,200,000         51%           06/06/2018         2018 Series B         \$65,000,000         4,320,000         9,765,000         44%           04/03/2018         2018 Series B         \$57,250,000         6,360,000         14,240,000         45%           10/03/2017 <td>10/13/2021</td> <td>2021 Series D</td> <td>\$99,990,000</td> <td>2,155,000</td> <td>15,740,000</td> <td>14%</td> <td>16%</td>	10/13/2021	2021 Series D	\$99,990,000	2,155,000	15,740,000	14%	16%
09/24/2020         2020 Series B         \$55,000,000         1,880,000         20,085,000         9%           01/22/2020         2020 Series A         \$70,000,000         6,080,000         27,650,000         22%           10/02/2019         2019 Series F         \$120,000,000         23,360,000         53,355,000         44%           07/09/2019         2019 Series D         \$100,000,000         7,810,000         22,235,000         35%           04/10/2019         2019 Series C         \$80,000,000         7,450,000         18,485,000         40%           01/17/2019         2019 Series A         \$70,000,000         2,680,000         20,970,000         13%           11/01/2018         2018 Series D         \$49,900,000         2,010,000         7,055,000         28%           08/08/2018         2018 Series C         \$75,000,000         8,710,000         17,200,000         51%           06/06/2018         2018 Series B         \$65,000,000         4,320,000         9,765,000         44%           04/03/2017         2017 Series B         \$57,250,000         1,805,000         3,010,000         60%           10/26/2016         2016 Series C         \$68,250,000         5,950,000         6,735,000         88%	07/08/2021	2021 Series C	\$100,000,000	9,810,000	28,125,000	35%	28%
01/22/2020         2020 Series A         \$70,000,000         6,080,000         27,650,000         22%           10/02/2019         2019 Series F         \$120,000,000         23,360,000         53,355,000         44%           07/09/2019         2019 Series D         \$100,000,000         7,810,000         22,235,000         35%           04/10/2019         2019 Series C         \$80,000,000         7,450,000         18,485,000         40%           01/17/2019         2019 Series A         \$70,000,000         2,680,000         20,970,000         13%           11/01/2018         2018 Series D         \$49,900,000         2,010,000         7,055,000         28%           08/08/2018         2018 Series C         \$75,000,000         8,710,000         17,200,000         51%           06/06/2018         2018 Series B         \$65,000,000         4,320,000         9,765,000         44%           04/03/2018         2018 Series A         \$62,000,000         6,360,000         14,240,000         45%           10/03/2017         2017 Series B         \$57,250,000         1,805,000         3,010,000         60%           10/26/2016         2016 Series C         \$68,250,000         5,950,000         6,735,000         88%	04/13/2021	2021 Series A	\$78,000,000	333,500	12,015,000	3%	15%
10/02/2019         2019 Series F         \$120,000,000         23,360,000         53,355,000         44%           07/09/2019         2019 Series D         \$100,000,000         7,810,000         22,235,000         35%           04/10/2019         2019 Series C         \$80,000,000         7,450,000         18,485,000         40%           01/17/2019         2019 Series A         \$70,000,000         2,680,000         20,970,000         13%           11/01/2018         2018 Series D         \$49,900,000         2,010,000         7,055,000         28%           08/08/2018         2018 Series C         \$75,000,000         8,710,000         17,200,000         51%           06/06/2018         2018 Series B         \$65,000,000         4,320,000         9,765,000         44%           04/03/2018         2018 Series A         \$62,000,000         6,360,000         14,240,000         45%           10/03/2017         2017 Series B         \$57,250,000         1,805,000         3,010,000         60%           10/26/2016         2016 Series C         \$68,250,000         5,950,000         6,735,000         88%	09/24/2020	2020 Series B	\$55,000,000	1,880,000	20,085,000	9%	37%
07/09/2019         2019 Series D         \$100,000,000         7,810,000         22,235,000         35%           04/10/2019         2019 Series C         \$80,000,000         7,450,000         18,485,000         40%           01/17/2019         2019 Series A         \$70,000,000         2,680,000         20,970,000         13%           11/01/2018         2018 Series D         \$49,900,000         2,010,000         7,055,000         28%           08/08/2018         2018 Series C         \$75,000,000         8,710,000         17,200,000         51%           06/06/2018         2018 Series B         \$65,000,000         4,320,000         9,765,000         44%           04/03/2018         2018 Series A         \$62,000,000         6,360,000         14,240,000         45%           10/03/2017         2017 Series B         \$57,250,000         1,805,000         3,010,000         60%           10/26/2016         2016 Series C         \$68,250,000         5,950,000         6,735,000         88%	01/22/2020	2020 Series A	\$70,000,000	6,080,000	27,650,000	22%	40%
04/10/2019       2019 Series C       \$80,000,000       7,450,000       18,485,000       40%         01/17/2019       2019 Series A       \$70,000,000       2,680,000       20,970,000       13%         11/01/2018       2018 Series D       \$49,900,000       2,010,000       7,055,000       28%         08/08/2018       2018 Series C       \$75,000,000       8,710,000       17,200,000       51%         06/06/2018       2018 Series B       \$65,000,000       4,320,000       9,765,000       44%         04/03/2018       2018 Series A       \$62,000,000       6,360,000       14,240,000       45%         10/03/2017       2017 Series B       \$57,250,000       1,805,000       3,010,000       60%         10/26/2016       2016 Series C       \$68,250,000       5,950,000       6,735,000       88%	10/02/2019	2019 Series F	\$120,000,000	23,360,000	53,355,000	44%	44%
01/17/2019       2019 Series A       \$70,000,000       2,680,000       20,970,000       13%         11/01/2018       2018 Series D       \$49,900,000       2,010,000       7,055,000       28%         08/08/2018       2018 Series C       \$75,000,000       8,710,000       17,200,000       51%         06/06/2018       2018 Series B       \$65,000,000       4,320,000       9,765,000       44%         04/03/2018       2018 Series A       \$62,000,000       6,360,000       14,240,000       45%         10/03/2017       2017 Series B       \$57,250,000       1,805,000       3,010,000       60%         10/26/2016       2016 Series C       \$68,250,000       5,950,000       6,735,000       88%	07/09/2019	2019 Series D	\$100,000,000	7,810,000	22,235,000	35%	22%
11/01/2018       2018 Series D       \$49,900,000       2,010,000       7,055,000       28%         08/08/2018       2018 Series C       \$75,000,000       8,710,000       17,200,000       51%         06/06/2018       2018 Series B       \$65,000,000       4,320,000       9,765,000       44%         04/03/2018       2018 Series A       \$62,000,000       6,360,000       14,240,000       45%         10/03/2017       2017 Series B       \$57,250,000       1,805,000       3,010,000       60%         10/26/2016       2016 Series C       \$68,250,000       5,950,000       6,735,000       88%	04/10/2019	2019 Series C	\$80,000,000	7,450,000	18,485,000	40%	23%
08/08/2018       2018 Series C       \$75,000,000       8,710,000       17,200,000       51%         06/06/2018       2018 Series B       \$65,000,000       4,320,000       9,765,000       44%         04/03/2018       2018 Series A       \$62,000,000       6,360,000       14,240,000       45%         10/03/2017       2017 Series B       \$57,250,000       1,805,000       3,010,000       60%         10/26/2016       2016 Series C       \$68,250,000       5,950,000       6,735,000       88%	01/17/2019	2019 Series A	\$70,000,000	2,680,000	20,970,000	13%	30%
06/06/2018       2018 Series B       \$65,000,000       4,320,000       9,765,000       44%         04/03/2018       2018 Series A       \$62,000,000       6,360,000       14,240,000       45%         10/03/2017       2017 Series B       \$57,250,000       1,805,000       3,010,000       60%         10/26/2016       2016 Series C       \$68,250,000       5,950,000       6,735,000       88%	11/01/2018	2018 Series D	\$49,900,000	2,010,000	7,055,000	28%	14%
04/03/2018       2018 Series A       \$62,000,000       6,360,000       14,240,000       45%         10/03/2017       2017 Series B       \$57,250,000       1,805,000       3,010,000       60%         10/26/2016       2016 Series C       \$68,250,000       5,950,000       6,735,000       88%	08/08/2018	2018 Series C	\$75,000,000	8,710,000	17,200,000	51%	23%
10/03/2017       2017 Series B       \$57,250,000       1,805,000       3,010,000       60%         10/26/2016       2016 Series C       \$68,250,000       5,950,000       6,735,000       88%	06/06/2018	2018 Series B	\$65,000,000	4,320,000	9,765,000	44%	15%
10/26/2016 2016 Series C \$68,250,000 5,950,000 6,735,000 88%	04/03/2018	2018 Series A	\$62,000,000	6,360,000	14,240,000	45%	23%
	10/03/2017	2017 Series B	\$57,250,000	1,805,000	3,010,000	60%	5%
Total \$1,976,370,000 \$158,523,500 \$618,620,000	10/26/2016	2016 Series C	\$68,250,000	5,950,000	6,735,000	88%	10%
	Total		\$1,976,370,000	\$158,523,500	\$618,620,000		

Source: S&P Global, iPreo



## Pricing Progression – 2024 Series A (Tax-Exempt)

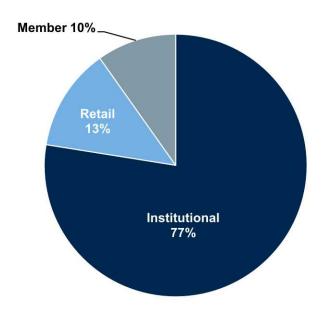
					2024	Series A							
			Retail		Final				Total				*
Maturity	Series	Type	CPN/YLD	Adjustment	CPN/YLD	<b>Amount</b>	NM Retail	NA Retail	Retail	Institutional	Total	Balance	Subscription
03/01/2025	2024A	Serial	3.200%	,	3.200%	385	\$200	\$140	\$340		\$340	\$45	0.9
09/01/2025	2024A	Serial	3.200%		3.200%	385	100	200	300		300	85	0.8
03/01/2026	2024A	Serial	3.250%		3.250%	395	200	225	425		425		1.1
09/01/2026	2024A	Serial	3.250%		3.250%	405		225	225		225	180	0.6
03/01/2027	2024A	Serial	3.350%		3.350%	415	150	520	670		670		1.6
09/01/2027	2024A	Serial	3.350%		3.350%	420	420	135	555		555		1.6 1.3
03/01/2028	2024A	Serial	3.400%		3.400%	425	100	360	460		460		1.1
09/01/2028	2024A	Serial	3.400%		3.400%	435	435	135	570		570		1.3
03/01/2029	2024A	Serial	3.500%		3.500%	445	125	725	850		850		1.9
09/01/2029	2024A	Serial	3.500%		3.500%	455		445	445		445	10	1.0
03/01/2030	2024A	Serial	3.550%		3.550%	465	100	310	410	125	535		1.2
09/01/2030	2024A	Serial	3.550%		3.550%	475		405	405		405	70	0.9
03/01/2031	2024A	Serial	3.600%		3.600%	485		110	110	200	310	175	0.6
09/01/2031	2024A	Serial	3.600%		3.600%	495		40	40		40	455	0.1
03/01/2032	2024A	Serial	3.650%		3.650%	510		510	510		510		1.0
09/01/2032	2024A	Serial	3.650%		3.650%	520		520	520		520		1.0
03/01/2033	2024A	Serial	3.650%		3.650%	530				530	530		1.0
09/01/2033	2024A	Serial	3.700%		3.700%	540	20	55	75	540	615		1.1
03/01/2034	2024A	Serial	3.700%		3.700%	555		170	170	555	725		1.3
09/01/2034	2024A	Serial	3.750%		3.750%	565	20	105	125	565	690		1.2
03/01/2035	2024A	Serial	3.800%		3.800%	575		75	75	575	650		1.2 1.1
09/01/2035	2024A	Serial	3.850%		3.850%	590		10	10	590	600		1.0
03/01/2036	2024A	Serial	3.900%		3.900%	605				605	605		1.0
09/01/2036	2024A	Serial	3.950%		3.950%	615	10	500	510	615	1,125		1.8
09/01/2039	2024A	Term	4.100%		4.100%	4,050	50	3,730	3,780	5,050	8,830		2.2
09/01/2044	2024A	Term	4.500%	@ \$99.60 ~4.530 yield	4.500%	8,285	235	4,330	4,565	3,500	8,065	220	1.0
09/01/2049	2024A	Term	4.650%	@ \$98.50 ~4.701 yield	4.600%	10,820		205	205	3,500	3,705	7,115	0.3
09/01/2054	2024A	Term	4.700%	@ \$98.50 ~4.743 yield	4.650%	13,155	440	1,435	1,875	4,000	5,875	7,280	0.4
03/01/2055	2024A	PAC	5.75% / 4.00%		5.75% / 4.00%	48,000		300	300	48,000	48,300		1.0
Total: (\$000)						96,000	2,605	15,920	18,525	68,950	87,475	15,635	0.9





### Allotments by Order Type (\$000)

Total	\$146,755
Member	14,420
Retail	18,535
Institutional	\$113,800



## Orders and Allotments by Purchaser (\$000)

Investor	<b>Order Type</b>	Orders	Allotments
Whitehaven Asset Management Lr	Group Net	\$39,975	\$23,795
PNC BANK, N.A.	Group Net	20,000	20,000
Spring Lake Asset Management	Group Net	10,820	3,350
Multi Bank Securities Inc.	Group Net	7,575	3,755
Brown Brothers	Group Net	5,000	5,000
Searle & Company	Group Net	5,000	5,000
Edward D. Jones & Co	Group Net	5,000	4,545
NUVEEN ADVISORY CORP	Group Net	4,050	1,400
DCM Advisors, LLC	Group Net	4,000	2,535
Thornburg Investment Manageme	Group Net	3,220	3,220
RW Baird Advisors	Group Net	3,000	2,165
Gulfstream Partners	Group Net	1,835	1,800
Northern Trust	Group Net	1,000	
Hazoor Partners, LLC	Group Net	1,000	750
Franklin Municipal	Group Net	1,000	1,000
Boston Company	Group Net	1,000	1,000
Mainline West LLC	Group Net	325	325
RBC – Institutional Orders		\$113,800	\$79,640
RBC Capital Markets	Retail	\$9,925	\$7,895
Fidelity Capital	Retail	4,995	4,350
Raymond James & Asso	Retail	3,565	3,045
D.A. Davidson	Retail	50	50
Total Retail		\$18,535	\$15,340
Raymond James & Asso	Member	\$13,000	
D.A. Davidson	Member	1,210	810
Fidelity Capital	Member	210	210
Total Member		\$14,420	\$1,020
Grand Total		\$146,755	\$96,000

Data Source: S&P Global Ipreo



## Orders by Firms (\$000)

		New Mexico	National		
Underwriter	Institutional	Retail	Retail	Member	Total
Manager					
RBC Capital Markets	\$113,800	\$1,225	\$8,700	s <b>-</b> s	\$123,725
Raymond James		220	3,345	13,000	16,565
Selling Group					
D.A. Davidson		-	50	1,210	1,260
Drexel Hamilton, LLC	3=0	-	-		-
Fidelity Capital Markets	<	1,170	3,825	210	5,205
Hilltop Securities	-	=	-	-	-
UBS Financial Services	7=	-	-	8 <b>—</b> 8	-
Total	\$113,800	\$2,615	\$15,920	\$14,420	\$146,755

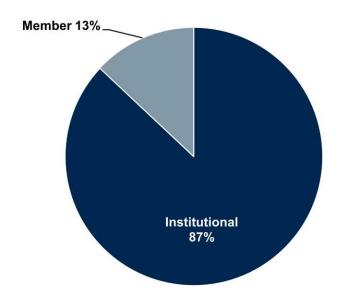
## **Priority of Orders**

- 1. New Mexico Retail
- 2. National Retail
- 3. Institutional
- 4. Member (for inventory)



### Allotments by Order Type (\$000)

Institutional	\$53,605
Member	8,000
Total	\$61,605



### Orders and Allotments by Purchaser (\$000)

Investor	<b>Order Type</b>	Orders	<b>Allotments</b>
Spring Lake Asset Management	Group Net	\$13,170	\$9,070
Calamos Advisors	Group Net	5,335	2,125
Federated Mutual Insurance Company	Group Net	4,120	2,700
Fhn Financial Capital Markets Ftftcm	Group Net	3,515	
Edward D. Jones & Co	Group Net	3,500	2,280
New Jersey Manufacturers Group	Group Net	3,455	1,000
Citba Investments	Group Net	3,000	875
Brean Capital Llc Brean/Bmur	Group Net	2,750	1,000
Belle Haven Investments, L.P.	Group Net	2,360	835
First Bankers' Banc Securities, Inc.	Group Net	2,015	200
Savings Bank Life Insurance Company of M	Group Net	2,000	1,320
Charles Schwab Investment Management Ir	Group Net	1,785	900
Guyasuta Investment Advisors, Inc.	Group Net	1,660	200
Multi Bank Securities Inc. Multibk	Group Net	1,580	155
Smith Shellnut Wilson	Group Net	1,200	500
Williams Jones Wealth Management Llc	Group Net	880	215
Performance Trust	Group Net	880	215
Cypress Capital Partners	Group Net	200	210
The Moorings Group	Group Net	150	150
Undisclosed Account	Group Net	50	50
RBC – Institutional Orders		\$53,605	\$24,000
Raymond James & Asso	Member	\$8,000	
Total Member		\$8,000	\$0
Grand Total		\$61,605	\$24,000

Data Source: S&P Global Ipreo



## Pricing Progression – 2024 Series B (Taxable)

				202	24 Series B					
			Par							
			<b>Amount</b>				<b>Final</b>		Unsold	
Maturity	Series	Type	(\$000)	<b>UST Bench</b>	<b>IOI</b> Spread	<b>Adjustment</b>	<b>Spread</b>	Institutional	Balances Su	ubscription
03/01/2025	2024B	Serial	135	2yr	50	* 12 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	50	\$135	\$0	1.0
09/01/2025	2024B	Serial	145	2yr	50		50	145	**	1.0
03/01/2026	2024B	Serial	150	2yr	55		55	300		2.0
09/01/2026	2024B	Serial	150	2yr	55		55	300		2.0
03/01/2027	2024B	Serial	155	3yr	60	5	65	-	155	0.0
09/01/2027	2024B	Serial	160	3yr	65		65	210	11 200000	1.3
03/01/2028	2024B	Serial	170	5yr	80	-2	78	340		2.0
09/01/2028	2024B	Serial	175	5yr	85	-2	83	525		3.0
03/01/2029	2024B	Serial	175	5yr	90	-3	87	525		3.0
09/01/2029	2024B	Serial	180	5yr	95	-5	90	720		4.0
03/01/2030	2024B	Serial	190	7yr	105	-5	100	950		5.0
09/01/2030	2024B	Serial	190	7yr	110	-5	105	1,140		6.0
03/01/2031	2024B	Serial	195	7yr	115	-5	110	975		5.0
09/01/2031	2024B	Serial	205	7yr	120	-5	115	1,230		6.0
03/01/2032	2024B	Serial	210	10yr	125	-8	117	1,670		8.0
09/01/2032	2024B	Serial	215	10yr	130	-8	122	1,720		8.0
03/01/2033	2024B	Serial	225	10yr	133	-8	125	1,575		7.0
09/01/2033	2024B	Serial	230	10yr	135	-8	127	1,840		8.0
09/01/2039	2024 B	Term	3,455	10yr	140	-3	137	13,010		3.8
09/01/2044	2024 B	Term	4,120	OLB	140		140	6,220		1.5
09/01/2049	2024 B	Term	5,750	OLB	150	5	155	3,750	2,000	0.7
09/01/2054	2024 B	Term	7,420	OLB	160		160	10,420		1.4
Total: (\$000)			24,000					47,700	2,155	2.0



## Orders by Firms (\$000)

		<b>New Mexico</b>	National		
Underwriter	Institutional	Retail	Retail	Member	Total
Manager					
Manager					
RBC Capital Markets	\$53,605	-	-	-	\$53,605
Raymond James	=	-	=	8,000	8,000
Total	\$53,605	-	•	\$8,000	\$61,605

## **Priority of Orders**

- 1. Group Net
- 2. Member (for inventory)

#### Q1 2024 QUARTERLY MULTIFAMILY PIPELINE REPORT SUMMARY

#### Fifty-four (54) ACTIVE PROJECTS representing:

- ~\$60.8 million in annual tax credits
- ~\$194.3 million in MFA-issued bonds
- ~\$80.6 million in MFA loans & grants
- o Totaling \$335,709,959 in combined funding
- Consisting of 4,735 apartment units
- Located in 27 municipalities in 18 counties across the state.

#### Five (5) project CLOSINGs in Q1 2024:

- The Three Sisters Apartments, a 70-unit, 2022 9% LIHTC New Construction project to be located in Las Cruces.
- Felician Villa Apartments, a 66-unit 2022 9% LIHTC New Construction project to be located in Rio Rancho.
- 120 La Plata, a 32-unit 2022 9% LIHTC Acquisition/Rehab project located in Albuquerque.
- 9000 Veranda, a 35-unit 2022 9% LIHTC Acquisition/Rehab project located in Albuquerque.
- Vista de Socorro, a 32-unit 2021 9% LIHTC New Construction project to be located in Socorro.

#### Thirty-one (31) projects are currently UNDER CONSTRUCTION:

- Two projects were added, so there are now 31 projects currently under construction.
- Approximately 6 projects are expected to be completed by the end of the second quarter.
- An additional 10 projects are on track to receive approval to begin construction before the end of the second fiscal quarter.

#### Upcoming Ground Breakings/Ribbon-cuttings:

- PAH! Hiland Plaza, a 2021 9% new construction project, celebrated its Grand Opening and Ribbon Cutting on October 18<sup>th</sup>.
- We are not aware of any upcoming Ribbon-cuttings or Groundbreakings.

#### Estimated Economic Impact of the 31 projects (2,688 units) currently under construction:

- Approximately \$314 million in local income
- Approximately 4,301 jobs

#### Eventual Economic Impact of all 54 projects (4,735 units) once under construction:

- Approximately \$553 million in local income
- Approximately 7,576 jobs

Fiscal Year: 2024	Total LIHTC Award:	\$ 60,804,305 Total Projects: 54
Quarter: 1st	Total MFA-Issued Bond Amount:	\$ 194,276,778 Total # of Apts: 4,735 Which will result in \$553,663,550 in local income and 7,576 jobs from the direct and indirect impact of contruction activity, as well as the induced effect of spending income and tax revenue from the eventual construction activity.
Prepared: 1/10/2024	Total MFA Loan and Grant Amount:	\$ 80,628,876 # of Projects Under 31 Construction:
	Overall Awards:	\$ 335,709,959 Total # of Apts 2,688 Which will result in \$314,307,840 in local income and 4,301 jobs from the direct and indirect impact of contruction activity, as well as the induced effect of spending income and tax revenue from the eventual construction activity.  Under
		Construction: # of Municipalities 27 Pueblo of Laguna, Albuquerque, Rio Rancho, Las Cruces, Socorro, Belen, Hobbs, Taos, Mescalero, Pubelo fo Acoma, Los Lunas, Sunland Park, Las Alamos, Santa Fe, Los Ranchos de Albuquerque, Grants, Hobbs, Columbus, Anthony, Ruidoso Downs, Served:

# of Counties 18 Cibola, Bernalillo, Sandoval, Dona Ana, Socorro, Valencia, Lea, Taos, Otero, Los Alamos, Santa Fe, Eddy, Lea, Lincoln, Roosevelt, San Miguel, Quay, Grant Served:

Project Name	Project Location	Project County	gust, and November Board N Developer	Application or Allocation		Board Approval Date	Loan Closing Date	No of An	s NC - New Construction or AR	- Housing Priority or C	onstruction Start Approval Date Actu	ual 33% Complete Date	66% Complete Date	Construction Completic	on Certificate of	LIHTC Award Amount	MFA PAB Bond	MFA Loan and	MFA Loan or	Any Known Iss
riojekt vallie	Project Location	Project County	Developer	Year	Cost (TDC)	Board Approval Date	Actual (A) or Projected (P)	No or Ap	Acquisition/Rehab	N/A	(A) or Projected (P)		d Actual (A) or Projecter (P)			e	Amount		Grant Programs	Any Kilowii is
<sup>1</sup> Tierra Encantada	Anthony	Dona Ana	Tierra del Sol Housing Corporation	2023	\$ 5,746,624	5/17/2023	(P) 3/	5/2024 24	AR	Households with children	(P) 3/30/2024	(P) 9/30/2024	(P) 3/30/2025	(P) 9/30/2025	(P) 9/30/2025	\$ 388,782	N/A	\$ 400,000		
																		\$ 2,000,000 \$ 1,000,000	PRIMERO	
Route 66	Albuquerque	Bernalillo	Blueline Development Inc.	2023	\$ 16,060,144	5/17/2023	(P) 3/	.5/2024 47	NC	Special Needs (PSH)	(P) 3/30/2024	(P) 9/30/2024	(P) 3/30/2025	(P) 9/30/2025	(P) 9/30/2025	\$ 1,417,000	N/A	\$ 1,701,121	L HOME ARP	HOME ARP awarded 2
Felician Villa II	Rio Rancho	Sandoval	Chelsea Investments & Co	2023	\$ 20,254,528	5/17/2020	(P) 2/	4/2024 65	NC	Seniors	(P) 2/15/2024	(P) 8/30/2024	(P) 2/28/2025	(P) 8/30/2025	(P) 8/30/2025	\$ 1,621,723	N/A	\$ 1,000,000	) HOME-CHDO	
1	Albuquerque	Bernalillo	Greater Albuquerque	2023	\$ 24,250,000	5/17/2023	N/A No I	MFA loans 82	NC NC	Seniors	(P) 2/15/2024	(P) 3/17/2024	(P) 7/17/2024	(P) 11/15/2025	(P) 11/15/2025	\$ 1,622,805	N/A	\$ 400,000 N/A	NHTF N/A	
Farolito Senior Community	Albuquei que	bernamo	Housing Partnership	2023	\$ 24,230,000	3/17/2023	N/A NO I	IFA IUdiiS 62	NC	Selliois	(F) 2/15/2024	(F) 5/17/2024	(F) 7/17/2024	(F) 11/13/2023	(F) 11/13/2023	3 1,022,803	IN/A	N/A	N/A	
5 Laguna #3	Pueblo of Laguna	Cibola	Laguna Housing Development and Management Enterprise	2022	\$ 8,515,420	5/18/2022	N/A No f	MFA loans 20	NC NC	Households with Children	(A) 1/9/2023	(A) 9/20/2023	(P) 1/31/2024	(P) 11/15/2024	(P) 11/15/2024	\$ 928,988	N/A	N/A	N/A	
<sup>6</sup> Calle Cuarta	Albuquerque	Bernalillo	YES Housing	2022	\$ 18,948,536	5/18/2022	(A) 9/	21/2023 61	NC	Households with	(A) 9/21/2023	(P) 2/15/2024	(P) 6/15/2024	(P) 11/15/2024	(P) 11/15/2024	\$ 1,078,540	N/A	\$ 915,000	) HOME-CHDO	
				2023						Children						\$ 316,286		\$ 400,000 \$ 1,000,000		Addt'l Tax Credits a approve
7 120 La Plata	Albuquerque	Bernalillo	Albuquerque Housing Authority	2022	\$ 10,637,950	5/18/2022	(A) 12/	27/2023 32	AR	Households with Children	(P) 2/15/2024	(P) 8/15/2024	(P) 2/15/2025	(P) 8/15/2025	(P) 8/15/2025	\$ 749,825	N/A	\$ 1,000,000	) Ventana	
<sup>8</sup> 9000 Veranda	Albuquerque	Bernalillo	Albuquerque Housing Authority	2022	\$ 12,211,462	5/18/2022	(A) 12/	27/2023 35	AR	Households with Children	(P) 2/15/2024	(P) 8/15/2024	(P) 2/15/2025	(P) 8/15/2025	(P) 8/15/2025	\$ 765,840	N/A	\$ 1,000,000	) Ventana	
9 Felician Villa Apartments	Rio Rancho	Sandoval	Chelsea Investment Corp & Catholic Charities	. 2022	\$ 16,322,792	5/18/2022	(A) 11	/7/2023 65	NC	Seniors	(A) 11/20/2023	(P) 2/15/2024	(P) 6/15/2024	(P) 11/15/2024	(P) 11/15/2024	\$ 1,228,760	N/A	\$ 1,000,000	) HOME-CHDO	
																			ARPA-FRF	ARPA-FRF aw
The Three Sisters Apartments	Las Cruces	Dona Ana	Chelsea Investment Corp & Catholic Charities	. 2022	\$ 17,423,330	5/18/2022	(A) 11	/9/2023 69	NC	Households with Children	(A) 11/20/2023	(P) 2/15/2024	(P) 6/15/2024	(P) 11/15/2024	(P) 11/15/2024	\$ 1,341,912	N/A	\$ 1,000,000	HOME-CHDO	
																		\$ 400,000	) CSLFRF	
<sup>1</sup> Vista de Socorro	Socorro	Socorro	JL Gray	2021	\$ 13,345,390	05/19/21	(A) 12,	28/2023 32	NC	Special Needs	(P) 2/15/2024	(P) 6/30/2024	(P) 12/31/2024	(P) 11/15/2025	(P) 11/15/2025	\$768,507	N/A	\$400,000	(NMHTF) HOME	
Vista de Socomo										(PSH)								\$400,000 \$2,000,000 \$1,000,000	NHTF NMHTF TCAP	
<sup>2</sup> Belen Vista	Belen	Valencia	Chelsea Investment Corp	. 2021	\$ 12,026,396	05/19/21	(P) 2/	.5/2024 57	AR	Households with Children	(A) 9/29/2023	(P) 2/15/2024	(P) 6/15/2024	(P) 11/15/2024	(P) 11/15/2024	\$787,639	N/A	\$1,000,000 \$400,000	HOME-CHDO	
3 West Berry	Hobbs	Lea	YES Housing	2021	\$ 17,245,527	05/19/21	(A) 8/:	25/2022 56	NC	Seniors	(A) 11/30/2022	(A) 12/15/2023	(A) 11/6/2023	(P) 4/6/2024	(P) 4/6/2024	\$1,090,143	N/A	\$840,000	HOME-CHDO	
,																		\$1,000,000 \$2,000,000 \$370,589	NMHTF ALTSD CDBG-CV	
14 Mariposa	Taos	Taos	Chelsea Investment Corp	. 2021	\$ 14,308,030	05/19/21	(P) 3/	.5/2024 58	AR/NC		(A) 9/29/2023	(P) 2/15/2024	(P) 5/15/2024	(P) 11/15/2024	(P) 11/15/2024	\$1,069,704	N/A	\$627,026 \$1,000,000	CSLFRF HOME-CHDO	
										Children								\$400,000	NHTF	

Greater Albuquerque Housing Partnership

Project Name	e Pro	oject Location	Project County	Developer /	Application or Allocation Year	Total Development Cost (TDC)	Board Approval Date	Loan Closi Actual ( Projecte	(A) or	No of Apts	NC - New Construction or AR - Acquisition/Rehab	Housing Priority or N/A	Construction Start Approval Date Actua (A) or Projected (P)	al 33% Complete Date Actual (A) or Projected (P)		Construction Completio I Date Actual (A) o Projected (P)		LIHTC Award Amount	MFA PAB Bond Amount	MFA Loan and Grant Amounts		Any Known Issues or Comments
16 A'diidi ni'kuwaa	a	Mescalero	Otero	Mescalero Apache Housing Authority	2021	\$ 12,453,378	06/17/20	(A)	9/21/2022	40	NC	Special Needs (PSH)	(A) 2/10/2023	(A) 5/5/2023	(P) 6/15/2024	(P) 11/15/2024	(P) 11/15/2024	\$626,772	N/A	\$292,500	НОМЕ	
17 PAHA Homes #2	<b>2</b> Pue	eblo of Acoma	Cibola	Pueblo of Acoma Housing Authority	2020	\$ 7,559,179	06/17/20	N/A	No MFA loans	30	NC	Special Needs (PSH)	(A) 12/28/2020	(A) 11/4/2021	(A) 4/22/2022	(P) 11/15/2024	(P) 11/15/2024	\$671,000	N/A	\$400,000 N/A	NHTF N/A	
18 <b>6100</b> Harper	Al	Albuquerque	Bernalillo	Albuquerque	2020	\$ 12,118,590	06/17/20	(A)	8/12/2021	59	AR	Households with	(A) 2/23/2021	(A) 9/21/2022	(A) 2/23/2023	(A) 12/12/2023	(A) 12/12/2023	\$912,789	N/A	\$400,000	NHTF	
19 Copper Terrace	Al	Nbuquerque	Bernalillo	Housing Authority  YES Housing	2020	\$ 17,864,244	06/17/20	(A)	11/22/2022	96	AR	Children Households with	(A) 12/30/2020	(A) 8/19/2021	(A) 2/28/2022	(P) 1/31/2024	(P) 11/15/2024	\$1,232,333	N/A	\$1,000,000	HOME-CHDO	
as copper remate												Children								\$1,000,000	NMHTF	
20 Broadway/McK	(night Al	Nbuquerque	Bernalillo	Albuquerque	2020	\$ 14,073,432	05/31/22	(A)	8/5/2021	54	NC	Households with	(A) 9/13/2021	(A) 5/16/2022	(A) 9/12/2022	(P) 1/31/2024	(P) 1/31/2024	\$954,720	N/A	\$1,800,000 \$400,000	FRF	FRF 11/22/2022 awarded
20 Bioadway, with	Allight			Housing Authority								Children								\$600,000	ТСАР	
21 The Bluffs	L	Los Alamos	Los Alamos	Bethel Development & SW Regional	2019	\$ 12,871,284	06/17/19	N/A	No MFA loans	64	NC	Seniors	(A) 7/29/2021	(A) 7/28/2022	(A) 9/7/2023	(P) 1/31/2024	(A) 12/30/2023	\$1,028,671	N/A	N/A	N/A	Pending 8609 Request and Final Inspection
22 Siler Yard: Arts Creativity Cente		Santa Fe	Santa Fe	New Mexico Inter- Faith Community Housing Development Corp.	2019	\$ 17,412,768	06/17/19	N/A	No MFA loans	65	NC	Households with Children	(A) 06/23/20	(A) 4/15/2021	(A) 8/16/2021	(A) 10/12/2022	(A) 10/12/2022	\$1,040,000	N/A	N/A	N/A	Pending 8609 Request
<sup>1</sup> Peachtree Cany	yon II	Las Cruces	Dona Ana	Thomas Devlopment and NMHCDC (Tom Andrews and Steven Rice)	2023 (2024 QAP)	\$39,238,094.00	04/17/24	(P)	6/15/2024	144	NC	Households with Children	(P) 07/15/24	(P) 10/15/2024	(P) 3/15/2025	(P) 8/15/2025	(P) 8/15/2025	\$1,926,635	\$20,000,000	\$800,000 1,500,000 2,000,000	HOME NHTF NMHTF	
<sup>2</sup> Turquoise Trail		Santa Fe	Santa Fe	Dominium - Santa Fe Leased Housing Development	2023		N/A - no MFA loans or bonds	N/A	No MFA loans	312	NC	Households with Children		(P) 1/31/2025				\$6,115,499	County-issued bonds			70 Million in PAB
3 Encino Gardens	s Al	Albuquerque	Bernalillo	Encino Development and Management, Inc.	2023	\$32,894,496	11/15/23	(P)	2/28/2024	165	AR	Seniors	(P) 03/31/24	(P) 8/30/2024	(P) 1/31/2025	(P) 06/31/2025	(P) 06/31/2025	\$1,502,840	County-issued bonds	\$800,000 \$2,000,000	HOME NMHTF	
4 La Serena	Al	Albuquerque	Bernalillo	Thomas Development and Supportive Housing Coalition	2023	\$ 31,043,417	10/18/23	(P)	5/10/2024	100	NC	Seniors	(A) 08/23/23	(P) 8/10/2024	(P) 11/1/2024	(P) 6/30/2025	(P) 6/30/2025	\$1,488,169	County-issued bonds	\$1,000,000	CSLFRF	
- W. A. W. A. D. A.	200	Mhuguargua	Bernalillo	Community Processation	2022	\$ 52,960,324	05/17/23		No MFA Loans	241	AP	Households with	(P) 02/15/24	(P) 4/30/2024	(D) 5/21/2024	(p) 6/20/2025	(P) 6/30/2025	\$2,458,653	\$37,500,000	\$1,500,000 \$1,000,000	NHTF NMHTF	Mountain View II & III Apartments
5 JLG NM ABQ 20	J23 A	Albuquerque	веттанно	Community Preservation Partners	2023	\$ 52,96U,324	05/17/23		NO WIFA LOUIS	241	AR	children	(F) 02/15/24	(F) 4/30/2024	(r) 5/31/2024	(P) 6/30/2023	(P) 6/30/2023	\$2,456,055	\$37,500,000	N/A	N/A	viountain view II & III Apartments
<sup>6</sup> JLG NM SAF 202	23	Santa Fe	Santa Fe	Community Preservation Partners	2023	\$ 81,286,062	05/17/23		No MFA Loans	228	AR	Households with children	(P) 02/15/24	(P) 4/30/2024	(P) 5/31/2024	(P) 6/30/2025	(P) 6/30/2025	\$3,361,695	\$60,500,000	N/A	N/A	Santa Fe Apartments & Sangre De Cristo Apartments
7 Peachtree Cany	yon <sup>1</sup>	Las Cruces	Dona Ana	Thomas Devlopment and NMHCDC (Tom Andrews and	2023	\$ 37,120,317	04/17/24	(P)	6/15/2024	144	NC	Households with Children	(P) 07/15/24	(P) 12/15/2024	(P) 6/15/2025	(P) 12/15/2025	(P) 8/15/2025	\$1,809,597	\$20,000,000	\$800,000	HOME	
				Steven Rice)																\$1,500,000 \$1,000,000	NHTF NMHTF	
8 Pedrena Senior	r I	Las Cruces	Dona Ana	Thomas Devlopment Co	2023	\$ 25,406,492	09/30/23	(P)	2/15/2024	80	NC	Seniors	(P) 2/29/2024	(P) 10/15/2024	(P) 3/15/2025	(P) 8/15/2025	(P) 8/15/2025	\$1,211,411	County-issued	\$1,250,000 800000	CSLFRF	
				and Northwest Integrity Housing Co															bonds	\$1,500,000	NHTF	
																				\$1,000,000 \$2,000,000	NMHTF CSLFRF	
<sup>9</sup> San Roque	Al	Albuquerque	Bernalillo	Thomas Development and Supportive Housing Coalition	2022	\$ 48,423,556	1/20/2021	(A)	5/10/2023	137	NC	Households with Children	(A) 06/08/23	(P) 2/15/2024	(P) 6/30/2024	(P) 12/31/2024	(P) 12/31/2024	\$2,291,773	County-issued bonds	\$800,000	HOME	
																				\$2,622,031 \$1,325,000	NMHTF NHTF	

Project Name	Project Location	Project County	Developer	Application or Allocation	Total Development	Board Approval Date	Loan Clo	osing Date	No of Apts	NC - New Construction or AR -	Housing Priority or	Construction Start Approval Date Actua	al 33% Complete Date	66% Complete Date	Construction Completion	Certificate of	LIHTC Award Amount	MFA PAB Bond	MFA Loan and	MFA Loan or	Any Known Issues or Comments
		,		Year	Cost (TDC)	,	Actua	al (A) or cted (P)		Acquisition/Rehab	N/A	(A) or Projected (P)	Actual (A) or Projected (P)	Actual (A) or Projected (P)				Amount	Grant Amounts		,
Sandoval Flats	Rio Rancho	Sandoval	Dominium - Rio Rancho Leased Housing Development	2022	\$ 74,302,735	N/A - no MFA loans or bonds	N/A	No MFA loans	216	NC	Households with Children	(P) 04/30/24	(P) 08/30/24	(P) 02/28/25	(P) 06/30/25	(P) 06/30/25	\$3,590,256	County-issued bonds		NMHTF	Cancelled \$2MM NMHTF Sept 2023
11 Trailhead at Chamizal	Los Ranchos de Albuquerque	Bernalillo	Palindrome Properties Group	2022	\$ 54,948,042	N/A - no MFA loans or bonds	N/A	No MFA loans	204	NC	Households with Children	(A) 02/15/23	(A) 09/08/23	(P) 03/31/24	(P) 11/15/24	(P) 11/15/24	\$2,087,905	County-issued bonds	N/A	N/A	
12 Vista Mesa Villa	Grants	Cibola	Community Preservation Partners	2022	\$ 17,959,252	N/A - no MFA loans or bonds	N/A	No MFA loans	100	AR	Households with Children	(A) 11/30/22	(A) 02/23/23	(A) 06/21/23	(P) 02/12/24	(P) 02/12/24	\$773,209	\$12,276,778	N/A	N/A	
13 EMLI at Wells of Artesia	Artesia	Eddy	Liberty Multifamily	2021	\$ 39,469,339	01/19/22	(A)	7/28/2022	192	NC	Households with Children	(A) 08/10/22	(A) 3/12/2023	(A) 07/26/23	(P) 2/28/2024	(P) 02/28/24	\$1,734,183	\$33,000,000	\$800,000	HOME NHTF	
14 Casa de Encantada	Rio Rancho	Sandoval	DBG Properties LLC	2021	\$ 33,439,628	07/21/21	(A)	10/21/2021	152	NC	Seniors	(A) 10/13/21	(A) 2/20/2023	(A) 12/08/23	(P) 9/15/2024	(P) 9/15/2024	\$1,508,725	County-issued bonds	\$500,000	NMHTF	
15 The Commons at Martineztown	Albuquerque	Bernalillo	Albuquerque Housing Authority	2020	\$ 19,015,270	N/A - no MFA loans or bonds	N/A	No MFA loans	96	AR	Special Needs (PSH)	(A) 02/02/21	(A) 10/25/2021	(A) 9/12/2022	(A) 8/15/2023	(A) 9/19/2023	\$688,679	County-issued bonds	N/A	N/A	8609s are pending
16 <b>550 Paseo</b>	Rio Rancho	Sandoval	DBG Properties LLC	2020	\$ 46,009,961	Loans-1/20/2021	(A)	3/23/2021	240	NC	Households with Children	(A) 3/9/2021	(A) 5/3/2022	(A) 3/2/2023	(P) 2/15/2024	(P) 2/15/2024	\$1,719,114	County-issued bonds	\$750,000 \$2,000,000	HOME NMHTF	
17 Ceja Vista	Albuquerque	Bernalillo	GSL Development	2019	\$ 30,382,495	Loans - 9/18/2019	(A)	12/16/2020	154	NC	Seniors	(A) 10/06/20	(A) 8/18/2021	(A) 5/6/2022	(A) 8/18/2023	(P) 2/15/2024	\$996,816	County-issued bonds	\$1,500,000	NHTF	
18 Sandia Vista and Plaza David Chavez	Albuquerque	Bernalillo	Cesar Chavez Foundation	2019	\$ 39,558,374	N/A - no MFA loans or bonds	N/A	No MFA loans	213	AR	Households with Children	(A) 04/14/20			(A) 9/29/21 (SV) (P) 2/15/2024 (DC)		\$1,340,250	County-issued bonds	N/A	N/A	Plaza David Chavez ongoing, some delays due to city code requirements
19 JLG Central	Ruidoso Downs	Lincoln	JL Gray/CPP	2019	\$ 19,218,451	Bonds - 7/17/2019	N/A	No MFA loans	214	AR	Households with Children & Seniors	(A) 5/2/2022	(A) 9/30/2022	(A) 3/31/2022	(A) 12/15/2023	(A) 12/15/2023	\$903,432	\$11,000,000	N/A	N/A	8609s are pending
Number of Projects: 6  North Star, San Miguel, Ruth Visage		Valencia Roosevelt																			
Penasco, Westside, Inspiration Heights	Las Vegas	San Miguel																			
<sup>1</sup> Mountain View	Artesia Tucumcari	Eddy Quay	JL Gray	2021	\$ 995,044	4/21/2021	(P)	2/15/2024	45	N/A	N/A	(P) TBD*	(P) TBD*	(P) TBD*	(P) TBD*	(P) TBD*	N/A	N/A	\$995,044	PRLF	*pending USDA RD approval to proceed
																					closing
<sup>2</sup> Las Rosas I	Tularosa	Otero	JL Gray	2019	\$ 682,555	7/15/2020	(P)	2/15/2024	28	AR	N/A	(P) TBD*	(P) TBD*	(P) TBD*	(P) TBD*	(P) TBD*	N/A	N/A	\$682,555	PRLF	*pending USDA RD approval to proceed w closing
3 Las Rosas II	Tularosa	Otero	JL Gray	2019	\$ 925,710	7/15/2020	(P)	2/15/2024	29	AR	N/A	(P) TBD*	(P) TBD*	(P) TBD*	(P) TBD*	(P) TBD*	N/A	N/A	\$925,710	PRLF	*pending USDA RD approval to proceed w closing
4 Sacramento Apts	Cloudcroft	Otero	JL Gray	2019	\$ 510,726	7/15/2020	(P)	2/15/2024	20	AR	N/A	(P) TBD*	(P) TBD*	(P) TBD*	(P) TBD*	(P) TBD*	N/A	N/A	\$510,726	PRLF	*pending USDA RD approval to proceed w closing
<sup>1</sup> Lamplighter Inn	Santa Fe	Santa Fe	JL Gray	2021	\$ 8,737,339	11/17/21	(P)	2/15/2024	58	AR	Special Needs (PSH)	(P) 02/15/24	(P) 5/15/2024	(P) 11/15/2024	(P) 5/15/2025	(P) 5/15/2025	N/A	N/A	\$4,200,000	DFA CDBG-CV	

## Staff Actions Requiring Notice to Board During the Period of January 2024

Department and	Project	Action Taken	Comments / Date Approved
Program			
Housing Development Department	Ceja Vista Senior	Extended the construction period from	Approved by Jeff Payne on
	Apartments	24 months to 37 months (01/31/2024)	January 4, 2024
		to accommodate project setbacks due	
		to COVID and subcontractor default(s).	
Housing Development Department	Pedrena	1) Made the following lien position	Approved and by Jeff Payne
		adjustments to accommodate for	on January 23, 2024
		federal HOME funds as sourced by the	
		City of Las Cruces and the permanent	
		lender's SWAP agreement:	
		a. NM HOME moved from second	
		position to third position.	
		b. NHTF moved from fourth position	
		to fifth position.	
		c. NMHTF moved from fifth position	
		to sixth position.	
Servicing Department	January 2024 Loan Write	One Mortgage Booster DPA loan written off in	Approved by Teresa Lloyd,
	Off	the amount of \$391.66.	Director of Servicing and
		Four First Down DPA loans written off in the	Joseph McIntyre, Controller
		amount of \$27,245.19.	on January 31, 2024
		Total loan write off due to first mortgage	
		foreclosure equals \$27,636.85.	
Servicing Department	January 2024 NPL Write	Six First Down 30 DPA Nonperforming loans in	Approved by Teresa Lloyd,
	Off	the total amount of \$40,637.35.	Director of Servicing and
		Two Mortgage Booster DPA nonperforming	Joseph McIntyre, Controller
		loans in the amount of \$6,897.52.	on January 31, 2024
		Eight nonperforming loans written off in the	
		amount of \$47,534.87.	
Community Development	NM Enery\$mart Funding	Approval of funds disbursement.	Approved by Donna Maestas-
Department - Weatherization	Contract – Weatherization	PNM has provided MFA with the annual	De Vries on January 24, 2024
		contract for funding in the amount of \$881,250.	
		The allowable administrative cost is \$150,000	

Department and	Project	Action Taken	Comments / Date Approved		
Program					
		(17% of total funding). MFA will receive			
		\$43,750 (5%) of the administrative costs and			
		the remaining \$106,250 (12.00%) will be			
		divided among our			
		service providers. Total program Operations for			
		the service providers is \$731,250.			

#### **QUARTERLY INVESTMENT REPORT 12/31/2023 – EXECUTIVE SUMMARY**

- 1. MFA made no liquidations from the State Investment Council (SIC) portfolio in the first quarter of FY 2024. As of June 27<sup>th</sup>, 2023, MFA securitized approximately \$13.2 million in whole modified loans, that had interest rates too low to sell competitively in the market. These were spread across intermediate and long-term investments to serve MFA until maturity or to be sold at a future date. MFA has continued to work closely with its investment advisor, Ulrich Investment Consultants, to resolve this issue.
- 2. Since the beginning of FY 2024, one bond in MFA's bond ladder has matured. Staff reinvested funds by purchasing a new security on December 19<sup>th</sup> with a YTM of 4.342%. The bond ladder has underperformed its benchmark; the expectation is to re-invest at higher rates over the next few quarters.
- 3. In July 2023, the FOMC (Federal Open Market Committee) raised its effective federal funds rate to 5.33%, where it has continued to stay. Yields in our fixed-income portfolios of MBS have remained unchanged.
- 4. The SIC (State Investment Council) portfolio has slightly unperformed relative to its benchmarks in the first quarter of FY 2024. As of December 31, 2023, it is yielding 7.83% for the quarter. The leading performer in this quarter was the small/mid cap fund, returning 13.77%, followed by US large cap equities (11.30%).
- 5. The Housing Trust Fund State Investment Council portfolio, which is 100% invested in a core bond fund, has experienced a rate of return of 6.01%.
- 6. As of the first quarter of FY2024, interest income is 33% of the total annual budgeted interest income, driven by macroeconomic tail winds.
- 7. As of December 31, 2023, MFA's General Fund and Housing Trust Fund balances are as follows:

## **General Fund:**

Asset Class	12/31/23 Balance	Yield/Rate of Return	Benchmark Rate of Return
Cash Held for Operations/Warehoused MBS	\$6,934,024	Various	n/a
Local Government Investment Pool	\$12,365,102	5.35%	n/a
Bond Ladder	\$14,964,110	2.83%	3.93%
MFA's Mortgage-Backed Securities-Intermediate Term	\$11,428,805	4.67%	n/a
MFA's Mortgage-Backed Securities-Long Term	\$12,876,051	2.82%	n/a
Core Plus Bond Fund-Active (SIC)	\$13,440,537	6.20%	6.82%
Large Cap Index Equity Fund (SIC)	\$4,951,166	11.30%	11.95%
Small/Mid Cap Fund (SIC)	\$591,834	13.77%	13.34%
Non-US Developed Markets Fund (SIC)	\$711,485	9.84%	10.45%
Non-US Emerging Markets Fund (SIC)	\$1,015,963	8.14%	7.88%

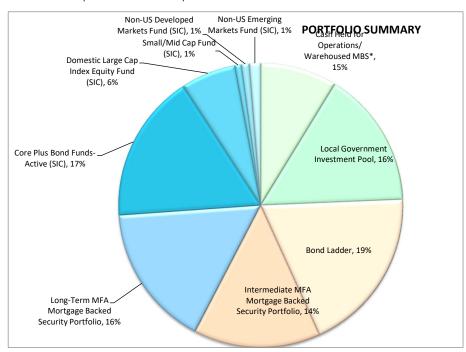
## **Housing Trust Fund:**

Accet Class	12/31/23	Yield/Rate of	Benchmark Rate of	
Asset Class	Balance	Return	Return	
Core Plus Bond Fund-Active (SIC)	\$8,775,039	6.01%	6.82%	

#### SEMIANNUAL GENERAL FUND INVESTMENT COMPLIANCE REPORT (AS OF DECEMBER 31, 2023)

MFA Housing New Mexico  ASSET CLASS	Policy Requirement Target	Policy Requirement Range	Current Portfolio Carrying Value	Portfolio Weighting by Investment Horizon	Portfolio Weighting by Asset Class	Within Limit Range	Quarter Summary
Short-Term Investments (Less than 1 year)	20%	15%-25%	\$ 19,299,126	24%		Yes	Year over year, MFA's investments are yielding a
Cash Held for Operations/Warehoused MBS*	14%	9%-19%	\$ 6,934,024		9%	Yes	higher return than they did during the first quarter
Local Government Investment Pool	6%	1%-11%	\$ 12,365,102		16%	No	of FY 23.
Intermediate-Term Investments (1 to 10 years)	40%	35%-45%	\$ 26,392,915	33%		No	MFA continued to work on rebalancing the
Bond Ladder	27%	22%-32%	\$ 14,964,110		19%	No	investment portfolio to meet policy requirement
Intermediate MFA Mortgage Backed Security Portfolio	13%	8%-18%	\$ 11,428,805		14%	Yes	targets; while progress was made, some targets still lag and MFA is actively working with our investment
Long-Term Investments (More than 10 years)	40%	35%-45%	\$ 33,587,036	42%		Yes	advisor to resolve this.
Long-Term MFA Mortgage Backed Security Portfolio	4%	0%-9%	\$ 12,876,051		16%	No	
Core Plus Bond Funds-Active (SIC)	12%	7%-17%	\$ 13,440,537		17%	Yes	One bond was purchased into the Intermediate-
Domestic Large Cap Index Equity Fund (SIC)	11%	6%-16%	\$ 4,951,166		6%	Yes	Term Bond Ladder, on December 19th.
Small/Mid Cap Fund (SIC)	5%	0%-10%	\$ 591,834		1%	Yes	
Non-US Developed Markets Fund (SIC)	6%	1%-11%	\$ 711,485		1%	Yes	
Non-US Emerging Markets Fund (SIC)	2%	0%-7%	\$ 1,015,963		1%	Yes	
			\$ 79,279,077		100.00%		

<sup>\*</sup>Does not include capital borrowed for loan operations or restricted funds.



#### SIC FUND ALLOCATION

	Policy	Actual
SIC Core Plus Bond-Active	33%	65%
SIC Large Cap Index Equity	31%	24%
Small/Mid Cap Index	14%	3%
Non-US Developed Markets	17%	3%
Non-US Emerging Markets	6%	5%

#### **BOARD ACTIONS**

August 2005 - approved General Fund Investment
February 2008 - approved new Large Cap Index ETF Pool
January 2009 - approved Revision to Investment Policy
October 2010 - Approved Revision to Investment Policy
May 2011 - Approved revision to Investment Policy
April 2012 - Approved revision to Investment Policy
April 2013 - Approved revision to Investment Policy
April 2016 - Approved revision to Investment Policy
October 2017 - Approved revision to Investment Policy
December 2020-Board affirmed current Investment Policy
January 2023-Approved revision to Investment Policy

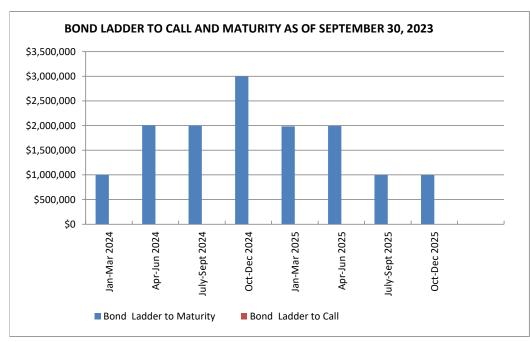
#### **PORTFOLIO SUMMARY - Short & Intermediate Investments**

MFA	Housing New Mexico
General Fund	

Housing New Mexico  General Fund		Book Value D/Quarter 1	_	ook Value D/Quarter 1	Unrealized Gain/Loss YTD/Quarter 1		Yield to Maturity YTD/Quarter 1	Yield to Matuity YTD/Quarter 1	
		of 12/31/2023	as of 12/31/2022		as of 12/31/2023		as of 12/31/2023	as of 12/31/2022	
Short-Term									
Cash Held for Operations/Warehoused MBS*	\$	6,934,024	\$	9,192,884		N/A	Various	Various	
Local Government Investment Pool	\$	12,365,102	\$	6,707,469		N/A	5.35%	4.25%	
Intermediate-Term									
Bond Ladder	\$	14,964,110	\$	14,996,747	\$	(188,907)	2.83%	0.65%	
MFA Mortgage Backed Security Portfolio	\$	11,428,805	\$	10,174,603	\$	(242,541)	4.67%	5.22%	
Yield to Maturity for Intermediate-Term Investments							3.62%	2.50%	
Total Short & Intermediate-Term	\$	45,692,041	\$	41,071,703	\$	(431,448)			

<sup>\*</sup>Does not include capital borrowed for loan operations or restricted funds.

<sup>\*\*</sup>Weighted average maturity.



#### **BOND LADDER SECTOR ALLOCATION**

		% of Total  Dollars	
Fannie Mae	\$	-	0%
Federal Farm Credit Bank	\$	4,991,999	33%
Federal Home Loan Bank	\$	-	0%
Freddie Mac	\$	1,006,179	7%
US Treasury	\$	8,965,932	60%
Total	\$	14,964,110	100%

#### **INVESTMENTS PURCHASED IN THE FIRST QUARTER OF FY 2024**

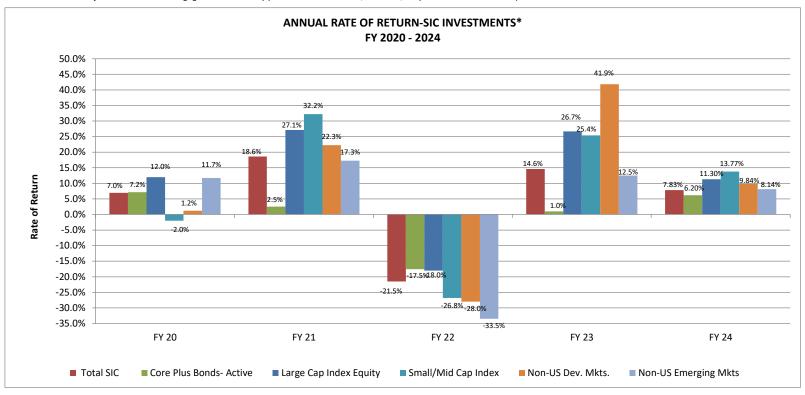
		Interest			
Date Purchased	Security	Rate	YTM	Do	llar Amount
12/19/2023	US Treasury Note	4.000%	4.342%	\$	1,000,000

#### PORTFOLIO SUMMARY - Long Term Investments Including State Investment Council Investments

MFA Housing New Mexico  General Fund Long Term	ΥT	ook/Market Value D/Quarter 1 of 12/31/2023	ΥT	ook/Market Value D/Quarter 1 of 12/31/2022	Y	alized/Realized** Gain/Loss TD/Quarter 1 of 12/31/2023	ΥT	lized/Realized** Gain/Loss D/Quarter 1 of 12/31/2022	Rate of Return YTD/Quarter 1 as of 12/31/2023	Rate of Return YTD/Quarter 1 as of 12/31/2022
MFA's Mortgage Backed Securities Portfolio	\$	12,876,051	\$	3,104,964	\$	(1,534,669)	\$	(412,587)	2.82%	3.00%
State Investment Council (SIC):										
Core Plus Bond Fund-Active	\$	13,440,537	\$	6,129,393	\$	632,935	\$	77,687	6.20%	2.31%
Domestic Large Cap Index Equity Fund	\$	4,951,166	\$	6,336,153	\$	509,660	\$	399,581	11.30%	6.99%
Small/Mid Cap Fund	\$	591,834	\$	2,929,131	\$	74,430	\$	203,761	13.77%	7.54%
Non-US Developed Markets Fund	\$	711,485	\$	3,422,606	\$	64,009	\$	443,892	9.84%	14.35%
Non-US Emerging Markets Fund	\$	1,015,963	\$	909,460	\$	59,076	\$	70,657	8.14%	9.60%
Total State Investment Counsel	\$	20,710,985	\$	19,726,743	\$	1,340,110	\$	1,195,578	7.83%	6.94%
Total Long-Term Investments	\$	33,587,036	\$	22,831,708	\$	(194,560)	\$	(5,342,488)		

<sup>\*</sup>SIC rate of returns are year to date, not annualized.

<sup>\*\*</sup>Fair Market Value adjustments on the mortgage backed security portfolio are unrealized, however, they are realized on the SIC portfolio.



<sup>\*</sup>FY 24 represents those returns from 10/1/2023 - 12/31/2023 and are thus subject to change.

#### **PORTFOLIO SUMMARY - New Mexico Housing Trust Fund**



	Trust	

State Invesment Council (SIC): Core Plus Bond Fund-Active

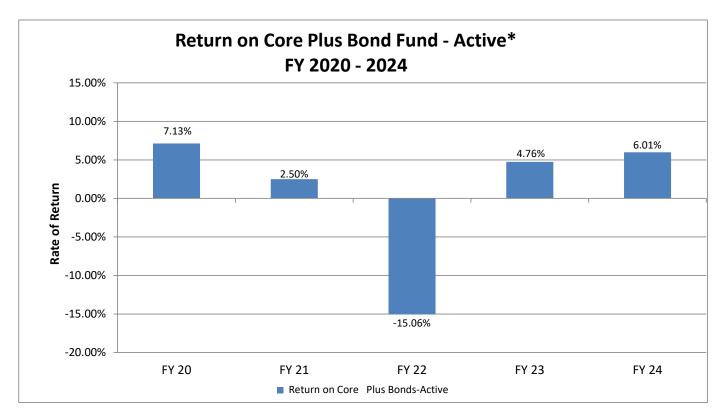
**Total State Investment Council** 

Market Value YTD/Quarter 1 as of 12/31/2023		Market Value YTD/Quarter 1 as of 12/31/2022		Realized Gain/Loss YTD/Quarter 1 as of 12/31/2023		Realized Gain/Loss YTD/Quarter 1 as of 12/31/2022		Rate of Return YTD/Quarter 1 as of 12/31/2023	Rate of Return YTD/Quarter 1 as of 12/31/2022
\$	8,775,039	\$	11,873,058	\$	409,794	\$	597,636	6.01%	5.85%
Ś	8.775.039	Ś	11.873.058	Ś	409.794	Ś	597.636	6.01%	5.85%

#### SIC FUND ALLOCATION

SIC Core Plus Bond-Active

100% 100%



<sup>\*</sup>FY 24 represents those returns from 10/1/2023 - 12/31/2023 and are thus subject to change.

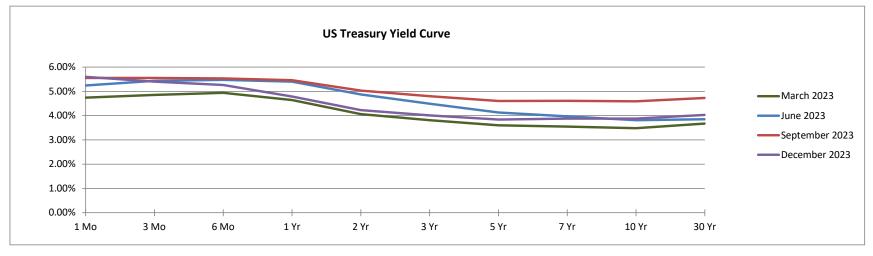
#### **GENERAL FUND INVESTMENT PORTFOLIO - METRICS**

MFA   Housing New Mexico	S&P	Moody's		Budget Annual Interest Income		Actual Annual Interest Income D/Quarter 1)	Interest Income Earned of Total Budget (YTD/Quarter 1)
Asset Class	Rating	Rating		FY2024	12	/31/2023	12/31/2023
Cash Held for Operations/Warehoused MBS			\$	778,086	\$	246,996	329
Local Government Investment Pool	AAAm		\$	261,066	\$	91,520	359
Bond Ladder			Ś	99,100	\$	60,926	619
Fannie Mae		Aaa/Stable	,	,	•	,	
Federal Farm Credit Bank		Aaa/Stable					
Federal Home Loan Bank		Aaa/Stable					
Freddie Mac		Aaa/Stable					
MFA Mortgage Backed Security Portfolio		Aa3/Stable	\$	893,975	\$	194,791	229
Intermediate Term	AA+	Aa3/Stable	Ţ	033,373	Y	154,751	22.
Long-Term	AA+	Aa3/Stable					
State Investment Council	701	AddyStable	\$	353,452	\$	198,459	569
Core Plus Bond Fund-Active			Ļ	333,432	Ą	130,433	30.
Large Cap Index Equity Fund							
Small/Mid Cap Fund							
Non-US Developed Markets Fund							
Non-US Emerging Markets Fund							
Tron 03 Emerging Warkets Fund			Ś	2,385,679	\$	792,693	339
			Ψ.	2,000,070	Ψ	732,033	55.
	Yield to Maturity/						
	Rate of Return	Benchmark					
	(YTD/Quarter 1)	Yield/Rate of					
Asset Class Benchmarks	12/31/2023	Return	_				
State Investment Council							
Core Plus Bond Fund-Active	6.20%	6.82%	Blo	omherg US A	ggrega	te Statistics Ind	lex
Large Cap Index Equity Fund	11.30%	11.95%		sell 1000 Ind		te statisties ine	icx
Small/Mid Cap Fund	13.77%	13.34%		sel 2500 Ind			
Non-US Developed Markets Fund	9.84%	10.45%		CI EAFE (net)			
Non-US Emerging Markets Fund	8.14%	7.88%		CI Emerging		s Index (net)	
The second secon	012170	7.0070		0. 2		o mack (met)	
Cash Held for Operations/Warehoused MBS	Various	N/A					
Local Government Investment Pool	5.35%	N/A					
Bond Ladder	2.83%	3.93%	ICE	BofA 1-3 Yea	ar US Ag	gency Index (Da	aily avg. 2-year
Solia Laudei			retu	urn)			
Solia Laudei							
MFA Mortgage Backed Security Portfolio Intermediate Term	4.67%	N/A					
MFA Mortgage Backed Security Portfolio Intermediate Term	4.67% 2.82%	N/A N/A					
MFA Mortgage Backed Security Portfolio		· ·					

1% or more under benchmark
In line with Benchmark
1% or more above benchmark

#### **Economic Indicators**

	11/30/2023 11/30/2022		12/31/2023 12/31/2022	*Cumulative return for the FY period 10/1
US Median Home Price	\$ 392,100 \$ 378,700	Federal Funds Rate	5.33% 4.33%	through 9/30 which is
NM Median Home Price	\$ 335,000 \$ 305,000	Consumer Price Index (yoy)	3.40% 6.50%	four quarters of each
US Median Family Income	\$ 99,432 \$ 90,211	Unemployment Rate	3.70% 3.50%	respective fiscal year.
Real GDP (yoy)	2.40% 1.30%	DJIA*	4.84% -4.17%	
		Average US Gas Price	\$ 3.26 \$ 3.32	
		WTI Oil Spot Price	\$ 71.65 \$ 80.26	



	1 Mo	3 Mo	6 Mo	1 Yr	2 Yr	3 Yr	5 Yr	7 Yr	10 Yr	30 Yr
March 2023	4.74%	4.85%	4.94%	4.64%	4.06%	3.81%	3.60%	3.55%	3.48%	3.67%
June 2023	5.24%	5.43%	5.47%	5.40%	4.87%	4.49%	4.13%	3.97%	3.81%	3.85%
September 2023	5.55%	5.55%	5.53%	5.46%	5.03%	4.80%	4.60%	4.61%	4.59%	4.73%
December 2023	5.60%	5.40%	5.26%	4.79%	4.23%	4.01%	3.84%	3.88%	3.88%	4.03%

Source: U.S. Department of the Treasury

#### MFA Strategic Plan Benchmarks FY 2024

#### Goal 1 - Create affordable housing opportunities that support and strengthen New Mexico's communities



Benchmark: 1

Benchmark: Provide mortgage financing for 1,626 homebuyers.

Q1 On Target | MFA financed 672 homebuyers in Q1 of FY 2024 and 672 homebuyers YTD.



Benchmark: 2

Benchmark: Maintain average mortgage product utilization of 25% of all FHA loans recorded in New Mexico.

On Target |

The MFA quarterly product utilization reported for Q1 is 42.17% for a YTD average of 42.17%.

\*MFA's mortgage rates which were well below local market rates combined with decreased mortgage production contributed to the notable increase.



Benchmark: 3

Benchmark: Finance the development and/or preservation of 900 rental and homeownership units.

On Target |

In Q1, Housing Development financed the development of 321 multifamily units and 6 single-family units, Policy and Planning supported the preservation of 5 units through the Housing Innovation Program, and Community Development rehabilitated or weatherized 399 units. The YTD total of units developed and/or preserved is 731.

Benchmark: 4

- Benchmark: Maintain a 35% exit rate of individuals experiencing homelessness served to permanent housing through ESG.
- Q1 On Target | In Q1, 743 unduplicated ESG clients were served. Of those, 296 exited to permanent housing (39.8%).



Benchmark: 5

Benchmark: Achieve annual combined average loan delinquencies of MFA serviced portfolio below 9.5%.

Q1 On Target | MFA combined average delinquency rate is at 8.52% as of 12/31/2023 FY Q1

Benchmark: 6

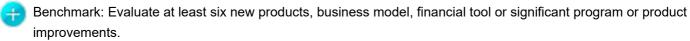


Benchmark: Maintain subserviced portfolio delinquency percentage below the Federal Housing Administration Loan Performance Trend delinquency rate (purchase loans only).

Caution I

Q1 Subserviced portfolio delinquency as of 12/31/2023 equals 12.97% which did not meet the target of 11.97% delinquency rate per FHA 10/30/2023 performance report.

Benchmark: 7



Q1 On Target | Evaluated vendors for grants management system software solution. Board approval for FirstDown Plus. YTD 2

#### Goal 2 - Build a network of advocates and partners that work to create and promote affordable housing in the state



Benchmark: 8

Benchmark: Achieve an average of 8,400 social media engagements across all platforms.

Q1 On Target | Q1 3,508 social media engagements.



Benchmark: 9

Benchmark: Expand services of at least three programs to an underserved area of the state.

Q1 On Target |

NM Energy\$mart entered into contract with Red Feather to provide weatherization services specifically on the Navajo Nation territory. Funded a substance use disorder center under the Recovery Housing Program in Gallup. YTD: 2

Benchmark: 10

Benchmark: Conduct outreach to and/or assist at least 100 local governments, tribal governments, potential new program partners and/or elected officials.

On Target |

CDD staff met with/presented to Barbara Thomas of Mid-Region Council of Governments, Ben E. Lujan, Martin Heinrich, NM Infrastructure Conference, Yvonne Maestas with Espanola Habitat for Humanity, NMCEH Housing for All Conference, and attended both the National and NM Weatherization Days.

MFA staff met with City of Clovis, Tucumcari and Clayton officials re: MFA's programs. Assisted the City of Rio Rancho, Valencia and Cibola counties with the Affordable Housing Act. Shared information with USDA representatives re: the Affordable Housing Act.

P+P PSFA, TDS, Los Alamos County Boards and Commissions, NMCEH, Mora County Housing Placemaking Work Group/Committee, Rep. Dixon Housing Town Hall. YTD: 21

Benchmark: 11

Benchmark: Provide at least 75 formal group training opportunities for property owners, developers, service providers and/or lenders.

On Target |

- Q1 CDD conducted 13 Peer Exchanges/Networking Meetings. P+P Single Family Development Grant NOFA training for tribal entities.

  Mortgage Operations conducted 16 trainings. YTD: 30
- Benchmark: 12
  Benchmark: Plan and execute MFA housing summit, open house, or networking event.
- Q1 New | Selected venue for 2025 Housing Summit.

#### Goal 3 - Maintain judicious financial stewardship and principled, efficient business practices

Benchmark: 13

Benchmark: Obtain unqualified opinion on MFA financial statements and no material weakness in internal control over financial reporting or major programs, excluding first-time audits.

Met

- Q1 Audit issued with an unmodified opinion and no material weaknesses. Audit was approved by State Auditor's Office 1/12/2024 and by Board 1/17/2024.
- Benchmark: 14
  Benchmark: Maintain or improve credit rating.
- Q1 On Target | MFA maintains a Aa3 rating on its issuer credit rating.

Benchmark: 15

- Benchmark: Achieve operating performance and profitability equal to net revenues over total revenues of at least 8.98%, based on five-year average.
- Q1 On Target | Operating performance and profitability as of 12/31/2023 is 8.58%.

Benchmark: 16

- Benchmark: Obtain balance sheet strength equal to net asset position over total bonds outstanding of at least 24.82%, based on five-year average.
- Q1 On Target | Balance sheet strength as of 12/31/2023 is 23.81%.
- Benchmark: 17
  - Benchmark: Realize administrative fee of at least 18 basis points on all bond issues.
- Q1 On Target | 2023 Series D closed in Q1 with an administrative fee of 0.18%.
- Benchmark: 18
- Benchmark: Realize profitability of 0.5% on TBA executions.

On Target |

- Q1 MFA settled HomeForward loans via TBA in Q1; loans settled during the quarter (i.e., since the beginning of the fiscal year) realized a profitability of 0.91%
- Benchmark: 19
  Benchmark: Maintain servicing fee yield at an average of .36% of the purchased servicing portfolio.
- Q1 On Target | Servicing fee yield is on target at .39%
- Benchmark: 20
  Benchmark: Earn 100% base fees for PBCA contract.
- Q1 On Target | All PBCA tasks were completed as required by the contract, and 100% of the base fees were earned for this quarter.
- Benchmark: 21
  Benchmark: Yield a collection rate of 98% or greater for compliance monitoring fees.
- Q1 On Target | Invoices for compliance fees were processed and sent out to owner/agents this quarter.
- Benchmark: 22
  Benchmark: Meet commitment and expenditure requirement of 95% of recurring grant funding.
- Q1 On Target | On target to meet commitment and expenditure requirement of 95% of recurring grant funding as of 12/31/2023

Benchmark: 23

- Benchmark: Commit 75% of STB recurring funding annually in resources for affordable housing through expenditure of New Mexico Housing Trust Funds by June 30, 2024.
- Q1 On Target | Committed 49.96% rounded to 50% of the STB funding as of Dec. 31, 2023.
- Benchmark: 24
  Benchmark: Increase funding by at least one new source.
- Q1 Met | City of Albuquerque for the Landlord Engagement Program (\$303,335.00)
- Benchmark: 25
  Benchmark: Improve at least 15 MFA processes or resources.

On Target |

Servicing implemented shortening the time to process One Time ACH Payments in order to clear payments sooner and reduce NSF activity.

CDD: 1) Worked with IT to update the county report fields in online invoicing system to improve accuracy of data reported by providers; 2)
Received DOE authorization to conduct Quality Control Inspections simultaneously while doing monitoring visits, thus saving staff time,
agency time, and helping to hit the 5% QCI requirement; 3) WAP is now using smart tablets to make inspections more professional and
organized; 4) Project request was submitted for Invoicing notifications to be sent to Service Providers for all Programs reminding them
when invoices are due or if they are late, which is helping to better track expenditure rates; 5) Updated Rehab checklist to create less
redundancy for HOME rehab providers; 6) As a result of the new HOPWA Networking Group discussions, staff is now working with service
providers on a monthly basis to prepare for the annual HOPWA CAPER in smaller sections to ensure that providers know how and what to
report. Streamlined public inquiries for assistance through Hubspot by type of inquiry. YTD: 8

#### Goal 4 - Provide robust technological solutions

Benchm Bench

Benchmark: 26

Benchmark: Maintain a RS3 score greater than or equal to 780, averaged over four quarters.

On Target |

MFA's internal and external penetration testing will be completed in Q2. MFA received a RiskSense Security Score (RS3) of 815 (low risk).

RS3 represents MFA's cyber security posture, measuring risk posed by existing vulnerabilities and current potential threats. The rating range is from 300 (high risk) to 850 (very low risk).

Benchmark: 27

- Benchmark: Achieve a Recovery Point Objective (RPO) for infrastructure servers at or below ten minutes and a Recovery Time Objective (RTO) at or below six hours.
- Q1 On Target |

The current RPO for all critical infrastructure equipment is currently meeting the Service Level Agreement of less than 5 minutes and the tested failover Recovery Time Objective was just over two hours, which is below the goal of six.



Benchmark: 28

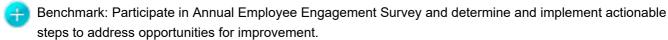
Benchmark: Implement new software solutions.

Met

Completed the implementation of historical data from MITAS to PowerLender, add new funding sources to NM EnergySmart Online system, Veterans Rehab NMAHCT Match, Severance Tax Bond Disabled Veterans Rehab, and migrated Master Contact List to Hubspot. Implementation of Beanworks for Accounts Payable.

#### Goal 5 - Foster a healthy, dynamic and team-oriented work environment

Benchmark: 29





Benchmark: 30

Benchmark: Plan and execute move to 7425 Jefferson St. NE.

On Target |

Q1 Board Approval of the renovation budget received. Contracts for solar panel removal and re-roof executed in Q1. Planning meetings with all Departments. Secondary internet installed.



Benchmark: 31

Benchmark: Complete compensation study.

s of: 2/6/202

			New	Mexico Housing 7	Trust Fund Dashb	oar	d			
Certified Uses	Certified Use Allocation	Certified Use Procurement Totals	Certified Use Award Totals	Certfied Use Expenditures thru 1/31/24	Activity		Activity Allocation	Activity Procurement	Activity Award Totals	Activity Expenditures thru 1/31/24
Down payment assistance (DPA)	\$ 8,500,000.00	\$ 8,500,000.00	\$ 8,500,000.00	\$ 241,046.75		\$	2,000,000.00			\$ 241,046.75
					FirstDown Plus	\$	6,500,000.00	\$ 6,500,000.00	\$ 6,500,000.00	
First mortgage; affordable homeownership loan purchase	\$ 3,400,000.00	\$ - \$	<b>-</b>	\$ -	40 YLM	\$	3,400,000.00	\$ -	\$ -	\$ -
Single family emergency					Housing Improvement Program (HIP)	\$	1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 271,262.79
repairs, accessibility, energy efficiency improvements and rehabilitation	1500000	\$ 1,500,000.00	\$ 1,500,000.00	\$ 427,553.69	Weatherization	\$	500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 156,290.90
Single family acquisition and rehabilitation	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ -	Restoring Our Communities (ROC)	\$	2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ -
Rental and single-family					Gap Financing Loans Preservation Loans Primero Loans	\$ \$ \$	8,630,000.00 2,500,000.00 3,000,000.00	\$ 2,500,000.00	\$ -	\$ 500,000.00 \$ - \$
development	\$ 22,130,000.00	\$ 22,130,000.00	\$ 8,762,498.00	\$ 500,000.00	Single Family Development Pilot Program	\$	3,000,000.00	\$ 3,000,000.00	\$	\$
					Housing Innovation	\$	5,000,000.00	\$ 5,000,000.00	\$ 1,262,498.00	\$
Total State Fiscal Year 2024 Funds	\$ 37,530,000.00	\$ 34,130,000.00	\$ 20,762,498.00	\$ 1,168,600.44		\$	37,530,000.00	\$ 34,130,000.00	\$ 20,762,498.00	\$ 1,168,600.44

## Summary

\$ 37,530,000.00 is the total State Fiscal Year (SFY) 2024 NMHTF Severance Tax Bond earmark allocation.

91% of the total SFY24 allocation has been procured.

55% of the total SFY24 allocation has been awarded.

3% of awarded funds has been expended.

- 1. Staff is presenting an Allocation Amendment Recommendation for the SFY 2024 NMHTF Severance Tax Bond earmark allocation.
- 2. The Housing Innovation Team will be presenting an award recommendation for Sawmill Community Land Trust for \$262,498. See Page 10 for award recommendation detail.

## **Down Payment Assistance**

Certified Use	Certified Use Amount	Activity Allocation	Activity Allocation Amount	Procurement (NOFAS, RFPS, Program Guidelines) Previously Approved by Board	Procurement Amount	Procurement Approval Date	Grantee	Date of Approval	Level of Approval	Av	vard Amount	Running Activity Award Total	Running Activity Unawarded Balance	Award Expenditures	Total Expenditures
Down payment	\$ 8,500,000	HomeForward DPA		HomeForward DPA Program Guidelines	\$ 2,000,000.00	1/18/2023	HomeForward DPA	9/14/23	PC	\$	2,000,000.00 \$	2,000,000.00	\$ 6,500,000.00	\$ 241,046.75	
assistance	\$ 6,500,000	FirstDown Plus	\$ 6,500,000.00	First <i>Down</i> Plus Program Guidelines	\$ 6,500,000.00	11/15/2023	FirstDown Plus	2/6/24	PC	\$	6,500,000.00 \$	8,500,000.00	\$ -	\$ -	\$ 241,046.75
	•								Total	\$	8,500,000.00		\$ -		

## **Housing Improvement Program**

Certified Use	Certified Use Amount	Activity Allocation	Activity Allocation Amount	Procurement (NOFAS, RFPS, Program Guidelines) Previously Approved by Board	Procurement Amount	Procurement Approval Date	Grantee	Date of Approval	Level of Approval	Award Amount	Running Activity Award Total	Running Activity Unawarded Balance	Aawrd Expenditures	Total Expenditures
							SWRHCDC	8/15/2023	PC	\$ 134,655.19	9 \$ 134,655.19	\$ 865,344.81	134,655.19	
Single family emergency repairs, accessibility, energy	1,500,000.00	Housing Improvement	\$ 1,000,000.00	Single Family Repair and Rehab	\$ 1,000,000.00	5/17/2023	SWRHCDC	8/29/2023	PC	\$ 98,999.8	5 \$ 233,655.05	\$ 766,344.95	98,999.86	\$ 271,262.79
efficiency improvements and rehabilitation		Program (HIP)		Guidelines			San Felipe Pueblo	9/19/2023	PC	\$ 37,607.7	\$ 271,262.79	\$ 728,737.21	37,607.74	
							HIP activity draw down allocation	1/18/2024	PC	\$ 728,737.2	\$ 1,000,000.00	\$ -		
									Total	\$ 1,000,000.0		\$ -		

## Weatherization

Certified Use	Certified Use Amount	Activity Allocation	Activity Allocation Amount	Procurement (NOFAS, RFPS, Program Guidelines) Previously Approved by Board	Procurement Amount	Procurement Approval Date	Grantee	Date of Approva	Level of Approval	l Aw	ard Amount	Running Activity Award Total	- Unawarn	ed	Award Expenditures	Total Expenditures
Single family emergency repairs,							Central New Mexico Housing Corporation	11/15/2023	Board of Directors	\$	350,000.00	\$ 350,000.0	0 \$ 150,00	00.00	\$ 112,124.39	
accessibility, energy efficiency improvements and rehabilitation		Weatherization	500,000.00	Weatherization	\$ 500,000.00	8/16/2023	Southwest Regional Housing and Community Development	11/15/2023	Board of Directors	\$	150,000.00	\$ 500,000.0	0 \$	_	\$ 44,166.51	\$ 156,290.90
									Total	\$	500,000.00		\$	-		

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## **Restoring Our Communities**

Certified Use	Certified Use Amount	Activity Allocation	Activity Allocation Amount	Procurement (NOFAS, RFPS, Program Guidelines) Previously Approved by Board	Procurement Amount	Procurement Approval Date	Grantee	Date of Approval	Level of Approval	Award Amount	Running Activity Award Total	Running Activity Unawarded Balance	Award Expenditures	Total Expenditures
				NOFA		4/19/2023	North Central NM Economic Development Divison	Dec-23	Board of Directors	\$ -	\$ -	\$ 2,000,000.00		
Single family acquisition and rehabilitation	\$ 2,000,000.00	ROC	\$ 2,000,000.00		\$ 2,000,000.00		Homewise Inc.	Dec-23	Board of Directors	\$ -	\$ -	\$ 2,000,000.00		\$ -
				Updated Guidelines to NOFA		12/13/2023	Sawmill Trust	Dec-23	Board of Directors	\$ -	\$ -	\$ 2,000,000.00		
							ROC Activity Draw down allocation		PC	\$ 2,000,000.00	\$ 2,000,000.00	\$ -		
									Total	\$ 2,000,000.00		\$ -		

## **Gap Financing**

Certified Use	Certified Use Amount	Activity Allocation	Activity Allocation Amount	Procurement (NOFAS, RFPS, Program Guidelines) Previously Approved by Board	Procurement Amount	Procurement Approval Date	Grantee	Date of Approval	Level of Approval	Award Amount	Running Activity Award Total	Running Activity Unawarded Balance	Award Expenditures	Total Expenditures
							Three Sisters	6/21/2023	Board of Directors	\$ 3,500,000.00	\$ 3,500,000.00	\$ 5,130,000.00	500,000.00	
Rental and single-	¢ 22 120 000 00	Gap financing	¢ 8 630 000 00	Gap Finanacing	¢ 8 620 000 00	E /17/2022	La Serena Apartments	9/20/2023	Board of Directors	\$ 1,000,000.00	\$ 4,500,000.00	\$ 4,130,000.00		¢ 500,000,00
family development	\$ 22,130,000.00	loan	\$ 8,630,000.00	NOFA	\$ 8,630,000.00	5/17/2023	Pedrena Apartments	10/18/2023	Board of Directors	\$ 1,000,000.00	\$ 5,500,000.00	\$ 3,130,000.00		\$ 500,000.00
							Encino Senior Gardens	11/15/2023	Board of Directors	\$ 2,000,000.00	\$ 7,500,000.00	\$ 1,130,000.00		
									Total	\$ 7,500,000.00		\$ 1,130,000.00		

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#### Page 121 of 188

## **Preservation Loan Program**

Certified Use	Certified Use Amount	Activity Allocation	Activity Allocation Amount	Procurement (NOFAS, RFPS, Program Guidelines) Previously Approved by Board	Procurement Amount	Procurement Approval Date	Grantee	Date of Approval	Level of Approval	Award Am	Olint	unning Activity Award Total	Running Activity Unawarded Balance	Award Expenditures	Total Expenditures
Rental and single- family development	\$ 22,130,000.00	Preservation Loan	\$ 2,500,000.00	NOFA	\$ 2,500,000.00	3/1/2023	-	-	-	\$	- 3	<b>5</b> -	\$ 2,500,000.00		\$ -
									Total	\$	-		\$ 2,500,000.00		

**SF Primero** 

Certified Use	Certified Use Amount	Activity Allocation	Activity Allocation Amount	Procurement (NOFAS, RFPS, Program Guidelines) Previously Approved by Board	Procurement Amount	Procurement Approval Date	Grantee	Date of Approval	Level of Approval	Award Amount	Running Activity Award Total	Running Activity Unawarded Balance	Award Expenditures	Total Expenditures
Rental and single-family development	\$ 22,130,000.00	Primero loan (SF)	\$ 3,000,000.00	NOFA	\$ 3,000,000.00	9/20/2023				\$ -	\$ -	\$ 3,000,000.00		
									Total	\$ -		\$ 3,000,000.00		

## Single Family Development Pilot Program

Certified Use	Certified Use Amount  Activity Allocation	ivity Allocation RFPS Amount Guidelin	rement (NOFAS, PS, Program lines) Previously roved by Board	Procurement Amount	Procurement Approval Date	Grantee	Date of Approval	Level of Approval	Award Amount		Running Activity Unawarded Balance	Award Expenditures	Total Expenditures
Rental and single- family development	\$ 22,130,000 Development Grant \$ Pilot Program	3,000,000.00 Develo	Single Family elopment Grant Program NOFA	\$ 3,000,000.00	10/18/2023				\$ -	\$ -	\$ 3,000,000.00		
								Total	\$ -		\$ 3,000,000.00		

## **Housing Innovation**

Certified Use	Certified Use Amount	Activity Allocation	Activity Allocation Amount	Procurement (NOFAS, RFPS, Program Guidelines) Previously Approved by Board	Procurement Amount	Procurement Approval Date	Grantee	Date of Approval	Level of Approval	A	ward Amount	Running Activity Award Total	Running Activity Unawarded Balance	Award Expenditure	Total Expenditures
Rental and single- family development	- \$ 22,130,000.00	Housing Innovation	\$ 5,000,000.00	NOFA	\$ 5,000,000.00	9/20/2023	Town of Silver City	12/13/2023	Board of Directors	\$	500,000.00 \$	500,000.00	\$ 4,500,000.00		
							NM Ramp Project	12/13/2023	Board of Directors	\$	500,000.00 \$	1,000,000.00	\$ 4,000,000.00		
							Sawmill CLT	2/21/2024	Board of Directors	\$	262,498.00 \$	1,262,498.00	\$ 3,737,502.00		
									Total	\$	1,262,498.00		\$ 3,737,502.00		

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### New Mexico Mortgage Finance Authority Marketing & Communications Monthly Report January 1-31, 2024

#### **Press Releases**

#### January 8

New Mexico Mortgage Finance Authority Board of Directors approves three service providers for Restoring Our Communities program

https://housingnm.org/about-mfa/news/new-mexico-mortgage-finance-authority-board-of-directors-approves-three-service-providers-for-restoring-our-communities-program

#### January 11

New Mexico Mortgage Finance Authority allocates \$5.5 million from New Mexico Housing Trust Fund for new FirstDown Plus down payment assistance loan program

https://housingnm.org/about-mfa/news/new-mexico-mortgage-finance-authority-allocates-5.5-million-from-new-mexico-housing-trust-fund-for-new-firstdown-plus-down-payment-assistance-loan-program

#### January 16

New Mexico Mortgage Finance Authority to offer home rehabilitation services in eight counties through its new Home Improvement Program

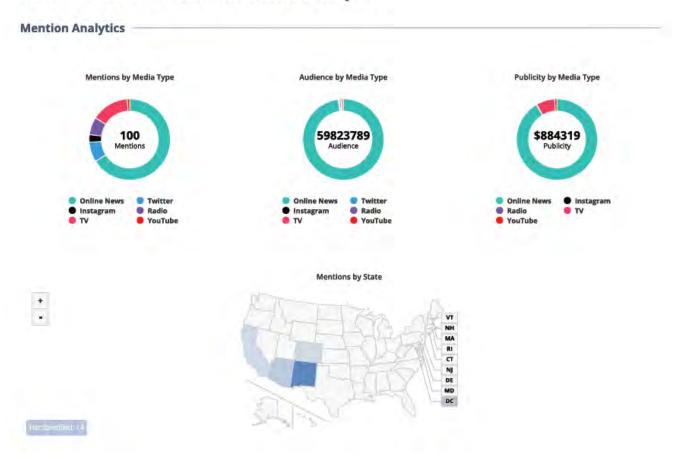
https://housingnm.org/about-mfa/news/new-mexico-mortgage-finance-authority-to-offer-home-rehabilitation-services-in-eight-counties-through-its-new-home-improvement-program

#### January 30

New Mexico Mortgage Finance Authority Board of Directors approves Housing Innovation Program funding awards to New Mexico Ramp Project and Town of Silver City <a href="https://housingnm.org/about-mfa/news/new-mexico-mortgage-finance-authority-board-of-directors-approves-housing-innovation-program-funding-awards-to-new-mexico-ramp-project-and-town-of-silver-city">https://housingnm.org/about-mfa/news/new-mexico-mortgage-finance-authority-board-of-directors-approves-housing-innovation-program-funding-awards-to-new-mexico-ramp-project-and-town-of-silver-city</a>

#### **News Coverage from Press Releases & Other Mentions:**

#### 1.1.24-1.31.24 Media Mentions Report





Publication Date: 01/07/2024 Page Number: 001

Title: CYFD needs to be separated from governor's Cabinet

Author:

Size: 53 Inches Sq. Santa Fe, NM. Circulation: 19157

Keywords: Mortgage Finance Authority



MY VIEW JERRY ORTIZ Y PINO

#### CYFD needs to be separated from governor's Cabinet

have filed a constitutional amendment that proposes to move the Children, Youth and Families
Department from the governor's Cabinet and place it under a new, three-person independent commission, much as the Public Regulation Commission or Morigage Finance Authority operate currently.

This action was taken after the interim Legislative Health and Human

Services Committee, which I chaired in 2023, held hearings on CYFD in Albuquerque in August and in Ruidoso in September. It is from a suggestion advanced by Alvin Sallee, retired head of the social work department at New Mexico State University and a recognized child welfare expert.

I want to be clear that this amendment is in no way intended as a criticism of the current secretary or of

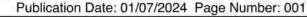
the governor, but is an honest attempt at dealing with what I believe are the most basic problems the department faces: its public image and the low staff morale that has developed. Until those problems are resolved, I think the department will be spinning its wheels, no matter how hard the engine revs.

These two problems have created between them a downward spiral in which recruiting professionals to work

there is difficult because of the reputation CYFD now has, and the reputation of CYFD drops ever-lower because of the lack of a professional staff. Only a serious rethinking of accountability and transparency at CYFD is capable of pulling the department out of this tailspin.

The CYFD Commission my amend-

Please see story on Page B-5





Title: CYFD needs to be separated from governor's Cabinet

Author:

Size: 53 Inches Sq. Santa Fe, NM. Circulation: 19157

Keywords: Mortgage Finance Authority

## CYFD needs to be separated from governor's Cabinet

Continued from Page B-1

ment proposes would be made up of professionals from fields associated with child and family development: child psychiatry; pediatrics or pediatric nursing; counseling; social work; family law; child development; or psychology. They would have to have broad experience in working with services designed to prevent or respond to child abuse or neglect. The governor would name one, the speaker of the House one and the president pro tem of the Senate one. They would serve for staggered six-year terms, and there would be no term limits.

Their responsibility would be twofold:

first, to hire a professional in the field as executive director for the department who would manage the day-to-day operations and who would be insulated from political pressure; second, to hold monthly public commission meetings, with press present and the public able to attend in person or remotely. All policy decisions for the department would be made by the commission at these meetings — in the open, with frank discussion and no secret votes.

If the amendment is acted on positively by the 2024 Legislature, it will appear on the ballot in November for the voters' action. If it is passed then, the 2025 Legislature will have to pass implementing

legislation dealing with details of the transition.

The timeline I propose would have the change completed, with commission in place and an executive director hired, by Jan. 1, 2027, which corresponds with the transition to a new gubernatorial

Publication Date: 01/07/2024 Page Number: 001



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administration.

I know many of my colleagues in the Legislature are proposing other solutions. I will listen to them carefully. But unless they offer an avenue to restoring the public's confidence in the department and making it an attractive place for professionals to work and feel fully supported, I don't think they will help.

I believe the commission approach will do both of those, while increasing transparency and public accountability, and to the greatest extent possible, reducing politicization.

State Sen. Jerry Ortiz y Pino represents District 12 in Bernalillo County.



Title: MFA board taps providers to clean up vacant, abandoned homes

Author: JOURNAL BUSINESS EDITOR BY RYAN BOETEL Size: 46 Inches Sq. Albuquerque, NM Circulation: 102148

Keywords: Mortgage Finance Authority ~ New Mexico Mortgage Finance Authority



## MFA board taps providers to clean up vacant, abandoned homes

#### BYRYANBOETEL

JOURNAL BUSINESS EDITOR

Vacant and abandoned homes throughout New Mexico could be getting facelifts.

The New Mexico Mortgage Finance Authority Board of Directors last month tapped three providers for a Restoring Our Communities program, which aims to restore and resale vacant and abandoned homes.

North Central New Mexico Economic Development District, Homewise Inc. and Sawmill Community Land Trust were the three entities approved to receive ROC funding.

There are about 12,000 homes throughout the state that were vacant during a 2022 MFA study published late in the year.

Abandoned homes can decrease property values in an area.

Bernalillo, Doña Ana, Sandoval and Lincoln counties had the highest amount of vacant homes in the state, according to the MFA.

"We are confident these three experienced partners will provide quality work toward the program's goal of creating affordable housing in New Mexico," Donna Maestas-De Vries, the MFA's chief housing officer, said in a statement. "The rehabilitation of vacant and abandoned houses will also help improve and strengthen our communities."

The ROC program provides funding for the acquisition, rehabilitation and resale of single-family properties that are vacant or abandoned. Last year, the MFA allocated \$4 million for the program, which has a goal of increasing home ownership opportunities for low- to middle-income households.

The Notice of Funding Availability will remain open as long as funds are available, with awards granted to service providers on a first-come, first-serve basis, according to the MFA.





NEW MEXICO MORTGAGE FINANCE AUTHORITY

Before and after photo of the New Mexico Mortgage Finance Authority Restoring our Communities program.

Eligible applicants include public and private non-profit organizations, governmental housing agencies, regional and public housing authorities, tirbal governments, builders and developers and other organizations.

Anyone seeking more information about the program can contact the program manager, Theresa Laredo-Garcia at 505-767-2244 or go to housingnm.org.

Ryan Boetel is the business editor for the Albuquerque Journal. He can be reached at 505-823-3960 or rboetel@abgjournal.com.



**BUSINESS** 

### New program restores vacant houses into affordable housing

A Mortgage Finance Authority program launched late last year is focused on restoring vacant and abandoned houses across the state.



by **ELIZABETH MCCALL**JANUARY 11, 2024



A trash dumpster sits in the parking lot of a low income housing property Monday January 8th, 2024 near the intersection of Bell Ave. and G st. SE Photo by Roberto E. Rosales/The City Desk.

Privacy - Terms

A program aimed at turning vacant and abandoned houses across the state into livable and affordable housing has taken its next steps. The New Mexico Mortgage Finance Authority (MFA) board said it approved three service providers for its "Restoring Our Communities" (ROC) program at a December 2023 meeting. The MFA made the announcement in a Jan. 8 news release. The ROC program launched in September 2023.

The MFA said 12,000 homes in New Mexico were vacant and abandoned at the time it published its "comprehensive statewide housing strategy" in late 2022. Bernalillo, Doña Ana, Lincoln and Sandoval counties had the highest number of vacant and abandoned homes at the time of the report.

"These organizations will work to align with ROC's objectives to reduce vacant and abandoned houses that decrease property values in communities and provide affordable housing to low-to-middle income homebuyers," the release said.

The ROC program also offers down payment and closing cost assistance for qualified homebuyers.

The approved providers include the North Central New Mexico Economic Development District, an association of government entities that work on community and economic development initiatives; and the nonprofits Homewise Inc. and Sawmill Community Land Trust, which both work on affordable housing projects.

The MFA said the ROC program is currently funded at \$4 million, drawn from its New Mexico Housing Trust Fund. The release said a "notice of funding availability" will stay open while funds are available, with awards granted to service providers on a first-come, first-serve basis for qualifying projects. Eligible applicants for the funding include public and private nonprofits, governmental housing agencies, regional and public housing authorities, tribal governments, tribal housing agencies, developers, builders and other corporations.

The MFA is a quasi-governmental entity that provides financing for affordable housing and other related services to low and moderate income New Mexicans. For more on the ROC program, go to housingnm.org or contact MFA program development manager Theresa Laredo-Garcia at tgarcia@housingnm.org or (505) 767-2244.

#### **Katherine Clarke**

January 11, 2024 at 6:10 pm

This seems like a really good idea

Loading...

#### **Jim Loconto**

January 11, 2024 at 6:30 pm

Great article

Loading...

#### Comments are closed.

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Title: BernCo leaders detail legislative requests for 2024 Author: BY CATHY COOK JOURNAL STAFF WRITER

Size: 45 Inches Sq. Albuquerque, NM. Circulation: 102148

Keywords: Mortgage Finance Authority ~ New Mexico Mortgage Finance Authority



#### BernCo leaders detail legislative requests for 2024

Sights set on affordable housing, behavioral health, public safety

#### BY CATHY COOK

JOURNAL STAFF WRITER

Bernalillo County Commissioners announced their six legislative priorities earlier this week, with a focus on money for behavioral health, affordable housing and public safety.

The county commissioners are asking the state Legislature for \$40 million to support statewide homelessness initiatives, \$250 million for nonrecur-

ring general fund money for the New Mexico Mortgage Finance Authority Trust Fund and \$250 million in nonrecurring general funds for the Mortgage Finance Authority's Opportunity Enterprise Fund.

Gov. Michelle Lujan Grisham's budget includes the same recommendations.

The commissioners also are requesting \$10 million for the Mid-

dle Rio Grande Housing Collaborative, a Bernalillo County and city of Albuquerque project to build more affordable housing.

Both entities are asking for \$10 million to support it, Commission Chair Barbara Baca said. Funding for affordable housing is the county's top legislative priority.

"What we really want to do is work together with the state, the city and the county to create more housing opportunities, and we also support housing opportunities statewide, too," Baca said. "So that's how we dovetail with what the governor and the MFA are proposing, too."

The commissioners also want the Legislature to incentivize the recruitment of licensed social workers, crisis clinicians and peer support workers and have asked for the establishment of a statewide

See LEGISLATURE >> A3



Title: BernCo leaders detail legislative requests for 2024 Author: BY CATHY COOK JOURNAL STAFF WRITER

Size: 45 Inches Sq. Albuquerque, NM. Circulation: 102148

Keywords: Mortgage Finance Authority ~ New Mexico Mortgage Finance Authority

#### LEGISLATURE >>

From PAGE A3

Medicaid third-party billing and training center for small providers. "Behavioral health has long been significant for the county, and

cant for the county, and we continue to make headway but are in desperate need of more trained personnel in the key areas of recovery and treatment," Commissioner Adriann Barboa said in a statement.

The commissioners

are asking for \$3 million to support a statewide fentanyl education

and awareness campaign and the Keep-NMAlive website.

They also support redirecting part of the liquor excise tax from the general fund to line items focused on addiction treatment and behavioral health initiatives.

The commissioners also are requesting \$750,000 in recurring funds for the maintenance of the Bernalillo County Sheriff's Office helicopter.

"(Sheriff John Allen) emphasizes that it serves all jurisdictions statewide in emergency situations, and so that's why he's placed that as his top priority," Baca said.

Cathy Cook is a news reporter for the Albuquerque Journal, Reach her via email at ccook@abgiournal.com.



Adriann Barboa



Title: A state affordable housing office is long overdue

Author: Kim Shanahan Building Santa Fe

Size: 53 Inches Sq Santa Fe,NM Circulation: 19157

Keywords: Mortgage Finance Authority ~ New Mexico Mortgage Finance Authority



### A state affordable housing office is long overdue



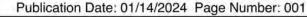
ov. Michelle Lujan Grisham is fixing to go after the state's housing crisis. She needs the New Mexico Legislature to pony up and fund her good ideas. Her first good idea started in May when she created the Housing Investment Council, making former House Speaker Brian Egolf its chairman. The mandate was to get something ready for the upcoming 30-day session.

The large group had some heavyweight politicians but also a diverse statewide representation. Besides Egolf, key appointees included Daniel Werwath, the executive director of New Mexico Inter-Faith Housing Corp.; Laura Long, chairwoman of the Santa Fe Area Home Builders Association's government and political affairs committee; and Randy Traynor, a longtime lobbyist for the New Mexico Home Builders Association.

Werwath has in-the-weeds expertise, and state Sen. Michael Padilla, D-Albuquerque, and an appointee to the State Investment Council, was obviously paying attention. This past week, he filed a bill to create an "Office of Affordable Housing" under the state Department of Finance and Administration.

It's a doozy. The office would have a director reporting to the Governor's Office. Its first task is creating a state housing plan by July 1. The bill stipulates what details should be in the plan and directs the office to work with local and tribal governments.

That's a lot of work in a short time, though presumably if the new housing office director was a member of the investment council, they may have a running start. The bill





Title: A state affordable housing office is long overdue

Author: Kim Shanahan Building Santa Fe

Size: 53 Inches Sq. Santa Fe, NM. Circulation: 19157

Keywords: Mortgage Finance Authority ~ New Mexico Mortgage Finance Authority

also allows for the office, subject to appropriations, to hire technical and clerical assistants to collate mountains of data the office would receive from the field.

The office then is expected to execute the plan by offering expertise, guidance and incentives to local and tribal housing offices. If provisions in the governor's budget come through, it also will help determine disbursement of \$250 million in new money for housing.

The governor is asking for \$500 million for housing

— \$250 million for the state's existing housing trust fund
overseen by the New Mexico Mortgage Finance Authority
and the new \$250 million to establish the Opportunity

Please see story on Page E-2

#### Long overdue

Continued from Page E-1

Enterprise Revolving Fund under the state Department of Finance and Administration.

Unlike much of the money administered under the mortgage authority, which often goes out as grants, the revolving fund expects to see its money come back. What's its highest and best use? Low-interest infrastructure loans for new homeownership subdivisions built by local for-profit builders who are unable to qualify for infrastructure loans.

The number — \$250 million — sounds big, and it is, but it could go out quickly with no returns coming back for years. The infrastructure for 1,000 single-family lots, about what the final phase of Tierra Contenta anticipates, will be well north of \$50 million. That does not include \$20 million

necessary for spine infrastructure and the loop connection of two legs of Paseo del Sol.

Tierra Contenta originally had many small tracts — too small for publicly traded mega-builders but ideal for local builders. Banks are happy to lend \$2 million for 30 to 40 lots of infrastructure to any local builders who can put \$2 million on deposit with them. That means almost nobody.

A state revolving fund is exactly what is needed. Local builders mean local jobs, local taxes and local custom quality. Go ahead and attach strings for affordability and super-green homes. As hot as our market is now and will be for the foreseeable future, the revolving fund will easily get paid back upon sale of each new home.

These ideas are 15 years overdue. Get it done this session.

Contact Kim Shanahan at kimboshanahan@gmail. com.



Title: Lawmakers will try to build up affordable housing

Author: By Robert Nott and Nicholas Gilmore

Size: 86 Inches Sq Santa Fe,NM Circulation: 19157

Keywords: Housing Trust Fund ~ Mortgage Finance Authority ~ New Mexico Housing Trust Fund ~ New Mexico



#### Lawmakers will try to build up affordable housing

Senators plan \$500M in appropriations to trust fund and creation of official housing office

#### By Robert Nott and Nicholas Gilmore

rnott@sfnewmexican.com ngilmore@sfnewmexican.com

In a state dominated by concerns about education, crime and poverty, another consistent challenge has been rapidly climbing its way to the top tier of worries: housing — particularly, affordable housing.

A study commissioned in 2022 by the New Mexico Mortgage Finance Authority said the state has a shortage of 32,000 affordable units for low-income households in New Mexico. The study says the lack of affordable housing not only hinders household self-sufficiency and economic growth but also impedes economic development.

Housing prices and rental rates have been increasing quickly over the past few years. Median home prices in the Santa Fe area alone still hover around the half-million-dollar mark, while the average hourly wage for the Santa Fe metropolitan area is about \$25, according to spring 2022 U.S. Bureau of Labor Statistics Data.

Two leading state senators want to do something about that during this year's 30-day legislative session, scheduled to start at noon Tuesday.

One wants the state to create a new housing office to come up with a strategic plan for solving

the issue. The other wants the

Legislature to add \$500 million to the state's housing trust fund.

Both agree affordable housing is a key to ensuring public safety, supporting economic development and attracting workers to New Mexico.

"It affects our workforce," said Sen. Nancy Rodriguez, D-Santa Fe, who introduced the legislation to appropriate \$500 million to the New Mexico Housing Trust Fund, which is under the Mortgage Finance Authority. The fund is designed to help finance affordable housing initiatives through low-interest rate loans, mortgage assistance and construction loans to companies wanting to build affordable housing in New Mexico communities.

"The impact [of a lack of affordable housing] goes so far — domestic violence, mental

health, the health of families, the unhoused," Rodriguez said in an interview. "Look at families who may be dealing with depression, financial challenges, social ills; not having a house has got to negatively impact these families."

Sen. Michael Padilla, D-Albuquerque, who introduced legislation to create the state Office of Housing, echoed that thought. The possibility of owning a home is part of the American Dream, he said, and not having a shot at that goes far beyond missing out on that dream.

"We have to solve our housing crisis because it lends itself to so many other issues and problems," he said.

The proposed department would, among other measures, work to provide affordable workforce housing. A director (not a Cabinet secretary) would

develop a housing action plan for the state by July 1, and then provide subsequent plans once a year. The estimated startup cost to get the department going is \$1 million, Padilla said in an interview. Padilla said he has Gov. Michelle Lujan Grisham's support on the initiative.

Housing advocates are praising both bills. They say housing makes a key difference in both safety and economic development: After all, they ask, how can you live and work in a community if you cannot find or afford housing?

Builders lack incentive to come in and "build something that will help the community," said Nicole Martinez, executive director of the nonprofit Mesilla Valley Community of Hope, which oversees a city-approved encampment for the unhoused near Las Cruces.

The New Mexico Housing
Trust Fund provides "gap"
money to make up whatever
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in an effort to build rental units,
she said. Rodriguez's \$500 million
proposal can help fill in that gap
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Martinez said out-of-state entities may be creating additional barriers — administrative and



Title: Lawmakers will try to build up affordable housing

Author: By Robert Nott and Nicholas Gilmore

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Keywords: Housing Trust Fund ~ Mortgage Finance Authority ~ New Mexico Housing Trust Fund ~ New Mexic

holding fees for renters — to affordable housing, making Rodriguez's bill particularly important.

Meanwhile, Padilla's proposed housing office would help small developers take on projects that can only be done now by larger, out-of-state developers, said Daniel Werwath, a housing developer and advocate for affordable housing development.

Werwath said he and other housing advocates helped shape Padilla's bill with the hope the office, if it becomes a reality, will "study, evaluate and coordinate housing across jurisdictions statewide, including housing investment, development, infrastructure, revitalization, equity, stability, quality and standards."

He said the original proposal came together in Lujan Grisham's Housing Investment Council, to which he was appointed last year and which also includes Padilla.

"The big goal was to come up with some key solutions that are going to address not just affordability but housing availability in general," Werwath said.

He said one "big deterrent" hindering much-needed development — especially for smaller operators — is the upfront cost of building infrastructure including roads, bridges and streetlights for housing developments. Loans for such projects tend to be risky, he said, and the assets are usually turned over to the city or county over time.

An Office of Housing could help coordinate housing infra-

structure projects around the state, he said, and steer more funds where needed.

These will likely not be the only housing proposals pitched during the session. Already Lujan Grisham's proposed budget includes putting \$250 million in

#### nonrecurring money into the New Mexico Housing Trust Fund.

And Sen. Roberto "Bobby"
Gonzales, D-Rancho de Taos, has
introduced a bill to appropriate
\$500,000 to help the New Mexico
Mortgage Authority support the
state's Affordable Housing Act.

Martinez said it's past time to do something about the problem.

"Housing has been neglected for a long time, and not just in New Mexico," she said. "I think the housing issues in the state have risen to the forefront."

#### **TAKEAWAYS**

- Advocates say more must be done to provide affordable rental and housing units in a state where one study says there is a shortage of at least 32,000 affordable housing units for low-income families.
- ◆ Two state senators have introduced bills to address the problem. One calls for the creation of a new state Office of Housing to create a strategic housing plan; the other asks the Legislature to appropriate \$500 million to the New Mexico Housing Trust Fund.
- Other affordable housing bills are likely to be introduced during the upcoming legislative session, scheduled to begin at noon Tuesday. Gov. MIchelle Lujan Grisham has also called for a \$250 million appropriation for the New Mexico Housing Trust Fund in her proposed budget for the coming year.



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A crew member works on a roof at a Santa Fe affordable housing complex in February 2021. With a shortage of 32,000 affordable units for low-income households in the state, two leading state senators have put forward proposals in this year's 30-day legislative session to help solve the problem.

GABRIELA CAMPOS/NEW MEXICAN FILE PHOTO



Title: Smoothing out budget differences top priority

Author: By Daniel Chacon dchacon@sfnewmexican.com

Size: 80 Inches Sq Santa Fe,NM Circulation: 19157

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# Smoothing out budget differences top priority

Proposals by governor and Legislature not far apart, but disagreements on key details

#### By Daniel Chacon

dchacon@sfnewmexican.com

From a numbers standpoint, separate spending plans put forth by the executive and legislative branches of state government for the upcoming fiscal year aren't that far off.

Gov. Michelle Lujan Grisham is proposing a record high \$10.5 billion budget, while lawmakers are recommending a slightly slimmer \$10.1 billion spending plan amid a revenue bonanza fueled in large part by the oil and gas industry.

Directionally, both budget recommendations are similar as they focus on health care, housing and how to improve schools through literacy initiatives and extended learning time.

But the devil is in the details.

"There, in fact, is a great deal of common purpose, a common focus, and also there are some important differences," Rep. Nathan Small, D-Las Cruces, said Monday, the eve of the 30-day legislative session, which is focused primarily on passing a state budget.

The Legislature, which convenes Tuesday at noon, is also poised to consider hundreds of pieces of legislation, including a slew of contentious gun violence prevention measures.

Small, who serves as chairman of the House Appropriations and Finance Committee and vice chairman of the interim Legislative Finance Committee, said one of the biggest differences between the lawmakers' spending plan and the governor's is the proposed creation of a \$300 million government accountability trust fund.

As explained by lawmakers, the fund would essentially be used to finance pilot projects to ensure they deliver

Please see story on Page A-5

#### Budget

Continued from Page A-1

results before the Legislature commits to making them part of the state's recurring funding,

Small called the proposed fund a new and innovative idea.

"We are really focused on effective implementation, on making sure that money is budgeted in the ways where it can best help New Mexicans make the most impact," he said.

Wayne Propst, secretary of the New Mexico Department of Finance and Administration, said the executive branch at this point has more questions than answers about the proposed fund.

"It is a significant change to the way the state does its budget, the most significant change I've seen in my 19 years or so in state government," he said.

Propst questioned whether a short session was the right time to consider such a big change and noted there were no hearings on the proposal "during the interim to kind of flesh out how exactly it would work."

Lawmakers meet for 60 days in odd-numbered years and 30 days in even-numbered years, which some say limits how much they can get done.

Charles Sallee, director of the Legislative Finance Committee, said the \$300 million would be "for four years' worth of spending for a variety of different projects."



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Sallee noted some agencies requested big increases in their budgets,

Once a new initiative is added to an agency's base budget, he said, "one of the concerns is that if it's not effective or not effectively implemented, getting that

back out is very difficult."

The new fund would allow the committee to avoid saying no to a new request outright and instead say, "'Maybe, but you're going to have to prove it because we're going to give you four years' worth of funding. Go show that this is worthwhile to build into the agency's base budget,' "Sallee said.

Other key distinctions between the two spending plans:

- The governor is proposing a \$500 million tax package, while lawmakers are proposing \$200 million in tax cuts.
- ◆ The governor's spending plan calls for 3% across-theboard pay increases and 14% hikes for New Mexico State Police officers, which some lawmakers worry will drive up vacancy rates at smaller law enforcement agencies. The LFC is proposing 2% across-theboard pay increases and then providing agencies an additional 2% for positions that are hard to

fill or for retention.

- Medicaid provider reimbursement rates would be higher under the governor's proposed budget than the LFC's.
- ◆ Lawmakers would receive less funding for capital outlay in their districts under the governor's spending plan, a proposal already creating strife. While the governor's proposal calls for each chamber of the Legislature and the executive branch to split \$350 million three ways and \$500 million for statewide capital outlay, the LFC proposal calls for a three-way split of \$525 million.

"We certainly have some things that we would like to have funded that they don't," Propst said. "In particular, we have a very large housing package, which is \$500 million of nonrecurring funding."

In her executive budget recommendation, Lujan Grisham called the proposed housing package "the most robust invest-

ment in housing in state history."

The funding would be split evenly between the New Mexico Mortgage Finance Authority's Housing Trust Fund and the New Mexico Finance Authority's Opportunity Enterprise Fund to provide direct assistance for renters, homeowners and people experiencing homelessness, as well as a loan program that provides financing for building and renovation projects.

Sen. George Muñoz, a Gallup Democrat who chairs the LFC and the Senate Finance Committee, said the recurring spending in the governor's budget would require painful budget cuts in the future.

Maddy Hayden, a spokeswoman for Lujan Grisham, said the Governor's Office disagrees with the contention.

"There is no evidence that budget cuts will be required," she wrote in an email.

"In fact, the LFC's own analysis projects steady revenue growth for the foreseeable future, albeit at lower levels than the past few years," she wrote, "The LFC's recurring, non-recurring capital outlay and proposed tax package are all within the range of the Executive's budget. ... Plus, the Executive Budget maintains higher reserves at 34.2%."

Lawmakers and Propst said they expect the two branches of government to reach a compromise.

"Whether you're talking about capital outlay, whether you're talking about a tax package, whether you're talking about recurring or nonrecurring spending, the overall differences in terms of dollar amounts are not that different, and I think there's some commonality in priorities as well," Propst said.

"I think we'll get there."



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LUIS SÁNCHEZ SATURNO/THE NEW MEXICAN

Robert Chavez with the Capitol's IT Department sets up a computer Friday in the office of Rep. Nathan Small, D-Las Cruces. Small, who serves as chairman of the House Appropriations and Finance Committee and vice chairman of the Legislative Finance Committee, said there are details to be ironed out between the governor's and the legislature's budget proposals.



Title: Authority allocates \$5.5 million from New Mexico Housing Trust Fund

Author:

Size: 34 Inches Sq Silver City, NM Circulation: 8972

Keywords: Housing Trust Fund ~ Mortgage Finance Authority ~ New Mexico Housing Trust Fund ~ New Mexic



#### Authority allocates \$5.5 million from New Mexico Housing Trust Fund

In an effort to help more New Mexicans purchase a home, the New Mexico Mortgage Finance Authority is offering a new down payment assistance loan program. FirstDown Plus is a third mortgage down payment assistance loan designed to provide \$15,000 in additional down payment funds to first-time homebuyers qualified to use MFA's FirstHome program.

The MFA board of directors unanimously approved the FirstDown Plus Ioan program at its November meeting, and MFA has allocated \$5.5 million from the New Mexico Housing Trust Fund for the program, according to a news release.

"FirstDown Plus is yet another mortgage program we offer to assist New Mexicans with purchasing a home and start building wealth," said Isidoro Hernandez, MFA executive director/CEO.

"The higher home prices and interest rates have made homeownership more challenging, and the \$15,000 made available under this program will facilitate homeownership for many qualifying New Mexicans. I encourage homebuyers to visit our website and find a participating lender to determine eligibility and start the process."

For the past five years, MFA has helped an average of 2,000 New Mexico families per year become homeowners with its down payment assistance programs, the release stated.

Previous homeowners who have not owned and occupied a home as their primary residence during the past three years may also be eligible for the program.

Following are more details about the new program:

 FirstDown Plus must be used in conjunction with

MFA's FirstHome (first mortgage) and FirstDown (second mortgage) programs.

 Borrower eligibility requirements are the same for FirstHome, FirstDown and FirstDown Plus.

 FirstDown Plus provides a fixed amount of \$15,000 in the form of a 10-year, non-amortizing

loan with a zero percent interest rate. The loan has no monthly payments and will be forgiven if the borrower continually occupies the home for a full 10-year period and does not sell, refinance, transfer the title, rent out or otherwise vacate the property.

 The \$15,000 must be used exclusively for down

payment

 FirstDown Plus is a loan, not a grant.

Details about the First-Down Plus program is available on the MFA website. For more information about any of MFA's homeownership programs, visit housingnm.org/homebuy ers.



Title: Silver to install baby safe-surrender box

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# Silver to install baby safe-surrender box

In its first meeting of the year last Tuesday, the Silver City Town Council debated the installation of an safe-surrender box for infants, approved the sale of a parcel of town land and learned of possibly millions of state and federal dollars for housing development.

The mayor also offered a plea for Town Manager Alex Brown to reconsider his retirement later this year.

The council approved the installation of a Safe Haven Baby Box for anonymous surrender of an infant, although a location for the box has not yet been selected. Under the state's Safe Haven for Infants Act, a parent can surrender a baby up to 90 days old without being criminally charged with child abandonment. The law allows for surrender at a hospital, law enforcement office or fire station.

In 2022, the law was expanded to include anonymous surrender

through the boxes, and funding was provided for their installation. The Bayard City Council approved installing a box last November, and boxes have already been installed in Belen, Española, Hobbs, Roswell and Carlsbad.

Silver City Fire Chief Milo Lambert said a likely location for the box would be at one of the town's fire stations.

SILVER Page 15

## Silver...

### From Page 1

Voting to approve the measure were District 1 Councilor Rudy Bencomo, new District 3 Councilor Stan Snider and District 4 Councilor Guadalupe Cano. District 2 Councilor Nick Prince abstained from voting after raising concerns about possible reunification of surrendered children.

"Anything we can do to make sure that any child in this community is safe is great to me," Cano said. "This also gives people options. There's situations where someone can't take care of their child. This is a safe, anonymous way to make sure that your child remains safe for the rest of their life."

She said the boxes, which are climate-controlled and notify first responders immediately after they have been used, are a safe option, especially in cold winter temperatures.

Prince said that reunification of children in foster care is a frequent issue that arises nationwide, and he was concerned how the anonymity of the boxes would allow for that.

"It's still going to be a surrender to [the Children, Youth and Families Department] that we have with the state, and it's going to limit what the services are that they're going to be able to offer for anybody that is looking to give up custody of their child as they're an infant," he said.



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Town Attorney Jim Reynolds said the Safe Haven law has provisions for reunification.

"A parent would always have standing to intervene in any CYFD legal action, so they could automatically intervene if they change their mind," he said.

The anonymous nature of the boxes would likely require a parent who changed their mind to go through genetic testing to prove the surrendered infant is theirs, Prince said.

"CYFD has been dealing with these issues for decades," Reynolds said. "They have a procedure in place for parents to intervene, to prove they're the parent. They will pay for any parental test, DNA test, to show that they are the parent."

Reynolds added that he's been involved in dozens of CYFD cases.

The council also unanimously approved the sale of a nearly 120-acre parcel of land north of the town for \$401,000 to William Marvin Jr. and Robin Hildebrand-Marvin.

The couple spoke during public input at last week's meeting and said they have no intention to develop the land, which was once part of the town's water system. They plan to join it with two adjoining parcels totaling 185 acres they already own, all originally part of a ranch.

"This would be the final section of that ranch, which is to be placed in a land trust which can never be developed and never be subdivided, so we have land for our future generations to enjoy." Marvin said.

The land was appraised at \$380,000, and the Marvins were the sole bidders for the land after it was put up for sale in a request for proposals last October, Brown said.

During his report to the council, Brown said he'd gotten word from Sen. Martin Heinrich's office that the senator had put \$330,000 into the federal budget for the town's Vistas de Plata subdivision, which last month saw the installation of several new houses.

"That was all we were expecting up to that point, until the middle of December," Brown said. "Then I got a call from the Governor's Office offering us another \$3 million."

On Dec. 15, he said, the New Mexico Mortgage Finance Authority had awarded another \$500,000 to the project next fiscal year.

He then heard from Heinrich's office last week that instead of \$330,000, the senator had gotten \$1.5 million into the federal budget for the housing development.

"So we went from maybe \$330,000 to \$5 million," Brown said. "It's a good problem to have."

Both the federal and state budgets have yet to be approved, however. Congressional leaders announced Sunday that they have an agreement on overall spending for the remainder of

fiscal year 2024 while also creating a short-term funding bill to avert a partial government shutdown later this week. The New Mexico Legislature opens its 2024 session today.

Mayor Ken Ladner made an appeal to Brown to reconsider his retirement during the organizational section of the meeting.

Brown is slated to retire in November, but Ladner said he believed now is not the right time for him to leave due to the number of crucial town projects that are either underway or pending. Ladner cited the regional water project, relocation of City Hall to the current annex building, Little Walnut Road improvements, Gough Park expansion and the new rec-

reation center as examples.

"Mr. Brown's inside and outside knowledge of all these projects is, quite frankly, irreplaceable at this juncture, and I believe that, given enough time, those projects will have advanced to a stage where someone else could hope to successfully take them over," Ladner said. "I believe that we are not yet at that point. I think that losing Mr. Brown now could be tremendously detrimental to the completion of so many important and expensive projects."

Ladner said after word had gotten out about Brown's impending retirement, he began to receive phone calls, emails and personal contacts from people hoping Brown would stay

on. The mayor read excerpts from a letter from Freeport-McMoRan signed by Chino Mine General Manager Randy Ellison and Ty-

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rone Mine General Manager Erich Bower, and a second letter from CPA Mike Stone, who is the town's auditor, both praising Brown's work.

After reading the letters, Ladner moved on to the next agenda item without further comment.

Also during that organizational part of the meeting, Cano was reelected by the council as their mayor protem, who presides over the council in the mayor's absence, and Ladner appointed Snider to replace his predecessor, former District 3 Councilor Jose Ray, on the area transportation author-

ity board and the Southwest Solid Waste Authority board.

The council also unanimously approved a resolution authorizing a Colonias loan and grant from the state for the next phase of improvements to Little Walnut Road. The agreement is for a \$155,900 loan and \$1.4 million grant.

Brown said design is complete for the project, which will include paving, curb and gutter, sidewalks and drainage improvements, but the town will delay putting it out for bid until spring.

"There's so much work being done that the two contractors that usually bid on our road projects are really packed," he said.

—JUNO OGLE



Title: NM Mortgage Finance Authority to offer home services in McKinley

Author: By Independent staff

Size: 75 Inches Sq Gallup, NM Circulation: 12536

Keywords: Mortgage Finance Authority ~ New Mexico Mortgage Finance Authority ~ Weath



# NM Mortgage Finance Authority to offer home services in McKinley

By Independent staff

ALBUOUEROUE -The New Mexico Mortgage Finance Authority will offer direct home rehabilitation services through the Home Improvement Program in McKinley County and seven other counties where they currently do not have a service provider for the **HOME Rehabilitation** Program. The program provides repairs to bring homes up to code, essential improvements that are non-luxury in nature, including roof and mobile home replacement, and accessibility modifications to homeowners who lack the resources to do so.

MFA currently contracts with six service providers that administer home rehabilitation services in all but eight counties, according to the Tuesday news release. Through its new Home Improvement Program, MFA will serve residents in McKinley, San Juan, Guadalupe, Harding, Los Alamos, Rio Arriba, Quay, and Union Counties. These eight counties don't currently have a service provider.

"Because it has historically been challenging to identify a home rehabilitation service provider in certain counties. MFA's Board of Directors granted approval for us to provide services directly," said Donna Maestas-De Vries, MFA Chief Housing Officer. "We continue to be innovative in terms of identifying creative solutions to help ensure New Mexicans have safe. affordable housing. Our team saw a need, and we are excited that we are about to address that need through this program."

In 2023, MFA provided over \$2.2 million in

See Home program, Page 5



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### Home program

### Continued from Page 1

funding to rehabilitate 26 homes in the state.

The Home Improvement Program allows for repair, reconstruction and rehabilitation of homes occupied by eligible income-qualified homeowners. These improvements may include – but are not limited to:

- Making energy-saving conservation improvements.
- Eliminating health and safety hazards.
- Enhancing accessibility for disabled or elderly persons.
- Structural alterations and reconstruction.
- Repair or replacement of major housing systems.
- Adding or replacing roofing.
- Reconditioning plumbing.
- Installing or replacing a septic system.
- Mobile home improvements or replacement.

From Feb. 1-29 MFA will accept applications from qualified individuals whose homes need rehabilitation.

For information about the Home Improvement Program, to access

the application and to view income limits per county, visit housingnm. org/home-rehabilitation-and-weath-erization/home-rehabilitation-program. The services will be provided on a first-come, first-served basis for clients who submit a complete application during the open application period.

For questions, contact MFA Home Rehabilitation Programs Supervisor Gina Bell at gbell@housingnm.org or 505-767-2274. The New Mexico Mortgage Finance Authority was created in 1975 by the New Mexico State Legislature to provide quality affordable housing opportunities for all New Mexico residents. MFA, the state's housing agency, uses housing bonds, tax credits and other federal and state resources to fund more than 40 housing programs.

In addition to funding the construction and rehabilitation of affordable housing and rental properties, MFA's programs include down payment assistance, homelessness prevention and emergency shelter, weatherization services, rental assistance and housing for people with

special needs.

MFA has provided over 500,000 families with affordable housing and

services since its inception.

Information:

MFA, www.housingnm.org.

### Gallup Independent

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Courtesy of Southwestern Regional Housing and Community Development Corp. The New Mexico Mortgage Finance Authority will offer direct home rehabilitation services through its new Home Improvement Program in eight counties where they currently do not have a service provider. This before-and-after photo is an example of an MFA-funded HOME Rehabilitation Program project in which a bathroom was transformed to be elderly-accessible.





Title: Need for low-incoming housing high on session agenda

Author:

Size: 71 Inches Sq Hobbs, NM Circulation: 11074

Keywords: Housing Trust Fund ~ Mortgage Finance Authority ~ New Mexico Housing



# Need for low-incoming housing high on session agenda

ROBERT NOTT AND NICHOLAS GILMORE SANTA FE NEW MEXICAN

SANTA FE — In a state dominated by concerns about education, crime and poverty, there is another consistent challenge that has been rapidly climbing its way to the top tier of worries:

Housing — particularly affordable housing.

A study commissioned in 2022 by the New Mexico Mortgage Finance Authority said there is a shortage of 32,000 affordable units for low-income households in New Mexico. The study says the lack of affordable housing not only hinders household self-sufficiency and economic growth but also impedes economic development.

Housing prices and rental rates have been increasing quickly over the past few years. Median home prices in the Santa Fe area alone still hover around the half-million-dollar mark while the average hourly wage for the Santa Fe metropolitan area is about \$25, according to spring 2022 U.S. Bureau of Labor Statistics Data.

Two leading state senators want to do something about that during this year's 30-day legislative session, scheduled to start at noon Tuesday.

One wants the state to create a new housing office to come up with a strategic plan for solving the issue. The other wants the Leg-

islature to approve \$500 million to the state's housing trust fund

Both agree affordable housing is a key to ensuring public safety, supporting economic development and attracting workers to New Mexico.

"It affects our workforce," said Sen. Nancy Rodriguez, D-Santa Fe, who introduced the legislation to appropriate \$500 million to the New Mexico Housing Trust Fund, which is under the Mortgage Finance Authority. The fund is designed to help finance affordable housing initiatives through low-interest rate loans, mortgage assistance and construction loans to companies wanting to build affordable housing in New Mexico communities.

"The impact [of lack of affordable housing] goes so far — domestic violence, mental health, the health of families, the unhoused," Rodriguez said in an interview. "Look at families who may be dealing with depression, financial challenges, social ills — not having a house has got to negatively impact these families."

Sen. Michael Padilla, D-Albuquerque, who introduced legislation to create the state Office of Housing, echoed that thought. The possibility of owning a home is part of the American Dream, he said, and not having a shot at that goes far beyond missing out on

that dream.

"We have to solve our housing crisis because it lends itself to so many other issues and problems," he said.

The proposed department would, among other measures, work to provide affordable workforce housing and hire a director (not a Cabinet secretary) who would develop a housing action plan for the state by July 1, and then provide subsequent plans once a year. The estimated startup cost to get the department going is \$1 million, Padilla said in an interview. Padilla said he has Gov. Michelle Lujan Grisham's support on the initiative.

Housing advocates are praising both bills in an environment in which housing makes all the difference when it comes to both safety and economic development. After all, they ask, how can you live and work in a community if you cannot find or afford housing?

Nicole Martinez, executive director of the nonprofit Mesilla Valley Community of Hope, which oversees a city-approved encampment for the unhoused near Las Cruces, said there is often not enough incentive for builders to come in and "build something that will help the community."

But those developers can use "gap" money from the New Mexico Housing Trust Fund to make

up whatever budgeting shortages they face in an effort to build rental units, she said. Rodriguez's \$500 million proposal can help fill in that gap bucket, she said.

She said Rodriguez's bill is particularly important as Martinez sees more out-of-state entities which may be creating additional barriers — administrative and holding fees for renters — to affordable housing.

Meanwhile, Daniel Werwath, a housing developer and advocate for affordable housing development, said in an interview Padilla's proposed housing office would help small developers do what can only be done now by larger, out-of-state developers.

Werwath said he and other housing advocates helped shape Padilla's bill with the hope the office, if it becomes a reality, will "study, evaluate and coordinate housing across jurisdictions statewide, including housing investment, development, infrastructure, revitalization, equity, stability, quality and standards."

He said the original proposal came together in Lujan Grisham's Housing Investment Council, to which he was appointed last year



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and which also includes Padilla.

"The big goal was to come up with some key solutions that are going to address not just affordability but housing availability in

general," Werwath said.

He said one "big deterrent" hindering much-needed development — especially for smaller operators — is the upfront cost of building infrastructure including roads, bridges and streetlights for housing developments. Loans for such projects tend to be risky, he said, and the assets are usually turned over to the city or county over time.

An Office of Housing could help coordinate housing infrastructure projects around the state, he said, and steer more funds where needed.

These will likely not be the only housing proposal pitched during the session. Already Lujan Grisham's proposed budget includes putting \$250 million in nonrecurring money into the New Mexico Housing Trust Fund.

And Sen. Roberto "Bobby" Gonzales, D-Rancho de Taos, has introduced a bill to appropriate \$500,000 to help the New Mexico Mortgage Authority support the state's Affordable Housing Act.

Martinez said it's past time to do something about the problem.

"Housing has been neglected for a long time, and not just in New Mexico," she said. "I think the housing issues in the state have risen to the forefront."



Title: County now qualifies for housing rehab assistance

Author:

Size: 43 Inches Sq Santa Rosa, NM Circulation: 2100

Keywords: Mortgage Finance Authority ~ New Mexico Mortgage Finance Authority



# County now qualifies for housing rehab assistance

The Communicator

The New Mexico Mortgage Finance Authority

(MFA) announced Tuesday that it will offer direct home rehabilitation services through its new

Home Improvement Program in eight counties where they currently do not have a service provid-

er for the HOME Rehabilitation Program.

According to a news release, MFA's HOME Rehabilitation Program provides repairs to bring homes up to code, essential improvements that are non-luxury in nature, including roof and mobile home replacement, and accessibility modifications to homeowners who lack the resources to do so.

MFA currently contracts with six service providers that administer home rehabilitation services in all but eight counties. But now, ¬through its new Home Improvement Program, MFA will serve residents in Guadalupe, Harding, Los Alamos, McKinley, Rio Arriba, Quay, San Juan and Union Counties — the eight counties that don't currently have a service

provider.

"Because it has histor-

>> See Housing, Page 4

### Housing

Continued from Page 3

ically been challenging to identify a home rehabilitation service provider in certain counties, MFA's Board of Directors granted approval for us to provide services directly," Donna Maestas-De Vries, MFA Chief

Housing Officer, said in the release. "We continue to be innovative in terms of identifying creative solutions to help ensure New Mexicans have safe, affordable housing. Our team saw a need, and we are excited that we are about to address that need through this program."

Last year, MFA provided over \$2.2 million in

funding to rehabilitate 26 homes in the state.

The Home Improvement Program allows for repair, reconstruction and rehabilitation of homes occupied by eligible income-qualified homeowners. These improvements may include – but are not limited to: making energy-saving conservation improvements, eliminating

health and safety hazards, enhancing accessibility for disabled or elderly persons, structural alterations and reconstruction, repair or replacement of major housing systems, adding or replacing roofing, reconditioning plumbing, installing or replacing a septic system, and mobile home improvements or replacement.

In February, MFA will accept applications from qualified individuals whose homes need rehabilitation.

For information about the Home Improvement Program, to access the application and to view income limits per county, please visit housingnm.org/home-re-habilitation-and-weather-ization/home-rehabilita-

tion-program.

The services will be provided on a first-come, first-served basis for clients that submit a complete application during the open application period.

For questions, contact MFA Home Rehabilitation Programs Supervisor Gina

### Guadalupe County Communicator

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Bell at gbell a housingnm org or 505-767-2274.



Title: Juan Olvera to lead state apartment association

Author: BY RYAN BOETEL JOURNAL BUSINESS EDITOR Size: 25 Inches Sq. Albuquerque, NM Circulation: 102148

Keywords: Mortgage Finance Authority ~ Housing Authority ~ New Mexico Mortgage Fi



# Juan Olvera to lead state apartment association

BY RYAN BOETEL

JOURNAL BUSINESSEDITOR

he executive director of a housing authority for low-income families was named president of a New Mexico apartment association.

Juan Olvera earlier this month was sworn in as president of the Apartment Association of New Mexico for 2024. The association advocates for apartment communities and owners to

address the state's needs.

Olvera is the executive director of the Mesilla Valley Public Housing Authority, one of New Mexico largest providers of affordable housing programs for low-income families. He oversees a \$8.5 million budget that supports around 2,500 New Mexico families.

Prior to that, he was the director of development and capital projects for the Housing Authority of the City of El Paso.

"Very excited to be the president of the AANM and to lead the association to continue to grow, to provide value to our members and to meet the needs of the communities that we serve," he said in a statement.

Olvera will lead the association as the state works to address a lack of affordable housing. The New Mexico Mortgage Finance Authority in a 2023 report found that the state was lacking 32,000

affordable units for low-income families.

"Juan brings vast knowledge and expertise in the multifamily industry. We are thrilled to continue our growth and prosper under his leadership," AANM Executive Director Alan LaSeck said in a statement.

Ryan Boetel's the business editor for the Albuquerque Journal. He can be reached at 505-823-3960 or rocotol@abq;ournal.com



Title: MFA expands home rehab program to additional counties Author: BY RYAN BOETEL JOURNAL BUSINESS EDITOR

Size : 55 Inches Sq Albuquerque,NM Circulation: 102148

Keywords: Mortgage Finance Authority ~ New Mexico Mortgage Finance Authority



# MFA expands home rehab program to additional counties

BY RYAN BOETEL

JOURNAL BUSINESS EDITOR

he New Mexico Mortgage Finance Authority is expanding its direct home rehabilitation program to eight counties where services hadn't previously been offered.

The MFA has a program in which it provides repairs to bring homes up to code and makes essential improvements that are non-luxury in nature, like roof repair. The program is for homeowners who lack the resources to pay for the repairs.

The program is expanding to residents in Guadalupe, Harding, Los Alamos, McKinley, Rio Arriba, Quay, San Juan and Union counties.

"Because it has historically been challenging to identify a home rehabilitation service provider in certain counties, MFA's Board of Directors granted approval for us to provide services directly," said Donna Maestas-De Vries, MFA chief

housing officer. "We continue to be innovative in terms of identifying creative solutions

to help ensure New Mexicans have safe, affordable housing. Our team saw a need, and we

are excited that we are about to address that need through this program."

In 2023, the MFA provided more than \$2.2 million to rehabilitate 26 homes throughout the state.

Some of the projects included energy-saving improvements, eliminating health and safety hazards, adding or replacing roofing and enhancing accessibility to disabled or elderly residents.

The MFA will accept applications from qualified individuals who have homes in need of rehabilitation from Feb. 1 through Feb. 29. Services will be provided on a first-come, first-served basis.

People with additional questions can contact MFA Home Rehabilitation Programs Supervisor Gina Bell at gbell@ housingnm.org or 505-767-2274.

Ryan Boetel is the business editor for the Albuquerque Journal. He can be reached at 505-823-3960 or rboetel@abqjournal.com

### Albuquerque Journal

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MORTGAGEFINANCE AUTHORITY

A before and after photo of a home rehabilitation carried out by the New Mexico Mortgage Finance Authority.



Title: Affordable housing not affordable enough

Author:

Size: 63 Inches Sq. Artesia, NM. Circulation: 3800

Keywords: Mortgage Finance Authority ~ New Mexico Mortgage Finance Authority



# Affordable housing not affordable enough

If you want to buy your first home in New Mexico, and you are of low to moderate income, you probably should not count on buying a new one.

According to one of the state's leading experts, New Mexico builders cannot build a house today for less than \$250,000. A person of modest means can't afford that. A person who can afford that amount makes too high an income to qualify for help from the agencies that are set up to provide that help.

So says Jack Milarch, CEO of the New Mexico Home Builders Association and one of the most trustworthy people I know

Affordable housing is a great need and a very worthy goal for New Mexico, but Milarch says the numbers need to be tweaked before builders can get to work.

Milarch wrote an article a few months ago, cautioning about proposed changes in the construction conservation codes to make houses more energy efficient. Incorporating those changes not only adds to the direct cost, he said, it also tacks on supplemental costs like additional gross receipts tax and increased future property tax. And the long-term savings take many decades to be recouped.

Homeowner's insurance has emerged as another serious obstacle. If the house costs more,



# Triple-Spaced Again

### By Merilee Dannemann

so does the insurance. Prices are increasing dramatically, as my colleague Diane Denish has recently written, but some prospective homeowners can't get insurance at any price. Insurance companies are refusing to cover some properties at all as a result of increasingly severe damage caused by climate events.

In a recent conversation, I asked Milarch what happens when family and medical leave are added to this mix. The answer was no surprise. It also adds cost, which has to be passed on to the consumer.

We are all both earners and spenders. Ironically, when benefits to workers increase, like family and medical leave, those same workers are disadvantaged when, as consumers, they try to buy a house.

Two very simple and obvious

· First, not all business owners have deep pockets. Some builders are small, family businesses. Nobody should assume that they can afford these additional costs.

· Second, at the end of every transaction is the consumer. In this case, it's the home buyer. Builders can't build what buyers can't afford to buy

Last May, Goy. Michelle Lujan Grisham signed an executive order creating a Housing Investment Council with a mission to bring New Mexico's affordable housing development up to pace to meet demand in the state. The chair of the council is former House Speaker Brian Egolf.

The council's work begins at a crucial moment, as average rent in the state has increased by 70% since 2017, but wages have only grown by 15%

Grisham said her goal is to have 30,000 houses a year built, with activity in every commu-

The Home Builders Association is represented on that council. I hope other members of the council are listening.

At the same time, the state's Mortgage Finance (MFA) offers help with down payment for first-time home-

A homebuver is not necessarily buying a new house. Milarch says the first-time homebuyer probably will have better luck finding an existing house. The MFA offers a great deal of information on its website, housingnm.org.

Looking at this from a longrange perspective, it appears to me that our society is reaching a point of reckoning with the wealth gap that has been increasing for the past four decades. Energy-efficient housing benefits not only the individual homeowner but the whole world, and we are all a little worse off when homeowners can't afford it. I believe we will have to find creative new ways to shift the balance, and that will be a rough ride.

(EDITOR'S NOTE: Merilee Dannemann is a writer and public policy analyst whose career has included work as a journalist and two decades in New Mexico state government. Contact her at triplespaced-

again.com.)



Title: Affordable housing is not affordable enough

Author:

Size: 53 Inches Sq. Gallup, NM. Circulation: 12536

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### New Mexico News Service

# Affordable housing is not affordable enough

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### Gallup Independent

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Keywords: Mortgage Finance Authority ~ New Mexico Mortgage Finance Authority

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> Contact Merilee Dannemann through www.triplespacedagain.com.



## Triple Spaced Again

By Merilee Dannemann



Title: State offers home rehab services here

Author:

Size: 50 Inches Sq. Tucumcari, NM. Circulation: 1663

Keywords: Mortgage Finance Authority ~ New Mexico Mortgage Finance Authority



# State offers home rehab services here

### STAFF REPORT

The New Mexico Mortgage Finance
Authority is offering direct home rehabilitation services in eight counties, including Quay County, that do not have a
service provider for its Home Rehabilitation Program.

The authority's program provides repairs to bring homes up to code, makes essential improvements that are nonluxury in nature, including roof and mobile home replacement, and performs accessibility modifications to homeowners who lack the resources to do so.

The authority contracts with six service providers that administer home rehabilitation services in all but eight counties. Through its Home Improvement Program, MFA will serve residents in Guadalupe, Harding, Los Alamos, McKinley, Rio Arriba, Quay, San Juan and Union counties. These are the eight counties that lack a service provider.

"Because it has historically been challenging to identify a home rehabilitation service provider in certain counties, MFA's board of directors granted approval for us to provide services directly," said Donna Maestas-De Vries, MFA chief housing officer.

"Our team saw a need, and we are excited that we are about to address that need through this program."

In 2023, the authority provided over \$2.2 million in funding to rehabilitate 26 homes in the state.

The Home Improvement Program allows for repair, reconstruction and rehabilitation of homes occupied by eligible income-qualified homeowners. These improvements may include but are not limited to:

Making energy-saving conservation improvements

 Eliminating health and safety hazards

- Enhancing accessibility for disabled or elderly persons
- Structural alterations and reconstruction
- Repair or replacement of major housing systems
  - Adding or replacing roofing
  - Reconditioning plumbing
- Installing or replacing a septic system
- Mobile home improvements or replacement

From Feb. 1 to Feb. 29, the authority will accept applications from qualified individuals whose homes need rehabilitation.

Household income must not exceed 80% of the area median income adjusted for location and household size. In Quay County, the limit would be a income of \$51,650 for a four-person household.

For more information about the Home Improvement Program and to access the application or to view income limits per county, go to housingnm.org/home-rehabilitation-and-weatherization/homerehabilitation-program

The services will be provided on a first-come, first-served basis for clients who complete an application during the period.

For questions, contact MFA Home Rehabilitation Programs supervisor Gina Bell by email at gbell@housing-nm.org or by calling (505) 767-2274.

### Quay County-Sun

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Author:

Size: 50 Inches Sq Tucumcari, NM Circulation: 1663

Keywords: Mortgage Finance Authority ~ New Mexico Mortgage Finance Authority



This before-and-after image is an example of a Home Rehabilitation Program project where a bathroom was transformed to be elderly-accessible, including a no-step shower, an elevated toilet and a grab bar.



Title: County backs bill raising age for some firearms purchases

Author: By Maya Hilty mhilty@sfnewmexican.com

Size: 38 Inches Sq. Santa Fe,NM. Circulation: 19157

Keywords: Housing Trust Fund



# County backs bill raising age for some firearms purchases

By Maya Hilty

mhilty@sfnewmexican.com

A proposal to raise the minimum age for the purchase of certain firearms in New Mexico to 21 has gained the support of Santa Fe County commissioners and county law enforcement leaders.

The commission Tuesday voted to support House Bill 127, which would restrict anyone under 21 from buying or possessing an automatic or semiautomatic gun or large-capacity magazine.

Sheriff Adan Mendoza and Undersheriff Ken Johnson even recommended strengthening the bill to include revolvers.

"I will tell you, as a sheriff, as an elected official, a law enforcement officer, some of these issues in reference to gun safety can become very delicate," Mendoza told commissioners.

"As an avid outdoorsman, a hunter [and] a rancher, there were some concerns that this bill may affect the youth that may be wanting to get involved in hunting or the outdoors or shooting sports, and I think this bill actually addresses a lot of those concerns," he added, calling the measure something he "can support."

The bill's exemptions include people under 21 who are hunting, target shooting at an established range or shooting on their family's property, supervised by family members.

HB 127 was one of several bills

introduced so far in the 2024 legislative session that received the commission's backing.

In November, the commission identified a wide range of legislative priorities, including funding for capital projects, behavioral health initiatives, workforce recruitment, crime prevention, local agriculture, tourism and broadband expansion.

With little discussion Tuesday, commissioners voted to support a proposal by Sen. Nancy Rodruiguez, D-Santa Fe, for a

\$500 million appropriation to the state Housing Trust Fund for affordable housing projects and a bill prohibiting housing discrimination based on a renter's source of income.

"It is not uncommon" that landlords in Santa Fe County "explicitly state" they will not lease to renters on public assistance such as housing vouchers, said Jordan Barela, the county's housing operations executive director.

The commissioners also unanimously supported four bills Sustainability Manager Jacqueline Beam said would reduce greenhouse gas emissions by promoting solar energy, electric cars and "lower carbon-intensity" fuels, and call for a study on the feasibility of a statewide composting program.

Commissioners did not, however, lend support to bills that would create a paid family and medical leave program, citing concerns about the effects on small businesses,

They indicated they could get behind a leave program with some minor changes, such as lifting a requirement very small businesses reinstate employees after their leave.

"This is a very broad and generous program, perhaps even too generous," Commission Chairman Hank Hughes said of one proposal, House Bill 6.

If one of the bills passes, Santa Fe County, which already has a paid leave program, would likely seek an exemption from the state program, County Manager Greg Shaffer said. He noted the proposed state program would cost the county and its workers about half a million dollars a year.

"Paid family leave sounds nice, but the devil is in the details," Commissioner Anna Hansen said. She added, the program must benefit employees and not punish them.



Title: State, federal money bolsters Silver City workforce housing

Author: By JUNO OGLE Daily Press Staff

Size: 67 Inches Sq. Silver City, NM. Circulation: 8972

Keywords: Mortgage Finance Authority ~ New Mexico Mortgage Finance Authority



# State, federal money bolsters Silver City workforce housing

By JUNO OGLE Daily Press Staff

With a large amount of fresh state money on the way for the Vistas de Plata subdivision and possible federal funding, the town of Silver City hopes to move forward soon on the next phase of development for its workforce housing project.

Town Manager Alex Brown announced at the Jan. 9 Town Council meeting that Gov. Michelle Lujan Grisham has pledged \$3 million toward the Vistas de Plata subdivision, while the New Mexico Mortgage Imanace Authority has allocated another \$500,000.

The housing area is located west of Mountain View Road between 10th and Kelly streets in the Brewer Hill neighborhood. The town started its effort to develop the subdivision in 2002 before altering and reviving the project in 2019. Once a buyer closes on their home loan, the town donates the land to the new homeowner for a package deal.

Brown told the Daily Press both state allocations are included in the current fiscal year's budget, so the money is not subject to approval in the 2024 legislative session.

"As far as the \$3 million, we're just waiting for the agreement," he said. "They were hoping to get it out before the session started, but they weren't able to, so they're working on getting it. The MI-A money won't be available until the next fiscal year [in July]. It just takes time to go through the process of getting everything in place."

In addition, U.S. Sen. Martin Heinrich's office informed Brown recently that the senator had put \$1.5 million into the federal budget for Vistas de Plata — far

more than the \$330,000 Brown had originally been told to expect by Heinrich's office. The federal budget has been delayed in Congress, however. A short-term funding bill was approved last week, and Congress now has deadlines in March for the fiscal year 2024 appropriations that could include Silver City's funding.

That potential \$5 million will pay for the next phase of the housing development, leveling and grading more lots. That work is estimated at \$3 million to \$5 million, Brown said.

"If it all comes through, we'll be able to complete the subdivision so that we can bring in as many homes as people can buy," he said.

However, some reengineering of the original lots will be needed, which will decrease the original number of homes that can be placed in the subdivision, he said.

"They ran into some some major issues with the amount of rock," Brown said. "They're trying to resolve the problem and see how they can design it so they have less problems with the rock."

Originally, the subdivision had been platted with 56 lots, but because of the redesign, that number will decrease to around 48, Brown said. The town has an estimate of \$110,000 for that work, but contractor issues could cause some delay.

"We need to be able to find a contractor who will be able to come in and grade it. That's been one of our issues is the lack of contractors," Brown said.

Visible progress has been made on the subdivision, however. Four new homes were placed on Camino de Suenos on Dec. 19, although site work is still being done

before those homes are occupied.

There's been much interest in the subdivision, Brown

said, but delays in preparing lots have already caused one potential resident to cancel.

"With these four homes

that were just completed, we had a buyer who had to back out because part of their funding was going away,"

he said. "They had to find a home that was ready to go."

Juno Ogle may be reached at juno@scdailypress.com.

### Silver City Daily Press

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Title: State, federal money bolsters Silver City workforce housing

Author: By JUNO OGLE Daily Press Staff

Size: 67 Inches Sq Silver City, NM Circulation: 8972

Keywords: Mortgage Finance Authority ~ New Mexico Mortgage Finance Authority



(Press Staff Photo by Juno Ogle)
Two of four new homes moved into the Vistas de Plata subdivision were still being prepared for occupancy on Monday. The
town of Silver City will receive \$3.5 million in state funding and potentially will received \$1.5 million in the federal budget
for further development of the workforce housing project.

Title: \$500 million for affordable housing clears first committee



Publication Date: 01/26/2024 Page Number: 020

Author: By Patrick Lohmann Source New Mexico

Size: 54 Inches Sq Las Vegas, NM Circulation: 44277

Keywords: Housing Trust Fund ~ Mortgage Finance Authority ~ New Mexico Mortgage



# \$500 million for affordable housing clears first committee

By Patrick Lohmann Source New Mexico

A Senate committee on Monday approved legislation that would put half a billion dollars toward affordable housing in New Mexico – a huge investment that one lawmaker said is necessary to stem the tide of homelessness and rising housing costs in the state.

Sen. Nancy Rodriguez (D-Santa Fe) acknowledged that the Legislature likely won't award the full amount of her proposed \$500 million appropriation request for the Housing Trust Fund, a program overseen by the New Mexico Mortgage Finance Authority.

She asked for that amount of money to send the message that there is an overwhelming need for a huge investment in housing across the state. And she said Housing Trust Fund administrators have proven themselves capable of leveraging relatively small appropriations from the state into more affordable housing options.

"This is an agency that is proven, truly. They do great work. It's statewide," Rodriguez said. "You can just see the results. As soon as they get the funding, it goes out."

The Senate Committee on Health and Public Affairs approved the legislation on a 6-3 vote, with all Republicans voting against. It now moves on to the Senate Finance Committee, where it will face more scrutiny.

The Housing Trust Fund was set up in 2005 to spur investments in affordable housing and to help people find a place to live. It provides grants for mortgage assistance, home

weatherization and loans for affordable housing development, among other programs.

In all that time, the agency has received \$61 million from the state, including \$25 million of federal funds awarded to address the coronavirus pandemic. In July 2023, the fund also received \$37.5 million in severance tax bond proceeds, of which more than half has been allocated, according to the agency.

With that funding, the agency has assisted 6,500 households by filling gaps in funding

to keep people housed, helping make multimillion-dollar affordable housing complexes break ground, and getting homeless people off the streets.

Isidoro "Izzy" Hernandez, the Mortgage Finance Authority director, said the fund's return on investment – based on the interest it receives on loans to developers, federal low-income tax credits and other sources – is 16-to-1.

The agency anticipates being able to spend \$50 to \$80 million from the fund per year, so estimates show the \$500 million appropriation request would last for between six and 10 years, according to the Mortgage Finance Authority. Any money not spent in the first year would stay in the fund, according to the legislation.

As part of her priorities this session, Gov. Michelle Lujan Grisham is calling for a \$250 million appropriation for the Housing Trust Fund to assist renters, homeowners and those without shelter, as well as a loan program to finance building or renovation. She's seek-

### Las Vegas Optic

Page 167 of 188

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ing another \$250 million to the New Mexico Finance Authority for similar programs.

But the nonpartisan Legislative Finance Committee is seeking only a \$50 million appropriation, according to its recommendations. The committee report does not explain why it arrived at that figure.

Nearly 4,000 New Mexicans were homeless during a 2023 point-in-time count, an increase of 48% since 2022 and likely a huge undercount.

The state lacks 32,000 units affordable to those with low incomes, and nearly 220,000 households in the state spend more than 30% of their income on housing costs, according to the Mortgage Finance Authority.

In addition to sending along the proposed \$500 million appropriation, the committee supported \$500,000 for the state finance department, which Rodriguez said would go to help small towns complete housing plans that would qualify them for additional help from the Housing Trust Fund.



Title: HOMELE SS NEW ME XIC ANS Advocates call for policy overhauls

Author: By Carina Julig cjulig@sfnewmexican.com

Size: 66 Inches Sq Santa Fe,NM Circulation: 19157

Keywords: Housing Trust Fund



### **HOMELESS NEW MEXICANS**

# Advocates call for policy overhauls

### By Carina Julig

cjulig@sfnewmexican.com

The New Mexico Coalition to End Homelessness and its supporters gathered Friday at the Roundhouse to lobby state lawmakers, encouraging them to back policies that would help decrease the numbers of homeless people without criminalizing them.

In a session dominated by discussions on guns, crime and money, housing issues have also risen to the top for some legislators, who fear the potential effects of a lack of affordable housing on public safety and economic development.

"Housing is the greatest social program we have in this state," said state Rep. Andrea Romero, D-Santa Fe, who is sponsoring a bill in the House of Representatives to prevent housing discrimination on the basis of income.

Romero was the face of a campaign in support of the city of Santa Fe's ballot measure seeking a 3% excise tax on home sales over \$1 million, which passed with nearly three-quarters of the vote in November.

Among the participants at a coalition news conference in the rotunda Friday were several members of Santa Fe's Lived Experience Advisory Board, an advisory group whose members are or have been homeless.

The board has advocated in support of the city's safe outdoor space pilot program, the home sales excise tax to support affordable housing and the ongoing conversion of the Lamplighter Inn into an affordable housing complex.

Members of the board wanted to participate in the lobby day to show "housing is a human right," said board treasurer Lila Casey.

"We have a saying at the Lived Experience Advisory Board, and that is 'nothing about us without us,' " Casey said to applause at the news conference.

The sentiment was echoed by Sen. Carrie Hamblen, D-Las Cruces. A former president of the Mesilla Valley Community of Hope board, Hamblen said it's important legislators listen to people doing the groundwork to end homelessness to ensure policies support that work.

Everyone is "one catastrophic event away from being homeless," she said.

Coalition Executive Director Monet Silva said New Mexico needs a comprehensive strategy to end homelessness, including major funding for prevention efforts and affordable housing initiatives.

"Some of the bills being introduced don't work," she said. She was referring largely to a proposal by Gov. Michelle Lujan Grisham to crack down on panhandling, which several speakers

Friday derided as an attempt to criminalize homeless people.

Silva said legislation the coalition is supporting in this session includes Senate Bill 7, which would appropriate \$500 million to a statewide housing trust fund; Senate Bill 31, which would appropriate \$500,000 for the Affordable Housing Act; and House Bill 25, which would prohibit housing discrimination based on a renter or buyer's source of income. The group also is lobbying for an influx of state money to prevent evictions.

"Homelessness is all of us, and we must take bold action to address these issues," Silva said.

### Santa Fe New Mexican

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Title: HOMELE SS NEW ME XIC ANS Advocates call for policy overhauls

Author: By Carina Julig cjulig@sfnewmexican.com Size: 66 Inches Sq Santa Fe,NM Circulation: 19157

Keywords: Housing Trust Fund



"LUIS SÁNCHEZ SATURNO/THE NEW MEXICAN

Monet Silva, executive director of the New Mexico Coalition to End Homelessness, speaks to Sen. Harold Pope, D-Albuquerque, about Senate Bill 166, which would create a Homeless Reduction Division, after a news conference Friday at the Capitol.



Title: Affordable housing is not affordable enough

Author: Merilee Dannemann Guest columnist

Size: 53 Inches Sq Carlsbad, NM Circulation: 5941

Keywords: Mortgage Finance Authority ~ New Mexico Mortgage Finance Authority





Merilee Dannemann Guest columnist

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Two very simple and obvious truths:

- First, not all business owners have deep pockets. Some builders are small, family businesses. Nobody should assume that they can afford these additional costs.
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### Carlsbad Current-Argus

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Author: Merilee Dannemann Guest columnist

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The Home Builders Association is represented on that council. I hope other members of the council are listening.

At the same time, the state's Mortgage Finance Authority (MFA) offers help with down payment for first-time homebuyers.

A homebuyer is not necessarily buying a new house. Milarch says the first-time homebuyer probably will have better luck finding an existing house. The MFA offers a great deal of information on its website, housingnm.org.

Looking at this from a long-range perspective, it appears to me that our society is reaching a point of reckoning with the wealth gap that has been increasing for the past four decades. Energy-efficient housing benefits not only the individual homeowner but the whole world, and we are all a little worse off when homeowners can't afford it. I believe we will have to find creative new ways to shift the balance, and that will be a rough ride.

Contact Merilee Dannemann through www.triplespacedagain.com.



Title: House budget wrangles record revenue again

Author: By PATRICK LOHMANN, AUSTIN FISHER, MEGAN TAROS and DANIELLE PR

Size: 138 Inches Sq Silver City,NM Circulation: 8972

Keywords: Housing Trust Fund ~ Mortgage Finance Authority ~ New Mexico Mortgage



# House budget wrangles record revenue again

### Experts warn boom won't last much longer

By PATRICK LOHMANN, AUSTIN FISHER, MEGAN TAROS and DANIELLE PROKOP

Source New Mexico

A statewide spending plan unveiled Monday by House lawmakers recommends the smallest increase in spending in several years, its drafters acknowledging that the oil and gas boom that has filled and overfilled New Mexico coffers in recent years could soon dry up.

The House Appropriations and Finance Committee approved the budget by a vote of 13-3, overcoming "no" votes by members concerned about the amount to be spent on road repairs and legisla-

tive staff salaries. It will soon be considered by the full House.

The committee's recommended general fund budget is \$10.18 billion, an increase of \$621 million, or 6.5 percent, over last year. It's less than the \$10.5 billion Gov. Michelle Lujan Grisham wants to spend in the next fiscal year, but

slightly more than what the nonpartisan Legislative Finance Committee recommended.

What the budget represents, according to Committee Chair Nathan Small, a Las Cruces Democrat, is an effort to wisely spend the projected \$3.4 billion budget surplus while also limiting spending growth to prevent sharper cuts in the future. He touted it as the product of hun-

dreds of hours of work and the most transparent budget process in history, thanks to the amount of public comments the committee solicited in recent months.

"We've chosen to do that all

in this public forum, which has meant a longer time, more questions. I think it also reflects in a much better budget that we see here today," Small told commit-

tee members. "I think we can be confident that we are spreading our surplus in a responsible way, making sure that not only core functions, but the things that are going to grow, diversify, and set our economy and our education system up for success are there in a very strong way."

**BUDGET** Page 14

# Budget...

### From Page 1

In three of the last five years, lawmakers increased the state's operating budget more than 10 percent.

But budget surpluses like this year's, driven largely by oil and gas taxes and royalties, are projected to plateau beginning next year and decrease over the next decade, according to state economists.

LFC Director Charles Sallee cautioned lawmakers to consider that plateau this year, even though the state isn't yet feeling the squeeze of any expected reductions in oil and gas revenues. Those projected revenues, plus recent legislation and other global economic forces, mean lawmakers could soon have to make harder choices on where to spend taxpayer money.

Some time soon, Sallee told lawmakers, a responsible state budget will only grow by \$250 million a year. The House committee's budget makes good use of record revenues while also acknowledging billion-dollar surpluses may soon be a thing of the past, he said.

"And the more that you spend today, whether through tax code changes or through the recurring budget, the faster that date moves up," he said. "This 6.5 percent increase keeps that date at bay."

Even with just a 6.5 percent increase, Small touted the budget as the biggest-ever investment in health care in the state, and Sallee said the House's spending plan strategically invests in three-year pilot programs for state programs to allow them to be evaluated before requiring bigger spending commitments. The budget also provides for a raise between 2 percent and 4 percent for all state workers.

Below are more details about how the House committee wants to fund nine important functions of state government.

### Health

Under the House plan,



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the state would spend about \$13.2 billion in recurring money each year on health care, along with more than \$206 million in one-time spending called "special appropriations."

That figure includes the budgets for the newly created Health Care Authority, the Department of Health, the Retiree Health Care Authority, the Office of the Superintendent of Insurance, the Vocational Rehabilitation Division of the Public Education Department, the Miners' Hospital of New Mexico, the Workers' Compensation Administration, the Medical Board, the Board of Nursing and the

Governor's Commission on Disability.

The House's budget for health agencies is about \$17,000 larger than the LFC's recommendation, but \$250,000 smaller than Lujan Grisham's.

### Prisons

Prisons would get \$372.8 million each year, along with \$16.2 million in special appropriations.

That includes spending for the New Mexico Corrections Department, the juvenile justice facilities run by the Children, Youth and Families Department, the Sentencing Commission and the Parole Board.

The House budget for the Corrections Department is the same as LFC's proposal but nearly \$21 million smaller than Lujan Grisham's.

### Courts

Overall, the House budget for the state's judicial branch is \$5.8 million larger than the proposal from the Legislative Finance Committee, but about \$11,000 smaller than Lujan Grisham's.

The courts would receive \$294.7 million annually, along with more than \$26 million in special appropriations.

That includes every district court in the state, the Bernalillo Metropolitan Court, the Court of Appeals, the Supreme Court, the New Mexico Compilation Commission and the Judicial Standards Commission.

### Policing

The House budget for public safety is \$2 million larger than the LFC suggestion, and \$25,000 smaller than Lujan Grisham's.

Police and military would get \$240.3 million each year, and more than \$29 million in special appropriations.

That includes the Department of Public Safety, the Department of Military Affairs and the Office of Military Base Planning and Support.

### Prosecution

Prosecutors would receive \$147.8 million every year, and about \$14.4 million in special appropriations.

That includes all 14 district attorneys' offices across the state, the Administrative Office of the District Attorneys and the New Mexico Department of Justice.

### Legal defense

Public defenders and

family advocates would get \$87.2 million each year, along with nearly \$2.6 million in special appropriations.

That includes the Law Offices of the Public Defender and the Office of Family Representation and Advocacy.

### Housing Trust Fund

The four parties who have so far recommended spending to address New Mexico's housing crisis have offered four very different numbers for how much that will cost.

Sen. Nancy Rodriguez, a Democrat from Santa Fe, is asking lawmakers to deposit \$500 million in the state's Housing Affordability Trust Fund, overseen by the New Mexico Mortgage Trnance Authority. She doesn't expect the Legislature to ultimately fulfill that request, but she said the trust fund has proven itself effective with a little more than \$60 million it has received over the last 17 years.

The trust fund uses public money to support an array of government, nonprofit and private entities with developing affordable housing complexes, helping first-time buyers afford down payments and other programs. Officials claim the program has a 16-to-1 return on investment.

Lujan Grisham is asking the Legislature to put \$250 million in the fund.

But the House appropriations committee budget

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asks for \$44.5 million for the fund, which is even less than the LFC's \$50 million recommendation.

### Education

The newly-released House education budget largely reflects the Legislative Finance Committee's recommendations, bucking some of Lujan Grisham's proposals.

Among notable absences is the governor's proposed literacy institute, for which she requested \$30 million to build. The Legislative Finance Committee recommended \$3 million for planning and design.

The House budget recommends the following investments in line with both House and Senate Education Committee priorities:

- \$49 million for literacy, career technical education and community school programs.
- \$14 million in early literacy support.
- \$55 million for culturally relevant and bilingual materials.
- \$62.7 million for 2 percent salary increases, bringing all school personnel up to \$15 per hour.
- \$43 million to expand early childhood care.
- \$750,000 to support adult literacy programs.
- \$2 million for attendance programs.

The budget proposal states a school district's operational budget will not be approved if there are fewer instruction days compared to last year or if they are only in session four days per week. Both align with a proposed mandatory 180-day attendance rule, which has drawn criticism from rural and tribal leaders.

Lujan Grisham also asked for \$58.1 million for structured literacy programs, which she announced at a press briefing two days into the session. The House budget would grant more toward early literacy programs than the Legislative Finance Committee proposed.

"The sad issue is that New Mexico has waited a little too long to robustly take the science of reading and make it universal," Lujan Grisham said. "Most of the educators in this room have been navigating it on their own for so long."

### Natural resources

Lawmakers are poised to raise funding for staffing state environmental agencies, and fund significant one-time programs for pollution accountability, "forever chemical" mitigation and developing a surface water and groundwater permitting program.

In total, House Appropriations and Finance recommended a \$201 million total budget for the New Mexico Environment Department, smaller than the \$215 million ask from the governor.

The 19 percent increase will go toward staff salaries and rental costs, and help "bolster" the agency's regulatory responsibilities, according to the budget summary.

In one-time appropriations, House lawmakers agreed to give the Environment Department \$1 million for pollution accountability, \$1 million to "develop and implement initiatives that protect the public" from perand polyfluorinated alkyl substances — also known as "forever chemicals."

The surface water discharge permitting program is getting a boost. State officials raised concerns over the vulnerability of New Mexico's waters after the U.S. Supreme Court last year changed what constitutes pollution-protected waters.

In addition to carrying over \$680,000 from last year and accepting the executive's ask for another \$600,000, lawmakers added \$7 million from the water quality management fund to develop and implement state surface water and groundwater permitting programs.

State lawmakers increased the Energy, Minerals and Natural Resources Department budget by 12 percent to \$188 million. That's smaller than the governor's \$198 million request.

In one-time money, the House committee allocated \$250,000 for legal counsel, \$1.7 million to match federal funds, an additional \$2.5

million to address inspection and compliance backlogs in the oil conservation division and \$225,000 to create a Rio Grande trail commission office.

Lawmakers approved another \$10 million for a contract to provide low-in-



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terest loans for low-income communities for wind, solar, weatherization and geothermal energy intended to reduce carbon emissions.

There's another \$5 million for geothermal projects — half for a loan fund, and the other \$2.5 million for development — contingent on several pieces of legislation passing.

For the New Mexico Office of the State Engineer, the House Appropriations and Finance Committee followed the LFC recommendation of \$49.5 million, just under the \$50 million request from the executive request. The agency requested a flat budget for most of its programming, but asked for \$3.4 million for 38 more staff to implement and negotiate water rights. The Legislative Finance Committee recommended a \$2.2 million increase from the general fund.

Some one-time funds include \$20 million over the next two years to settle water rights disputes with

### **Advertisements**

### Round the Roundhouse



### Santa Fe New Mexican



MEA's	overall	fiscal	impact	in	2023.
TITAS	overun	HSCUL	muduci	U.L	ZUZJ:

Initiatives	Funding Provided	Outcome
Create More Housing	\$10,341,000	285 New Homes Constructed
Preserve and Improve Existing Affordable Housing and Catalyze Redevelopment	\$116,219,000	1,577 Homes Weatherized. Rehabilitated. Preserved. or Redeveloped
Build Homeownership and Wealth	\$388,294,000	3,352 Loans for First Mortgage and Down Payment Assistance to 1.845 familie
	\$24,145,000	2,925 Households Received Mortgage Assistance
Create Stable Housing Environments	\$39,796,000	5,843 Households Received Housing Vouchers
	\$7,002,000	6,488 Individuals Received Housing Stability and Homeless Shelter Services
TOTAL FUNDING ADMINISTERED	\$585,797,000	18,963 Households Served
Tūnita vipdatesi 12/12/23		3,707 Homes Produced, Financed or Preserved

MFA offers **UP TO** \$35,000 in **down payment and closing cost assistance** for workforce housing in New Mexico, depending on the borrower's qualifications.

In fiscal year 2023, MFA provided \$388,294,000 in combined first mortgage and down payment assistance in the amount of 3,352 loans to 1,845 New Mexico families, which included \$12,301,805 for down payment assistance in the form of 1,807 loans and grants.

MFA's **HOME Rehabilitation Program** provides accessibility modifications and repairs to bring homes up to code for homeowners who lack the resources to do so.

 In 2023, MFA provided over \$2.2 million in funding to rehabilitate 26 homes in the state

We are Housing New Mexico.

HousingNM.org



### The Real Estate Book



### New Mexico Bankers Digest



Our vision is that all New Mexicans will have quality affordable housing opportunities.

MFA offers up to \$35,000 in down payment and closing cost assistance for workforce housing in New Mexico, depending on the borrower's qualifications.

MFA's overall impact in fiscal year 2023:

Initiatives	Funding Provided	Outcome
Create More Housing	\$10,341,000	285 New Homes Constructed
Preserve and Improve Existing Affordable Housing and Catalyze Redevelopment	\$116,219,000	1,577 Homes Weatherized, Rehabilitated, Preserved, or Redeveloped
Build Homeownership and Wealth	\$388,294,000	3,352 Loans for First Mortgage and Down Payment Assistance to 1,845 familie
	\$24,145,000	2,925 Househoulds Received Mortgage Assistance
Create Stable Housing Environments	\$39,796,000	5,843 Households Received Housing Vouchers
	\$7,002,000	6,488 Individuals Received Housing Stability and Homeless Shelter Services
TOTAL FUNDING ADMINISTERED	\$585,797,000	18,963 Households Served
"Data undated 13/13/25		3,707 Homes Produced, Financed or Preserved



# Visit housingnm.org

now to check your eligibility and take the first step toward owning your own home!

### MFA:

We are housing New Mexico

### Google



Find Down Payment Assistance | Help for your First Home | Albuquerque Down Payment Help Ad www.housingnm.org

MFA provides down payment assistance and competitive interest rate mortgage loans. Contact New Mexico Mortgage Finance Authority today for help purchasing your home.

View Current Rates

Mortgage Programs

Homebuyer Resources

Mortgage Calculators

Affordable Homes | Find Affordable Homes in NM | Affordable Housing Programs Ad www.housingnm.org/Homes/Affordable

New Mexico MFA Can Help You Find Affordable Homes & Apartments. Let MFA Help You Today. Ask New Mexico MFA About Income Qualification, Rental Rates & Availability.

**Emergency Shelter** 

Homelessness Assistance

Tribal Housing

Lenders And REALTORS®



New Mexico Mortgage Finance Authority
https://housingnm.org > down-payment-assistance

### Mortgage Programs | Homebuyers | New Mexico MFA

MFA's mortgage programs provide homebuyers with down payment and closing cost assistance as well as competitive interest-rate mortgage loans.

Current Rates - Income and purchase price limits - Participating Lender List

### Google ads January report:

■ Phone calls from ads: 88

Phone calls from website: 397Contact form submissions: 158

Subscription: 1

### New Mexico Association of Counties Weekly News Brief

### January 4



### New Mexico Mortgage Finance Authority

Everyone deserves a home. The HOME Investment Partnership Program and the Veterans Home Rehabilitation and Modification Program provides home repairs or accessibility modifications for homeowners who lack the resources to do so. To find out if you quality, visit www.housingnm.org.

### January 25



### NM MFA

The New Mexico Mortgage Finance Authority's HOME Rehabilitation Program provides repairs to bring the home up to code or provides accessibility modifications to homeowners who lack the resources to do so. Visit our <a href="website">website</a> for a list of home rehabilitation service providers in New Mexico.

New Mexico Society of CPAs E-Newsletter



### Outreach



January 10
Gallup Business Improvement District Meeting

January 12
Southeastern New Mexico Economic Development District Meeting

January 16-18 New Mexico Counties Legislative Conference

January 24

Economic Forum Meeting (Greater Albuquerque Association of REALTORS)

January 25 Housing Roundhouse in Valencia County with Congresswoman Melanie Stansbury

January 29
Santa Fe Chamber of Commerce 2024 Legislative Reception



### **Social Media**

Facebook and Twitter: @MFAhousingNM Instagram: @MFAhousing YouTube: @housingNM LinkedIn: MFA Housing New Mexico

### January Calendar







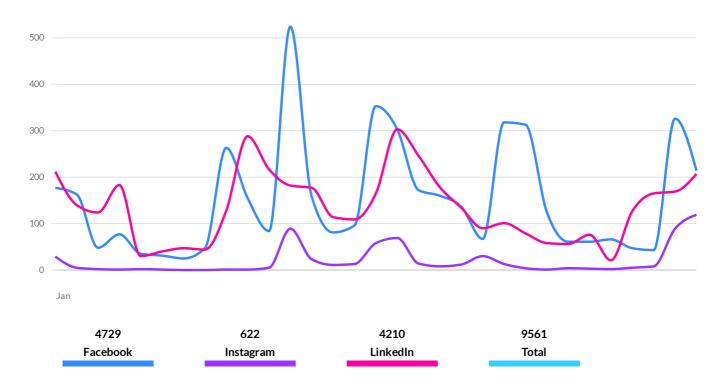




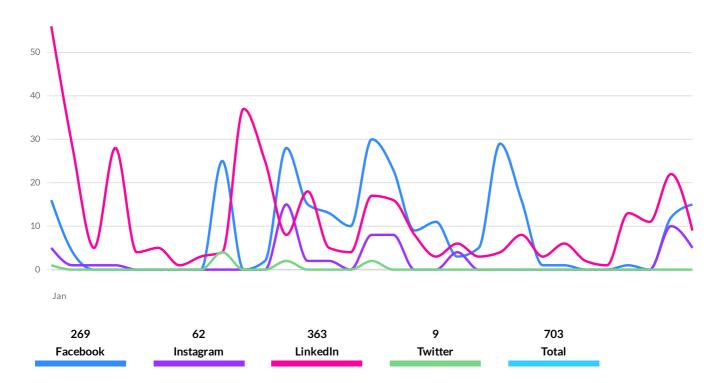
# **Cross channel Report**

January 1st 2024 - January 31st 2024

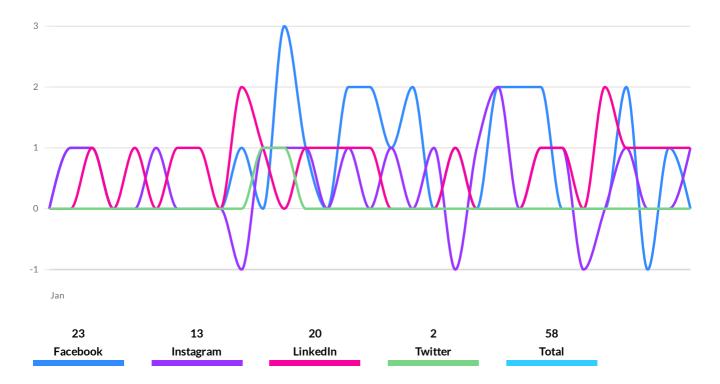
### **Cross-Channel Impressions**



### **Cross-Channel Engagements**



### **Cross-Channel Audience Growth**



### Post Performance

### MFA Housing New Mexico







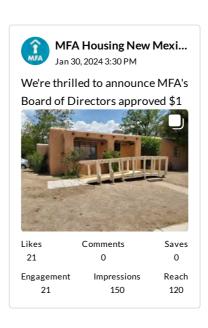
### MFA Housing New Mexico

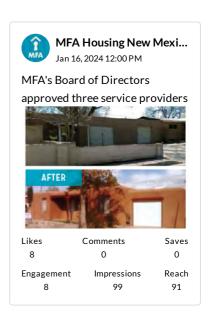
1029

950

16







### MFA Housing New Mexico







### in MFA Housing New Mexico









### Quarterly Report to the MFA Board of Directors Q1 FY2024

Production Statistics	Current Quarter	Same Quarter Last Year	Fiscal Year to Date		
Homeownership					
Number of loans reserved	440	310	440		
Amount of loans reserved	\$102,456,322	\$62,617,296	\$102,456,322		
Number of loans purchased	580	394	580		
Amount of loans purchased	\$132,889,825	\$78,260,498	\$132,889,825		
Number of homebuyers counseled	756	322	756		
Number of lenders/REALTORS contacted	1,094	1,423	1,094		
Housing Development					
Amount of MF loans/grants/bonds	\$13,700,000	\$0	\$13,700,000		
Amount of SF loans/grants	\$0	\$0	\$0		
Amount of TC: LIHTC (MF) & State (MF & SF)	\$6,830,384	\$4,707,431	\$6,830,384		
Number of MF units	321	298	321		
Number of SF units	6	0	6		
Housing Rehab & Weatherization					
Amount of rehab expenditures	\$427,920	\$216,172	\$427,920		
Number of units rehabilitated	10	6	10		
Amount of NM Energy\$mart expenditures	\$4,152,500	\$2,738,054	\$4,152,500		
Number of units weatherized	389	226	389		
Shelter & Supportive Housing Programs					
Amount of shelter supportive service	\$509,554	\$937,772	\$509,554		
Number of persons served 1	1,033	1,128	1,033		
Amount of rental assistance 2	\$1,769,376	\$1,485,598	\$1,769,376		
Number of persons assisted	686	275	686		



# The need for MFA mortgage products:

MFA borrowers have an average annual income of \$67,852 and purchase homes with an average price of \$242,401. 22.47 percent are single-parent households; 57.98 percent are minorities.

MFA targets below market mortgage rates, and all first-time homebuyers receive pre-purchase counseling. MFA provides down payment assistance to 75.34 percent of its borrowers. Without these programs, many borrowers could not buy a home.



# The need for housing development:

Only 4 percent of New Mexico's housing units are located in apartment complexes of 20 units or more. Many of these are old and in poor condition.

43 percent of renters are cost-burdened, about half pay between 30 percent and 49 percent of their income on rent; the other half pay more than 50 percent.

- 1 Coc & EHAP
- 2 HOPWA, Linkages, , RAP & YHDP



The need for housing rehabilitation and weatherization:

New Mexico has aging housing stock. 58.7 percent of its homes were built between 1960-1990; only 25.5 percent were built after 2000. The average age of homes in NM is 40 years. The median year in which the 937,397 housing units in NM were built is 1983.

Many low-income homeowners are at risk because of health and safety hazards in their homes. They pay high utility bills because they cannot afford to make energy-efficiency improvements.



The Need for Assistance Programs:

The New Mexico Coalition to End Homelessness estimates that a total of 19,000 to 20,000 New Mexicans experience homelessness in a year.

The pandemic has increased the number of people experiencing homelessness.

While many people resolve their housing crisis on their own or with existing help, 6,500 people per year do not.

### Solutions:

Provide housing assistance to those experiencing homeless and to those most at risk of homelessness

Create Permanent Supportive Housing which provides affordable housing assistance with voluntary support services

Coordinated Entry provides equitable access to housing resources and services for those experiencing homelessness



### Quarterly Report to the MFA Board of Directors Q1 FY2024

Servicing	Current Quarter	Same Quarter Last Year	Target Rate
First Mortgage Direct Servicing Delinquency Rate	12.00	0.00	
Partners Program delinquency rate	14.00	10.91	
DPA loan delinquency rate	8.52	9.04	
Multifamily loan delinquency rate	2.33	2.38	
Combined delinquency rate - Current Month	8.52	8.95	
Combined average delinquency rate-FY	9.10	9.01	9.50
Default rate (writeoffs/foreclosure losses)	0.15	0.14	1.30
Master Servicing MBS delinquency rate	10.88	10.49	
REO Inventory - # of loans	0	0	
REO Inventory - Exposure	\$0	\$0	



MFA's Servicing Department:

Provides direct servicing for over 15,800 loans with a principal balance over \$333 million. Direct Servicing first mortgage delinquency is 12.00 percent. Many of the loans MFA services are for internal programs that target higher risk borrowers.

MFA's Mortgage-Backed Securities (MBS) portfolio is serviced by our sub-servicer with delinquency of 12.18 percent.

Delinquency rates in this portfolio can be benchmarked to Mortgage Banker Association averages 3.75 percent for all loans in New Mexico and 8.04 percent for FHA in New Mexico as of 09/30/2023.

As of 10/2023, the FHA Delinquency on new purchases was 11.97 percent.

			Fiscal Year	
N.C. and A. and an a	Current	Year to	Monitoring	
Monitoring	Quarter	Date	Required	
Asset Management				
Number of properties monitored	0	0		
Number of units inspected	0	0	N/A	
Number of files reviewed	0	0	N/A	
Number of PBCA activities	0	0	N/A	
Community Development				
Number of required monitorings <sup>3</sup>	19	42	53	

3 - based on program year, 7/1 -  $6/30\,$ 



MFA's Asset Management Department:

Monitors 296 properties and 20,101 units of housing financed by MFA, providing unit inspections and review of records and finances on a regular basis. Asset Management also supports 85 properties and 5,209 units under MFA's HUD Project Based Contract Administrator (PBCA) contract.



MFA's Community
Development
Department:

Manages fourteen programs with multiple different funding sources, and approximately 48 partners across the state. Our partners deliver housing services to more than 7,800 individuals and receive approximately \$58 million in funding. Monitoring is performed on a regular basis to ensure program compliance.