

Agenda



HOUSING NEW MEXICO| MORTGAGE FINANCE AUTHORITY

Board Meeting

7425 Jefferson St. NE Albuquerque, NM 87109

Wednesday, July 15, 2026 - 9:30 a.m.

Proposed Agenda

Chair Convenes Meeting

- Roll Call (Izzy Hernandez)
- Approval of Agenda – Board Action
- Approval of 6/17/26 Board Meeting Minutes – Board Action
- Executive Director Updates

Board Action Items

Action Required

Finance Committee

- 1 Recommendation of Amendments to the Allocation Review Committee Rules (Jacobo Martinez & Jeff Payne) YES

Contracted Services/Credit Committee

- 2 Recommendation to Publish the Government Relations Request for Proposals (Robyn Powell) YES
- 3 Housing Innovation Award Recommendation – Heading Home (Daniela Freamon & Sonja Unrau) YES
- 4 West Mesa Ridge B Apartments- HOME, NHTF, NMHTF Loan Request (Nick Ostrye & George Maestas) YES
- 5 Approval of Term Limited Source Procurement for Renewal of Hybrid Sub-Servicing Services Agreement (Theresa Laredo-Garcia) YES

Other Board Items

Information Only

- 6 (Staff is available for questions)
 - Staff Actions Requiring Notice to Board

Monthly Reports

Non-Action Required

- 7 (Staff is available for questions)
 - Marketing & Communications Monthly Update
 - New Mexico Housing Trust Fund Update
 - 5/31/26 Financial Statements

Announcements and Adjournment

Discussion Only

Confirmation of Upcoming Board Meetings

- August 11, 2026 - Tuesday- 10:00 a.m. Contracted Services, 1:00p.m. Finance Committee
- August 19, 2026 – Wednesday – 9:30 a.m. Housing New Mexico | MFA Board of Directors Meeting
- September 8, 2026- Tuesday- 10:00 a.m. Contracted Services, 1:00p.m. Finance Committee
- September 16, 2026 – Wednesday 9:30 a.m. Housing New Mexico | MFA Board of Directors Meeting
- October 7, 2026 – Tuesday- 10:00 a.m. Contracted Services, 1:00p.m. Finance Committee
- October 15, 2026 - Wednesday- 9:30 a.m. Housing New Mexico | MFA Board of Directors Meeting



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Action Required

Finance Committee

- 1 **Recommendation of Amendments to the Allocation Review Committee Rules (Jacobo Martinez & Jeff Payne)** - Staff recommend approval of an amendment to the Allocation Review Committee Rules to allow the Housing New Mexico Board of Directors to appoint any committee member as chair. YES

Contracted Services/Credit Committee

- 2 **Recommendation to Publish the Government Relations Request for Proposals (Robyn Powell)** - Staff recommends approval to publish a Request for Proposals for a consultant to furnish governmental services. The recommended Request for Proposals is attached hereto as Exhibit A of the Board packet. YES
- 3 **Housing Innovation Award Recommendation – Heading Home (Daniela Freamon & Sonja Unrau)** - Staff recommend the approval of the Heading Home award for a \$301,975 grant under the Housing Innovation Program NOFA to provide repairs and renovation for the Albuquerque Opportunity Center in Albuquerque, New Mexico. YES
- 4 **West Mesa Ridge B Apartments- HOME, NHTF, NMHTF Loan Request (Nick Ostrye & George Maestas)** – A \$1,000,000 HOME, \$400,000 National Housing Trust Fund, \$3,000,000 New Mexico Housing Trust Fund loan requests for West Mesa Ridge B, located in Albuquerque, NM. West Mesa Ridge B is a proposed new construction multifamily project which will create 144 rental units serving households with children earning between 30% and 70% Area Median Income (AMI). YES
- 5 **Approval of Term Limited Source Procurement for Renewal of Hybrid Sub-Servicing Services Agreement (Theresa Laredo-Garcia)** - Staff request approval by the Board of Directors of a five year (3-year with 2 – 1 year extension options) for the Mortgage Loan Sub-Servicing and Single-Family Program Support Services Agreement with Idaho Housing and Finance Association (IHFA). The Agreement would retain IHFA's partnership in performing front-end and servicing functions until such time as the front-end functions are brought in-house. Upon conclusion of the transition period, the Agreement would operate as a standard sub-servicing contract for first mortgage loan servicing. YES

Other Board Items

Information Only

- 6 **(Staff is available for questions)**
 - Staff Actions Requiring Notice to Board

Monthly Reports

Non-Action Required

- 7 **(Staff is available for questions)**

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Minutes

HOUSING NEW MEXICO | MORTGAGE FINANCE AUTHORITY
Board Meeting Minutes
7425 Jefferson St. NE Albuquerque, NM 87109
Wednesday, June 17, 2026

Chair Angel Reyes convened the meeting on June 17, 2026, at 9:41 a.m. Secretary Isidoro Hernandez called the roll. Members attending in person: Chair Angel Reyes, Martina C'de Baca (designee for Lieutenant Governor Howie Morales), Christine Anaya (designee for State Treasurer Laura M. Montoya), Billy Jimenez (designee for Attorney General Raúl Torrez), Rebecca Wurzbarger and Randy Traynor. Members virtual: Derek Valdo. 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, referring to microphone sensitivity.

Approval of Agenda – Board Action. Motion to approve June 17, 2026, Agenda, as presented: C'de Baca. Second by Wurzbarger. Roll Call Vote: Angel Reyes- yes, Derek Valdo- yes, Proxy Christine Anaya- yes, Proxy Martina C'de Baca- yes, Proxy Billy Jimenez- yes, Rebecca Wurzbarger- yes, Randy Traynor- yes. Vote: 7-0.

Approval of 5/20/2026 Board Meeting Minutes – Board Action. Motion to approve May 20, 2026, Board Meeting Minutes as presented. Wurzbarger. Second by C'de Baca. Roll Call Vote: Angel Reyes- yes, Derek Valdo- abstain, Proxy Christine Anaya- abstain, Proxy Martina C'de Baca- yes, Proxy Billy Jimenez- yes, Rebecca Wurzbarger- yes, Randy Traynor- yes. Vote: 5-0-2.

Executive Director Updates- Hernandez began with an update on Programs: Strong reservations with an average of 13.2M/week – 25' 12.1M/week. Direct ROC program, 1st house purchased. Significant Meetings/Presentations: 5/21: Plaza Luna Lofts Groundbreaking, Los Lunas. 5/21: Peachtree Canyon Apartments Phase 1 Ribbon Cutting, Las Cruces. 6/11: 2nd Collaboration Mtg. w/MFA, DWS. 6/15: Hosted NM Association of Regional Councils Meeting. Upcoming Meetings: 7/13: 2nd LOC Mtg. Last week of July or early August hosting Tribal Housing Collaboration Mtg. He then discussed the 21st Century ROAD to Housing Act report that was released from US Senate Committee on Banking, Housing & Urban Affairs. Lastly, he provided NM Housing Trust Fund update with percentages: 100% were encumbered, 93% awarded, and 57% expended.

Finance Committee

- 1 Amended New Homes for New Mexico Program and NOFA (Jeff Payne)** – Payne recommend adoption of amendments to the New Homes for New Mexico Down Payment Assistance program by allowing fee simple, attached, single family homes and not allowing participation in other Housing New Mexico programs such as the New Home Rate Advantage buydown program. An internal review committee will score and recommend approval of proposals meeting minimum threshold for consideration and approval by the Board. Proposals will be prioritized based on overall score. The Board may approve adjustments to the program as needed. Motion to approve Amended New Homes for New Mexico Program and NOFA as presented. Wurzbarger. Second by C'de Baca. Roll Call Vote: Angel Reyes- yes, Derek Valdo- yes, Proxy Christine Anaya- yes, Proxy Martina C'de Baca- yes, Proxy Billy Jimenez- yes, Rebecca Wurzbarger- yes, Randy Traynor- yes. Vote: 7-0.
- 2 Amended New Homes Rate Advantage Program (Jeff Payne)** – Payne recommended adoption of an amendment to the New Homes Rate Advantage Program (new construction mortgage rate buydown). As staff began implementation, a concern from lending partners arose concerning the requirement that borrowers repay the cost of the buydown if they sell, transfer title, refinance, or no longer occupy their home within the first five years of the loan. Participating lenders are concerned about how this affordability period requirement would need to be disclosed to the borrower. To not discourage use of the program for regulatory concerns, staff propose the elimination of the Affordability Period. Discussion ensued regarding

potential options such as a prepayment penalty to be considered in future updates. Motion to approve Amended New Homes Rate Advantage Program as presented. Traynor. Second by Wurzburger. Roll Call Vote: Angel Reyes- yes, Derek Valdo- yes, Proxy Christine Anaya- yes, Proxy Martina C'de Baca- yes, Proxy Billy Jimenez- yes, Rebecca Wurzburger- yes, Randy Traynor- yes. Vote: 7-0.

- 3 Approval of Terms for Agreement for Underwriting Services for Single Family Housing Programs (Alex Lundy)** – Lundy requested approval of the primary terms and conditions that will guide the agreement between Housing New Mexico | MFA and its eventual Contractors to provide underwriting services for Housing New Mexico | MFA's Single Family Housing Program. Upon approval, staff will streamline the eventual approval of the final agreement at the time of award recommendation. A Request for Proposals (RFP) for Underwriting Services for Single Family Housing Programs was issued in May 2026. At the time, the RFP continues to be open, and no Offeror(s) has been selected for award recommendation. Once the RFP closes, an Internal Review Committee composed of staff will review all proposals and scores, based on the criteria outlined within the RFP. The Committee will then make selections and recommend for award a Senior Underwriter and two (2) Co-Managers. The recommendation will come before the Board for final approval. Motion to approve Approval of Terms for Agreement for Underwriting Services for Single Family Housing Programs as presented. Wurzburger. Second by C'de Baca. Roll Call Vote: Angel Reyes- yes, Derek Valdo- yes, Proxy Christine Anaya- yes, Proxy Martina C'de Baca- yes, Proxy Billy Jimenez- yes, Rebecca Wurzburger- yes, Randy Traynor- yes. Vote: 7-0.

Contracted Services/Credit Committee

- 4 Oaks Subdivision Unit 7 (Vertical Construction) – New Mexico Housing Trust Fund Loan Request (Josh Howe and George Maestas)** – Howe requested a \$3,000,000 NMHTF construction line of credit for Oaks Subdivision Unit 7, located in Roswell, New Mexico. Oaks Subdivision Unit 7 is a proposed new construction single-family project that will create forty-eight single-family modular homes. Forty-eight homes will be income restricted to households earning 150% or less of Area Median Income ("AMI"). The proposed project presents a favorable risk profile and was recommended for approval. Motion to approve Oaks Subdivision Unit 7 (Vertical Construction) – New Mexico Housing Trust Fund Loan Request as presented. Traynor. Second by C'de Baca. Roll Call Vote: Angel Reyes- yes, Derek Valdo- yes, Proxy Christine Anaya- yes, Proxy Martina C'de Baca- yes, Proxy Billy Jimenez- yes, Rebecca Wurzburger- yes, Randy Traynor- yes. Vote: 7-0.

Other

- 5 Election of Officers (Chair, Angel Reyes)** – Chair Reyes stated the Nominating Committee which includes himself, Lieutenant Governor Howie Morales, and Attorney General Raúl Torrez recommends the following member to fill the Housing New Mexico | MFA Officer positions: Vice Chair: Derek Valdo, Secretary: Isidoro Hernandez, Assistant Secretary: Donna Maestas- De Vries, Treasurer: Rebecca Wurzburger, Assistant Treasurer: Jessica Franco. Motion to approve Election of Officers as presented. Traynor. Second by C'de Baca. Roll Call Vote: Angel Reyes- yes, Derek Valdo- yes, Proxy Christine Anaya- yes, Proxy Martina C'de Baca- yes, Proxy Billy Jimenez- yes, Rebecca Wurzburger- yes, Randy Traynor- yes. Vote: 7-0.
- 6 Semiannual Single Family Program Update (Rene Acuna)** - Acuna presented the semiannual single-family program report that focused on key production highlights for the first half of the fiscal year. Housing New Mexico | MFA's current FirstHome program first mortgage rates continue to compare favorably, averaging anywhere from half a point to one eighth of a point below local mortgage lender rate. The single-family production hit an all-time high with an average of \$16.9 M in weekly reservations, the week of May 8th was the largest week on record with \$20.5 M in a single week. FHA loans continue to dominate at 61% of this fiscal year's production, conventional products comprise 32% of total production. To improve department efficiency and customer service the following were implemented: Introduced first attempt at loan approval automation on the HomeForward program and Incorporated the Notice of Potential Recapture as part of the closing document package. Assuring the borrower receives the disclosure within the prescribed time. Overall, Housing New Mexico's single-family programs continue to support first-time and moderate-income borrowers in a volatile market through a combination of lending programs, competitive loan rates, and down payment assistance. Non-Action Item.

Other Board Items

7 There were no questions asked of staff.

- Staff Actions Requiring Notice to Board

Monthly Reports

8 There were no questions asked of staff.

- Marketing & Communications Monthly Update
- New Mexico Housing Trust Fund Update
- 4/30/26 Financial Statements

There being no further business, meeting was adjourned at 10:46 a.m.

Approved.

Chair, Angel Reyes

Secretary, Isidoro Hernandez

Tab 1



HOUSING NEW MEXICO | MFA
Finance/Operations Committee Meeting
Tuesday, July 7, 2026 at 1:00 p.m.

Webex - call-in information is 1-408-418-9388 (access code): 2487 373 9505
or you can join the call from the calendar item

Agenda Item	COMMITTEE RECOMMENDED	BOARD ACTION REQUIRED
Agenda		
1 FY 2027 External Audit Entrance Conference – Christopher Gregory, CLA & Gaby Miller, CLA.	3-0	YES
2 Amendment to Allocation Review Committee Rules – Jacobo Martinez	3-0	YES
3 Delegation of Authority-Dolores Wood	Matter removed from agenda before consideration.	Yes
4 Vacation Cash Out Program – Dolores Wood	Matter removed from agenda before consideration.	Yes
Information items		
5 May 2026 Wire Transfers	✓	NO
6 May 2026 Check Register	✓	NO

Committee Members present:

Derek Valdo, Chair

☐ present

☐ absent

☒ conference call

State Treasurer Laura M. Montoya
Christine Araya ✓

☐ present

☐ absent

☒ conference call

Lt. Governor Howie Morales/
Proxy Martina C'de Baca

☐ present

☐ absent

☒ conference call

[Signature]

TO: Housing New Mexico Board of Directors

Through: Policy Committee - June 2, 2026
Finance Committee – July 7, 2026

FROM: Jeff Payne, Chief Lending Officer

DATE: July 17, 2026

SUBJECT: Amendment to Allocation Review Committee Rules

Recommendation: Staff recommend adoption of an Amendment to the Allocation Review Committee Rules to allow the Housing New Mexico Board of Directors to appoint any committee member as chair.

Discussion: Each year, staff review Low-Income Housing Tax Credits (LIHTC) applications submitted by affordable housing developers to determine whether the proposals meet Qualified Allocation Plan (QAP) requirements and to score them using predetermined criteria. These applications are then recommended by the Housing New Mexico Policy Committee to the Allocation Review Committee (ARC) for consideration. The ARC was created, “to (1) confirm that program procedures set forth in the Qualified Allocation Plan have been followed during the Allocation Round, and (2) to hear and decide appeals.”

The ARC reviews the recommendations from Policy Committee for allocation of tax credits to developers and their proposed projects. The ARC then recommends to the Board project applications to be awarded tax credits. The ARC Rules require a member of the Housing New Mexico Board to serve on the committee. It also currently requires that board member to serve as chair of the ARC.

The proposed amendment would remove the requirement that the board member serving on the ARC also serve as chair. The rules would change to say, “The Committee Chair will be approved and appointed by the Housing New Mexico Board of Directors.” A redline of the Rules is attached. This change would allow for more flexibility in who the Board selects as chair. This change would allow the Board to appoint any committee member as chair, including the Board member serving on the committee

Summary: Staff recommend approval of an amendment to the Allocation Review Committee Rules to allow the Housing New Mexico Board of Directors to appoint any committee member as chair.

Housing New Mexico Tax Credit Allocation Review Committee (ARC) Rules

Housing New Mexico [MFA]’s Allocation Review Committee (ARC) was created by the Board of Directors to (1) confirm that program procedures set forth in the Qualified Allocation Plan have been followed during the Allocation Round, and (2) to hear and decide appeals.

Housing New Mexico’s Board of Directors appoints Committee members based on suggestions provided by Housing New Mexico staff. The Committee is comprised of at least four (4) and no more than nine (9) members, one of which will be a current member of the Housing New Mexico Board. The remaining members will be comprised of professionals with expertise in the sectors of finance, development, legal, energy, housing or homeless services, among other backgrounds. The Board will renew and/or appoint new members to the Committee as needed due to vacancies. The Committee Chair will be ~~the approved and appointed by the Housing New Mexico~~ Board ~~Representative of~~ Directors.

The full Committee will meet once per year, for approximately two to four hours. After staff has determined tax credit award recommendations it will make a detailed presentation of the procedures that were followed.

All ARC members must complete disclosure statements annually, ahead of the ARC meeting. At that time, any and all conflicts of interest related to Low Income Housing Tax Credit projects or Transactions must be disclosed. This statement (attached as Exhibit A) must divulge, to the best of the Committee member’s knowledge, his/her and/or his/her Family members' Financial Interest(s) in any Business engaged or proposing to engage in any transaction with Housing New Mexico.

After staff recommendations are reviewed and approved by the ARC, preliminary approval and rejection letters are issued to all Applicants. Letters are mailed to Applicants via US Mail and email, return receipt requested. These letters describe and begin the appeals process. If needed, the ARC will meet a second time to hear any appeals to the proposed tax credit award scoring.

Because of the limited number of meetings, members will be expected to attend all meetings, including the appeals hearings (if needed). ARC members are expected to review and be familiar with the annual Qualified Allocation Plan and allocation process and are expected to review materials provided by staff in advance of meetings. These meetings may be held virtually or in-person. From time to time, the meetings may be held outside of Albuquerque. Members of the ARC are eligible for travel reimbursements in accordance with Housing New Mexico’s travel policies and guidelines.

Board Representative~~and ARC Chair~~:

- ~~Patricia Sullivan~~Angel Reyes, ~~NMSU~~Centinel Bank, ~~Las Cruces~~Taos, NM

Current members of the ARC include:

- Michael A. D'Antonio, Albuquerque, NM
- ~~Robert White, Robles, Rael, & Anaya, P.C., Albuquerque, NM~~
- Nicole L. Martinez, Mesilla Valley Community of Hope, Las Cruces, NM
- ~~Adelmo (Del) Archuleta, formerly with Molzen Corbin, Albuquerque, NM~~
- Rosalyn Nguyen Chafey, Presbyterian Healthcare Services, Albuquerque, NM
- Edward Archuleta, formerly with St. Elizabeth Shelter, Santa Fe, NM
- Ken Carson, Jr., formerly with MyBank of Belen, Albuquerque, NM

EXHIBIT A: ANNUAL DISCLOSURE STATEMENT

To: **NEW MEXICO MORTGAGE FINANCE AUTHORITY (HOUSING NEW MEXICO)
HOUSING DEVELOPMENT**

From: _____
(ARC Committee Member)

Date: _____

Re: CY 2024 Low Income Housing Tax Credit Program

The undersigned ARC Committee Member states that he/she has read and understands the New Mexico Mortgage Finance Authority Code of Conduct and that the information provided below is, to the best of his/her knowledge and belief, accurate and complete in all respects, as of the date hereof.

The following is a list of all Businesses in which either I or a Family Member, have a Financial Interest (as defined in the Code of Conduct) which are engaged or proposing to engage in a Low Income Housing Tax Credit ("LIHTC") project or Transaction with Housing New Mexico. If the answer is "none," please write "none."

Name of Business: _____

The following is a list of all LIHTC projects or Transactions that I, or a Family Member (i.e., spouse, domestic partner, children, parents, siblings, grandparents, parents-in-law, brother-in-law or sister-in-law, uncle, aunt, first cousin or anyone residing in household,) am likely to participate in and/or benefit from; or a company, agency or organization with which I or a Family Member, am involved is likely to participate in and/or benefit from. If the answer is "none," please write "none."

The undersigned Committee Member acknowledges that it is **his/her responsibility to update this Disclosure Form within forty-five (45) days** of the date that he/she acquires an interest in a LIHTC project or Transaction as described above or learns of a Family Member having or acquiring an interest in a LIHTC project or Transaction, as described above.

Signed: _____

NOTE: Use additional sheets as necessary.



HOUSING NEW MEXICO | MFA
Finance/Operations Committee Meeting
Tuesday, July 7, 2026 at 1:00 p.m.

Webex - call-in information is 1-408-418-9388 (access code): 2487 373 9505
or you can join the call from the calendar item

Agenda Item	COMMITTEE RECOMMENDED	BOARD ACTION REQUIRED
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2 Amendment to Allocation Review Committee Rules – Jacobo Martinez	3-0	YES
3 Delegation of Authority-Dolores Wood	Matter removed from agenda before consideration.	Yes
4 Vacation Cash Out Program – Dolores Wood	Matter removed from agenda before consideration.	Yes
Information items		
5 May 2026 Wire Transfers	✓	NO
6 May 2026 Check Register	✓	NO

Committee Members present:

Derek Valdo, Chair

☐ present

☐ absent

☒ conference call

State Treasurer Laura M. Montoya
Christine Araya ✓

☐ present

☐ absent

☒ conference call

Lt. Governor Howie Morales/
Proxy Martina C'de Baca

☐ present

☐ absent

☒ conference call

[Signature]

Tab 2



HOUSING NEW MEXICO | MFA
Contracted Services/Credit Committee Meeting
Tuesday, July 7, 2026 @ 10:00 am

Webex- call in information is 1-408-418-9388 (access code): 2482 724 5045
Or you can join the call from the calendar item

AGENDA ITEM	TIME ALLOTTED	COMMITTEE RECOMMENDED	BOARD ACTION REQUIRED
1 West Mesa Ridge B Apartments – HOME, NHTF, NMHTF Loan Requests – Nick & George	10:00-10:05	3-0	YES
2 Approval of Term Limited Source Procurement for Renewal of Hybrid Sub-Servicing Services Agreement - Theresa	10:05-10:10	3-0	YES
3 Housing Innovation Award Recommendation – Daniela Freamon & Sonja Unrau	10:10-10:15	3-0	
4 Recommendation to Publish the Government Relations Request for Proposals – Robyn Powell	10:15-10:20	3-0	YES
Informational Items	10:20-10:25		NO
5 Questions/comments from Committee		✓	

Committee Members present:

Rebecca Wurzbarger, Chair

☐ present

☐ absent

☒ conference call

Attorney General Raul Torrez/Designee

Billy Jimenez

☐ present

☐ absent

☒ conference call

Randy Traynor

☐ present

☐ absent

☒ conference call

TO: Board of Directors

THROUGH: Contracted Services July 7, 2026
Policy Committee June 8, 2026

FROM: Robyn Powell, Director of Policy and Planning

DATE: July 15, 2026

SUBJECT: Recommendation to Publish the Government Relations Request for Proposals

Recommendation:

Staff recommend Board approval to publish a Request for Proposals for a consultant to furnish governmental services.

Background:

Currently, Housing NM retains one government relations provider who supports Housing New Mexico's interests as well as legislative and advocacy priorities at the state level. The current contract for the government relations provider expires in December 2026, and no further extensions are available under the current contract.

Discussion:

Housing New Mexico seeks a consultant to provide the following governmental services:

1. Provide advice and counsel in formulating and assisting in drafting the Housing New Mexico's legislative priorities prior to the beginning of each legislative session and during the interim.
2. Assist Housing New Mexico staff in scheduling advocacy and education meetings and events with key legislators throughout the year.
3. Represent the Housing New Mexico and advocate its legislative goals at the New Mexico state legislature and with the executive branch during regular legislative sessions, special sessions, at interim legislative committee meetings and hearings as necessary, and throughout the year as requested by Housing New Mexico staff.
4. Provide to designated Housing New Mexico staff member(s), including designated Housing New Mexico Governmental Services contract administrator, timely analyses of proposed legislation that may impact or otherwise affect the Housing New Mexico, its business operations or housing programs, and monitor such legislation and represent the Housing New Mexico's interests as appropriate.
5. Monitor and attend relevant legislative sessions and committee meetings (including interim committee meetings) and provide timely reports to Housing New Mexico on bill status and other legislative matters impacting Housing New Mexico activities.

6. Arrange meetings for Housing New Mexico staff with individual legislators as requested by Housing New Mexico.
7. Attend Housing New Mexico Legislative Oversight Committee meetings and meet with Housing New Mexico members, officers, staff and General Counsel as requested by Housing New Mexico.
8. Monitor regulatory agencies' activities affecting Housing New Mexico interests and provide timely reports to MFA staff, as requested by MFA.
9. Arrange meetings for Housing New Mexico staff with regulatory agency commissioners or other key staff, as requested by Housing New Mexico.

Staff intend to adhere to the following procurement schedule:

<i>Activity</i>	<i>Date</i>
Policy Committee RFP review	June 8, 2026
Contracted Services Committee RFP review	July 7, 2026
Board RFP review	July 15, 2026
Publish RFP	July 16, 2026
RFP submission deadline	August 21, 2026
Preliminary award recommendations to PC	September 1, 2026
Final award recommendation to Contracted Services Committee	September 8, 2026
Final award recommendation to Housing New Mexico Board	September 16, 2026

Summary:

Staff recommends approval to publish a Request for Proposals for a consultant to furnish governmental services. The recommended Request for Proposals is attached hereto as Exhibit A.

Exhibit A

Housing NM | MFA Request for Proposals for Consultant for Governmental Services

Part I: Background & General Information

Introduction

The New Mexico Mortgage Finance Authority (Housing New Mexico | ~~MFA~~~~(MFA)~~ (“Housing New Mexico”)) was created in 1975 by the New Mexico State Legislature to provide quality affordable housing opportunities for all New Mexico residents. The New Mexico Mortgage Finance Authority MFA is a governmental instrumentality, separate and apart from the state, created by the Mortgage Finance Authority Act, NMSA Sections 58-18-1 to 27 for the purpose of financing affordable housing for low- and moderate-income New Mexico residents.

~~The MFA~~Housing New Mexico has a full-time staff which administers its numerous programs, including the following state-funded programs and/or oversight responsibilities:

- Special Appropriations;
- Capital Outlay Appropriations;
- Landlord Collaboration programs;
- Linkages;
- Regional Housing Authorities Act oversight;
- Affordable Housing Act oversight;
- New Mexico Housing Trust Fund oversight;
- Weatherization Assistance Program; and
- Homeless programs.

Purpose

The purpose of this Request for Proposals (RFP) is to solicit proposals, in accordance with the ~~MFA~~Housing New Mexico Procurement Policy, from qualified offerors who, by reason of their skill, knowledge, and experience can provide Housing New Mexico MFA with governmental services, advice and representation on a continual basis throughout the year (“Offerors”).

Housing New Mexico MFA expects to enter into one or more contract(s) with the successful Offeror(s), which contract(s) may be for ~~one or two~~up to five years and shall allow Housing New Mexico MFA the option to renew for one or two years up to eight years. Successful Offerors may not obligate funds, incur expenses, or otherwise implement services prior to the execution of a contract with Housing New Mexico~~MFA~~.

Questions and Answers

Questions pertaining to this RFP and application must be submitted via email to sgonzales@housingnm.org or rpowell@housingnm.org. The email subject should read “Consultant for Governmental Services RFP”. Questions can be submitted from September 19, 2024 through October 24, 2024 July 16, 2026, to August 18, 2026. ~~– MFA~~Housing New Mexico will make every attempt to answer questions within two (2) business days.

Proposal Submission

Proposal submissions must be received no later than ~~October 25, 2025~~August 21, 2026, at 5:00 p.m., Mountain Time. Proposals which are not received by this time will not be accepted.

Proposals may only be submitted via email and must be emailed to sgonzales@housingnm.org or rpowell@housingnm.org with a subject line of "Proposal to Provide Governmental Services."

Proposal Tenure

All proposals shall include a statement that the proposal shall be valid until contract award, but no more than ninety (90) calendar days from the proposal due date.

RFP Revisions and Supplements

If it becomes necessary to revise any part of this RFP or if additional information is necessary to clarify any provision of this RFP, the revision or additional information will be posted on the [Housing New Mexico MFA](#) web site.

Incurred Expenses

[Housing New Mexico MFA](#) shall not be responsible for any expenses incurred by an Offeror in responding to this RFP. All costs incurred by Offerors in the preparation, transmittal or presentation of any proposal or material submitted in response to this RFP will be borne solely by the Offerors.

Cancellation of Requests for Proposals or Rejection of Proposals

[Housing New Mexico MFA](#) may cancel this RFP at any time for any reason and may reject all proposals (or any proposal) which are/is not responsive.

Offeror's Rights to Withdraw Proposal

Offerors will be allowed to withdraw their proposals by submitting a written withdrawal request addressed to sgonzales@housingnm.org or rpowell@housingnm.org.

Evaluation of Proposals, Selection and Negotiation

Proposals will be evaluated by an Internal Review Committee made up of [Housing New Mexico MFA](#) staff using the criteria listed in Part II Minimum Qualifications and Requirements, Part III Services to be Performed, and Part IV Compensation, below, pursuant to the Evaluation Criteria and scoring shown in Part V, Evaluation Criteria. The evaluation will include interviews of Offerors that meet the Minimum Qualifications and Requirements as described in Part II. [Housing New Mexico MFA](#)'s Policy Committee shall review and approve the recommendation of the Internal Review Committee. Final selection of Offeror(s) shall be made by the [Housing New Mexico MFA](#) Board of Directors.

[Housing New Mexico MFA](#) may provide Offerors whose proposals are reasonably likely, in [Housing New Mexico MFA](#)'s discretion, to be selected, an opportunity to discuss and revise their proposals prior to award, for the purpose of obtaining final and best offers. Proposals shall be evaluated on the criteria listed in Part V Evaluation Criteria, below.

The [Housing New Mexico MFA](#) Board of Directors shall select the Offeror(s) whose proposal(s) is/are deemed to be most advantageous to [Housing New Mexico MFA](#). to enter into contract negotiations with [Housing New Mexico MFA](#). If a final contract cannot be negotiated, then [Housing New Mexico MFA](#) will enter into negotiations with the other Offeror(s).

Award Notice

[Housing New Mexico MFA](#) shall provide written notice of the award to all Offerors within ten (10) days of the date of the award. The award shall be contingent upon successful negotiations of a final contract between [Housing New Mexico MFA](#) and the Offeror(s) whose proposal(s) is/are accepted by [Housing New Mexico MFA](#).

Proposal Confidentiality

Offerors or their representatives shall not communicate with [Housing New Mexico MFA](#)'s Board of Directors or staff members regarding any proposal under consideration or that will be submitted for consideration, except in response to an inquiry initiated by the Internal Review Committee, or a request from the Board of Directors, or its Contracted Services Committee / Finance Committee for a presentation and interview. A proposal will be deemed ineligible if the Offeror or any person or entity acting on behalf of the Offeror attempts to influence members of the Board of Directors or staff during any portion of the RFP review process, including any period immediately following release of the RFP.

MFA will not disclose, discuss or otherwise make available the contents of any proposal to competing or potential Offerors prior to the expiration of the protest period, which in the event a protest is presented, shall not occur until after final determination by the Board of Directors.

Irregularities in Proposals

[Housing New Mexico MFA](#) may waive technical irregularities in the form of proposal of any Offeror selected for award which do not alter the price, quality or quantity of the services offered. Note especially that the date and time of proposal submission as indicated herein under "Part I Background and General Information, Proposal Submission" cannot be waived under any circumstances.

Responsibility of Offerors

If an Offeror who otherwise would have been awarded a contract is found not to be a Responsible Offeror, a determination that the Offeror is not a Responsible Offeror, setting forth the basis of the finding, shall be prepared and the Offeror shall be disqualified from receiving the award. A Responsible Offeror means an Offeror who submits a proposal that conforms in all material respects to the requirements of this RFP and who has furnished, when required, information and data to prove that its financial resources, facilities, personnel, reputation and experience are adequate to make satisfactory delivery of the services described in this RFP. The unreasonable failure of an Offeror to promptly supply information in connection with an inquiry with respect to responsibility is grounds for a determination that the Offeror is not a Responsible Offeror.

Protest

Any Offeror who is aggrieved in connection with this RFP or the award of a Contract pursuant to this RFP may protest to MFA. The protest must be written and submitted via email to:

[Stephanie Gonzales, Research and Development Manager](mailto:sgonzalesrpowell@housingnm.org)
[Robyn Powell, Senior Director of Policy and Planning](mailto:sgonzalesrpowell@housingnm.org)
sgonzalesrpowell@housingnm.org

Protests received after the deadline will not be considered. The protest must be delivered to [Housing New Mexico MFA](#) via e-mail within five (5) business days after the preliminary notice of award. Upon the timely filing of a protest, [Housing New Mexico MFA](#) shall give notice of the protest to all Applicants who appear to have a substantial and reasonable

prospect of being affected by the outcome of the protest. The Applicants receiving notice may file responses to the protest within five (5) business days of notice of protest. The protest and responses to the protest shall be reviewed by the Housing New MexicoMFA Policy Committee.

No appeal of the determination shall be allowed. Applicants or their representatives shall not communicate with members of Housing New MexicoMFA's Board of Directors, or any Housing New MexicoMFA staff member regarding any application under consideration, except when specifically permitted to present testimony to the Housing New MexicoMFA Policy Committee. An application will be deemed ineligible if the Applicant or any person or entity acting on behalf of the Applicant attempts to influence members of the Housing New MexicoMFA Board of Directors or Housing New MexicoMFA staff during any portion of the RFP review process or does not follow the prescribed application and protest process.

Application Confidentiality

Housing New MexicoMFA will not disclose the contents of any application or discuss the contents of any application with an Applicant or potential Applicant. The contents of any offer will not be disclosed to competing or potential Applicants. After awards have been made, and notice given to Applicant(s), all applications shall be made available and open to the public for review pursuant to the Housing New MexicoMFA Inspection of Public Records policy and procedure.:

Part II: Minimum Qualifications and Requirements

Selected Offerors must meet the following requirements:

1. Offeror shall provide a written statement disclosing: (1) any political contribution or gift valued in excess of \$250.00 (singularly or in the aggregate) made by Offeror to any elected official of the State of New Mexico in the last three years, (2) any current or proposed business transaction between Offeror and any Housing New MexicoMFA member, officer, or employee, and (3) any other conflict or potential conflict which may give rise to a claim of conflict of interest.
2. Offeror shall provide a written statement disclosing any pending investigation, litigation, recent settlements, or regulatory sanctions related to its performance of professional services during the past five years and involving Offeror's firm or employees, or individuals or organizations involved with Offeror through any third-party or joint venture agreements. Describe any circumstances under which Offeror's firm or any of Offeror's members or employees have been disciplined by any professional licensing, regulatory or ethics entity. Indicate whether Offeror's firm has been involved in any capacity in litigation, investigations or regulatory proceedings involving HUD, U.S. Department of the Treasury, the State of New Mexico or any agency thereof.
3. A Written certification that Offeror has read and shall at all times conduct itself in a manner consistent with Housing New MexicoMFA's Third Party Code of Conduct (https://housingnm.org/uploads/documents/Third_Party_Code_of_Conduct.pdf).
4. Offeror shall provide a written certification that Offeror is an Equal Opportunity Employer and complies fully with all government regulations regarding nondiscriminatory employment practices.
5. Offeror shall provide a written certification that Offeror is eligible to participate in any and all federal- or state funded housing programs; is not currently facing disciplinary action by any federal, state or local entity; is not suspended, debarred or excluded from participation in any federal or state funded housing program; and is not listed as an excluded party (ies) on the System for Award Management's list of excluded parties accessed at www.sam.gov.; and has not been debarred by Housing New MexicoMFA.

6. All Offerors must be in compliance with the provisions of the New Mexico Lobbyist Regulation Act, §2-11-1 NMSA 1978 et seq.

Part III: Services to be Performed

As requested by Housing New MexicoMFA, Governmental Services REQUIRED to be provided and which shall be incorporated into the contract to be awarded pursuant to this RFP include, but are not limited to, the following:

1. Provide advice and counsel in formulating and assisting in drafting Housing New MexicoMFA's legislative priorities prior to the beginning of each legislative session and during the interim.
2. Assist Housing New MexicoMFA staff in scheduling advocacy and education meetings and events with key legislators throughout the year.
3. Represent Housing New MexicoMFA and advocate its legislative goals at the New Mexico state legislature and with the executive branch during regular legislative sessions, special sessions, at interim legislative committee meetings and hearings as necessary, and throughout the year as requested by Housing New MexicoMFA staff.
4. Provide to designated Housing New MexicoMFA staff member(s), including designated Housing New MexicoMFA Governmental Services contract administrator, timely analyses of proposed legislation that may impact or otherwise affect Housing New MexicoMFA, its business operations or housing programs, and monitor such legislation and represent Housing New MexicoMFA's interests as appropriate.
5. Monitor and attend relevant legislative sessions and committee meetings (including interim committee meetings) and provide timely reports to Housing New MexicoMFA on bill status and other legislative matters impacting Housing New MexicoMFA activities.
6. Arrange meetings for MFA staff with individual legislators as requested by Housing New MexicoMFA.
7. Attend Housing New MexicoMFA Legislative Oversight Committee meetings and meet with Housing New MexicoMFA members, officers, staff and General Counsel as requested by Housing New MexicoMFA.
8. Monitor regulatory agencies' activities affecting Housing New MexicoMFA interests and provide timely reports to Housing New MexicoMFA staff, as requested by Housing New MexicoMFA.
9. Arrange meetings for Housing New MexicoMFA staff with regulatory agency commissioners or other key staff, as requested by Housing New MexicoMFA.

Part IV: Compensation

Fee basis should be an all-inclusive, fixed-fee based on completion of service. Offeror must also state in their submission how long the Offeror can hold the all-inclusive fixed-fee for service with the minimum amount of time being two (2) years from the date of proposal and should address how increases will be negotiated. If selected, contracts with Offerors must reflect the all-inclusive, fixed-fee for service. Billing on the project should occur on a frequency to be negotiated with successful Offeror(s) and will be based on proposed fixed-fee for service.

Part V: Evaluation Criteria

Housing New MexicoMFA shall award the contract for Governmental Services to the Offeror(s) whose proposal is most advantageous to Housing New MexicoMFA. Proposals that meet the Minimum Qualifications and Requirements shall be evaluated primarily on experience and fees. Proposals shall be scored on a scale of 1 to 100 based on the criteria listed below. Please note that a serious deficiency in any one criterion may be grounds for rejection regardless of overall score.

Criteria	Point Range	Maximum Points
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1. <u>Legislative and Regulatory Experience and Capability</u> . Offeror's experience as a legislative and regulatory advocate in the State of New Mexico, including Offeror's demonstrated familiarity with the New Mexico legislative and regulatory processes, ability to work with elected officials and ability to generate legislative and regulatory results, as well as other broad based support for legislation. Additionally, Offeror's experience as a legislative advocate in New Mexico for non-profit social purpose agencies.	0-35	35
2. <u>Responsiveness to ~~Housing New Mexico MFA~~</u> . Offeror's ability to deliver timely, quality lobbying services during legislative sessions and throughout the year, and Offeror's availability for consultation and discussion at ~~Housing New Mexico MFA~~ 's discretion.	0-20	20
3. <u>Knowledge of ~~Housing New Mexico MFA~~ as well as Affordable Housing Issues and Funding Sources</u> . Offeror's experience with or understanding of the housing and/or mortgage lending industry in New Mexico and the issues surrounding affordability, including programs and funding sources available. Additionally, Offeror's knowledge of ~~Housing New Mexico MFA~~ and the MFA Act, § 58-18-1 NMSA 1978 et seq.	0-10	10
4. <u>References</u> .	0-5	5
5. <u>Interview</u> .	0-10	10
6. <u>Fee Structure</u> . Offeror's proposed all-inclusive, fixed-fee and rate schedule of standard expenses	0-20	20
Maximum Points		100

Part VI: Proposal Format and Instructions to Offeror

Proposals are limited to **10 single-sided pages**. Proposals submitted to ~~Housing New Mexico MFA~~ must, at a minimum, contain the following information and shall be organized as follows:

1. Letter of Transmittal – to include at least the following:
 - A. Name, address and telephone number of Offeror and name of contact person.
 - B. The location of Offeror's main office and the locations of any of Offeror's branch offices.
 - C. A signature of the Offeror or any partner, officer or employee who certifies that he or she has the authority to bind the Offeror.
 - C. Date of proposal.
 - D. A statement that the Offeror, if awarded the contract, will comply with the contract terms and conditions set forth in this RFP.
 - E. A statement describing how long the Offeror can hold the proposed cost with the minimum being ~~two~~ three (23) years from initial agreement execution.

- F. A statement that the Offeror's proposal is valid for ninety (90) days after the deadline for submission of proposals.

2. Disclosure and Certifications – Offeror shall provide:

- A. A written statement disclosing: (1) any political contribution or gift valued in excess of \$250.00 (singularly or in the aggregate) made by Offeror to any elected official of the State of New Mexico in the last three years, (2) any current or proposed business transaction between Offeror and any Housing New MexicoMFA member, officer, or employee, and (3) any other conflict or potential conflict which may give rise to a claim of conflict of interest.
- B. A written statement disclosing any pending investigation, litigation, recent settlements, or regulatory sanctions related to Offeror's performance of professional services during the past five years and involving Offeror's firm or employees, or individuals or organizations involved with Offeror through any third-party or joint venture agreements. Describe any circumstances under which Offeror's firm or any of Offeror's members or employees have been disciplined by any professional licensing, regulatory or ethics entity. Indicate whether Offeror's firm has been involved in any capacity in litigation, investigations or regulatory proceedings involving HUD, U.S. Department of the Treasury, U.S. Department of Energy, the State of New Mexico or any agency thereof.
- C. A Written certification that Offeror has read and shall at all times conduct itself in a manner consistent with MFA's Third Party Code of Conduct (https://housingnm.org/uploads/documents/Third_Party_Code_of_Conduct.pdf).
- D. A written certification that Offeror is an Equal Opportunity Employer and complies fully with all government regulations regarding nondiscriminatory employment practices.
- E. A written certification that Offeror is eligible to participate in any and all federal- or state funded housing programs; is not currently facing disciplinary action by any federal, state or local entity; is not suspended, debarred or excluded from participation in any federal or state funded housing program; and is not listed as an excluded party (ies) on the System for Award Management's list of excluded parties accessed at www.sam.gov; and has not been debarred by Housing New MexicoMFA.
- F. A statement certifying that:
- i. All expenditure statements ("Statements") required to be filed with the Secretary of State pursuant to the term of the Lobbyist Regulation Act for the last three years have been filed;
 - ii. Copies of all accounts, bills, receipts, books, papers and documents ("Records") necessary to substantiate the financial statements required to be made under the Lobbyist Regulations Act are being maintained as required; and
 - iii. Offeror, upon request by Housing New MexicoMFA, will make available to Housing New MexicoMFA and permit Housing New MexicoMFA to examine and make copies of such Statements and Records in the course of considering Offeror's proposal pursuant to this RFP and during the course of Offeror's contract with Housing New MexicoMFA if Offeror is the successful Bidder.
- G. If Offeror is a non-profit organization, Offeror will provide Housing New MexicoMFA with proof that Offeror has registered with the New Mexico Attorney General's Registry of Charitable Organizations.

If Offeror is a Successful Offeror, Offeror shall keep such registry current for so long as the term of any contract entered into between Offeror and Housing New MexicoMFA as a result of this RFP.

3. Legislative and Regulatory Experience and Capability

- A. Lobbying Experience. A detailed description of Offeror's qualifications and experience as a lobbyist in the State of New Mexico, including the number of years Offeror has been involved in New Mexico legislative activities.
- B. Legislative or Regulatory Initiatives. A list of legislative or regulatory initiatives in which Offeror played a significant role in bringing to fruition (i.e., legislation passed, appropriations approved), describing Offeror's role with regard to each initiative.
- C. Support Services. A description of Offeror's technical capabilities and administrative support.
- D. Public Entity Clients. A list of state or local housing agencies, other governmental entities or non-profit social purpose agencies for which Offeror has registered and worked as a lobbyist.
- E. A list of other clients for whom Offeror has registered and worked as a lobbyist in New Mexico within the last ten (10) years.
- F. The names and resumes of the lead contact and other key personnel to be assigned to the account. Resumes describing the qualifications of personnel to be utilized in the performance of Offeror's services for Housing New MexicoMFA must show, at a minimum, the person's name, education, position, and total years and types of experience relevant to the performance of the services.

4. Responsiveness to MFA-Housing New Mexico

- A. Offeror's proposal for delivering services, including organization of responsibilities, work plan, approach, and the availability of personnel for consultation and discussion, as necessary to serve the needs of Housing New MexicoMFA.
- B. A detailed description of Offeror's technical capabilities to provide responsive and professional services to Housing New MexicoMFA if the contract were awarded to Offeror (e.g., ability to prepare and respond to documents in a timely manner, expertise of administrative support staff, etc.).
- C. Future Clients. A list of any clients for whom Offeror expects to lobby in the 2025-2027 New Mexico legislative session or for whom Offeror has filed a registration statement pursuant to the Lobbyist Regulation Act, and a statement of the time expected to be committed to each client.

5. Knowledge of Housing New MexicoMFA as well as Affordable Housing Issues and Funding Sources

- A. Affordable Housing. A statement describing Offeror's knowledge of affordable housing issues in New Mexico and funding sources available to address those issues.
- B. A statement describing Offeror's knowledge of Housing New MexicoMFA's enabling legislation, business operations and loan programs.

- C. A description of the Offeror's involvement in the housing and/or mortgage lending industry, including any organizations with which the Offeror may be affiliated with.

6. References

- A. Offeror shall provide at least three references for Offeror's work. Please provide the name of the individual providing reference, company, address, telephone number and email.
- B. Housing New MexicoMFA shall provide the form attached hereto as **Exhibit A** to all references. Each reference shall send the form directly to Housing New MexicoMFA rather than through the Offeror.

7. Fee Structure

- A. Provision of all-inclusive, fixed fee based on completion of service
- B. Proposed billing frequency
- C. Information regarding Offeror's ability to provide detailed monthly billings summarized by subject matter and a sample itemized bill
- D. A list of all of Offeror's employees, including support staff, who are to work on the Housing New MexicoMFA account
- E. Whether Offeror's proposed fees are the best offered by Offeror to any client for a comparable scope of consultation

*All Offerors are responsible for determining fees or costs associated with doing business in New Mexico and those costs must be included as part of the proposal.

- 8. Please provide any other relevant information which will assist Housing New MexicoMFA in evaluating Offeror's ability to provide Governmental Services to Housing New MexicoMFA.

Part VII: Principal Contract Terms and Conditions

In addition to the terms respecting the services to be performed and compensation described above, the contract between MFA-Housing New Mexico and the successful Offeror(s) (herein "Contractor") shall include, but may not be limited to, terms substantially similar to the following:

Contract Term. The term of the Governmental Services Contract shall begin the date the Housing New MexicoMFA Board of Directors approves the award and end on the ~~first or second~~third anniversary date thereafter, at Housing New MexicoMFA's discretion. At Housing New MexicoMFA's option, the contract may be extended for two one year periods (or one two year period) under the same terms and conditions. There will be a transition period for matters in process at the beginning and the end of the contract term.

Hold Harmless and Indemnification. Contractor ~~Offeror~~ shall indemnify, defend, and hold harmless MFA-Housing New Mexico and the State of New Mexico, its officers, directors, agents, employees, successors and permitted assigns (each, a "MFA-Housing New Mexico Indemnatee") from and against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs or expenses of whatever kind, including attorneys' fees, that are incurred by a MFA-Housing New Mexico Indemnatee (collectively, "Losses") arising out of or

related to any third party claim alleging (i) breach or non-fulfillment of any provision of this Agreement by ~~Offeror Contractor~~ or ~~Offeror's Contractor's~~ personnel; (ii) any negligent or more culpable act or omission of ~~Offeror Contractor~~ or ~~Offeror's Contractor's~~ personnel, including any reckless or willful misconduct, in connection with the performance of ~~Offeror's Contractor's~~ obligations under this Agreement; (iii) any bodily injury, death of any person, or damage to real or tangible, personal property resulting from willful, fraudulent, or negligent acts or omissions of ~~Offeror Contractor~~ or ~~Offeror's Contractor's~~ personnel, or (iv) any failure by ~~Offeror Contractor~~ or its personnel to comply with any applicable federal, state or local laws, regulations, or codes in the performance of its obligations under this Agreement. ~~Offeror Contractor~~ shall further defend, indemnify, and hold harmless the MFA-Housing New Mexico Indemnitees from and against any and all claims that any of the Services or deliverables or MFA's-Housing New Mexico's receipt or use thereof infringes any intellectual property right of a third party.

Permitted Subcontractors. ~~Offeror Contractor~~ shall obtain MFA's-Housing New Mexico's written approval, which approval shall be given in MFA's-Housing New Mexico's sole discretion, prior to entering into any agreements with or otherwise engaging any person, including all subcontractors, other than ~~Offeror's Contractor's~~ employees, to provide any Services to MFA-Housing New Mexico (each such approved subcontractor or other third party, a "Permitted Subcontractor"). MFA's-Housing New Mexico's approval shall not relieve ~~Offeror Contractor~~ of its obligations under the Agreement, for any reason, including but not limited to Permitted Subcontractor's bankruptcy, insolvency, or other inability to perform the services required under any subcontract, an ~~Offeror Contractor~~ shall remain fully responsible for the performance of each such Permitted Subcontractor and its employees and for their compliance with all of the terms and conditions of this Agreement as if they were ~~Offeror's Contractor's~~ own employees. Nothing contained in this Agreement shall create any contractual relationship between MFA-Housing New Mexico and any Permitted Subcontractor or supplier. ~~Offeror Contractor~~ shall require each such Permitted Subcontractor to be bound in writing by the confidentiality and intellectual property assignment provisions of this Agreement.

Records. Maintain complete and accurate records relating to the provision of the Services under this Agreement, including records of the time spent and materials used by ~~Contractor Offeror~~ in providing the Services in such form as MFA-Housing New Mexico shall approve. During the Term and for a period of five years thereafter, upon MFA's-Housing New Mexico's written request, ~~Contractor Offeror~~ shall allow MFA-Housing New Mexico or MFA's-Housing New Mexico's representative to inspect and make copies of such records and interview ~~Contractor Offeror~~ personnel in connection with the provision of the Services. MFA-Housing New Mexico shall have the right to audit bills submitted to MFA-Housing New Mexico under this Agreement both before and after payment. Payment under this Agreement shall not foreclose the right of MFA Housing New Mexico to recover excessive and/or illegal payments.

Payment. Payment shall be made to ~~Offeror Contractor~~ at the times, and in the amounts, that shall be set forth in a Service Agreement between MFA-Housing New Mexico and ~~Offeror Contractor~~.

Insurance. ~~Contractor Offeror~~ shall procure and maintain at its expense until final payment by MFA-Housing New Mexico for Services covered by this Agreement, insurance in the kinds and amounts hereinafter provided with insurance companies authorized to do business in the state of New Mexico, covering all operations under this Agreement, whether performed by the ~~Contractor Offeror~~ or its agents. Before commencing the Services, and on the renewal of all coverages, the ~~Contractor Offeror~~ shall furnish to MFA-Housing New Mexico a certificate or certificates, providing for not less than thirty (30) days' notice to MFA-Housing New Mexico of non-renewal or cancellation, in form satisfactory to MFA-Housing New Mexico showing that it has complied with this Sub-Section. Various types of required insurance may be written in one or more policies. With respect to all coverages required other than workers' compensation, MFA-Housing New Mexico shall be named an additional insured. Kinds and amounts of insurance required are as follows:

- i. Commercial General Liability insuring the activities of ~~Offeror Contractor~~ under this Agreement with limits no less than \$750,000 per occurrence and \$750,000 in the aggregate, and with a claim/aggregate deductible in an

amount reasonable for a firm of Offeror's size and financial condition, in a form acceptable to MFA Housing New Mexico.

ii. Professional Liability covering all liabilities and risks inherent in Contractor~~Offeror~~'s performance of the services required under this Agreement, with limits no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate and with a claim/aggregate deductible in an amount reasonable for a firm of Offeror's size and financial condition, in a form acceptable to MFA Housing New Mexico.

Equal Opportunity Data. The Contractor~~Offeror~~ will maintain data relative to "Equal Opportunity" as related to Minority Business Enterprises ("MBE") and Women Business Enterprises ("WBE"). At a minimum, such data shall include the number and dollar value of MBE/WBE contracts and subcontracts awarded. This data is required to be reported to MFA Housing New Mexico annually in the format prescribed by MFA Housing New Mexico and is due to MFA Housing New Mexico each year at a time to be determined by MFA Housing New Mexico in its sole discretion.

Third-Party Code of Conduct. At all times during the term of this Agreement, while in the performance of the Services, and at all other times when in contact with MFA Housing New Mexico staff, Contractor and its personnel, shall behave in a manner consistent with the MFA Housing New Mexico Third-Party Code of Conduct. A copy of the MFA's Housing New Mexico's Third- Party Code of Conduct is posted on the MFA Housing New Mexico web site for review at <https://housingnm.org/uploads/documents/Third Party Code of Conduct.pdf>.

Termination for Cause. ~~If, in the judgment of Housing New Mexico, the Contractor, for any cause, fails or omits to carry out the Work in an acceptable manner Housing New Mexico may give notice in writing of such failure or omission and of a reasonable time (960 days or less), as determined within the sole discretion of Housing New Mexico, within which to cure the deficiency. The Contractor shall take corrective measures within such time. The Contractor's failure to comply with such notice and to cure the deficiency as provided in the notice shall subject this Agreement to immediate termination by Housing New Mexico. In the event of a for-cause termination, Housing New Mexico shall terminate this Agreement by delivering to Contractor a written notice of termination. The effective date of termination shall be the date stated in the notice or, if no date is stated, then the date of delivery of the notice. Upon such termination, Contractor shall deliver to Housing New Mexico all materials developed under this Agreement. MFA, by written notice to the Contractor, shall have the right to suspend or terminate this Agreement if, at any time, in the judgment of MFA, the Contractor materially fails to comply with any term of this Agreement.~~

Termination for Convenience of MFA Housing New Mexico. ~~On fifteen (15) business day's written notice to Contractor, Housing New Mexico may terminate this Agreement in whole or in part for its own convenience in the absence of termination for cause or any default of Contractor. In the event of a termination for convenience, Housing New Mexico shall terminate this Agreement by delivering to Contractor notice of termination without cause specifying the extent to which performance of Work under this Agreement is terminated and the date upon which such termination becomes effective. Within ten (10) calendar days of the effective date of termination, Contractor shall deliver to Housing New Mexico all materials developed under this Agreement. Upon delivery of such notice, Contractor shall have the right to receive payment for services satisfactorily performed to termination date, including reimbursement then due.~~

~~On thirty (30) calendar day's written notice to Offeror, MFA may terminate this Agreement in whole or in part for its own convenience. In the event of a termination for convenience, MFA shall terminate this Agreement by delivering to Offeror notice of termination without cause specifying the extent to which performance of services under this Agreement is terminated and the date upon which such termination becomes effective. Within ten (10) calendar days of the effective date of termination, Offeror shall deliver to MFA all materials developed under this Agreement. Upon delivery of such notice, Offeror shall have the right to receive payment for services satisfactorily performed to termination date, including reimbursement then due.~~

Good Standing. ~~All Contractors must be in good standing with Housing New Mexico and all other state and federal affordable housing agencies. For example, debarment from HUD, Housing New Mexico or other federal housing programs, bankruptcy, criminal indictments or convictions, poor performance on prior Housing New Mexico or federally-financed Projects on the part of any Contractor may result in termination of this Agreement.~~

~~All Offerors must be in good standing with MFA and all other state and federal affordable housing agencies. For example, debarment from HUD, MFA or other federal housing programs, bankruptcy, criminal indictments or convictions, poor performance on prior MFA or federally-financed Projects on the part of any Offeror may result in termination of this Agreement.~~

Independent OfferorContractor. The nature of the ~~ContractorOfferor's~~ and its staff's relationship to ~~MFA-Housing New Mexico~~ will be that of an independent contractor, and the ~~Offeror-Contractor~~ will not be deemed an agent, employee or servant of ~~MFAHousing New Mexico~~. The compensation agreed upon by ~~MFA-Housing New Mexico~~ and the ~~Contractor Offeror~~ will not be subject to withholding from taxes, F.I.C.A., or otherwise, and nothing in this Agreement burdens ~~MFA Housing New Mexico~~ with the duties of an employer concerning the ~~Offeror-Contractor~~ and its staff under any state worker's compensation laws, state or federal occupational health and safety laws, or any other state or federal laws. The ~~Offeror-Contractor~~ and its staff will not participate in any of the fringe benefits generally made available by ~~MFA Housing New Mexico~~ to its officers or employees. ~~MFA-Housing New Mexico~~ will not provide the ~~Contractor Offeror~~ office space, clerical help, office supplies or the like except as mutually agreed to by ~~MFA-Housing New Mexico~~ and the ~~ContractorOfferor~~. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

Assignment. ~~Contractor Offeror~~ shall not assign or transfer any obligation or interest in this Agreement, or assign any claims for money due or to become due under this Agreement, without prior written approval of ~~MFAHousing New Mexico~~. No assignment shall relieve ~~Offeror-Contractor~~ of any of its obligations hereunder. Any attempted assignment, transfer, or other conveyance in violation of the foregoing shall be null and void. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns.

Intellectual Property Rights; Ownership. ~~MFA-Housing New Mexico~~ is, and shall be, the sole and exclusive owner of all right, title, and interest in and to the deliverables provided pursuant to the provision of the Services, including all Intellectual Property Rights therein. ~~Offeror-Contractor~~ agrees, and will cause its ~~Offeror-Contractor's~~ personnel to agree, that with respect to any deliverables that may qualify as "work made for hire" as defined in 17 U.S.C. §101, such deliverables are hereby deemed a "work made for hire" for ~~MFAHousing New Mexico~~. To the extent that any of the Deliverables do not constitute a "work made for hire", ~~Offeror-Contractor~~ hereby irrevocably assigns, and shall cause the ~~Offeror-Contractor~~ personnel to irrevocably assign to ~~MFAHousing New Mexico~~, in each case without additional consideration, all right, title, and interest throughout the world in and to the deliverables, including all Intellectual Property Rights therein. The ~~Offeror-Contractor~~ shall cause the ~~Offeror-Contractor~~ personnel to irrevocably waive, to the extent permitted by applicable law, any and all claims such ~~Offeror-Contractor~~ personnel may now or hereafter have in any jurisdiction to so-called "moral rights" or rights of droit moral with respect to the deliverables. Upon the request of ~~MFAHousing New Mexico~~, ~~Offeror-Contractor~~ shall, and shall cause the ~~Offeror-Contractor~~ personnel to, promptly take such further actions, including execution and delivery of all appropriate instruments of conveyance, as may be necessary to assist ~~MFA-Housing New Mexico~~ to prosecute, register, perfect, or record its rights in or to any deliverables.

Confidential Information. Simultaneous herewith, ~~Offeror-Contractor~~ shall enter into a Non-Disclosure Agreement with ~~MFA-Housing New Mexico~~ under which ~~Offeror-Contractor~~ shall agree ~~Offeror-Contractor~~ will not, during the term of this Agreement, or thereafter, without the written consent of ~~MFAHousing New Mexico~~, disclose to anyone, or use for ~~Offeror's-Contractor's~~ own account, any confidential information concerning the businesses or affairs of ~~MFAHousing New~~

Mexico. ~~ContractorOfferor~~ will retain all such knowledge and information respecting such confidential information in trust for the sole benefit of MFAHousing New Mexico. Upon termination of this Agreement, ~~ContractorOfferor~~ will deliver to MFA-Housing New Mexico all writings relating to or containing confidential information or destroyed with destruction certified by the receiving Party.

Generative Artificial Intelligence. Generative Artificial Intelligence contract terms to be determined between Contractor and Housing New Mexico.

Remedies. ~~ContractorOfferor~~ recognizes that irreparable injury would be caused by any breach of any of the provisions of this Agreement by ~~ContractorOfferor~~. MFAHousing New Mexico, in addition to all other rights and remedies at law or equity as may exist in its favor, will have the right to enforce the specific performance of the provisions of this Agreement and to apply for injunctive relief against any act that would violate any such provisions. ~~Contractor Offeror~~ shall reimburse MFA-Housing New Mexico for all costs and expenses, including reasonable attorney fees incurred by MFA-Housing New Mexico by reason of ~~Contractor Offeror~~'s breach of this Agreement. Nothing herein shall be read to limit ~~ContractorOfferor~~'s remedies in the event of a breach of this Agreement by the MFAHousing New Mexico.

Licenses/Compliance with Laws and Regulations. Before the date on which the Services are to start, obtain, and at all times during the Term of this Agreement maintain, all necessary licenses and consents and comply with all relevant laws applicable to the provision of the Services.

Compliance with ~~MFA-Housing New Mexico~~ Rules, Regulations and Policies. Comply with, and ensure that all ~~ContractorOfferor~~ personnel comply with, all rules, regulations, and policies of MFA-Housing New Mexico that are communicated to ~~ContractorOfferor~~ in writing, including security procedures concerning systems and data and remote access thereto, building security procedures, and general health and safety practices and procedures.

Governing Law and Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico without giving effect to any choice or conflict of law provision or rule that would cause the application of laws of any jurisdiction other than those of the State of New Mexico. Any legal suit, action, or proceeding arising out of, or related to, this Agreement or the Services provided hereunder shall be instituted exclusively in the federal courts of the United States or the courts of the State of New Mexico in each case located in the city of Albuquerque and County of Bernalillo, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding.

Attorneys' Fees and Costs. In the event either party brings an action or proceeding for the declaration of the rights of the parties under this Agreement, for injunctive relief, for an alleged breach or default hereof, or any other legal action arising out of this Agreement, or the transactions contemplated hereby, or in the event any party is in default of its obligations pursuant hereto, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

New Mexico Mortgage Finance Authority

Board Members

Chair Angel Reyes – President, Centinel Bank in Taos

Vice Chair – Derek Valdo – Chief Executive Officer, AMERIND Risk

Treasurer Rebecca Wurzbarger – Strategic Planning Consultant

Member Howie Morales – Lieutenant Governor, State of New Mexico

Member ~~Raúl Raul~~ Torrez – Attorney General, State of New Mexico

Member Laura ~~M.~~ Montoya – Treasurer, State of New Mexico

Member ~~Patricia Sullivan~~ Randy Traynor – ~~Associate Dean, New Mexico State University College of Engineering~~ Traynor Associates, LLC

Management

Isidoro Hernandez, Executive Director

~~Arundhati Bose~~ Jessica Franco, Chief Financial Officer

Donna Maestas-De Vries, Chief Housing Officer

Jeff Payne, Chief Lending Officer

EXHIBIT A

ORGANIZATIONAL REFERENCE QUESTIONNAIRE

~~The New Mexico Mortgage Finance Authority~~Housing New Mexico, as part of the ~~RFP~~Request for Proposals process, requires Offerors to submit at least three references for Offeror's work for clients providing advice and counsel with respect to legislative and regulatory matters. The purpose of these references is to document Offeror's experience relevant to the scope of work in an effort to establish Offeror's responsibility. ~~MFA~~Housing New Mexico will send the following reference form to each business reference listed in Offeror's proposal.

Governmental Services ~~RFP~~ Request for Proposal

ORGANIZATIONAL REFERENCE QUESTIONNAIRE FOR:

This form is being submitted to your company for completion as a business reference for the company named above. This form is to be returned to ~~the New Mexico Mortgage Finance Authority~~ Housing New Mexico via e-mail- toat:

Name: ~~Stephanie Gonzales~~ Robyn Powell
E-mail: ~~sgonzales@housingnm.org~~ rpowell@housingnm.org

No later than August 14, 2026, and must **NOT** be returned to the company requesting the reference.

For questions or concerns regarding this form, please contact the individual first named above.

Company providing reference:	
Contact name and title/position:	
Contact telephone number:	
Contact e-mail address:	
Description of services provided:	
Dates services provided (starting and ending):	

1. How would you rate the timeliness of work conducted and information requested?

_____ (3=Excellent 2=Satisfactory 1=Unsatisfactory 0=Unacceptable)

COMMENTS:

2. How would you rate how the work was planned and executed?

_____ (3=Excellent 2=Satisfactory 1=Unsatisfactory 0=Unacceptable)

COMMENTS:

3. How would you rate the knowledge and technical expertise demonstrated?

_____ (3=Excellent 2=Satisfactory 1=Unsatisfactory 0=Unacceptable)

COMMENTS:

4. How would you rate the value added to your organization through the Offeror's recommendations?

_____ (3=Excellent 2=Satisfactory 1=Unsatisfactory 0=Unacceptable)

COMMENTS:

5. With which aspect(s) of this Offeror's services are you most satisfied?

COMMENTS:

6. With which aspect(s) of this Offeror's services are you least satisfied?

COMMENTS:

7. Would you recommend this Offeror's services?

COMMENTS:

Tab 3

TO: Housing New Mexico Board of Directors

THROUGH: Contracted Services Committee on July 7, 2026
New Mexico Housing Trust Fund Advisory Committee on July 8, 2026
Policy Committee on June 23, 2026

FROM: Daniela Freamon & Sonja Unrau

DATE: July 15, 2026

SUBJECT: Recommendation for Housing Innovation Award –
Heading Home for Shelter Rehabilitation

Recommendation:

Staff recommend the approval of the Heading Home award for a \$301,975 grant under the Housing Innovation Program Notice of Funding Availability (NOFA) to provide repairs and renovation to the Albuquerque Opportunity Center, an emergency shelter that serves unhoused individuals.

Background:

The Housing Innovation Program NOFA was approved by the Housing New Mexico Board of Directors in August 2025 as a resource to address housing needs that are currently not being served through other Housing New Mexico programs and an opportunity for eligible applicants to fund a community tailored housing solution.

Discussion:

About the applicant. Heading Home was established 22 years ago at the Albuquerque Opportunity Center. Since that time, the agency has grown the nonprofit and provides comprehensive homeless services across Albuquerque. The agency's funding is diversified and includes federal, county, state, and city sources, as well as private foundations and individual donors. In the current fiscal year, Heading Home anticipates serving more than 3,000 clients.

About the project. Heading Home applied to the Housing Innovation program for the repair and renovation of their Albuquerque Opportunity Center. The Albuquerque Opportunity Center is a 14,000 sq ft facility that provides 56-bed emergency shelter beds and 34 respite beds which serve over 800 unhoused individuals annually. In addition to

overnight shelter, all residents are provided case management that focuses on obtaining housing, creating a stable income, healthcare, and taking continued steps toward self-sustainability.

The building was purchased 22 years ago and now requires various repairs and renovations to the plumbing systems, cooling systems, bathrooms, and laundry room.

Proposed budget and scope of work is provided below:

Project Budget	
Bathroom Remediation	\$27,214.50
Bathroom Repair and Restoration	\$146,964
Laundry Ventilation Repair	\$13,591
Dryer Replacement (3)	\$3,000
Outdoor Valve Replacement and Service Access	\$7,393.84
Replace AC Units (4)	\$61,888
Mattresses (58) and Bed Frames (50)	\$30,945
Fire Control Panel	\$2,182.64
3% additional to address unknown issues	\$8,795.37
Total	\$301,974.35

Award Overview

Housing Innovation Award	Leverage	Total Project Cost	Number of Beneficiaries	Income Level Served
\$301,975	\$0	\$301,975	800	Up to 30% AMI
Scope of Work	Repair and renovation of the Albuquerque Opportunity Center in Albuquerque, New Mexico.			
Housing Innovation Award Budget	Direct rehabilitation cost		\$301,975	
	Total		\$301,975	

Summary:

Staff recommend the approval of the Heading Home award for a \$301,975 grant under the Housing Innovation Program NOFA to provide repairs and renovation for the Albuquerque Opportunity Center in Albuquerque, New Mexico.

Tab 4

2026 RENTAL AWARD SUMMARY

Project Name & Address	West Mesa Ridge B 6301 Fortuna Rd NW, Albuquerque, NM 87121			
Proposed Awards	\$1,000,000	HOME	Rate	0%
	\$400,000	National Housing Trust Fund (NHTF)	Rate	0%
	\$3,000,000	New Mexico Housing Trust Fund (NMHTF)	Rate	2.0% Fixed
Borrowers	West Mesa Ridge B CIC, LLLP owned 0.0051% by YES West Mesa Ridge B, LLC (Co-General Partner), 0.0049% by CIC West Mesa Ridge B, LLC (Managing General Partner) and 99.99% by Sage Too Investment Corporation (Initial Limited Partner), an affiliate of Chelsea Investment Corporation.			
Management	Monarch Properties, Inc. is a private Texas corporation chartered in 1982 who currently manages over 8,000 units across New Mexico, Texas and Oklahoma, including all of Chelsea's New Mexico LIHTC communities.			
Developers	Chelsea Investment Corporation (Chelsea) was incorporated in California in 1986 by James J. Schmid, who currently serves as their board chairman. They are a vertically integrated company focused on the financing and development of affordable housing with asset management, construction and community investment affiliates. Chelsea has completed more than 12,200 units across 135 affordable communities in California, New Mexico, Arizona and Utah. Of their New Mexico projects, 609 units were LIHTC financed. Chelsea was named "Developer of the Year" in 2013 & 2022 by Housing New Mexico. YES Housing, Inc. is a New Mexico 501(c)(3) non-profit Community Housing Development Organization (CHDO), participating as a non-borrowing entity. Established in 1990 by Augustine (Chris) Baca, who has more than 50 years' housing development experience. YES Housing, Inc. has participated in the development of more than 40 affordable multifamily rental properties over more than a 30-year span consisting of 2,600+ units in Arizona, New Mexico and Texas. YES Housing's associated projects have utilized conventional financing, city/local funds, and multiple subsidized programs including HOME, New Mexico Housing Trust Fund, National Housing Trust Fund and both 4% and 9% LIHTC. Chelsea's 3/31/26 internal interim financial statement shows \$5.4M unrestricted cash, \$38.2M total assets, \$37.7M net worth and a 0.01 debt-to-net-worth ratio. Period net income was \$2.2M with positive traditional cashflow. Chelsea's FYE 12/31/2025 audited consolidated financials show \$5.7M unrestricted cash, \$37.8M total assets, \$35.5M net worth and a 0.06 debt-to-net-worth ratio. Period net income was \$1.2M with positive traditional cashflow. Chelsea's FYE 12/31/2024 audited consolidated financials show \$5.9M unrestricted cash, \$38.8M total assets, \$36.6M net worth and a 0.06 debt-to-net-worth ratio. Period net income was \$5.5M with positive traditional cashflow. YES Housing Inc's 3/30/26 internal interim financial statement shows \$4.8M unrestricted cash, \$86.4M total assets, \$50.5M net worth and a 0.71 debt-to-net-worth ratio. Period net income was \$283.8K with positive traditional cashflow. YES Housing Inc's FYE 12/31/2025 unaudited consolidated financials show \$5.4M unrestricted cash, \$84.4M total assets, \$49M net worth and a 0.72 debt-to-net-worth ratio. Period net income was \$1.8M with positive traditional cashflow.			

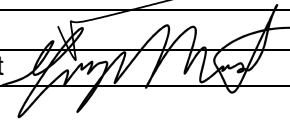
Project Type & Size	West Mesa Ridge B includes the new construction of 144 affordable multifamily units encompassing 143,120 gross square feet, across six residential buildings on approximately 6.33 acres. Project's target population includes households with children earning between 30% and 70% AMI. Of the total unit count, 15 units will be income restricted to 30% or less of Area Median Income (AMI), 15 units will be income restricted to 50% or less of AMI, 58 units will be income restricted to 60% or less of AMI and 56 units will be income restricted to 70% or less of AMI. One unit will be reserved as an on-site manager's unit.
Project Description	Project plans include a central courtyard framed by residential buildings, a playground with caregiver seating and a community building to include mail storage, laundry facilities, a TV room, computer lab, maintenance storage space and a management office. A community garden will also be on site. All residential spaces and amenities will be built to Housing New Mexico design requirements and smoke-free standards. Community amenities will also be ADA compliant. Project is the second of a three-phase, mixed use affordable multifamily development, including West Mesa Ridge A (comprised of 128 affordable units) and a Science & Technology Learning Center, adjacent to Coors Boulevard, to be developed by Youth Development, Inc. The entire three-phase project is located near existing multifamily and single-family developments and various community-serving resources, including medical, retail, grocery, banking, dining and schools. Market Study dated April 27, 2026, by Kinetic Valuation Group, Inc., concludes the Subject property will provide affordable family housing and competitive amenities suitable to the area with a 2.3% capture rate. Subject as proposed will positively impact the availability of affordable multifamily housing in the area.
Environmental & Site	Phase I Environmental Site Assessment of the subject property, as completed by Western Technologies on March 5, 2024. No recognized environmental conditions (RECs), historic recognized environmental conditions (HRECs), and/or controlled recognized environmental conditions (CRECs) were identified in connection with the site. As required by HOME (24 CFR part 58), the project must be determined to comply with HUD Environmental Review before site control and/or execution of loan documents. As required by the National Housing Trust Fund, the project must be determined to comply with HUD Environmental Provisions of 24 CFR part 93.301 before construction is complete.
Site and Neighborhood Standards (HOME and NHTF New Construction only)	Project will be required to meet HUD's Site and Neighborhood Standards prior to acquisition of the property.

Project Financials, Projections and Assumptions, and Subsidy Layering Review	Project was underwritten using Housing New Mexico's standard 7% vacancy rate, which is conservative considering nearby affordable housing properties' low vacancy rates and accompanying waiting lists. Applicant provided a detailed 15-year cash flow projection, assuming total annual income of \$1,962,263. Applicant estimates total operating expenses, less reserves and social services, of \$761,458 (\$5,288 per unit per year). Estimated operating expenses fall slightly below Housing New Mexico's standard underwriting guidelines of \$5,300 to \$7,600 per unit per year. Debt Service Coverage Ratio (DSCR) projected at 1.16 in year one, increasing to 1.40 in year 15. This ratio is below Housing New Mexico's underwriting standards (between 1.20 and 1.40) in the first three years, but increases to 1.21 in operating year four. Cash flow growth is projected across all years. First mortgage loan from CITI Bank is assumed at an interest rate of 6.56% (6.06% rate with 50 basis points added for underwriting). If a positive rate adjustment prevents the project from meeting DSCR requirements, the permanent amount of the first mortgage loan's principal may be reduced, with said reduced amount replaced by a cash flow loan from Chelsea or YES Housing, Inc. Currently \$3,162,497 (~55%) of the \$5,706,453 developer fee is expected to be deferred during the project's permanent period. Generally, the deferred portion of a developer fee may be used to replace a portion of the first mortgage loan to mitigate risk of possible interest rate adjustments which may occur between commitment and disbursement of the permanent loan. Developer fee deferral is usually allowable by the investor, provided said deferred amount will be repaid by the end of the 15-year LIHTC compliance period. Current projections indicate full deferred fee repayment by the end of operating year 13. Project was underwritten using a credit price of 81 cents on the dollar, based on the investor's letter of interest, which is within the average range for recent LIHTC projects. Every one (1) cent drop in that price would create the need for an additional \$111K in deferred developer fee or cash flow loan from Chelsea or YES Housing, Inc. Subsidy Layering Review <u>HOME</u>- Housing New Mexico's Housing Development Department's subsidy analysis, performed for the HOME loan request, show that the project is not over-subsidized per HUD regulations. <u>NHTF</u>- Housing New Mexico's Housing Development Department's subsidy analysis, performed for the National Housing Trust Fund loan request, show that the project is not over-subsidized per HUD regulations.
Affordability Requirements	HOME: Four HOME units consisting of: One 1-bedroom apartment unit, two 2-bedroom apartment units and one 3-bedroom apartment units, for which a Land Use Restriction Agreement (LURA) will be filed in Bernalillo County. Affordability period will be 40 years: 20 years as required by HOME rules standards and 20 years for Housing New Mexico's extended affordability period (i.e. concurrent with loan term). Affordability period begins the date HUD accepts a final HOME Project Completion Report and will end on the same date 40 years after. NHTF Requirements: Two NHTF units consisting of: One 1-bedroom apartment unit and one 2-bedroom apartment unit, restricted to households earning the greater of 30% AMI or the federal poverty level, for which a LURA will be filed in Bernalillo County. Affordability period begins the date HUD accepts a final HOME Project Completion Report and will end on the same date 35 years after. NMHTF: Eighty-eight (88) units income-restricted to households earning 60% or less AMI, for which a LURA will be filed in Bernalillo County. NMHTF affordability period of 40 years; 20 as required by Affordable Housing Act Rules and 20 for Housing New Mexico's extended affordability period (i.e. concurrent with loan term) and starts on the date Certificate of Occupancy is issued.

Repayment and Disbursement	<u>HOME:</u> <u>Payments:</u> No payments during the construction period, which is not to exceed 24 months; thereafter, 479 equal principal payments during the permanent loan period, based on an 80-year amortization, with one final balloon payment of all outstanding principal. Outstanding principal due at the earlier of maturity, refinance, or sale of the project. <u>Disbursement:</u> Allow up to three draws: two during the construction period and the third upon submission of a final project completion report to HUD. <u>NHTF:</u> <u>Payments:</u> No payments due during the construction period, which is not to exceed 24 months; thereafter, an annual fixed payments of \$500, maturing in 35 years. On the final day of the NHTF affordability period either 1) all outstanding principal is due or 2) all outstanding principal is forgiven, assuming all terms are met during the loan's affordability period. <u>Disbursement:</u> Allow three draws: two during the construction period, and the third upon submission of a final NHTF project completion report to HUD. <u>NMHTF:</u> <u>Payments:</u> Interest only monthly during the construction period not to exceed 24 months; thereafter, paid down to \$2,000,000 with 479 equal principal and interest payments during the permanent loan period, based on a 40-year amortization, with one final payment of all outstanding principal and interest due at maturity. All outstanding principal and interest due at the earlier of maturity, refinance, or sale of the project. <u>Disbursement:</u> Multiple disbursements upon evidence of costs incurred, not more frequently than monthly.
Special Conditions	1. All loans are subject to Housing New Mexico's final underwriting for project feasibility if needed. Loan amounts may be reduced if the financing gap decreases, and/or terms (i.e. interest rate & amortization) may be revised in line with projected cash flow at closing; 2. Any changes or additions to the following development team members listed in the loan application must be approved by Housing New Mexico: developer, contractor, management company, consultant, or architect; 3. Financing commitments acceptable to Housing New Mexico prior to funding on all funding sources; 4. Acceptance of 2026 award of Low-Income Housing Tax Credits (LIHTC); 5. Approval of plans/construction monitoring/draws by Housing New Mexico's Architectural Services Representative or a third party acceptable to Housing New Mexico (i.e. hired by Housing New Mexico, investor, or primary construction lender) and shared with Housing New Mexico. Cost to be paid by applicant; 6. Other conditions, as may be determined by staff; and 7. Subject to availability of funds. Additional Conditions: HOME Loan 8. Loan to be in second lien position; 9. HUD Environmental Review (ER) approval must occur prior to acquisition and construction start, and any other ER approval conditions must be met; 10. Chelsea must provide a guarantee during the construction period; 11. If HOME CHDO (Community Housing Development Organization) funds are to be used, YES Housing, Inc. must be approved by Housing New Mexico as a CHDO, and any transfers of ownership must be in accordance with HUD's CHDO rules. Additional Conditions: NHTF Loan 12. Loan to be in third lien position; 13. HUD Environmental Provision (EP) approval must occur prior to construction completion; 14. Project building plans must meet NHTF Rehabilitation Standards (if applicable) prior to acquisition and construction start; and 15. Chelsea must provide a guarantee during the construction period. Additional Conditions: NMHTF 16. Loan to be in fourth lien position; and 17. Chelsea must provide a guarantee during the construction period.

Housing New Mexico Commitments to Other Projects	<u>Chelsea Investment Corporation</u> 2012 HOME – Park Place (fka Casa Hermosa) – \$346,667 2012 Primero Grant – Park Place (fka Casa Hermosa) – \$75,000 2012 LIHTC (9%) – Park Place (fka Casa Hermosa) – \$896,512 2013 Primero Grant – Cottonwood Apartments Artesia – \$50,000 2013 Primero Grant – The Elms Apartments – \$50,000 2014 Primero Grant – Roselawn Manor – \$50,000 2015 LIHTC (9%) – Parkside Terrace – \$1,087,936 2015 LIHTC (9%) – Roselawn Manor – \$1,150,000 2015 HOME – Roselawn Manor – \$320,834 2015 542(C) Risk Share – Roselawn Manor – \$1,017,265 2018 LIHTC (9%) – Mission la Posada – \$800,000 2018 HOME – Mission la Posada – \$346,667 2018 NHTF – Mission la Posada – \$1,275,000 2019 LIHTC (9%) – Sunray Lobo Canyon – \$1,232,333 2019 HOME – Sunray Lobo Canyon – \$379,149 2019 NHTF – Sunray Lobo Canyon CIC LLLP – \$398,500 2020 LIHTC (9%) – Encantada Apartments – \$633,630 2020 HOME – Encantada Apartments – \$400,000 2020 NHTF – Encantada Apartments – \$400,000 2021 LIHTC (9%) - Belen Vista- \$787,639 2021 HOME- Belen Vista- \$1,000,000 2021 NHTF- Belen Vista- \$400,000 2021 LIHTC (9%) - Mariposa- \$801,704 2021 HOME- Mariposa- \$1,000,000 2021 NHTF- Mariposa- \$400,000 2022 LIHTC (9%) - Felician Villa- \$1,228,760 2022 HOME- Felician Villa- \$1,000,000 2022 NHTF- Felician Villa- \$400,000 2023- ARPA-FRF- Felician Villia- \$2,800,000 2022 LIHTC (9%) - Three Sisters- \$1,341,912 2022 HOME- Three Sisters- \$1,000,000 2022 NHTF - Three Sisters- \$400,000 2022 LIHTC (9%) – Felician Villa II - \$1,621,723 2022 HOME – Felician Villa II - \$1,000,000 2022 NHTF – Felician Villa II - \$400,000 2024 LIHTC (4%) – West Mesa Ridge A - \$2,389,685 2024 HOME – West Mesa Ridge A - \$2,000,000 2024 NMHTF – West Mesa Ridge A - \$3,000,000
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Housing New Mexico Commitments to Other Projects (cont.)	<u>YES Housing, Inc.</u> 2006 LIHTC (4% / 9%) – Summit Apartments - \$217,980 2006 LIHTC (9%) – La Promesa Senior Housing - \$555,533 2006 NMMFA Insured Loan – La Promesa Senior Housing - \$1,318,999 2009 LIHTC (4%) – Mesa Del Sol - \$1,000,342 2010 LIHTC (4% / 9%) – Casa Hermosa - \$496,414 2010 LIHTC (9%) – Del Paso Apartments - \$976,328 2010 Neighborhood Stabilization Program – La Hacienda - \$2,151,802 2006 LIHTC (4% / 9%) – Lobo Canyon Apartments - \$1,100,000 2011 NMHTF – Lobo Canyon Apartments - \$500,000 2012 LIHTC (4%) – Mesa del Norte - \$1,000,342 2012 HOME – Mesa del Norte - \$425,521 2012 NMHTF – Mesa del Norte - \$347,800 2012 LIHTC (4%) – City Park Central - \$1,110,000 2021 LIHTC (9%) – West Berry - \$900,143 2021 HOME – West Berry - \$840,000 2021 NHTF – West Berry - \$1,000,000 2022 CDBG-CV – West Berry - \$370,589 2023 CSLFRF – West Berry - \$627,026 2023 LIHTC (9%) – Calle Cuarta - \$1,078,540 2023 HOME – Calle Cuarta – \$915,000 2023 NHTF – Calle Cuarta – \$400,000 2023 NMHTF – Calle Cuarta – \$1,000,000 2024 LIHTC (4%) – West Mesa Ridge A - \$2,389,685 2024 HOME – West Mesa Ridge A - \$2,000,000 2024 NMHTF – West Mesa Ridge A - \$3,000,000 ⁽¹⁾ Risk Share loans carry 10% MFA risk ⁽³⁾ Loan Balances as of 6/22/2026
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Combined Housing New Mexico Exposure	Total Housing New Mexico Exposure with Chelsea: \$16,884,082 (excludes LIHTC, grants and loans pending approval). Total Housing New Mexico Exposure with YES Housing, Inc.: \$13,899,122(excludes LIHTC, grants and loans pending approval).	
<u>Risk Factors</u>	1. Market – Low (Strong demand for proposed property in PMA) 2. Construction – Medium (construction material pricing remains high; however, the development team is experienced plus the investor and main construction lender will provide additional oversight and controls) 3. Developer – Low (Both co-developers have many years of affordable housing experience paired with financial strength and stability) 4. Guarantor – Low Chelsea's financials show a strong balance sheet 5. General Partner/Managing Member – Low (i.e. the developer) 6. Community Opposition – Low 7. Financing – Medium (Project is feasible with minimal changes to LIHTC pricing and interest rate market. Project may not move forward under adverse market conditions. Final underwriting is required before loan closing to ensure viability before final commitment)	
Summary & Recommendation	The proposed project presents a favorable risk profile and is recommended for approval.	
Prepared by	Nick Ostrye, Development Loan Manager	Date 6/30/26
Reviewed by	George Maestas, Director of Housing Development 	Date 6/30/2026

PROJECT INFORMATION SUMMARY						
Project Name		City	NC, AR, or NC/AR	Total # Units	Unit Sizes	Target AMIs
West Mesa Ridge B		Albuquerque				
Total Development Cost	\$ 47,370,966		NC	144	1 BR, 2BR and 3BR	30%, 50%, 60% and 70%
Borrowers	West Mesa Ridge B CIC, LLLP					
Management	Monarch Properties, Inc.		YEAR BUILT (AR)		LIHTC ALLOC	4% or 9%
Developer	Chelsea Investment Corporation and YES Housing, Inc.		N/A		\$ 2,224,877	4%
			NC = New Construction AR = Acquisition/Rehab AMI = Area Median Income MR = Market Rate apartments			
HOME LOAN INFORMATION			NUMBER OF HOME UNITS			4
Funds Available as of:						
	MFA Guidelines	Loan Request	EXCEPTIONS/CONDITIONS/NOTES			
Maximum Loan Amount	\$1,000,000	\$1,000,000				
Rates	0.0% to 3.0%	0.00%				
Loan Fees	N/A	N/A				
Maximum Loan Term	2 yr construct, 45 yr perm	2 yr construct, 40 yr perm				
Loan Amortization	20 to 80 years	80 years				
Lien Position	Subordinate allowed	2nd				
Affordability Requirements	Min 20 yrs, max 60% AMI	40 years, 4 units @ 60% AMI or less				
DSCR	1.20 to 1.40 on all must-pay debt	1.16 increasing to 1.40 by year 15	DSCR slightly below guidelines until year 4. Trends up and stays within guidelines from year 4 - 15.			
Scoring Criteria	N/A	N/A				
NATIONAL HOUSING TRUST FUND (NHTF) RENTAL LOAN INFORMATION			NUMBER OF HOME UNITS			2
Funds Available as of:						
	MFA Guidelines	Loan Request	EXCEPTIONS/CONDITIONS/NOTES			
Maximum Loan Amount	\$400,000	\$400,000				
Rates	0.0% to 3.0%	0.00%				
Loan Fees	N/A	N/A				
Maximum Loan Term	2 yr construct, no max on perm	2 yr construct, 35 yr perm				
Loan Amortization	Cashflow or forgivable	Cashflow				
Lien Position	Subordinate allowed	3rd				
Affordability Requirements	Min 30 yrs, max 30% AMI	35 years, 2 units @ 30% AMI or less				
DSCR	1.20 to 1.40 on all must-pay debt	1.16 increasing to 1.40 by year 15	DSCR slightly below guidelines until year 4. Trends up and stays within guidelines from year 4 - 15.			
Scoring Criteria	40-115 Points	80				
NEW MEXICO HOUSING TRUST FUND (NMHTF) RENTAL LOAN INFORMATION			NUMBER OF NMHTF UNITS:			138
Funds Available as of:						
	MFA Guidelines	Loan Request	EXCEPTIONS/CONDITIONS/NOTES			
Maximum Loan Amount	\$4,000,000	\$3,000,000				
Rates	0.0% to 5.0%	2.0%				
Loan Fees	N/A	N/A				
Maximum Loan Term	2 yr construct, 40 yr perm	2 yr construct, 40 yr perm				
Loan Amortization	Up to 40 Years	40 years				
Lien Position	Subordinate allowed	4th				
Affordability Requirements	Min 20 years, Max 60% AMI	40 years, 88 units @ 60% AMI or less				
DSCR	1.20 to 1.40 on all must-pay debt	1.16 increasing to 1.40 by year 15	DSCR slightly below guidelines until year 4. Trends up and stays within guidelines from year 4 - 15.			
Scoring Criteria	57-112 points	64				

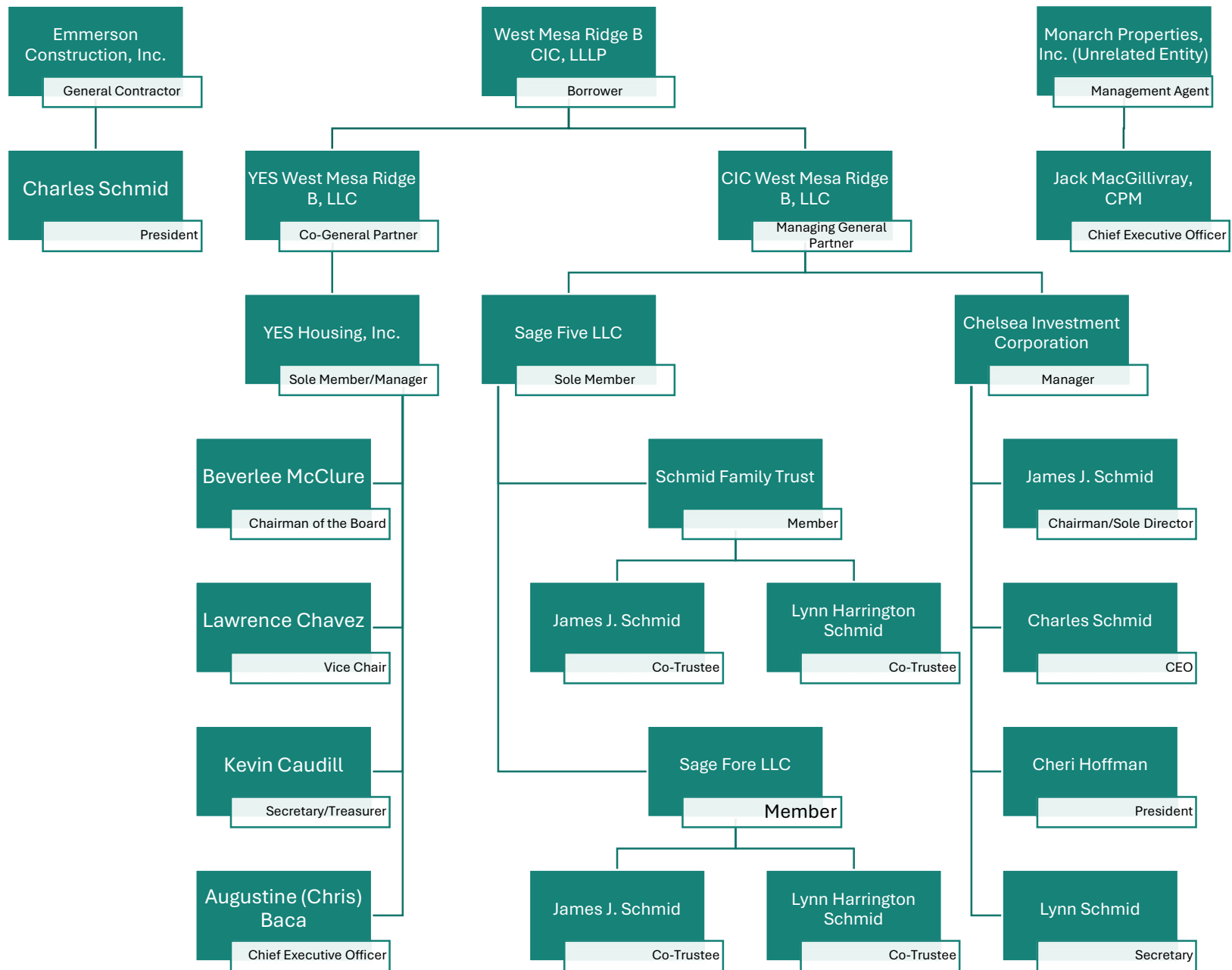
TOTAL DEVELOPMENT COST INFORMATION SUMMARY				
Project:	West Mesa Ridge B	Total	% TDC	Cost/GSF*
Acquisition Costs (land, building acquisition, & other acquisition costs)		\$ 1,324,748	3%	\$ 9.26
Construction Hard Costs		\$ 25,717,747	54%	\$ 179.69
Other Construction Costs (contractor O&P, general req, GRT, landscaping, furnishings, etc)		\$ 7,536,577	16%	\$ 52.66
Professional Services/Fees (architect, engineer, real estate legal, etc)		\$ 1,864,175	4%	\$ 13.03
Construction Financing Costs (interest, insurance, inspections, fees, etc)		\$ 2,996,220	6%	\$ 20.94
Permanent Financing Costs (fees, title/recording, etc)		\$ 218,415	0%	\$ 1.53
Other Soft Costs (tax credit fees, environmental reports, appraisals, accounting, etc)		\$ 1,102,501	2%	\$ 7.70
Syndication-Related Costs (organization, bridge loan, tax opinion, etc)		\$ -	0.0%	\$ -
Reserves (rent-up, operating, replacement, escrows, etc)		\$ 904,130	2%	\$ 6.32
Developer Fees (inc consultant fees)		\$ 5,706,453	12%	\$ 39.87
Total Development Costs (TDC)		\$ 47,370,966	100%	\$ 330.99
TDC w/o Land, Reserves & Commercial		\$ 45,142,088	95%	\$ 315.41

CONSTRUCTION SOURCES				
Project:	West Mesa Ridge B	Total	% of Total	Per Unit
Construct. Lender	Construction Loan - CITI Bank	\$ 12,900,000	27.2%	\$ 89,583.33
2nd Lien Holder	HOME - Housing New Mexico	\$ 900,000	1.9%	\$ 6,250.00
3rd Lien Holder	NHTF - Housing New Mexico	\$ 360,000	0.8%	\$ 2,500.00
4th Lien Holder	NMHTF - Housing New Mexico	\$ 3,000,000	6.3%	\$ 20,833.33
Other	Capital Outlay - Bernalillo County	\$ 10,000,000	21.1%	\$ 69,444.44
Other	Taxable Construction Loan - CITI Bank	\$ 10,858,164	22.9%	\$ 75,403.92
Other	Post-Construction Costs	\$ 1,901,415	4.0%	\$ 13,204.27
Deferred Developer Fee	Chelsea/YES Housing, Inc.	\$ 5,660,532	11.9%	\$ 39,309.25
LIHTC Equity	The Richman Group	\$ 1,790,855	3.8%	\$ 12,436.49
Total Construction Sources		\$ 47,370,966	100.0%	\$ 328,965.04

PERMANENT SOURCES				
Project:	West Mesa Ridge B	Total	% of Total	Per Unit
Permanent Lender - 1st Lien	Permanent Loan - CITI Bank	\$ 12,900,000	27.2%	\$ 89,583.33
2nd Lien Holder	HOME - Housing New Mexico	\$ 1,000,000	2.1%	\$ 6,944.44
3rd Lien Holder	NHTF - Housing New Mexico	\$ 400,000	0.8%	\$ 2,777.78
4th Lien Holder	NMHTF - Housing New Mexico	\$ 2,000,000	4.2%	\$ 13,888.89
Other	Capital Outlay - Bernalillo County	\$ 10,000,000	21.1%	\$ 69,444.44
Deferred Developer Fee	Chelsea/YES Housing, Inc.	\$ 3,162,497	6.7%	\$ 21,961.78
LIHTC Equity	The Richman Group	\$ 17,908,469	37.8%	\$ 124,364.37
Total Permanent Sources		\$ 47,370,966	100.0%	\$ 328,965.04

Development Cost Budget		
West Mesa Ridge B	Gross Sq. Footage:	143,120
Albuquerque	TOTAL COST	COST/GSF
ACQUISITION COSTS		
Land Acquisition	\$ 1,324,748	\$ 9.26
Building Acquisition	\$ -	\$ -
Other:	\$ -	\$ -
SUBTOTAL	\$ 1,324,748	\$ 9.26
CONSTRUCTION HARD COSTS		
Demolition	\$ -	\$ -
Accessory Structures	\$ -	\$ -
Site Construction	\$ 3,480,649	\$ 24.32
Buildings and Structures	\$ 21,012,443	\$ 146.82
Off-Site Improvements	\$ -	\$ -
Other: GC Contingency	\$ 1,224,655	\$ 8.56
SUBTOTAL	\$ 25,717,747	\$ 179.69
OTHER CONSTRUCTION COSTS		
Contractor Overhead	\$ 660,980	\$ 4.62
Contractor Profit	\$ 1,028,571	\$ 7.19
General Requirements	\$ 1,542,857	\$ 10.78
Construction Contingency	\$ 1,553,197	\$ 10.85
Gross Receipts Tax (GRT)	\$ 2,208,625	\$ 15.43
Landscaping	\$ -	\$ -
Furniture, Fixtures, & Equipment	\$ 50,000	\$ 0.35
Other: Permits, Impact Fees, Entitlement Consultant	\$ 492,347	\$ 3.44
SUBTOTAL	\$ 7,536,577	\$ 52.66
PROFESSIONAL SERVICES/FEEES		
Architect (Design)	\$ 1,045,348	\$ 7.30
Architect (Supervision)	\$ 194,333	\$ 1.36
Attorney (Real Estate)	\$ 240,000	\$ 1.68
Engineer/Survey	\$ -	\$ -
Other: Soft Cost Contingency, Wage Compliance, Financial Reviews	\$ 384,494	\$ 2.69
SUBTOTAL	\$ 1,864,175	\$ 13.03
CONSTRUCTION FINANCING COSTS		
Hazard Insurance	\$ -	\$ -
Liability Insurance	\$ 390,000	\$ 2.72
Performance Bond	\$ -	\$ -
Interest	\$ 1,912,220	\$ 13.36
Origination\Discount Points	\$ 258,000	\$ 1.80
Credit Enhancement	\$ -	\$ -
Inspection Fees	\$ 61,000	\$ 0.43
Title and Recording	\$ 127,500	\$ 0.89
Legal	\$ 85,000	\$ 0.59
Taxes	\$ -	\$ -
Other: Security	\$ 162,500	\$ 1.14
SUBTOTAL	\$ 2,996,220	\$ 20.94

Project: West Mesa Ridge B		
PERMANENT FINANCING COSTS		
Bond Premium	\$ -	\$ -
Credit Report	\$ -	\$ -
Origination\Discount Points	\$ 96,750	\$ 0.68
Credit Enhancement	\$ -	\$ -
Title and Recording	\$ 5,000	\$ 0.03
Legal	\$ 10,000	\$ 0.07
Cost of Bond Issuance	\$ 106,665	\$ 0.75
Pre-Paid MIP	\$ -	\$ -
Reserves and Escrows	\$ -	\$ -
Other:	\$ -	\$ -
SUBTOTAL	\$ 218,415	\$ 1.53
SOFT COSTS		
Market Study	\$ 16,100	\$ 0.11
Environmental	\$ 17,600	\$ 0.12
Tax Credit Fees	\$ 281,179	\$ 1.96
Appraisal	\$ 9,000	\$ 0.06
Hard Relocation Costs	\$ -	\$ -
Accounting/Cost Certification	\$ 62,500	\$ 0.44
Other: Traffic Study, GRT, Marketing/Lease up	\$ 716,122	\$ 5.00
SUBTOTAL	\$ 1,102,501	\$ 7.70
SYNDICATION		
Organization	\$ -	\$ -
Bridge Loan	\$ -	\$ -
Tax Opinion	\$ -	\$ -
Other:	\$ -	\$ -
SUBTOTAL	\$ -	\$ -
TDC before Dev. Fees & Reserves	\$ 40,760,383	\$ 285
RESERVES		
Rent Up	\$ -	\$ -
Operating	\$ 904,130	\$ 6.32
Replacement (inc. only if capitalized)	\$ -	\$ -
Escrows/Working Capital	\$ -	\$ -
Other:	\$ -	\$ -
SUBTOTAL	\$ 904,130	\$ 6.32
DEVELOPER FEES		
Developer Fee	\$ 5,706,453	\$ 39.87
Consultant Fee	\$ -	\$ -
SUBTOTAL	\$ 5,706,453	\$ 39.87
Total Development Cost (TDC)	\$ 47,370,966	\$ 330.99
TDC w/o Land, Reserves & Commercial	\$ 45,142,088	\$ 315.41



New Mexico Housing Trust Fund Verification Form

Date: 6/25/2026

1. Awardee Information

Awardee:	Chelsea Investment Corp.
Project:	West Mesa Ridge B
Total Award Recommendation:	\$3,000,000
Procurement:	Rental Development NOFA
Purpose:	.
Accounting Unique Identifier:	SFY27-05

2. Funding Information

New Mexico Housing Trust Fund Source	SFY 2027 STB
Certified Use and Allocation	Activity and Allocation
Rental and single-family development	Rental Development
\$ 51,300,000.00	\$ 25,500,000.00
Certified Use Balance Before Award (CURRENT Balance)	Activity Balance Before Award (CURRENT Balance)
\$ 39,710,700.00	\$ 13,910,700.00
Award Recommendation	
(\$3,000,000)	
Certified Use Balance After Award	Activity Balance After Award
\$ 36,710,700.00	\$ 10,910,700.00

<i>Additional</i> New Mexico Housing Trust Fund Source	N/A
Certified Use and Allocation	Activity and Allocation
Certified Use Balance Before Award	Activity Balance Before Award
Award Recommendation	
\$0	
Certified Use Balance After Award	Activity Balance After Award
\$ -	\$ -

3. Supplemental Information

Award Terms:	40 year term @2.0% interest rate
Anticipated Leverage:	15.0 to 1.0
Anticipated Program Income:	\$1,360,689.00
Anticipated Impact (Units or Hseholds):	144

4. Approvals

Prepared by:	Shannon Tilseth	Date:	6/25/2026
Program Manager Verification:		Date:	Jun 25, 2026
Accounting Verification:		Date:	Jun 26, 2026

REVISIONS

New Total Award Recommendation:	
New Mexico Housing Trust Fund Source:	
Certified Use and Allocation	Activity and Allocation
Certified Use Balance Before Award	Activity Balance Before Award
Award Recommendation	
Certified Use Balance After Award	Activity Balance After Award

Prepared by:		Date:	
Program Manager Verification:		Date:	
Accounting Verification:		Date:	

SFY27 STB-RenDev-West Mesa Ridge B

6.25.26sx

Final Audit Report

2026-06-26

Created:	2026-06-25
By:	Shannon Tilseth (stilseth@housingnm.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAgKltmHjznn70rZAlso1_T6jCv-zymld1

"SFY27 STB-RenDev-West Mesa Ridge B 6.25.26sx" History

-  Document created by Shannon Tilseth (stilseth@housingnm.org)
2026-06-25 - 8:21:54 PM GMT
-  Document emailed to Nick Ostrye (nostrye@housingnm.org) for signature
2026-06-25 - 8:23:02 PM GMT
-  Email viewed by Nick Ostrye (nostrye@housingnm.org)
2026-06-25 - 8:30:06 PM GMT
-  Document e-signed by Nick Ostrye (nostrye@housingnm.org)
Signature Date: 2026-06-25 - 8:31:47 PM GMT - Time Source: server - Signature Appearance Selected: IMAGE
-  Document emailed to Jacob Kemmeren (jkemmeren@housingnm.org) for signature
2026-06-25 - 8:31:48 PM GMT
-  Email viewed by Jacob Kemmeren (jkemmeren@housingnm.org)
2026-06-26 - 2:39:47 PM GMT
-  Document e-signed by Jacob Kemmeren (jkemmeren@housingnm.org)
Signature Date: 2026-06-26 - 2:43:53 PM GMT - Time Source: server - Signature Appearance Selected: IMAGE
-  Agreement completed.
2026-06-26 - 2:43:53 PM GMT

Tab 5



MEMO

TO: Housing New Mexico Board of Directors

Through: Contract Services Committee – July 7, 2026

Through: PC Committee – June 23, 2026

FROM: Theresa Laredo-Garcia, Director of Servicing

DATE: July 15, 2026

SUBJECT: Approval of Term Limited Source Procurement for Renewal of Hybrid Sub-Servicing Services Agreement

Recommendation:

Staff request approval from the Board of Directors for a five year (3-year with 2 – 1 year extension options) renewal of limited source procurement of the current Mortgage Loan Sub-Servicing and Single-Family Program Support Services Agreement with Idaho Housing and Finance Association (IHFA). The Agreement would retain IHFA's partnership in performing front-end functions that will be phased out as Housing New Mexico is able to bring them in-house. Upon transitioning the front-end functions to Housing New Mexico, the Agreement would operate as a standard sub-servicing contract for first mortgage loan servicing.

Background:

Housing New Mexico | MFA initiated the Servicing Expansion Project in 2012 to establish internal capabilities to serve as the Program Issuer, including conducting compliance reviews, purchasing loans from participating lenders, selling loans to investors, and acquiring and retaining the associated Mortgage Servicing Rights (MSRs) for loans originated through Housing New Mexico | MFA's first-time homebuyer program. Prior to this, Housing New Mexico | MFA used a Master Servicer structure that relied on a contracted servicer to perform all front-end functions (loan purchasing, pooling, and securitizing) in addition to owning the servicing rights and performing all servicing functions. At this time, Housing New Mexico | MFA did not retain servicing rights and the associated duties and revenue.

To facilitate Housing New Mexico | MFA's transition and expansion into owning the servicing rights, Housing New Mexico | MFA entered into a hybrid sub-servicing

partnership with IHFA effective June 1, 2016, with an expiration date of September 30, 2020. Under this Agreement, IHFA provided traditional sub-servicing functions (receiving loan payments, paying taxes and insurance, collections, customer service, etc.) as well as more specialized, front-end activities that would eventually be transferred to Housing New Mexico | MFA. The specialized activities included pre/post file quality control, loan purchasing, loan pooling, and securitizing.

The current hybrid Agreement consists of the original agreement and four (4) subsequent amendments and is scheduled to expire on September 30, 2026. The amendments extended the length of the agreement and eliminated some of the functions as we were able to bring them in-house, in addition to a .5 basis point increase (13.5 to 14.0) effective October 1, 2023. In September 2020, Housing New Mexico | MFA effectively transferred the duties and responsibilities for pooling and securitizing (Secondary Marketing), Housing New Mexico | MFA's first mortgage program loans.

Discussion:

Since the beginning of its agreement with IHFA, Housing New Mexico | MFA has successfully developed internal expertise and operational capacity to assume responsibility of certain front-end servicing functions. For example, Secondary Marketing functions fully transitioned from IHFA to Housing New Mexico | MFA in September 2020.

Housing New Mexico | MFA is in the process of transitioning the remaining specialized functions, which include Direct Lender Purchase activities and pre- and post-file quality control and approval. A service provider has been procured by Housing New Mexico | MFA through a request for quote (RFQ) process to perform file quality control review functions, and implementation is underway. An internal committee also developed a framework and timeline to transition Direct Lender Purchase activities. Staff will test the transition with two (2) participating lenders prior to full expansion. Staff anticipate completing the transition of these functions in the first quarter of next year.

Proposed Agreement Structure

Extending the existing hybrid structure will allow staff to complete the transition of the remaining front-end functions, which include pre-and-post file review and quality control and direct lender purchase. After successful transition of the remaining front-end functions, IHFA would be responsible for standard sub-servicing functions under this agreement.

Housing New Mexico | MFA and IHFA would continue to operate under the current fee structure until such time as the front-end functions are transitioned to Housing New Mexico.

Limited Source Justification

Staff recommends a limited source procurement as IHFA is uniquely positioned to provide uninterrupted support during the final phase of the Servicing Expansion Project. IHFA has

served as Housing New Mexico | MFA's sub-servicing partner throughout the project and possesses the institutional knowledge, operational expertise, and system integration necessary to support the remaining transition activities.

In addition to providing sub-servicing support, IHFA has been an invaluable partner in building Housing New Mexico | MFA's internal secondary marketing function. Through a collaborative, hands-on approach, IHFA has trained staff on the full range of processes related to pooling and securitizing program loans, including document management, MERS registration, and other key secondary market functions. This knowledge transfer has been instrumental in establishing the internal capabilities necessary to successfully manage these functions going forward.

IHFA is also a fellow Housing Finance Agency with a mission closely aligned to that of Housing New Mexico | MFA. Their high-touch servicing model supports Housing New Mexico | MFA's commitment to customer service, lender relationships, and affordable homeownership programs.

Summary:

Staff request approval by the Board of Directors of a five year (3-year with 2 – 1 year extension options) for the Mortgage Loan Sub-Servicing and Single-Family Program Support Services Agreement with Idaho Housing and Finance Association (IHFA). The Agreement would retain IHFA's partnership in performing front-end and servicing functions until such time as the front-end functions are brought in-house. Upon conclusion of the transition period, the Agreement would operate as a standard sub-servicing contract for first mortgage loan servicing.

MORTGAGE LOAN SUB-SERVICING AND SINGLE-FAMILY PROGRAM SUPPORT SERVICES AGREEMENT

This Mortgage Loan Sub-Servicing and Single-Family Program Support Services Agreement (the "Agreement"), is made by and between the New Mexico Mortgage Finance Authority, a public body politic and corporate, separate and apart from the State of New Mexico, constituting a governmental instrumentality ("MFA"), and Idaho Housing and Finance Association, an independent public body corporate and politic doing business as "HomeLoanServ" ("IHFA" or Sub-Servicer) as of the Effective Date defined in this Agreement below.

RECITALS

WHEREAS, MFA was created by the Legislature of the State of New Mexico as a public body politic and corporate, separate and apart of the State of New Mexico, upon the passage of the Mortgage Finance Authority Act, which is compiled as NMSA 1978, §§ 58-18-1 through -27 and § 2-12-5, as amended (collectively, the "Act");

WHEREAS, the Act created MFA to serve a public purpose, to act for the public benefit in improving the health, safety, welfare, and prosperity of the State of New Mexico and the general public and, among other things, to finance the acquisition, construction, and rehabilitation of decent, safe, and sanitary residential housing for persons and families of low and moderate income;

WHEREAS, the Act authorizes MFA to purchase or commit to purchase eligible mortgage loans, mortgage certificates, pass-through securities, and other obligations secured by mortgage loans;

WHEREAS, MFA achieves its public purpose to purchase eligible mortgage loans, mortgage certificates, pass-through securities, and other obligations secured by mortgage loans by issuing bonds to fund its single-family program or selling those obligations to investors in the secondary market or to MFA directly;

WHEREAS, IHFA is an independent body, corporate and politic and an instrumentality of the State of Idaho and is authorized to participate in cooperative venture agreements with any agencies in furtherance of its powers and purposes;

WHEREAS, the Act authorizes MFA to service mortgage loans for residential housing for the purposes set forth in the Act;

WHEREAS, the Act authorizes MFA to contract for the servicing of mortgage loans for residential housing for the purposes set forth in the Act;

WHEREAS, MFA has determined that the supply of funds available in the private banking system in the State of New Mexico for residential mortgages is inadequate to meet the demand of persons of low and moderate income for residential mortgage finance;

WHEREAS, MFA has further determined that its purchase of mortgages, mortgage certificates, pass-through securities, and other obligations secured by mortgages will alleviate the inadequate supply of residential mortgage money in the State of New Mexico;

WHEREAS, MFA has determined that this Agreement represents a cooperative venture between the IHFA and the Authority and that the Authority will fulfill its public purpose of providing housing for persons of low and moderate income in the State of New Mexico by entering into this Agreement whereby IHFA, on behalf of MFA, will provide certain mortgage services in accordance with this Agreement, including: the acquisition of Eligible Mortgage Loans (as that term is defined below in this Agreement) from Mortgage Lenders, pooling and securitization of the Eligible Mortgage Loans, including the pre-purchase review and funding of MFA's down payment assistance products, secondary market hedging

and sales, transfer of Mortgage Servicing Rights to MFA once purchased by MFA, loan servicing, and homebuyer education and counseling;

WHEREAS, the IHFA will provide "loan servicing" for MFA similar to a "sub-servicer" where the IHFA will use its seller/servicer authorizations on behalf of MFA, and MFA will generally assume the responsibilities and capital outlay requirements applicable to a purchaser and holder of Mortgage Servicing Rights;

WHEREAS, by entering into this Agreement, neither the IHFA nor MFA intends or is authorized or to create a separate legal entity, and neither the IHFA nor MFA is in fact creating a separate legal entity of any kind or type; and

WHEREAS, as MFA activates its seller/servicer authorizations, the scope of the contract will be amended as needed going forward.

NOW, THEREFORE, in consideration of the premises, and of the mutual agreements and covenants herein set forth, MFA and IHFA agree as follows:

ARTICLE I DEFINITIONS

All words and phrases defined in this Article I (except as herein otherwise expressly provided or unless the context otherwise requires) shall have the respective meanings specified in this Article I for all purposes of this Agreement.

"Act" means the Mortgage Finance Authority Act as defined in this Agreement above.

"Agreement" means this Mortgage Loan Sub-Servicing and Single-Family Program Support Services Agreement as defined in this Agreement above.

"Assignment of Mortgage" means the document evidencing the assignment by the Mortgage Lender to IHFA of all its right, title and interest in and to a Mortgage.

"Bondholders" mean the registered owners of the Bonds.

"Bonds" means any of the bonds of MFA that are authorized and issued under an Indenture which refers to this Agreement.

"Business Day" means any day of the week other than Saturday, Sunday or a day that shall be in the State a legal holiday or a day on which banking institutions are authorized or obligated by law or executive order to close.

"Code" means the Internal Revenue Code of 1986, as amended, together with corresponding and applicable provisions of the Internal Revenue Code of 1954, as amended, together with corresponding and applicable regulations of the United States Department of Treasury which may be from time to time promulgated thereunder.

"Commencement Date" means the beginning of Sub Servicer's performance hereunder.

"Conventional Mortgage Loan" means a Mortgage Loan, with terms and conditions acceptable to MFA and IHFA, but does not include a Mortgage Loan with (i) FHA Insurance, (ii) a VA Guaranty, (iii) an RHS Guaranty or (iv) a HUD Guaranty.

"Down Payment Assistance Product" means any loan, grant or other product identified by MFA in its Program Documents, the purpose of which is to provide down payment assistance to the borrower.

"Effective Date" means June 1, 2016.

"Eligible Mortgage Loan" is defined in Section 3.04 of this Agreement.

"Fannie Mae" means the Federal National Mortgage Association, a body corporate, created and existing under the laws of the United States of America, and any successor thereto.

"Fannie Mae Certificate" means a single pool, guaranteed mortgage pass-through Fannie Mae Mortgage-Backed Security issued by Fannie Mae in book-entry form, the full and timely payment of principal of and interest on which is guaranteed by Fannie Mae, which evidences a proportional undivided interest in a Pool of Conventional Mortgage Loans, all of which loans provide for monthly payments of principal and interest in substantially equal installments for the contractual term of such loan and are amortized over the original term to maturity.

"Fannie Mae Certificate Delivery Date" means the date the Fannie Mae Certificate is delivered as directed by MFA, which shall be no later than the third (3rd) Business Day after IHFA takes delivery thereof unless authorized by MFA.

"Fannie Mae Certificate Price" means the aggregate unpaid principal amount of, and accrued interest on, a Fannie Mae Certificate.

"Fannie Mae Guides" means the Fannie Mae Selling and Servicing Guides, as amended from time to time, as modified by the Pool Purchase Contract.

"FHA" means the Federal Housing Administration of the Department of Housing and Urban Development of the United States of America, or any successor thereto.

"FHA Insurance" means FHA mortgage insurance on Residences presently issued under any of the FHA insurance programs pursuant to the National Housing Act of 1934, as amended.

"Freddie Mac" means the Federal Home Loan Mortgage Corporation, a shareholder-owned government-sponsored enterprise created on July 24, 1970, pursuant to the Federal Home Loan Mortgage Corporation Act, Title III of the Emergency Home Finance Act of 1970, as amended, and any successor to its functions.

"Freddie Mac Certificate" means a single pool, guaranteed mortgage pass-through Freddie Mac mortgage-backed security, issued by Freddie Mac in book-entry form, the full and timely payment of principal of and interest on which is guaranteed by Freddie Mac, which evidences a proportional undivided interest in a Pool of Conventional Mortgage Loans, all of which loans provide for monthly payments of principal and interest in substantially equal installments for the contractual term of such loan and are amortized over the original term to maturity.

"Freddie Mac Certificate Delivery Date" means the date the Freddie Mac Certificate is delivered as directed by MFA, which shall be no later than the third (3rd) Business Day after IHFA takes delivery thereof unless authorized by MFA.

"Freddie Mac Certificate Price" means the aggregate unpaid principal amount of, and accrued interest on, a Freddie Mac Certificate.

"Freddie Mac Guides" means the Freddie Mac Selling and Servicing Guides, as amended from time to time, as modified by the Pool Purchase Contract.

"GNMA" means the Government National Mortgage Association, a wholly-owned corporate instrumentality of the United States of America within the Department of Housing and Urban Development, whose powers are prescribed generally by Title III of the National Housing Act of 1934, as amended.

"GNMA Certificate" means a certificate that is: (i) issued by IHFA and guaranteed by GNMA pursuant to GNMA's GNMA I or GNMA II mortgage-backed securities program under Section 306(g) and other related provisions of the National Housing Act of 1934, as amended, and based upon and backed

by Eligible Mortgage Loans referred to in such certificate, (ii) unconditionally obligates IHFA to remit monthly to the holder thereof (a) principal payments and prepayments made in respect of the Pool of Mortgage Loans represented by the certificate and (b) interest received in an amount equal to the Pass-Through Rate, and (iii) pursuant to which GNMA guarantees to the holder of each GNMA Certificate such holder's pro rata share of (c) the timely payment of interest at the applicable Pass-Through Rate on the unpaid principal balance of the Mortgage Loans represented by the GNMA Certificate and (d) the timely payment of principal in accordance with the terms of the principal amortization schedule applicable to the Mortgage Loans represented by such GNMA Certificate. If GNMA so requires, pursuant to its book entry system, in lieu of the aforesaid Certificate, the confirmation of GNMA's guaranty obligation shall be transmitted to MFA's designee electronically.

"GNMA Certificate Delivery Date" means the date the GNMA Certificate is delivered as directed by MFA, which shall be no later than the third (3rd) Business Day after IHFA takes delivery thereof unless authorized by MFA.

"GNMA Certificate Price" means the aggregate unpaid principal amount of, and accrued interest on, a GNMA Certificate.

"GNMA Commitment" means a Commitment or Commitments to Guarantee Mortgage-Backed Securities (HUD Form 11704) from GNMA to IHFA or from GNMA to MFA.

"GNMA Guide" means the GNMA I and/or GNMA II Mortgage-Backed Securities Guides, GNMA Handbook Section 5500.1 or 5500.2, respectively, as amended from time to time.

"Guaranty Agreement" means (i) the guaranty agreement between IHFA and GNMA hereafter in effect pursuant to which GNMA will agree to guarantee the GNMA Certificates issued by IHFA and (ii) the Pool Purchase Contract with respect to Fannie Mae Certificates or Freddie Mac Certificates.

"HUD" means the Department of Housing and Urban Development of the United States of America or any successor agency thereto.

"HUD Guaranty" means a guaranty issued by HUD under the Section 184 Indian Home Loan Guarantee Program.

"Indenture" means an Indenture of Trust or Supplemental Indenture between the Trustee and MFA.

"Insolvency Laws" means any applicable liquidation, conservatorship, bankruptcy, insolvency, rearrangement, moratorium, reorganization, or similar debtor relief laws affecting the rights of creditors generally from time to time in effect in the State or under the Laws of the United States of America.

"Mortgage Purchase Guidelines" means the guidelines required by the Sub-Servicer for loan purchase in conjunction with the Mortgage Purchase Contract.

"MBS" means Mortgage Backed Securities.

"Mortgage" means any instrument securing a Mortgage Loan, including a deed of trust and mortgage, which creates a first lien on real property improved by a Residence.

"Mortgage-Backed Security" means an asset-backed security that is secured by a Mortgage or a Pool.

"Mortgage Certificate" means a GNMA Certificate, a Fannie Mae Certificate or Freddie Mac Certificate that satisfies the requirements of this Agreement and the related Program Documents, payment on which are guaranteed by GNMA, Fannie Mae, or Freddie Mac, respectively.

"Mortgage Lender" means a bank, trust company, mortgage company, mortgage banker, mortgage broker, national banking association, savings bank, credit union and any other lending

institution, authorized to make Mortgage Loans in the State and deemed eligible by MFA to participate in the Program to the extent permitted by law.

"Mortgage Loan" means a permanent loan which is: (i) evidenced by a promissory note and secured by a Mortgage; (ii) for the purchase, refinance or rehabilitation of owner-occupied Residential Housing; and (iii) made by an originating Mortgage Lender to a person or a family qualifying as a mortgagor for a Mortgage Loan as described in the Act and the Code, as applicable.

"Mortgage Loan Documents" means the documents required to be delivered by the Mortgage Lender to IHFA pursuant to the Program Documents.

"Mortgage Loan Purchase Contract" means the contract between a Mortgage Lender and MFA's contracted Sub-Servicer for the origination and sale of Mortgage Loans to the Sub-Servicer as part of the Program, an example of which is attached hereto as Exhibit B.

"Mortgage Note" means the promissory note evidencing the obligation to repay a Mortgage Loan.

"Mortgage Purchase Master Agreement" means the agreement between a Mortgage Lender and MFA in accordance with which the Mortgage Lender agrees to make Mortgage Loans to finance the purchase, refinance or qualified rehabilitation of Residential Housing.

"Mortgage Servicing Rights" and "MSR" refer to the right or rights to service an existing mortgage or mortgages.

"Notice Address" means until changed pursuant to Article VIII hereof:

(a) As to MFA:

New Mexico Mortgage Finance Authority
344 Fourth Street SW
Albuquerque, NM 87102
Attn: Gina Hickman, Deputy Director of Finance and Administration

(b) As to IHFA:

Idaho Housing and Finance Association
P.O. Box 7899
Boise, Idaho 83709
Attn: Susan Semba, Vice President, Homeownership Lending

"Pass-Through Rate" means the rate of interest stated on a Mortgage Certificate.

"PMI Insurer" means any private mortgage insurance company approved by Fannie Mae or Freddie Mac, as applicable.

"Pool" means with respect to a Mortgage Certificate, the pool of Mortgage Loans the beneficial ownership of which is represented by such Mortgage Certificate.

"Pool Purchase Contract" means, as applicable, (i) the Fannie Mae Pool Purchase Contract between IHFA and Fannie Mae relating to the sale by IHFA of Mortgage Loans to Fannie Mae and the servicing thereof or (ii) the Freddie Mac Pool Purchase Contract between IHFA and Freddie Mac relating to the sale by IHFA of Mortgage Loans to Freddie Mac and the servicing thereof.

"Private Mortgage Guaranty Insurance" means a private mortgage guaranty insurance policy issued by a PMI Insurer with respect to a Conventional Mortgage Loan in accordance with the terms of the Program in a form providing coverage in an amount as shall be approved by Fannie Mae in accordance with the Fannie Mae Guides or by Freddie Mac in accordance with the Freddie Mac Guides.

"Program" means MFA's single-family mortgage program, pursuant to which MFA, its Trustee or other secondary market institutions will purchase Mortgage Certificates or provide for sales of Eligible Loans directly to Fannie Mae or Freddie Mac in accordance with the Act, and the applicable Program Documents.

"Program Documents" means this Agreement, the Mortgage Loan Purchase Contract, MFA's Mortgage Purchase Master Agreement, MFA's Reservation/Lock Commitment, MFA's Compliance Approval/Loan Purchase Agreement, MFA's DPA Mortgage Loan Commitment, MFA's DPA Grant Commitment, MFA's Compliance Addendum, MFA's Compliance Manual, MFA's Recapture Tax Notice, MFA's Tax Exempt Financing Rider, MFA's VA Rider and any applicable Notice of Funding Availability, as each may be amended from time to time.

"Purchase" means the purchase of an Eligible Mortgage Loan by IHFA from a Mortgage Lender pursuant to Article III of this Agreement and the Sub-Servicer's Mortgage Purchase Guidelines.

"Residential Housing" or "Residence" means a single family owner occupied dwelling located within the State that qualifies for financing by MFA within the meaning of the Act, the Rules, the Program Documents, Section 143 of the Code as applicable and related regulations.

"RHS" means Rural Housing Services of the United States Department of Agriculture of the United States of America, or any successor thereto (formerly, "FMHA" or "RHCDS").

"RHS Guaranty" means a guaranty of a Mortgage Loan by RHS under Title V of the Housing Act of 1949.

"Secondary Market Institution" means any financial institution or investor purchasing a Mortgage Certificate hereunder.

"Sub-Servicer" means Idaho Housing and Finance Association ("IHFA") and any successor to its duties under this Agreement.

"Sub-Servicer Oversight Policy" (form of which is attached hereto as Exhibit A)

"Sub-Servicing Fee" means thirteen and one-half hundredths of one percent (.135%) or 13.5 basis points.

"Servicing Release Premium" means the amount paid by IHFA to a Mortgage Lender at the time of the purchase of an Eligible Mortgage Loan in exchange for the Mortgage Lender's release of its servicing rights to IHFA for subsequent purchase by MFA. The amount of the Service Release Premium is set by MFA in its discretion and is reflected in the Program Documents.

"State" means the State of New Mexico.

"Trustee" means the trustee, or any successor to its duties, named in an Indenture, as applicable.

"VA" means the Department of Veterans Affairs of the United States of America or any successor thereto.

"VA Guaranty" means a guaranty of a Mortgage Loan by the VA under the Servicemen's Readjustment Act of 1944, as amended.

ARTICLE II REPRESENTATIONS

Section 2.01. Representations, Warranties and Covenants of MFA. MFA represents and warrants to, and covenants with, IHFA that:

(a) MFA is an instrumentality of the State, duly organized and validly existing under the Act and the laws of the State. With regard to the Program, the issuance of the Bonds, the sale of Mortgage Certificates, and its operations pursuant hereto, MFA is in compliance with all of the provisions of the State's Constitution and the laws of the State, including the Act and the Rules, and has full power and authority to consummate all transactions, execute all documents, and issue all instruments contemplated by this Agreement.

(b) MFA has found and determined that the purchase or sale of the Mortgage Certificates under the terms of this Agreement will further the purposes of the Act and will be in the public interest.

(c) The execution and delivery of this Agreement by MFA and the performance of and compliance with the terms of this Agreement by MFA will not violate (i) the Act, (ii) any applicable rules or regulations of MFA, or the instruments governing its operations in any respect, or (iii) any laws which in any respect could have any material adverse effect whatsoever upon the validity, performance or enforceability of any of the terms of this Agreement.

(d) This Agreement, when executed and delivered by MFA, will constitute a valid, legal and binding obligation of MFA, enforceable in accordance with its terms, except as the enforcement thereof may be limited by applicable Insolvency Laws.

(e) All corporate proceedings legally required to be taken by MFA in connection with the authorization and execution of this Agreement and the consummation of the transactions contemplated hereby and related hereto, and all such approvals, authorizations, consents, licenses or other orders of local, state or federal regulatory agencies, public boards or bodies, if any, as may be legally required to be obtained by MFA prior to the date of this Agreement with respect to all or any of such matters, have been taken or obtained.

(f) MFA has full legal authority to engage in the activities covered by this Agreement, and the execution and delivery of this Agreement and compliance with the terms, conditions and provisions hereof and thereof do not and will not conflict with or result in a breach of any of the terms, conditions or provisions of the charter or bylaws of MFA, or any agreement or instrument to which it is a party or by which it is bound or any law or regulation or any administrative decree or order to which it is subject, or constitute a default thereunder.

(g) No litigation is pending or threatened against MFA with respect to this Agreement or the consummation of the transactions contemplated hereby or thereby.

Section 2.02. Representations, Warranties and Covenants of IHFA. IHFA represents and warrants to, and covenants with, MFA that:

(a) It is duly organized, validly existing and in good standing under the laws governing its creation and existence, and is duly qualified and in good standing to transact business in the State, with full corporate power to own its properties and conduct its business.

(b) All corporate proceedings legally required to be taken by IHFA in connection with the authorization and execution of this Agreement, the Guaranty Agreement and the Pool Purchase Contract and the consummation of the transactions contemplated hereby and related hereto, and all such approvals, authorizations, consents, licenses or other orders of local, state or federal regulatory agencies, public boards or bodies, if any, as may be legally required to be obtained by IHFA prior to the date of this Agreement with respect to all or any of such matters, have been taken or obtained.

(c) This Agreement, the Guaranty Agreement and the Pool Purchase Contract have been duly authorized, executed and delivered by IHFA and, when executed and delivered by the other parties hereto and thereto, will constitute the legal, valid and binding obligations of IHFA, enforceable in accordance with their terms, except as enforcement thereof may be limited by applicable Insolvency Laws.

(d) During the term of this Agreement, IHFA will not make a change in the character of its business which would materially adversely affect its performance hereunder, will remain in good standing and qualified to do business under the laws of the United States of America or the state of its organization, and of the State. A change in character includes, but is not limited to, a change in ownership of IHFA or its parent entity.

(e) IHFA has full legal authority to engage in the activities covered by this Agreement, and the execution and delivery of this Agreement, the Guaranty Agreement and the Pool Purchase Contract and compliance with the terms, conditions and provisions hereof and thereof do not and will not conflict with or result in a breach of any of the terms, conditions or provisions of the charter or bylaws of IHFA, or any agreement or instrument to which it is a party or by which it is bound or any law or regulation or any administrative decree or order to which it is subject, or constitute a default thereunder.

(f) No information, statement or report furnished in writing to MFA, to the Trustee or to any Secondary Market Institution by IHFA in connection with the negotiation of or performance under this Agreement and the consummation of the transactions contemplated hereby including, without limitation, the information furnished in writing regarding the description of, or the "Sub-Servicer" to MFA in the preparation of any preliminary official statement or official statement or private placement memorandum, or any appendices thereto, contains or will, to the knowledge of IHFA, contain any untrue statement of a material fact or omit a material fact necessary to make the information, statements or reports in light of the circumstances under which they were made, not misleading, and all documents furnished by IHFA in connection with the servicing of Mortgage Loans comply with any applicable federal and state laws.

(g) IHFA is not in default with respect to any order or decree of any court, or any order, regulation or demand of any federal, state, municipal, or governmental agency, which default might have consequences that would affect the Sub-Servicer's performance hereunder.

(h) IHFA is not a party to or bound by any agreement or instrument or subject to any charter or any other corporate restriction or any judgment, order, writ, injunction, decree, law, or regulation which now or in the future may materially and adversely affect its ability to perform its obligations under this Agreement, the Guaranty Agreement or the Pool Purchase Contract or which requires the consent of any third person to the execution of this Agreement, the Guaranty Agreement or the Pool Purchase Contract or the consummation of the transactions contemplated hereby or thereby.

(i) IHFA is capable of providing service and otherwise aiding MFA, as applicable, in the performance of its duties under this Agreement.

(j) No litigation is pending or threatened against IHFA with respect to this Agreement, the Guaranty Agreement or the Pool Purchase Contract or the consummation of the transactions contemplated hereby or thereby.

(k) IHFA is approved by GNMA to sell and service Mortgage Loans having FHA Insurance or a VA Guaranty, an RHS Guaranty or a HUD Guaranty, is an FHAVA approved mortgagee, meets all the issuer eligibility requirements of GNMA (including current net worth requirements and minimum insurance coverage requirements) and is approved by GNMA to issue mortgage-backed securities guaranteed by GNMA pursuant to Section 306(g) of Title III of the National Housing Act of 1934 and applicable regulations thereunder and is approved by GNMA to transfer issuer responsibility to MFA and will remain so approved under current requirements for the term of this Agreement.

(l) IHFA is approved by Fannie Mae and Freddie Mac to sell and service Conventional Mortgage Loans and Mortgage Loans guaranteed by an RHS Guaranty, meets all of the issuer eligibility requirements of Fannie Mae and Freddie Mac (including current net worth requirements and minimum insurance coverage requirements), and is approved by Fannie Mae and Freddie Mac to deliver Mortgage Loans to Fannie Mae and Freddie Mac to back Mortgage Certificates and will remain so approved under current requirements for the term of this Agreement.

(m) IHFA is organized and operated for the purpose, among others, of delivering mortgage-backed securities guaranteed by GNMA, Fannie Mae, and Freddie Mac, has full legal power

and authority under its organizational documents and applicable laws to execute and deliver the GNMA Certificates, the Fannie Mae Certificates and the Freddie Mac Certificates and to perform its obligations hereunder and thereunder, and by proper action has duly authorized or will duly authorize the execution and delivery of the Mortgage Certificates.

(n) Except as limited by MFA's purchase of the mortgage servicing rights for any Mortgage Loan, GNMA Certificates, Fannie Mae Certificates, and Freddie Mac Certificates, upon their issuance, execution, and delivery, will constitute legal, valid and binding obligations of IHFA enforceable in accordance with their terms, except as limited by applicable Insolvency Laws, provided that no GNMA Certificate, Fannie Mae Certificate, or Freddie Mac Certificate will constitute a liability of, nor evidence any recorded debt against IHFA, because it is based on and secured by Mortgage Loans, and recovery may be made from GNMA, Fannie Mae, or Freddie Mac, as applicable, in the event of any failure of timely payment as provided for in the Guaranty Agreements and Pool Purchase Contracts for GNMA Certificates, Fannie Mae Certificates, and Freddie Mac Certificates, as applicable.

(o) IHFA is familiar with all GNMA, Fannie Mae and Freddie Mac rules and regulations applicable to the Program and will use diligent, reasonable efforts to become and to remain familiar with all GNMA, Fannie Mae and Freddie Mac rules and regulations applicable to the Program, including, but not limited to, any changes or proposed changes in the GNMA, Fannie Mae and Freddie Mac servicing rate, size of Pools or other features affecting the Eligible Mortgage Loans or Mortgage Certificates under this Agreement, and shall promptly notify MFA of such changes or proposed changes of which IHFA becomes aware.

(p) IHFA will not knowingly take any action or fail to take any action or permit any action within its control to be taken which would impair the exclusion from gross income for federal income tax purposes of interest on the Bonds, as applicable.

(q) Through normal servicing activities, including the servicing of delinquencies, IHFA may sometimes obtain privileged information concerning the mortgagors and their Residences. Such privileged information may not be used by IHFA or by its officers, employees, agents or affiliates, in any way which can be construed to represent a conflict of interest or an unfair advantage to the user. All such information must be used in a manner consistent with any applicable laws or regulations regarding disclosure of non-public personal financial information.

(r) No action taken by IHFA in connection with the activities contemplated by this Agreement shall affect its existing responsibilities, representations or warranties provided to MFA as the sub-servicer or originator of the Eligible Mortgage Loans.

ARTICLE III PURCHASE OF MORTGAGE LOANS

Section 3.01. Mortgage Lender Approval; Repurchase of Mortgage Loans. IHFA, at the direction of MFA, shall establish business relationships with, and enter into Mortgage Loan Purchase Contracts with, Mortgage Lenders. If Fannie Mae, Freddie Mac, GNMA, the Trustee or any other Secondary Market Institution requires that a Mortgage Loan be repurchased, it is understood that IHFA shall purchase such loan and demand that the applicable Mortgage Lender repurchase the loan under the applicable Mortgage Loan Purchase Contract. If the said Mortgage Lender is unable or unwilling to repurchase the loan, then MFA shall do so and shall pay to IHFA the repurchase amount in accordance with the Mortgage Loan Purchase Contract, and IHFA shall assign to MFA its rights and remedies under the said Mortgage Loan Purchase Contract with respect to such loan.

Section 3.02. Final Review and Purchase of Mortgage Loans. Within a reasonable time following delivery by Mortgage Lenders of Mortgage Loans which have been approved by MFA for applicable program compliance, IHFA shall conduct a pre-purchase review to determine if the Mortgage Loans are Eligible Mortgage Loans and, within one (1) Business Day after completing such review, shall purchase all Eligible Mortgage Loans that Mortgage Lenders have delivered prior to the termination of this Agreement. Review shall include review of closing documents and compliance with secondary market requirements, as applicable, and requirements of the Mortgage Loan Purchase Contract. IHFA will be

responsible for obtaining all Mortgage Loan Documents from the Mortgage Lenders for MFA's Eligible Mortgage Loans. Notwithstanding the foregoing, MFA shall retain responsibility for reviewing each Mortgage Loan prior to loan closing by the Mortgage Lender and purchase by Sub-Servicer to ensure compliance with the requirements of the Code and the Program, as applicable. MFA understands that IHFA may provide contract underwriting services to a Mortgage Lender for a separate upfront fee to be paid by the Mortgage Lender.

Section 3.03. Purchase Price. The purchase price that IHFA will pay to the Mortgage Lender for each Eligible Mortgage Loan shall be as follows (each, the "Applicable Loan Purchase Price"):

- (a) For First Home Loans, as that term is defined in the Program Documents, an amount equal to (a) the sum of (i) one hundred one percent (101%) of the outstanding principal balance of the loan plus (ii) interest accrued on the Eligible Mortgage Loan through the date of Purchase, plus (iii) the applicable Servicing Release Premium, minus (b) any Mortgage Lender late fees and any fees due to Sub-Servicer from the Mortgage Lender.
- (b) For Next Home Loans, as that term is defined in the Program Documents, an amount that is equal to (a) the sum of one hundred four percent (104%) of the outstanding principal balance of NEXT HOME Loans plus (ii) interest accrued on the Eligible Mortgage Loan through the date of Purchase, plus (iii) the applicable Servicing Release Premium, minus (b) any Mortgage Lender late fees and any fees due to Sub-Servicer from the Mortgage Lender.
- (c) For First Down Loans, as that term is defined in the Program Documents, an amount equal to (a) one hundred percent (100%) of the outstanding principal balance of the loan plus (b) interest accrued on the Eligible Mortgage Loan through the date of Purchase.

MFA may from time to time increase or decrease assistance to Mortgage Loans, through an amendment to its Notice of Availability of Funds or any of the applicable Program Documents. Any such increase or decrease by MFA shall increase or decrease the Applicable Loan Purchase Price accordingly. IHFA shall assess all required late fees from Mortgage Lenders, including fees for loans delivered after the final delivery date shown on the applicable Compliance Approval/Loan Purchase Agreement. All late fees shall be remitted to MFA. IHFA shall pool the applicable Mortgage Loans into GNMA Certificates, Freddie Mac Certificates and Fannie Mae Certificates or for sale directly to Fannie Mae or Freddie Mac as provided in this Agreement.

Section 3.04. Eligible Mortgage Loan. For purposes of this Agreement, an Eligible Mortgage Loan is a Mortgage Loan that satisfies the following requirements, as applicable:

- (a) Meets the requirements of the Code, as applicable, the Mortgage Loan Purchase Contract, the Mortgage Purchase Guidelines and the applicable Program Documents.
- (b) Includes Down Payment Assistance Product second mortgage loans that meet the requirements of the applicable Program Documents. These products will not be included in a pool; and subsequent to purchase by IHFA from a Mortgage Lender, the servicing will be transferred to MFA.
- (c) Each Mortgage Loan to be included in a Pool represented by a GNMA Certificate pursuant to this Agreement shall be (i) insured by FHA Insurance or guaranteed by a VA Guaranty, RHS Guaranty or HUD Guaranty, which insurance or guaranty shall be maintained in full force and effect during all times the originating Mortgage Lender owns an interest in such Mortgage Loan, (ii) made in accordance with the then current underwriting policies of FHA, VA, RHS or HUD as applicable, and (iii) made in compliance with all applicable criteria set forth in the GNMA Guide.
- (d) Each Mortgage Loan to be included in a Pool represented by a Fannie Mae Certificate or Freddie Mac Certificates pursuant to this Agreement shall be (i) a Conventional Mortgage Loan which is not insured under a policy of Private Mortgage Guaranty Insurance, but which has a loan-to-value ratio of eighty percent (80%) or less, (ii) a Conventional Mortgage Loan insured under a policy of Private Mortgage Guaranty Insurance, maintained in full force and effect during all times the originating Mortgage Lender owns an interest in such Mortgage Loan, or (iii) a Mortgage Loan guaranteed by an RHS

Guaranty maintained in full force and effect during all times the originating Mortgage Lender owns an interest in such Mortgage Loan and, in all cases, shall be made in compliance with all applicable criteria set forth in the Fannie Mae Guides or Freddie Mac Guides and the Pool Purchase Contract. For any such Pool represented by a Fannie Mae Certificate or Freddie Mac Certificate pursuant to this Agreement and covering Conventional Mortgage Loans, Fannie Mae and Freddie Mac shall have no recourse against IHFA.

(e) An Eligible Mortgage Loan may be secured by leased land if acceptable to the appropriate insuring or guaranteeing agencies.

Section 3.05. RHS Mortgage Loans. Eligible Mortgage Loans guaranteed by an RHS Guaranty may, at IHFA's option, be included in a Pool represented by a GNMA Certificate or a Pool represented by a Fannie Mae or Freddie Mac Certificate.

Section 3.06. IHFA Assistance in Issuance of GNMA, Fannie Mae or Freddie Mac Certificates. Upon request of MFA, IHFA will assist MFA with sales of Eligible Mortgage Loans to Fannie Mae or Freddie Mac or to deliver loans with respect to GNMA Certificates, Fannie Mae Certificates or Freddie Mac Certificates in the same manner as for delivery to the Trustee as provided in this Agreement, except that such certificates will be sold to other participating Secondary Market Institutions.

ARTICLE IV OTHER DUTIES OF MFA

Section 4.01. Review of IHFA's Performance. MFA may periodically review the performance of IHFA based on MFA's Sub-Servicer Oversight Policy (form of which is attached hereto as Exhibit A) to determine if IHFA is performing in accordance with the standards required by this Agreement.

ARTICLE V PURCHASE OF GNMA CERTIFICATES

Section 5.01. GNMA Commitments; Issuance of GNMA Securities. The following procedures govern the issuance of GNMA Certificates by IHFA pursuant to this Agreement. The parties acknowledge that the procedures, guidelines and policies of GNMA, FHA, VA, HUD and RHS may be amended or modified in the future to such an extent that it may become impractical or impossible for IHFA to perform pursuant to this Agreement, in which event IHFA shall not be held responsible for such failure to perform and MFA shall have the right to terminate this Agreement with respect to GNMA Certificates to be issued thereafter.

(a) Prior to the Commencement Date, IHFA shall provide evidence satisfactory to MFA that it has the authority under GNMA Commitments to issue GNMA Certificates under the Program. IHFA must be able to issue GNMA Certificates in an amount at least equal to the aggregate principal amount of FHA and VA insured, HUD and/or RHS-guaranteed Mortgage Loans projected to be originated under MFA's Program. IHFA warrants and represents that it shall, at all times relevant hereunder, reserve GNMA Commitments for the benefit of MFA's Trustee or other applicable party, sufficient to cover amounts remaining on deposit and available for the purchase of GNMA Certificates or, as applicable, GNMA Commitments, and shall deliver loans to GNMA for issuance of GNMA Certificates to other Secondary Market Institutions or directly to MFA.

(b) IHFA, in its best judgment and in accordance with the GNMA Guide, shall issue GNMA Certificates that shall be based upon and backed by Pools consisting of Eligible Mortgage Loans originated and purchased from the Mortgage Lenders pursuant to Article III. If the requirements for Eligible Mortgage Loans backing GNMA Certificates or for the issuance of GNMA Certificates are modified, IHFA shall notify MFA in writing of such modification and from the date of such notification, IHFA will only be required to purchase Eligible Mortgage Loans meeting such modified requirements.

(c) In accordance with its standards and policies, IHFA may provide for the issuance of GNMA Certificates in minimum principal amounts of one million dollars (\$1,000,000) or such lesser

amounts as directed by MFA and as may be approved by GNMA. The total principal amount of any issue of GNMA Certificates shall not exceed the aggregate unpaid principal balances of the Eligible Mortgage Loans in the Pool.

(d) IHFA shall be obligated to pay and shall pay all fees for the GNMA Commitments.

(e) IHFA shall use an approved GNMA document custodian for all documents required by the GNMA Guide to be held by such document custodian and subsequent transfer to MFA's GNMA approved document custodian.

Section 5.02. Agreement to Purchase GNMA Certificates. (a) MFA shall purchase through a Trustee, Secondary Market Institution, or MFA, with funds on deposit under the Indenture or funds of such other institutions and available for such purpose, the GNMA Certificates issued by IHFA and delivered to the Trustee, Secondary Market Institution or MFA for purchase in accordance with this Agreement; provided, however, that the Trustee or other Secondary Market Institution shall not have any obligation to purchase any GNMA Certificate unless the applicable requirements of this Agreement or the applicable forward purchase commitment with respect to each Eligible Mortgage Loan in the related Pool have been satisfied.

(b) The purchase price for any GNMA Certificate shall be the respective GNMA Certificate Price.

Section 5.03. Delivery of GNMA Certificates/Payment of GNMA Certificate Price and Concurrent Transfer of Servicing Rights. (a) IHFA shall deliver GNMA Certificates to the Trustee, Secondary Market Institution or MFA for purchase in accordance with this Agreement on the GNMA Certificate Delivery Date. At least four (4) Business Days before each GNMA Certificate Delivery Date, IHFA shall notify MFA and the Trustee or other Secondary Market Institution of the GNMA Certificate Price with respect to the GNMA Certificate to be sold to the Trustee, Secondary Market Institution, or MFA.

(b) On each GNMA Certificate Delivery Date, IHFA shall issue the GNMA Certificate and deliver to the Trustee, Secondary Market Institution or MFA copies of the appropriately completed HUD Forms 11705 and 11706 with respect to the related Pool.

(c) Simultaneously with the issuance and delivery by IHFA of the GNMA Certificate and the other documents required to be delivered to the Trustee, Secondary Market Institution or MFA pursuant to Section 5.03(b) above, the Trustee, Secondary Market Institution or MFA shall pay IHFA the GNMA Certificate Price and MFA shall reimburse IHFA the related Service Release Premium in exchange for the concurrent transfer of the Mortgage Servicing Rights associated with the GNMA Certificate. At the time of the concurrent transfer of the Mortgage Servicing Rights to MFA, IHFA will take all steps necessary and required to notify GNMA of that transfer.

Section 5.04. Payments on GNMA Certificates. The Trustee, Secondary Market Institution or MFA, as holder of the GNMA Certificates, shall receive all payments of principal and interest remitted by GNMA with respect to such GNMA Certificates.

ARTICLE VI PURCHASE OF FANNIE MAE CERTIFICATES

Section 6.01. Sale and Delivery of Fannie Mae Certificates. The following procedures govern the sale of Fannie Mae Certificates by IHFA as of the date of this Agreement. The parties hereto acknowledge that the procedures, guidelines and policies of Fannie Mae may be amended or modified in the future to such an extent that it may become impractical or impossible for IHFA to perform pursuant to this Agreement, in which event IHFA shall not be held responsible for such failure to perform and MFA shall have the right to terminate this agreement with respect to Fannie Mae Certificates to be issued.

(a) IHFA shall purchase Eligible Mortgage Loans from the Mortgage Lenders in accordance with the terms of Article III of this Agreement and the Fannie Mae Guides, and shall pay all fees required by Fannie Mae in connection with the issuance of Fannie Mae Certificates.

(b) IHFA shall ensure that the Program shall have at least equal priority with respect to the other activities of IHFA to any unfunded Fannie Mae Certificates available to IHFA or to the issuance of any other Fannie Mae Certificates not specifically pledged to an identifiable lending activity.

(c) In accordance with its standards and policies, IHFA may provide for the issuance of Fannie Mae Certificates in a minimum original outstanding principal amount of one million dollars (\$1,000,000), or such lesser amounts as directed by MFA and as may be approved by Fannie Mae. The total principal amount of any issue of Fannie Mae Certificates shall equal the aggregate unpaid principal balances of Eligible Mortgage Loans in the Pool.

Section 6.02. Agreement to Purchase. (a) MFA shall purchase through the Trustee or other Secondary Market Institution, with funds on deposit under the Indenture or funds of such other institution and available for such purpose, the Fannie Mae Certificates delivered to the Trustee, Secondary Market Institution or MFA by IHFA in accordance with this Agreement; provided, however, that the Trustee, Secondary Market Institution or MFA shall not have any obligation to purchase any Fannie Mae Certificate unless the applicable requirements of this Agreement with respect to each Eligible Mortgage Loan in the Pool have been satisfied.

(b) The purchase price for any Fannie Mae Certificate shall be the respective Fannie Mae Certificate Price.

Section 6.03. Delivery of Fannie Mae Certificates/Payment of Fannie Mae Certificate Price and Concurrent Transfer of Servicing Rights. (a) IHFA shall deliver Fannie Mae Certificates to the Trustee, Secondary Market Institution or MFA for purchase by the Trustee, Secondary Market Institution or MFA in accordance with this Agreement on the Fannie Mae Certificate Delivery Date. At least four (4) Business Days before each Fannie Mae Certificate Delivery Date, IHFA shall notify MFA and the Trustee or other Secondary Market Institution of the Fannie Mae Certificate Price with respect to the Fannie Mae Certificate to be sold to the Trustee, Secondary Market Institution, or MFA.

(b) On each Fannie Mae Certificate Delivery Date, IHFA shall issue the Fannie Mae Certificate and deliver to the Trustee, Secondary Market Institution or MFA copies of the appropriately completed Fannie Mae Forms 2005 and 2014 with respect to the related Pool.

(c) Simultaneous with the issuance and delivery by IHFA of the Fannie Mae Certificate and the other documents required to be delivered to the Trustee, Secondary Market Institution or MFA pursuant to Section 6.03(b) above, the Trustee, Secondary Market Institution or MFA shall pay IHFA the Fannie Mae Certificate Price and MFA shall reimburse IHFA the Servicing Release Premium in exchange for the concurrent transfer of the Mortgage Servicing Rights associated with the Fannie Mae Certificate. At the time of the concurrent transfer of the Mortgage Servicing Rights to MFA, IHFA will take all steps necessary and required to notify Fannie Mae of that transfer.

Section 6.04. Payments on Fannie Mae Certificates. The Trustee, Secondary Market Institution or MFA, as holder of the Fannie Mae Certificates, shall receive all payments of principal and interest remitted by Fannie Mae with respect to such Fannie Mae Certificates.

ARTICLE VII PURCHASE OF FREDDIE MAC CERTIFICATES

Section 7.01. Sale and Delivery of Freddie Mac Certificates. The following procedures govern the sale of Freddie Mac Certificates by IHFA as of the date of this Agreement. The parties hereto acknowledge that the procedures, guidelines and policies of Freddie Mac may be amended or modified in the future to such an extent that it may become impractical or impossible for IHFA to perform pursuant to this Agreement, in which event Servicer shall not be held responsible for such failure to perform and MFA shall have the right to terminate this agreement with respect to Freddie Mac Certificates to be issued.

(a) IHFA shall purchase Eligible Mortgage Loans from the Mortgage Lenders in accordance with the terms of Article III of this Agreement and the Freddie Mac Guides, and shall pay all fees required by Freddie Mac in connection with the issuance of Freddie Mac Certificates and shall provide for the issuance of Fannie Mae Certificates in the manner set forth for GNMA Certificates in Section 5.01(a) and (b) above.

(b) IHFA shall ensure that the Program shall have at least equal priority with respect to the other activities of IHFA to any unfunded Freddie Mac Certificates available to IHFA or to the issuance of any other Freddie Mac Certificates not specifically pledged to an identifiable lending activity.

(c) In accordance with its standards and policies, IHFA may provide for the issuance of Freddie Mac Certificates in a minimum original outstanding principal amount of one million thousand dollars (\$1,000,000), or such lesser amounts as directed by MFA and as may be approved by Freddie Mac. The total principal amount of any issue of Freddie Mac Certificates shall equal the aggregate unpaid principal balances of Eligible Mortgage Loans in the Pool.

Section 7.02. Agreement to Purchase Freddie Mac Certificates. (a) MFA shall purchase, through the Trustee, such Secondary Market Institution, or such other party as may be directed by MFA, with funds on deposit under the Indenture, or funds of such other institution from such other sources as directed by MFA and available for such purpose, the Freddie Mac Certificates delivered to the Trustee, Secondary Market Institution or MFA by IHFA in accordance with this Agreement; provided, however, that the Trustee, Secondary Market Institution or MFA shall not have any obligation to purchase any Freddie Mac Certificate unless the applicable requirements of this Agreement and the Indenture with respect to each Eligible Mortgage Loan in the Pool have been satisfied.

(b) The purchase price for any Freddie Mac Certificate shall be the Freddie Mac Certificate Price.

Section 7.03. Delivery of Freddie Mac Certificates/Payment of Freddie Mac Certificate Price and Concurrent Transfer of Servicing Rights. (a) IHFA shall deliver Freddie Mac Certificates for purchase to the Trustee, Secondary Market Institution or MFA in accordance with this Agreement on the Freddie Mac Certificate Delivery Date. At least four (4) Business Days before each Freddie Mac Certificate Delivery Date, IHFA shall notify MFA and the Trustee or other Secondary Market Institution, as applicable, of the aggregate principal amount of, and accrued interest on, the Freddie Mac Certificate to be sold to the Trustee, Secondary Market Institution or MFA.

(b) On each Freddie Mac Certificate Delivery Date, IHFA shall issue the Freddie Mac Certificate and deliver to the Trustee, Secondary Market Institution or MFA copies of the appropriately completed Freddie Mac Forms 2005 and 2014 with respect to the related Pool.

(c) Simultaneous with the issuance and delivery by IHFA of the Freddie Mac Certificate(s) and the other documents required to be delivered pursuant to Section 7.03(b) above, the MFA shall pay or cause to be paid to IHFA the Freddie Mac Certificate Price and MFA shall reimburse IHFA the Servicing Release Premium in exchange for the concurrent transfer of the Mortgage Servicing Rights associated with the Freddie Mac Certificate. At the time of the concurrent transfer of the Mortgage Servicing Rights to MFA, IHFA will take all steps necessary and required to notify Freddie Mac of that transfer.

ARTICLE VIII

SALE OF ELIGIBLE MORTGAGE LOANS DIRECTLY TO FANNIE MAE OR FREDDIE MAC

Section 8.01. Sale and Delivery of Eligible Mortgage Loans to Fannie Mae or Freddie Mac. At MFA's direction, IHFA may purchase Eligible Mortgage Loans from Mortgage Lenders for sale and delivery to Fannie Mae or Freddie Mac under its cash window program. IHFA may provide these services

to MFA to include assistance with forward sale contracts and/or hedging by IHFA. The parties hereto acknowledge that the procedures, guidelines and policies of Fannie Mae or Freddie Mac may be amended or modified in the future to such an extent that it may become impractical or impossible for IHFA to perform such services pursuant to this Agreement, in which event IHFA shall not be held responsible for such failure to perform and MFA shall no longer request the assistance of IHFA with respect to the sale and delivery of Eligible Mortgage Loans directly to Fannie Mae or Freddie Mac hereunder.

(a) IHFA shall purchase Eligible Mortgage Loans from the Mortgage Lenders in accordance with the terms of Article III of this Agreement and the Fannie Mae or Freddie Mac Guides, and shall pay all fees required by Fannie Mae or Freddie Mac in connection with the sale and delivery of Eligible Mortgage Loans to Fannie Mae or Freddie Mac, as applicable. IHFA shall service or upon direction from MFA, transfer the servicing of such Eligible Mortgage Loans to MFA in accordance with this Agreement and be compensated as provided in this Agreement.

(b) IHFA shall ensure that this portion of the Program shall have at least equal priority with respect to the other activities of IHFA in selling such Mortgage Loans to Fannie Mae or Freddie Mac.

Section 8.02: Delivery of Eligible Mortgage Loans to Fannie Mae/Payment of Price and Concurrent Transfer of Servicing Rights.

(a) IHFA shall deliver such Eligible Mortgage Loans to Fannie Mae or Freddie Mac for purchase by Fannie Mae or Freddie Mac in accordance with this Agreement on the applicable delivery date. At least four (4) Business Days before each such delivery date, IHFA shall notify MFA of the Fannie Mae or Freddie Mac purchase price with respect to the Eligible Mortgage Loan to be sold to Fannie Mae or Freddie Mac.

(b) Simultaneous with the delivery by IHFA of the Eligible Mortgage Loan to Fannie Mae or Freddie Mac, IHFA shall cause the Fannie Mae or Freddie Mac purchase price for such loan to be transmitted to MFA.

**ARTICLE IX
SUB-SERVICING DUTIES OF IHFA/SUB-SERVICING RELATED PAYMENTS**

Section 9.01. Loan Sub-Servicing Guidelines. IHFA shall service MFA's Eligible Mortgage Loans and shall have full power and authority, acting alone, to do any and all things in connection with such servicing that it may deem necessary and shall exercise at least the same degree of care that it exercises with respect to the servicing of mortgage loans for its own account. In servicing MFA's Eligible Mortgage Loans, IHFA shall conform to at least the minimum requirements established by either FHA in the case of FHA-insured Mortgage Loans, VA in the case of VA-guaranteed Mortgage Loans, RHS in the case of RHS insured Mortgage Loans, HUD in the case of HUD guaranteed Mortgage Loans or Fannie Mae or Freddie Mac and the applicable PMI Insurer in the case of Conventional Mortgage Loans, and to the requirements of the GNMA, Fannie Mae or Freddie Mac Guides. Without limiting the generality of the foregoing, IHFA shall, and is hereby authorized and empowered by MFA to, execute and deliver, in its own name, on behalf of itself, with respect to the MFA's Eligible Mortgage Loans and with respect to the properties subject to the Mortgages securing such mortgage loans, any and all instruments, documents, and writings necessary to file all claims and initiate all proceedings, by foreclosure or otherwise, necessary or appropriate to realize upon the insurance policies and property securing any such Mortgage Loan or in satisfaction, cancellation or in part or full release or discharge of such Mortgage Loans.

Without limiting the generality of the foregoing paragraph, IHFA shall service MFA's Eligible Mortgage Loans in accordance with the servicing standards required for Mortgage Loans insured by FHA or guaranteed by VA, HUD or RHS and as required by GNMA, Fannie Mae or Freddie Mac. In addition, IHFA shall provide to FHA, VA, RHS, HUD, GNMA, Fannie Mae and Freddie Mac any and all notices required as a condition of the payment of all benefits and such reports regarding servicing, including reports of delinquencies as may be required.

If MFA reasonably determines that IHFA is not in substantial compliance in all material respects with the aforementioned servicing standards in connection with the servicing of MFA's Eligible Mortgage

Loans, then, in addition to expenses required to be paid by IHFA as otherwise specified herein, IHFA agrees to pay the reasonable out of pocket operational costs and expenses incurred by MFA in investigating servicing activities of IHFA and in terminating IHFA or replacing it as a sub-servicer of MFA's Eligible Mortgage Loans in accordance with the provisions of Section 10.03 of this Agreement. If MFA later determines that IHFA is in substantial compliance in all material respects with the aforementioned servicing standards, IHFA shall have no obligation to pay MFA's costs of investigating IHFA's servicing activities. To the extent the requirements of this Agreement conflict with the FHA, VA, RHS, HUD, GNMA, Fannie Mae or Freddie Mac guidelines or regulations, such guidelines or regulations shall control.

Section 9.02. Payment of Sub-Servicing Fees and Other Servicing Costs; Payments to MFA; and Warehousing of Loans.

(a) As compensation for IHFA's performance of servicing activities hereunder and in consideration for servicing of MFA's Eligible Mortgage Loans as set forth in and during the term of this Agreement, IHFA shall retain from the loan payments the Sub-Servicing Fee plus the other fees and expense reimbursements detailed in subsection 9.02(b), (c) and (d) below.

(b) In connection with the foreclosure of any Eligible Mortgage Loan and the processing of insurance claims related thereto, MFA shall pay IHFA \$400 per foreclosure case and shall pay IHFA for unreimbursed foreclosure expenses and other usual and customary costs incurred in connection with such foreclosure, including inspection fees and reasonable attorney fees not reimbursed by the insurer or guarantor. IHFA shall retain any borrower late fees collected with respect to any Eligible Mortgage Loans serviced on MFA's behalf.

(c) In consideration for IHFA's services with respect to pre-purchase loan review and acquisition of Eligible Mortgage Loans, MFA agrees to pay IHFA a loan review and acquisition fee of \$150.00 per loan file. IHFA shall invoice MFA for the services and MFA shall pay the fee to IHFA on settlement.

(d) For each day that a Mortgage Loan is delinquent and IHFA has had to advance funds to pay principal, interest and other expenses related to such delinquent mortgage loan, including without limitation, funds to repurchase the related foreclosed property, MFA shall reimburse IHFA for the funds advanced within 5 days of notice by IHFA to MFA. Prepayments are netted from the delinquencies per Ginnie Mae, Fannie Mae and Freddie Mac guidelines, allowing IHFA to use those funds towards the delinquency amounts needing advance until those prepaid funds are insufficient to cover the delinquencies.

(e) For each calendar month, the fees due to IHFA under this Section 9.02 shall be netted against the servicing fees due MFA for that month. By the fifteenth (15th) Business Day of each calendar month, IHFA shall provide MFA with an invoice setting forth the details, for the preceding calendar month, of the amounts due to IHFA under this Section 9.02 and the net amount due to MFA. Payment of the net amount due to MFA shall be made by the last Business Day of the calendar month.

(f) IHFA shall "warehouse" the Eligible Mortgage Loans utilizing a warehouse line by separate agreement with MFA until such time that IHFA has accumulated sufficient volume of Eligible Mortgage Loans to form a Pool and cause the issuance of a GNMA Certificate, Fannie Mae Certificate or Freddie Mac Certificate or for sale through the cash window to Fannie Mae or Freddie Mac. MFA agrees to provide funding to IHFA under a warehouse line to reimburse IHFA for purchase of an Eligible Mortgage Loan not later than two business days after such loan is purchased by IHFA. Failure to provide funds for more than two business days may result in IHFA suspending reservations with, and/or not purchasing Mortgage Loans from Mortgage Lenders. IHFA acknowledges that it is in MFA's best interest and hereby agrees to use its best efforts to aggregate Eligible Mortgage Loans to form Pools and to issue GNMA Certificates, Fannie Mae Certificates or Freddie Mac Certificates or for sale through the cash window to Fannie Mae or Freddie Mac in as expeditious a manner as possible and shall coordinate the pooling of such loans and the issuance of the certificates with MFA.

Section 9.03. Mortgage Loan Transfers and Assumptions. In any case in which a property subject to a Eligible Mortgage Loan has been or is about to be conveyed by the mortgagor to his or her

successor in interest, IHFA is authorized to release the original mortgagor and to take or enter into an assumption agreement with the person to whom the property has been or is about to be conveyed, but only if the following conditions are met: (1) IHFA has determined, with the concurrence of MFA, that all of the applicable requirements of the Program, as well as the requirements of this Section 9.03, are met with respect to such assumption, based upon the facts as they exist at the time of the assumption as if the Eligible Mortgage Loan were being made for the first time; (2) IHFA has received an executed Affidavit of Seller from the transferor and an executed Affidavit of Purchaser from the person to whom such property has been or is about to be conveyed each in the form required by MFA under the Program; (3) if the Eligible Mortgage Loan has FHA Insurance or a VA or HUD Guaranty, FHA, VA or HUD and GNMA, as applicable, shall have approved such conveyance if such approval is required and the Eligible Mortgage Loan shall continue to be insured by FHA or guaranteed by VA or HUD; (4) if the Eligible Mortgage Loan is a Conventional Mortgage Loan, Fannie Mae or Freddie Mac, or IHFA on behalf of Fannie Mae or Freddie Mac, shall have approved such conveyance if approval is required, and the Eligible Mortgage Loan shall continue to have a policy of Private Mortgage Guaranty Insurance, if applicable; (5) if the Eligible Mortgage Loan has an RHS Guaranty, RHS and GNMA, Fannie Mae or Freddie Mac, as applicable, shall have approved such conveyance if such approval is required and the Eligible Mortgage Loan shall continue to be guaranteed by RHS; (6) IHFA has received payment of its then customary assumption charge to the extent permitted by FHA, VA, HUD, RHS, GNMA, Fannie Mae or Freddie Mac, as applicable; (7) IHFA and MFA have approved any such transfer and assumption; (8) MFA has conducted a review and approved the mortgagor for compliance with the requirements of the Code and applicable Program; and (9) IHFA has reviewed the proposed assumption for compliance with the requirements of this Agreement. The assumption agreement shall be delivered to IHFA and subsequently to MFA's document custodian to be retained with the related Mortgage Loan Documents whereupon it shall be deemed a part of such Mortgage Loan Documents for all purposes hereof. In connection with any such assumption agreement, the rate of interest on the related Mortgage Note shall not be changed unless required by FHA, VA, HUD, RHS, GNMA, Fannie Mae or Freddie Mac, as applicable, as a result of any changes in the respective fees and expenses of FHA, VA, HUD, RHS, GNMA, Fannie Mae or Freddie Mac that may be paid by the mortgagor.

Under no circumstances shall IHFA consent to any conveyance of a Residence unless the above conditions have been met or unless MFA has consented to such conveyance. If IHFA determines that the mortgagor or his successor in interest has conveyed a Residence and that the above conditions have not been met, IHFA shall give notice thereof to MFA. If IHFA believes that some action other than foreclosure (such as re-conveyance under circumstances meeting the above conditions) can be taken so as to enable IHFA to consent to the transfer of the Residence, it shall so advise MFA and cause such action to be taken or not, as the case may be, at the direction of MFA. If no such action can be taken or if IHFA fails to cause such action to be taken, IHFA shall provide notice of same to MFA, shall take any and all steps necessary to secure all benefits payable under the applicable FHA Insurance, VA, HUD or RHS Guaranty or Private Mortgage Guaranty Insurance policy, and shall, unless otherwise directed by MFA, commence foreclosure proceedings within fifteen (15) days of the date of such notice.

Section 9.04. Satisfaction of FHA, VA, RHS and PMI Insurer Requirements. IHFA shall use its best efforts to obtain compliance by the Mortgage Lenders and each mortgagor with all applicable provisions and requirements of FHA, VA, HUD, RHS and any PMI Insurer in order to maintain the insurance and guaranty in full force and effect. All premiums advanced by IHFA in maintaining any such insurance shall be added to the amount owing under the Eligible Mortgage Loan where the terms of the loan so permit. It is understood and agreed that in the event that any FHA, HUD, RHS, VA, PMI Insurer or Fannie Mae, Freddie Mac or GNMA requirements, including but not limited to any servicer certification requirements, change, the affected provisions of this agreement and/or the Mortgage Loan Purchase Contract will be revised by the parties to accommodate such changes.

Section 9.05. IHFA Requirements. In addition to the servicing requirements of IHFA detailed in this Article IX, IHFA is responsible for ensuring that each Mortgage Loan serviced pursuant to this Agreement continues to meet the eligibility criteria described in the Program Documents during the term of the Mortgage Loan and this Agreement. During the term of the Agreement, IHFA is responsible for enforcing all terms and conditions described in the Program Documents including any applicable tax exempt financing rider.

Section 9.06. Mortgage Loan Documents. Except with respect to such documents that are required by the GNMA Guide or the Fannie Mae or Freddie Mac Guides to be held by a document custodian, IHFA shall be the custodian of the Mortgage Loan Documents delivered to it with respect to each Eligible Mortgage Loan. In conjunction with mortgage industry requirements, IHFA will maintain and provide MFA staff with access to the electronic mortgage servicing file which includes but is not limited to the following information; Loan origination file; Schedule of payments credited or debited to the borrower's account; Escrow payments and history; Copies of the borrower's security instrument; Collection notes made by the IHFA reflecting communication with borrower; Any data fields relating to a mortgage loan account created by IHFA auto dial and response system regarding collection activity; and Copies of documents provided by the borrower to IHFA in connection with the collection of their mortgage loan account. IHFA shall make such Mortgage Loan Documents available for inspection and copying by MFA at such reasonable times and in such reasonable manner as IHFA shall determine. IHFA shall retain the Mortgage Loan Documents, or copies thereof, for the longer of the period required by law, the Fannie Mae Guides, Freddie Mac Guides, or the GNMA Guides, as applicable.

Section 9.07. Assignment of Sub-Servicing Obligations. IHFA may not assign any of its rights under this Agreement or have another entity assume its obligations under this Agreement without the prior, written consent of MFA.

ARTICLE X TERM, TERMINATION AND LIABILITIES

Section 10.01. Term. Unless earlier terminated in accordance with this Section 10.01 or Sections 5.01, 6.01, 7.01 or 9.01 of this Agreement, this Agreement shall expire on September 30, 2020. However, both MFA and IHFA recognize that this Agreement is intended to be amended as necessary as MFA activates and uses its own seller/servicer authorizations for Ginnie Mae and Fannie Mae in order to be able to directly purchase, warehouse, pool, and securitize Eligible Mortgage Loans using its own "seller/servicer" number. In recognition that one of the purposes of this Agreement is to foster that transition, both IHFA and MFA agree that this Agreement will need to be amended as MFA builds internal capacity and transfer of obligations occur during the course of the Agreement. Furthermore, either IHFA or MFA may ask the other to renegotiate the scope of services or fee for services set forth in this Agreement during its term. Should the parties be unable to reach agreement on the terms of any further negotiations, either IHFA or MFA may terminate this Agreement upon ninety (90) days prior written notice to the other terminating the addition of any new mortgage loans to be serviced under this agreement.

Furthermore, upon termination of this Agreement and upon MFA's request, IHFA shall, consistent with GNMA, Fannie Mae or Freddie Mac standards and with the approval of GNMA, Fannie Mae or Freddie Mac as applicable, make a full accounting and transfer and deliver to MFA, or its designee, all documents and moneys relating to MFA's Eligible Mortgage Loans which were pooled and delivered under this Agreement and are in IHFA's possession or under its custody or control, and thereupon all rights and duties of IHFA and its rights to further compensation hereunder shall cease, provided that no claim shall be made against Sub-Servicer with respect to any Mortgage Loan or Mortgage Certificate after the date of said transfer.

Either IHFA or MFA may terminate the sub-servicing of all Eligible Mortgage Loans pooled under this Agreement upon one hundred eighty (180) days prior written notice to the other party.

Section 10.02. No Liability for Removal of Sub-Servicer. Notwithstanding any provision in this Agreement to the contrary, neither MFA nor the Trustee or Secondary Market Institution, if applicable, shall be liable, or owe any duty, to IHFA in any respect for the termination of IHFA for cause (including without limitation for any event specified in Section 10.03).

Section 10.03. Termination of IHFA for Cause. Upon the happening of any of the following events, MFA may terminate this Agreement by giving notice of such termination to IHFA:

(a) IHFA shall assign or delegate its duties or rights hereunder (except as provided for in Section 7.07);

(b) Any representation or warranty of IHFA shall be found to be false in any material respect;

(c) IHFA shall be the subject of a decree of any court or order of any supervisory authority for the appointment of a conservator or receiver or liquidator, or shall consent to the appointment of a receiver of all or substantially all of its property, or shall make a general assignment for the benefit of its creditors, or shall admit in writing its inability to pay its debts as they become due, or shall be adjudged bankrupt or insolvent by a court of competent jurisdiction appointing a receiver, liquidator or trustee of IHFA or of all or substantially all of its property or approving any petition filed against IHFA for its reorganization, and such adjudication or order shall remain in force or unstayed for a period of sixty (60) days; and

(d) IHFA shall fail to materially perform any of its duties hereunder and shall fail, within thirty (30) days after written notice from MFA to correct or cure such failure; provided, however, that in any case where MFA has given IHFA the aforesaid written notice and, for causes beyond IHFA's control, it would not reasonably be possible for IHFA to correct or cure such failure within the thirty-day cure period, then, provided that IHFA, immediately upon receipt of such notice, shall as soon as reasonably possible thereafter duly institute and thereafter diligently prosecute to completion all steps necessary to correct or cure such failure and shall correct and cure same, this Agreement shall not terminate at the expiration of the thirty-day cure period as otherwise hereinabove provided.

Section 10.04. Accounting and Transfer. If this Agreement is terminated with respect to IHFA pursuant to Section 10.03 above, IHFA shall, consistent with GNMA, Fannie Mae or Freddie Mac standards, make a full accounting and transfer and deliver to MFA, or its designee, all documents and moneys relating to the Eligible Mortgage Loans which are then in IHFA's possession or under its custody or control, and thereupon all rights and duties of IHFA and its rights to further compensation hereunder shall cease.

Section 10.05. Remedies. Whenever any cause referred to in Section 10.03 hereof shall have happened and be continuing, MFA may take any one or more of the following remedial steps:

(a) MFA may, subject to applicable State and federal law, terminate all of IHFA's rights and obligations under this Agreement and the Mortgage Loan Documents, including the servicing of MFA's Eligible Mortgage Loans, providing that GNMA, Freddie Mac and Fannie Mae have approved a substitute sub-servicer. On or after the receipt by IHFA of such notice, all authority and power of IHFA under this Agreement with respect to servicing of MFA's Eligible Mortgage Loans shall pass to and be vested in the substitute sub-servicer (which may but need not be MFA); provided that the substitute sub-servicer is (i) acceptable to GNMA, Freddie Mac and Fannie Mae and MFA; (ii) a GNMA-approved issuer- servicer of Mortgage Loans having FHA Insurance, a VA Guaranty, an RHS Guaranty or a HUD Guaranty and an authorized issuer of GNMA Certificates; (iii) approved by Freddie Mac and Fannie Mae to sell and service Conventional Mortgage Loans to Freddie Mac and Fannie Mae, is in compliance with all of the issuer eligibility requirements of Fannie Mae and Freddie Mac (including net worth requirements) and is approved by Fannie Mae and Freddie Mac to deliver Eligible Mortgage Loans to Fannie Mae and Freddie Mac to back Fannie Mae and Freddie Mac Certificates as applicable. MFA is hereby authorized and empowered to execute and deliver, on behalf of IHFA, as attorney-in-fact or otherwise, any and all documents and other instruments, and to do or accomplish all other acts or things necessary or appropriate to affect the purpose of any such termination. IHFA agrees to cooperate with MFA in effecting the termination of IHFA's responsibilities hereunder, including without limitation, the transfer to MFA, or other substitute sub-servicer, for administration by it of the Mortgage Loan Documents and all cash amounts which shall at the time be held by IHFA or thereafter received by it with respect to the Eligible Mortgage Loans.

(b) MFA may take whatever other action at law or in equity as may appear necessary or desirable to collect the amounts then due and thereafter to become due under this Agreement or to enforce performance and observance of any obligation, agreement or covenant of IHFA under this Agreement.

(c) Unforeseen Circumstances. If through no fault of IHFA, there ceases to be legal authority for the actions under this Agreement or Ginnie Mae, Fannie Mae or Freddie Mac cannot or will not provide the certificate or other authority for the delivery of Mortgage Loans, IHFA may terminate this

agreement and transfer to MFA in exchange for payment therefor, any Mortgage Loans then held by IHFA which have not already been reimbursed by MFA or transferred to another funding source.

(d) IHFA recognizes that irreparable injury would be caused by any breach of any of the provisions of this Agreement by IHFA. MFA, in addition to all other rights and remedies at law or equity as may exist in its favor, will have the right to enforce the specific performance of the provisions of this Agreement and to apply for injunctive relief against any act that would violate any such provisions. MFA will be reimbursed for all costs and expenses, including reasonable attorney fees incurred by MFA by reason of IHFA's breach of this Agreement. Nothing herein shall be read to limit IHFA's remedies in the event of a breach of this Agreement by MFA.

Section 10.06. No Remedy Exclusive. Unless otherwise expressly provided, no remedy conferred upon MFA is intended to be exclusive of any other available remedy, but each remedy shall be cumulative and shall be in addition to other remedies given under this Agreement or existing at law or in equity. No delay or omission to exercise any right or power accruing under this Agreement shall impair any such right or power, or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 10.07 Indemnification. Except as expressly provided in this Agreement, MFA agrees to defend, indemnify and hold harmless IHFA, its officials, agents, contractors and employees, from and against any and all losses, expenses, claims made by Fannie Mae, Freddie Mac, GNMA, FHA, HUD, VA, RHS, a PMI Insurer, Mortgage Lender or borrower (including without limitation, attorney's fees and costs), actions, suits or proceedings of any kind brought against said parties for, or on account of, any matter arising from MFA's misrepresentation, omission, willful misconduct, negligent failure to properly perform the services in accordance with this Agreement, any violation of law or breach of this Agreement by MFA, or from any misrepresentation in, or omission from, any other instrument furnished or to be furnished hereunder, except for losses resulting from IHFA's own actions of misrepresentation, omission, willful misconduct or negligence. Except as expressly provided in this Agreement, IHFA agrees to defend, indemnify and hold harmless MFA, its officials, agents, contractors and employees, from and against any and all losses, expenses, claims made by Fannie Mae, Freddie Mac, GNMA, FHA, HUD, VA, RHS, a PMI Insurer, Mortgage Lender or borrower (including without limitation, attorney's fees and costs), actions, suits or proceedings of any kind brought against said parties for, or on account of any matter arising from IHFA's misrepresentation, omission, willful misconduct, negligent failure to properly perform the services in accordance with this Agreement, any violation of law or breach of this Agreement, or from any misrepresentation in, or omission from, any other instrument furnished or to be furnished hereunder, except for losses resulting from MFA's own actions of misrepresentation, omission, willful misconduct or negligence.

ARTICLE XI TECHNOLOGY SERVICES

Section 11.01. IHFA Web Portal Software. Subject to the terms and conditions of this Agreement, during the term of this Agreement, IHFA will provide a platform to host and manage the internet-accessible web site software used for Mortgage Lenders to upload closed loan packages, submit electronic loan files, and various other information required for IHFA purchase of the Eligible Mortgage Loans. The software will be owned and controlled by IHFA (collectively hereinafter referenced as "Lender Connection" or "Software").

Section 11.02. IHFA Web Portal. Subject to the terms and conditions of this Agreement, during the term of this Agreement, IHFA will provide a platform to host and manage the internet-accessible web site software used for mortgage borrowers to make loan payments, inquire on tax information, and various information used to manage their loans. The software will be owned and controlled by IHFA (collectively hereinafter referenced as "Borrower Connection" or "Software").

Section 11.03. License. Subject to the terms and conditions of this Agreement, during the term of this Agreement, IHFA grants to MFA a non-exclusive, non-transferable, limited license, for the number of MFA's employee access and use the Lender Connection web site for the sole purpose of performing loan submission, loan processing, and loan closing services for MFA. IHFA shall not permit any third party to access the Lender Connection web portal with the exception that upon notice and written approval of IHFA. MFA remains solely liable for the actions of such employees or third party exceptions and any damages or liabilities they may cause as a result of such access.

Section 11.04. Ownership of the Software. The grant of the licenses set forth herein provides neither title nor intellectual property rights to the Software or to the patents, trademarks, trade secrets, copyrights or other intellectual property embodied or used in connection therewith, except for the rights expressly granted herein. The Software, including without limitation the structure, organization and code of the Software, and all documentation relating to the Software, are the confidential and proprietary property of IHFA and/or its licensors, and all right, title and interest in and to such property and any and all copies of the Software (in whole or in part, and in any form) shall remain with IHFA and/or its licensors, both during the term of and after any expiration or termination of this Agreement. MFA acknowledges that IHFA and/or its licensors have patent, copyright, trademark, trade secret and other intellectual property rights in the Software under United States and other foreign patent, copyright, trademark, trade secret and other intellectual property laws and international treaties, and that all such patent, copyright, trademark, trade secret and other intellectual property rights remain the exclusive property of IHFA and/or its licensors at all times. MFA shall not alter or remove any copyright or other proprietary notices on or in the Software or any other materials provided pursuant to this Agreement. MFA expressly agrees not to attempt, or permit any third party, to modify or tamper with the normal function of any function in the Software that regulates usage or copying of the Software. IHFA shall have the right to monitor usage of the Software under this Agreement to verify MFA's compliance with the purpose intended for the Software, with the restrictions set forth in this Agreement, as well as for monitoring transactions for IHFA's internal business purposes. IHFA reserves all rights in the Software not expressly granted to Agency in this Agreement.

Section 11.05. Modifications to Software. IHFA reserves the right to modify the Software from time to time to enhance, collect or report additional data as required by IHFA.

Section 11.06. Availability to Software. IHFA shall use its efforts to provide access to the Software twenty-two (22) hours a day, seven (7) days a week during the term of this Agreement. IHFA agrees that from time to time the Software may become inaccessible or inoperable for various reasons, including, without limitation, (a) equipment malfunctions, (b) periodic maintenance procedures or repairs which IHFA may undertake from time to time or (c) causes beyond the reasonable control of IHFA or which are not reasonably foreseeable by IHFA, including interruption or failure of telecommunication or digital transmission links, hostile network attacks or network congestion or other failures (collectively "Downtime"). IHFA generally performs routine system maintenance on all supporting systems between the hours of 5 pm MST/MDT to 5:15 pm MST/MDT. Scheduled Downtime may not be sufficient to provide updates to the Services. In the event that additional work needs to be performed outside of the scheduled Downtime, IHFA will use its efforts to schedule planned Downtime during non-peak hours for

necessary updates and required maintenance. IHFA shall use its efforts to minimize any disruption, inaccessibility and/or inoperability of the Software in connection with Downtime, whether scheduled or not.

Section 11.07. Information Security Program. IHFA will maintain an information security program that includes administrative, technical and physical safeguards designed to protect the security and confidentiality of MFA data, including data provided to IHFA from borrowers (collectively "MFA Data"). IHFA will obtain a Service Organizational Control report (SOC, formerly SAS70) along with vulnerability and penetration testing by independent auditors. IHFA will also provide to MFA upon MFA's request a copy of any relevant security audit reports. If a breach of security or other unauthorized intrusion or access to MFA Data occurs while in the possession of IHFA, if legally able to do so, IHFA will promptly report to MFA regarding the nature and extent of the information security incident and the corrective action taken by IHFA in response.

Section 11.08. Penetration Scanning. IHFA engages a third party to perform a penetration scan of IHFA's computer systems annually, the results of which will be provided to MFA upon written request.

Section 11.09. Additional Professional Services by IHFA. During the term of this Agreement, IHFA shall provide the following professional services to MFA: training and technical assistance for MFA's oversight duties and training and assistance with MFA's transition to in-house seller operations. (collectively hereinafter referenced as "Professional Services"). These Professional Services may include provisions of services or delivery of certain products, deliverables, reports or other items, which will be described, along with any terms and conditions that are additional to the Professional Services, in a Professional Services Statement of Work ("Professional Services SOW") entered into by MFA and IHFA, which will be governed by this Agreement, subject to any provisions of the Professional Services SOW that expressly override the terms set forth herein. MFA acknowledges and agrees that the Professional Services set forth in any Professional Services SOW may include estimates and therefore, may be subject to change. MFA will pay IHFA the fees for the Professional Services, if any, as set forth in a Professional Services SOW pursuant to the specific terms set forth therein.

(a) **Work Product.** IHFA shall own all rights, title and interest in and to any Work Product (as defined below), as well as any other products, data, plans, specifications; reports, designs, code, "know how," documentation and other information or materials used or in any manner employed by IHFA in the provision of Professional Services under this Agreement and any applicable Professional Services SOW ("Servicer Materials"), but which shall not include any MFA Data or MFA confidential information, including MFA's products, data, plans, specifications, reports, designs, documentation and other information disclosed or provided to IHFA by MFA in connection with the Professional Services. MFA shall receive a non-transferable, non-exclusive, worldwide and royalty free license to use the Work Product, including any IHFA materials incorporated into the Work Product, solely for MFA's internal business purposes, upon payment in full of any amounts due pursuant to a Professional Services SOW and the Service Fees required for use of IHFA products licensed or purchased hereunder, which license shall terminate upon termination of this Agreement. "Work Product" shall mean all materials, including without limitation, specifications, reports, designs, plans, documentation, templates, code and other information resulting from the Professional Services performed by IHFA under the Professional Services SOW.

Section 11.10. Branding Materials. MFA represents and warrants to IHFA that MFA's marketing and branding materials (a) do not infringe or violate the rights of any third party, including any copyright, trademark, service mark or other intellectual property rights and (b) are not defamatory or obscene and do not violate any right of privacy or publicity. MFA further represents and warrants to IHFA that MFA has sufficient power and MFA to provide to IHFA, and to authorize IHFA's use of, MFA's marketing and branding materials.

Section 11.11. Data Integration. MFA will provide IHFA with daily loan reservations and loan changes in digital file format. IHFA will in turn provide daily loan data updates including purchase information back to MFA in digital file format (collectively hereinafter referenced as "Data Integration"). These Data Integration digital files will be placed on a secure FTP server managed by IHFA with access by MFA and IHFA. During the term of this Agreement, IHFA shall provide Data Integration digital files at no charge. If

MFA requires changes to the Data Integration file formats, electronic reporting, or process currently developed by IHFA, a Professional Services SOW may be required by IHFA to MFA.

Section 11.12. Electronic Reporting. At such reasonable times as MFA may require, IHFA will provide MFA with monthly reports, statements, records, data and information digitally via a secure FTP server or other secure protocol managed by IHFA. The monthly reports, statements, records and data will have information related to the Mortgage Loans purchase data, Loan Accounting and Servicing data. If MFA requires additional data not collected or reported by IHFA, a Professional Services SOW may be required by IHFA to MFA.

Section 11.13. Data Transmission. MFA acknowledges, however, that it is possible that data transmissions over the Internet may be accessed by unauthorized third parties. If MFA accesses the Software from a computer, MFA agrees to use third party software, including Web browser software that supports a data security protocol compatible with the protocol used by IHFA. Until notified otherwise by IHFA, MFA agrees to use software that supports the Secure Socket Layer protocol or other protocols accepted by IHFA and to follow IHFA's log-on procedures. MFA acknowledges that IHFA is not responsible for notifying MFA of any upgrades, fixes or enhancements to any such software. MFA understands and agrees that if MFA employs a device that does not support data security software or other security protocols, MFA acknowledges that it may not be able to access the Software and even if it could, the transmission of data while using the Software would not be secure and may be accessed by unauthorized third parties. In such event, MFA assumes all risk and liability resulting therefrom.

ARTICLE XII MISCELLANEOUS PROVISIONS

Section 12.01. Amendments, Changes and Modifications. This Agreement may only be amended, changed, modified, or altered by an instrument in writing which specifically refers to this Agreement and which is executed by MFA and IHFA.

Section 12.02. Limitation on Rights of Bondholders. No Bondholder shall have any right to institute a suit with respect to this Agreement except as provided in the Indenture and for the benefit of all Bondholders as their respective priorities of interest may appear.

Section 12.03. Disputes. In the event a third party brings a legal action against IHFA within the jurisdiction of New Mexico that is related to or arises out of the services provided by IHFA in accordance with this Agreement, MFA hereby agrees to assist IHFA with the defense of that legal action in the following manner. Such assistance shall include the investigation and preparation of information concerning such action and providing a representative knowledgeable of the facts and circumstances of the allegations against IHFA to be available to participate in any court proceeding, including but not limited to depositions, mediation, arbitration and a trial. MFA's assistance of IHFA does not relieve IHFA of any obligation or responsibility it has to defend itself against such action, including engaging its own legal counsel and marshalling its own evidence to defend against such action. Rather, MFA is merely pledging to assist IHFA in the defense of that action. IHFA agrees to promptly notify MFA of any action and the parties agree to mutually cooperate to efficiently resolve the subject action.

The prevailing party in any dispute arising out of or related to this Agreement, shall be entitled to recover all costs incurred, which costs shall include reasonable attorney's fees, in any legal proceedings including all mediation, arbitration, administrative, appellate or Bankruptcy proceedings.

Section 12.04. Notices and Other Communications. All notices, certificates or other communications hereunder shall be in writing and deemed given when delivered or five (5) days after mailing by certified or registered mail, postage prepaid, return receipt requested, addressed to the appropriate Notice Address. MFA, IHFA, Trustee or Secondary Market Institution may, by notice given hereunder, designate any further or different or additional address to which subsequent notices, certificates and other communications shall be sent.

Section 12.05. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate nor render unenforceable any other provision hereof, and in lieu of such invalid or unenforceable provision there shall be added a provision as similar in terms as may be valid and enforceable, if possible.

Section 12.06. Further Assurances and Corrective Instruments. To the extent permitted by law, MFA and IHFA agree that each will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required or appropriate to further express the intention, or to facilitate the performance of this Agreement.

Section 12.07. No Rights Conferred on Others. Nothing in this Agreement, unless expressly provided otherwise, shall confer any right upon any person other than MFA, the Trustee, Secondary Market Institution and IHFA; provided however, the Trustee or the Bondholders may, subject to the limitations of the Indenture, enforce any of the rights of MFA hereunder if MFA has committed an event of default under the Indenture which remains uncured.

Section 12.08. Limitation on Liability of Directors, Officers, Employees and Agents of a Party. No member, director, officer, employee or agent of any party to this Agreement shall be liable to any other party or to the Bondholders for the taking of any action or for refraining to take any action in good faith pursuant to this Agreement.

Section 12.09. Survival of Obligations and Covenants. The representations, warranties and covenants of MFA under Section 2.01 and of IHFA under Section 2.02 hereof survive the inclusion of each Eligible Mortgage Loan in a Pool and shall be continuing without regard to any termination of IHFA hereunder.

Section 12.10. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original; however, all such counterparts shall together constitute one and the same instrument.

Section 12.11. Headings. The headings of the various sections of this Agreement have been inserted for convenience of reference only, and shall not be deemed to be a part of this Agreement.

Section 12.12. Gender. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular shall be held and construed to include the plural, unless this Agreement or the context otherwise requires.

Section 12.13. Forms and Reports. All forms or reports required by this Agreement will be prescribed by MFA from time to time and may be amended, supplemented, or replaced, as MFA shall deem appropriate.

Section 12.14. Notice of Indenture. IHFA acknowledges notice of the fact that MFA may execute the Indenture for the benefit of the Bondholders and further acknowledges that MFA may subject this Agreement and the applicable Mortgage Certificates and the remittances thereon, among other things, to the lien of the Indenture.

Section 12.15. Limitation of Liability. This Agreement is entered into by MFA and IHFA under and pursuant to the provisions of the Act. No provision hereof shall be construed to impose any personal or pecuniary liability upon MFA's or IHFA's members, officers or employees.

Section 12.16. Assignment to Trustee. MFA may assign its interest in and pledge any applicable moneys received under this Agreement on Mortgage Certificates sold to the Trustee as security for the payment of the principal of and interest on its Bonds. IHFA hereby consents to such assignment and pledge and waives any further notice thereof. Unless MFA defaults under an Indenture and the Trustee acquires MFA's respective rights under this Agreement (pursuant to foreclosure or otherwise), MFA shall retain all of its rights under this Agreement.

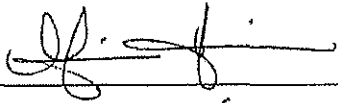
Section 12.17. Certificate of Sub-Servicer and MFA. MFA and IHFA hereby represent and warranty to the Trustee that each loan that is included in a Mortgage Certificate shall be an Eligible Mortgage Loan.

Section 12.18. Code of Conduct. IHFA and its staff shall at all times during the term of this Agreement, while in the performance of the Agreement and at all other times when in contact with MFA staff, behave in a manner consistent with the MFA Code of Conduct and MFA's Anti-Harassment Policy, provided however that the parties understand that Idaho law and IHFA's policies are different than those of New Mexico and the MFA and that IHFA therefore should not be required to perform beyond the scope of Idaho law and IHFA policy. A copy of the MFA Code of Conduct and of MFA's Anti-Harassment Policy is posted on the MFA web site for review at <http://www.housingnm.org/rfp>.

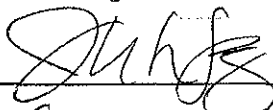
Section 12.19. Confidential Information. IHFA will not during the Agreement period or thereafter, without the written consent of MFA, disclose to anyone, or use for IHFA's own account, any confidential information concerning the businesses or affairs of MFA. IHFA will retain all such knowledge and information respecting such confidential information in trust for the sole benefit of MFA. Any written materials revised, produced, and published through this Agreement by IHFA will be the property of MFA. Upon termination of this Agreement, IHFA will deliver to MFA all writings relating to or containing confidential information.

IN WITNESS WHEREOF, this Agreement has been executed as of the day and year first above written.

New Mexico Mortgage Finance Authority:

By 
Title Deputy Director of Finance & Admin

Idaho Housing and Finance Association

By 
Title EXECUTIVE VP & CFO

**FIRST AMENDMENT TO
MORTGAGE LOAN SUB-SERVICING AND SINGLE-FAMILY PROGRAM
SUPPORT SERVICES AGREEMENT**

This First Amendment to Mortgage Loan Sub-Servicing and Single-Family Program Support Services Agreement (the "First Amendment") dated as of October 1, 2020, is made by and between the New Mexico Mortgage Finance Authority, a public body politic and corporate, separate and apart from the State of New Mexico, constituting a governmental instrumentality ("MFA"), and Idaho Housing and Finance Association, an independent public body corporate and politic doing business as "HomeLoanServ" ("IHFA" or Sub-Servicer), and amends that certain Mortgage Loan Sub-Servicing and Single-Family Program Support Services Agreement dated June 1, 2016 (the "Original Agreement" and, together with the First Amendment, the "Agreement").

RECITALS

WHEREAS, MFA was created by the Legislature of the State of New Mexico as a public body politic and corporate, separate and apart of the State of New Mexico, upon the passage of the Mortgage Finance Authority Act, which is compiled as NMSA 1978, §§ 58-18-1 *through* -27 and § 2-12-5, as amended (collectively, the "Act");

WHEREAS, the Act created MFA to serve a public purpose, to act for the public benefit in improving the health, safety, welfare, and prosperity of the State of New Mexico and the general public and, among other things, to finance the acquisition, construction, and rehabilitation of decent, safe, and sanitary residential housing for persons and families of low and moderate income;

WHEREAS, the Act authorizes MFA to purchase or commit to purchase eligible mortgage loans, mortgage certificates, pass-through securities, and other obligations secured by mortgage loans and to service mortgage loans and contract for the servicing of mortgage loans for residential housing for the purposes set forth in the Act;

WHEREAS, IHFA is an independent body, corporate and politic and an instrumentality of the State of Idaho and is authorized to participate in cooperative venture agreements with any agencies in furtherance of its powers and purposes;

WHEREAS, MFA and IHFA desire to amend the Original Agreement to set forth certain terms and provisions related to MFA's purchase of eligible mortgage loans and IHFA's obligations to service such eligible mortgage loans; MFA has determined that the supply of funds available in the private banking system in the State of New Mexico for residential mortgages is inadequate to meet the demand of persons of low and moderate income for residential mortgage finance;

WHEREAS, MFA has further determined that its purchase of mortgages, mortgage certificates, pass-through securities, and other obligations secured by mortgages will alleviate the inadequate supply of residential mortgage money in the State of New Mexico;

WHEREAS, by entering into this First Amendment, neither the IHFA nor MFA intends or is authorized to create a separate legal entity, and neither the IHFA nor MFA is in fact creating a separate legal entity of any kind or type; and

WHEREAS, as MFA activates its seller/servicer authorizations, the scope of the contract will be amended as needed going forward.

NOW, THEREFORE, in consideration of the premises, and of the mutual agreements and covenants herein set forth, MFA and IHFA agree as follows:

AGREEMENT

1. Defined Terms. Capitalized terms used but not defined herein shall have the respective meanings attributed thereto in the Original Agreement.

2. Amendments.

a. The following defined terms under ARTICLE I – DEFINITIONS are amended and restated as set forth below:

“Fannie Mae Certificate Delivery Date” means the date the Fannie Mae Certificate is delivered by MFA.

“Freddie Mac Certificate Delivery Date” means the date the Freddie Mac Certificate is delivered by MFA.

“GNMA Certificate” means a certificate that is: (i) issued by MFA and guaranteed by GNMA pursuant to GNMA’s GNMA I or GNMA II mortgage backed securities program under Section 306(g) and other related provisions of the National Housing Act of 1934, as amended, and based upon and backed by Eligible Mortgage Loans referred to in such certificate, (ii) unconditionally obligates MFA to remit monthly to the holder thereof (a) principal payments and prepayments made in respect of the Pool of Mortgage Loans represented by the certificate and (b) interest received in an amount equal to the Pass-Through Rate, and (iii) pursuant to which GNMA guarantees to the holder of each GNMA Certificate such holder’s pro rata share of (c) the timely payment of interest at the applicable Pass-Through Rate on the unpaid principal balance of the Mortgage Loans represented by the GNMA Certificate and (d) the timely payment of principal in accordance with the terms of the principal amortization schedule applicable to the Mortgage Loans represented by such GNMA Certificate. If GNMA so requires, pursuant to its book entry system, in lieu of the aforesaid Certificate, the confirmation of GNMA’s guaranty obligation shall be transmitted to MFA or MFA’s designee electronically.

“GNMA Certificate Delivery Date” means the date the GNMA Certificate is delivered by MFA.

“Guaranty Agreement” means (i) the guaranty agreement between MFA and GNMA hereafter in effect pursuant to which GNMA will agree to guarantee the GNMA Certificates issued by MFA and (ii) the Pool

Purchase Contract with respect to Fannie Mae Certificates or Freddie Mac Certificates.

“Indenture” means an Indenture of Trust or Supplemental Indenture between the Trustee and MFA related to the Program.

“Mortgage Purchase Guidelines” means the guidelines required by the MFA and/or Sub-Servicer for loan purchase in conjunction with the Mortgage Purchase Contract.

“Mortgage Loan Purchase Contract” means any contract between a Mortgage Lender and MFA and/or MFA’s contracted Sub-Servicer for the origination and sale of Mortgage Loans to the MFA or Sub-Servicer, as applicable, as part of the Program.

“Notice Address” means until changed pursuant to Article VIII hereof:

a) As to MFA:

New Mexico Mortgage Finance Authority
344 Fourth Street SW
Albuquerque, NM 87102
Attn: Jeff Payne, Senior Director of Mortgage Operations

b) As to IHFA:

Idaho Housing and Finance Association
P.O. Box 7899
Boise, Idaho 83709
Attn: Susan Semba, Executive Vice President, Homeownership Lending

“Pool Purchase Contract” means, as applicable, (i) the Fannie Mae Pool Purchase Contract between MFA and Fannie Mae relating to the sale by MFA of Mortgage Loans to Fannie Mae and the servicing thereof or (ii) the Freddie Mac Pool Purchase Contract between MFA and Freddie Mac relating to the sale by MFA of Mortgage Loans to Freddie Mac and the servicing thereof.

“Purchase” means the purchase of an Eligible Mortgage Loan by MFA, or its Contracted Service Provider on MFA’s behalf, from a Mortgage Lender pursuant to Article III of this Agreement.

“Sub-Servicing Fee” means thirteen and one-half percent (0.135%) or 13.5 basis points.

“Servicing Release Premium” means the amount paid by MFA to a Mortgage Lender at the time of the purchase of an Eligible Mortgage Loan in exchange for the Mortgage Lender’s release of its servicing rights to MFA. The amount of the Service Release Premium is set by MFA in its discretion and is reflected in the Program Documents.

- b. The following terms are added to ARTICLE I – DEFINITIONS:

“Contracted Service Provider” means IHFA and/or another entity or entities that MFA may contract with to facilitate the purchase of Mortgage Loans as described more fully in the Program Documents.

“Custodial Agreement” means the Amended and Restated Custodial Agreement by and among MFA, IHFA and the Custodian, as may be amended from time to time.

“Custodian” means Wells Fargo Bank, National Association, a national banking association, and its successors and assigns under the Custodial Agreement.

“Mortgage Warehouse Loan and Security Agreement” means the mortgage warehouse loan and security agreement between MFA and IHFA dated June 1, 2016 and all amendments and supplements thereto, wherein IHFA agrees to borrow money from MFA to assist in funding the acquisition of Eligible Mortgage Loans.

- c. ARTICLE II, Section 2.02(q) is amended and restated in its entirety as follows:

(q) Through normal servicing activities, including the servicing of delinquencies, IHFA may sometimes obtain privileged information concerning the mortgagors and their Residences. Such privileged information may not be used by IHFA or by its officers, employees, agents or affiliates, in any way which can be construed to represent a conflict of interest or an unfair advantage to the user. All such information must be used in a manner consistent with any applicable laws or regulations regarding disclosure of non-public personal financial information. IHFA shall notify MFA in writing promptly upon, but in no event more than two business days after, knowledge of any breach of such information.

- d. ARTICLE III is amended and restated in its entirety as follows:

ARTICLE III PURCHASE OF MORTGAGE LOANS

Section 3.01. Mortgage Lender Approval; Repurchase of Mortgage Loans. MFA and IHFA, at the direction of MFA, shall establish business relationships with, and enter into Mortgage Loan Purchase Contracts with, Mortgage Lenders. If Fannie Mae, Freddie Mac, GNMA,

the Trustee or any other Secondary Market Institution requires that a Mortgage Loan be repurchased, such loan shall be repurchased by the applicable Mortgage Lender under the applicable Mortgage Loan Purchase Contract.

Section 3.02. Final Review and Purchase of Mortgage Loans.

Within a reasonable time following delivery by Mortgage Lenders of Mortgage Loans which have been approved by MFA for applicable program compliance, IHFA shall conduct a pre-purchase review to determine if the Mortgage Loans are Eligible Mortgage Loans and, within one (1) Business Day after completing such review, shall notify MFA of completion of such review and MFA or its Contracted Service Provider shall purchase all Eligible Mortgage Loans that Mortgage Lenders have delivered prior to the termination of this Agreement. Review shall include review of closing documents and compliance with secondary market requirements, as applicable, and requirements of the Mortgage Loan Purchase Contract. IHFA will be responsible for obtaining all Mortgage Loan Documents from the Mortgage Lenders for MFA's Eligible Mortgage Loans. Notwithstanding the foregoing, MFA shall retain responsibility for reviewing each Mortgage Loan prior to loan closing by the Mortgage Lender and purchase by MFA or its Contracted Service Provider to ensure compliance with the requirements of the Code and the Program, as applicable. MFA understands that IHFA may provide contract underwriting services to a Mortgage Lender for a separate upfront fee to be paid by the Mortgage Lender.

Section 3.03. Purchase Price. The purchase price that MFA will pay to the Mortgage Lender for each Eligible Mortgage Loan shall be as follows (each, the "Applicable Loan Purchase Price"):

(a) For First Home Loans, as that term is defined in the Program Documents, an amount equal to (a) the sum of (i) one hundred one percent (101%) of the outstanding principal balance of the loan **plus** (ii) interest accrued on the Eligible Mortgage Loan through the date of Purchase, **plus** (iii) the applicable Servicing Release Premium, **minus** (b) any Mortgage Lender late fees and any fees due to Sub-Servicer from the Mortgage Lender.

(b) For Next Home Loans, as that term is defined in the Program Documents, an amount that is equal to (a) the sum of one hundred four percent (104%) of the outstanding principal balance of NEXT HOME Loans **plus** (ii) interest accrued on the Eligible Mortgage Loan through the date of Purchase, **plus** (iii) the applicable Servicing Release Premium, **minus** (b) any Mortgage Lender late fees and any fees due to Sub-Servicer from the Mortgage Lender.

(c) For First Down Loans, as that term is defined in the Program Documents, an amount equal to (a) one hundred percent (100%) of the outstanding principal balance of the loan **plus** (b) interest accrued on the Eligible Mortgage Loan through the date of Purchase.

MFA may from time to time increase or decrease assistance to Mortgage Loans, through an amendment to its Notice of Availability of Funds or any of the applicable Program Documents. Any such increase or decrease by MFA shall increase or decrease the Applicable Loan Purchase Price accordingly. IHFA shall assess all required late fees from Mortgage Lenders, including fees for loans delivered after the final delivery date shown on the applicable Compliance Approval/Loan Purchase Agreement. All late fees shall be remitted to MFA. MFA shall pool the applicable Mortgage Loans into GNMA Certificates, Freddie Mac Certificates and Fannie Mae Certificates or for sale directly to Fannie Mae or Freddie Mac as provided in this Agreement.

MFA agrees to reimburse IHFA for (1) purchase of an Eligible Mortgage Loan in MFA's name, or (2) repurchase of a Mortgage Loan required by Fannie Mae, Freddie Mac, GNMA or any other Secondary Market Institution as provided in Section 3.01 above, not later than two business days after such loan is purchased by IHFA as the Contracted Service Provider. If funds under the Mortgage Warehouse Loan and Security Agreement are not received by such date by the Contracted Service Provider, or other funds from MFA are not available to reimburse IHFA for Eligible Mortgage Loan purchasing, then the Contracted Service Provider and the MFA will cease accepting or approving any Mortgage Loan reservations from Mortgage Lenders and, with respect to any Eligible Mortgage Loans then reserved or otherwise accepted for purchase, IHFA may purchase such Eligible Mortgage Loans and may use its best efforts to sell the loans at such price as is then reasonably available in the market. To the extent that said price obtained by IHFA is less than the loan purchase price paid by IHFA (inclusive of IHFA's expenses related to such sale of Mortgage Loans), the MFA shall pay IHFA for such loss. If IHFA realizes a gain on the sale of such loans, IHFA shall pay MFA such gain less IHFA's related expenses.

Section 3.04. Eligible Mortgage Loan. For purposes of this Agreement, an Eligible Mortgage Loan is a Mortgage Loan that satisfies the following requirements, as applicable:

(a) Meets the requirements of the Code, as applicable, the Mortgage Loan Purchase Contract, the Mortgage Purchase Guidelines and the applicable Program Documents.

(b) Includes Down Payment Assistance Product second mortgage loans that meet the requirements of the applicable Program Documents. These products will not be included in a pool; and subsequent to purchase by MFA or its Contracted Service Provider from a Mortgage Lender, the servicing will remain with MFA.

(c) Each Mortgage Loan to be included in a Pool represented by a GNMA Certificate pursuant to this Agreement shall be (i) insured by FHA Insurance or guaranteed by a VA Guaranty, RHS Guaranty or HUD Guaranty, which insurance or guaranty shall be maintained in full force and effect during all times the originating Mortgage Lender owns an interest in such Mortgage Loan, (ii) made in accordance with the then current underwriting policies of FHA, VA, RHS or HUD as applicable, and (iii) made in compliance with all applicable criteria set forth in the GNMA Guide.

(d) Each Mortgage Loan to be included in a Pool represented by a Fannie Mae Certificate or Freddie Mac Certificates pursuant to this Agreement shall be (i) a Conventional Mortgage Loan which is not insured under a policy of Private Mortgage Guaranty Insurance, but which has a loan to value ratio of eighty percent (80%) or less, (ii) a Conventional Mortgage Loan insured under a policy of Private Mortgage Guaranty Insurance, maintained in full force and effect during all times the originating Mortgage Lender owns an interest in such Mortgage Loan, or (iii) a Mortgage Loan guaranteed by an RHS Guaranty maintained in full force and effect during all times the originating Mortgage Lender owns an interest in such Mortgage Loan and, in all cases, shall be made in compliance with all applicable criteria set forth in the Fannie Mae Guides or Freddie Mac Guides and the Pool Purchase Contract. For any such Pool represented by a Fannie Mae Certificate or Freddie Mac Certificate pursuant to this Agreement and covering Conventional Mortgage Loans, Fannie Mae and Freddie Mac shall have no recourse against IHFA or MFA.

(e) An Eligible Mortgage Loan may be secured by leased land if acceptable to the appropriate insuring or guaranteeing agencies.

Section 3.05. RHS Mortgage Loans. Eligible Mortgage Loans guaranteed by an RHS Guaranty may, at MFA's option, be included in a Pool represented by a GNMA Certificate or a Pool represented by a Fannie Mae or Freddie Mac Certificate.

Section 3.06. IHFA Assistance in Issuance of GNMA, Fannie Mae or Freddie Mac Certificates. Upon request of MFA, IHFA will assist MFA with sales of Eligible Mortgage Loans to Fannie Mae or Freddie Mac or to deliver loans with respect to GNMA Certificates, Fannie Mae Certificates or Freddie Mac Certificates in the same manner as for delivery to the Trustee as provided in this Agreement, except that such certificates will be sold to other participating Secondary Market Institutions.

- e. ARTICLE V – PURCHASE OF GNMA CERTIFICATES is amended and restated in its entirety as follows:

**ARTICLE V
PURCHASE OF GNMA CERTIFICATES**

Section 5.01. GNMA Commitments; Issuance of GNMA Securities. The following procedures govern the issuance of GNMA Certificates by MFA pursuant to this Agreement. The parties acknowledge that the procedures, guidelines and policies of GNMA, FHA, VA, HUD and RHS may be amended or modified in the future to such an extent that it may become impractical or impossible for MFA and/or IHFA to perform pursuant to this Agreement, in which event neither party shall be held responsible for such failure to perform and MFA shall have the right to terminate this Agreement with respect to GNMA Certificates to be issued thereafter.

(a) Prior to the Commencement Date, MFA shall have the authority under GNMA Commitments to issue GNMA Certificates under the Program. MFA must be able to issue GNMA Certificates in an amount at least equal to the aggregate principal amount of FHA and VA insured, HUD and/or RHS-guaranteed Mortgage Loans projected to be originated under MFA's Program. MFA shall, at all times relevant hereunder, reserve GNMA Commitments for the benefit of MFA's Trustee or other applicable party, sufficient to cover amounts remaining on deposit and available for the purchase of GNMA Certificates or, as applicable, GNMA Commitments, and shall deliver loans to GNMA for issuance of GNMA Certificates to other Secondary Market Institutions or directly to MFA.

(b) MFA, in its best judgment and in accordance with the GNMA Guide, shall issue GNMA Certificates that shall be based upon and backed by Pools consisting of Eligible Mortgage Loans originated and purchased from the Mortgage Lenders pursuant to Article III. If the requirements for Eligible Mortgage Loans backing GNMA Certificates or for the issuance of GNMA Certificates are modified, MFA or its Contracted Service Provider will only be

required to purchase Eligible Mortgage Loans meeting such modified requirements.

(c) In accordance with its standards and policies, MFA may provide for the issuance of GNMA Certificates in minimum principal amounts of one million dollars (\$1,000,000) or such lesser amounts as may be approved by GNMA. The total principal amount of any issue of GNMA Certificates shall not exceed the aggregate unpaid principal balances of the Eligible Mortgage Loans in the Pool.

(d) MFA shall be obligated to pay and shall pay all fees for the GNMA Commitments.

(e) MFA shall use an approved GNMA document custodian for all documents required by the GNMA Guide to be held by such document custodian.

Section 5.02. Agreement to Purchase GNMA Certificates.

(a) MFA or its Contracted Service Provider shall purchase through a Trustee, Secondary Market Institution, or MFA, with funds on deposit under the Indenture or funds of such other institutions and available for such purpose, the GNMA Certificates issued by MFA and delivered to the Trustee, Secondary Market Institution or MFA for purchase in accordance with this Agreement; provided, however, that the Trustee or other Secondary Market Institution shall not have any obligation to purchase any GNMA Certificate unless the applicable requirements of this Agreement or the applicable forward purchase commitment with respect to each Eligible Mortgage Loan in the related Pool have been satisfied.

(b) The purchase price for any GNMA Certificate shall be the respective GNMA Certificate Price.

Section 5.03. Delivery of GNMA Certificates/Payment of GNMA Certificate Price and Servicing Rights.

(a) MFA shall deliver GNMA Certificates to the Trustee, Secondary Market Institution or MFA for purchase in accordance with this Agreement on the GNMA Certificate Delivery Date. At least four (4) Business Days before each GNMA Certificate Delivery Date, MFA shall notify the Trustee or other Secondary Market Institution of the GNMA Certificate Price with respect to the GNMA Certificate to be sold to the Trustee, Secondary Market Institution, or MFA.

(b) On each GNMA Certificate Delivery Date, MFA shall issue the GNMA Certificate and deliver to the Trustee, Secondary Market Institution or MFA copies of the appropriately

completed HUD Forms 11705 and 11706 with respect to the related Pool.

(c) Simultaneously with the issuance and delivery by MFA of the GNMA Certificate and the other documents required to be delivered to the Trustee, Secondary Market Institution or MFA pursuant to Section 5.03(b) above, the Trustee, Secondary Market Institution or MFA shall pay, or cause to be paid, to MFA the GNMA Certificate Price.

Section 5.04. Payments on GNMA Certificates. The Trustee, Secondary Market Institution or MFA, as holder of the GNMA Certificates, shall receive all payments of principal and interest remitted by GNMA with respect to such GNMA Certificates.

- f. ARTICLE VI – PURCHASE OF FANNIE MAE CERTIFICATES is amended and restated in its entirety as follows:

ARTICLE VI PURCHASE OF FANNIE MAE CERTIFICATES

Section 6.01. Sale and Delivery of Fannie Mae Certificates. The following procedures govern the sale of Fannie Mae Certificates by MFA as of the date of this Agreement. The parties hereto acknowledge that the procedures, guidelines and policies of Fannie Mae may be amended or modified in the future to such an extent that it may become impractical or impossible for MFA and/or IHFA to perform pursuant to this Agreement, in which event neither party shall be held responsible for such failure to perform and MFA shall have the right to terminate this agreement with respect to Fannie Mae Certificates to be issued.

(a) MFA, or its Contracted Service Provider, shall purchase Eligible Mortgage Loans from the Mortgage Lenders in accordance with the terms of Article III of this Agreement and the Fannie Mae Guides, and shall pay all fees required by Fannie Mae in connection with the issuance of Fannie Mae Certificates.

(b) MFA shall ensure that the Program shall have at least equal priority with respect to the other activities of MFA to any unfunded Fannie Mae Certificates available to MFA or to the issuance of any other Fannie Mae Certificates not specifically pledged to an identifiable lending activity.

(c) In accordance with its standards and policies, MFA may provide for the issuance of Fannie Mae Certificates in a minimum original outstanding principal amount of one million dollars (\$1,000,000), or such lesser amounts as may be approved by Fannie Mae. The total principal amount of any issue of Fannie Mae

Certificates shall equal the aggregate unpaid principal balances of Eligible Mortgage Loans in the Pool.

Section 6.02. Agreement to Purchase Fannie Mae Certificates.

(a) MFA, or its Contracted Service Provider, shall purchase through the Trustee or other Secondary Market Institution, with funds on deposit under the Indenture or funds of such other institution and available for such purpose, the Fannie Mae Certificates delivered to the Trustee, Secondary Market Institution or MFA by MFA in accordance with this Agreement; provided, however, that the Trustee, Secondary Market Institution or MFA shall not have any obligation to purchase any Fannie Mae Certificate unless the applicable requirements of this Agreement with respect to each Eligible Mortgage Loan in the Pool have been satisfied.

(b) The purchase price for any Fannie Mae Certificate shall be the respective Fannie Mae Certificate Price.

Section 6.03. Delivery of Fannie Mae Certificates/Payment of Fannie Mae Certificate Price and Servicing Rights.

(a) MFA shall deliver Fannie Mae Certificates to the Trustee, Secondary Market Institution or MFA for purchase by the Trustee, Secondary Market Institution or MFA in accordance with this Agreement on the Fannie Mae Certificate Delivery Date. At least four (4) Business Days before each Fannie Mae Certificate Delivery Date, MFA shall notify the Trustee or other Secondary Market Institution of the Fannie Mae Certificate Price with respect to the Fannie Mae Certificate to be sold to the Trustee, Secondary Market Institution, or MFA.

(b) On each Fannie Mae Certificate Delivery Date, MFA shall issue the Fannie Mae Certificate and deliver to the Trustee, Secondary Market Institution or MFA copies of the appropriately completed Fannie Mae Forms 2005 and 2014 with respect to the related Pool.

(c) Simultaneous with the issuance and delivery by MFA of the Fannie Mae Certificate and the other documents required to be delivered to the Trustee, Secondary Market Institution or MFA pursuant to Section 6.03(b) above, the Trustee, Secondary Market Institution, or MFA shall pay, or cause to be paid, to MFA the Fannie Mae Certificate Price.

Section 6.04. Payments on Fannie Mae Certificates. The Trustee, Secondary Market Institution or MFA, as holder of the Fannie Mae Certificates, shall receive all payments of principal and interest remitted by Fannie Mae with respect to such Fannie Mae Certificates.

- g. ARTICLE VII – PURCHASE OF FREDDIE MAC CERTIFICATES is amended and restated in its entirety as follows:

**ARTICLE VII
PURCHASE OF FREDDIE MAC CERTIFICATES**

Section 7.01. Sale and Delivery of Freddie Mac Certificates.

The following procedures govern the sale of Freddie Mac Certificates by MFA as of the date of this Agreement. The parties hereto acknowledge that the procedures, guidelines and policies of Freddie Mac may be amended or modified in the future to such an extent that it may become impractical or impossible for MFA to perform pursuant to this Agreement, in which event Servicer shall not be held responsible for such failure to perform and MFA shall have the right to terminate this agreement with respect to Freddie Mac Certificates to be issued.

(a) MFA, or its Contracted Service Provider, shall purchase Eligible Mortgage Loans from the Mortgage Lenders in accordance with the terms of Article III of this Agreement and the Freddie Mac Guides, and shall pay all fees required by Freddie Mac in connection with the issuance of Freddie Mac Certificates and shall provide for the issuance of Fannie Mae Certificates in the manner set forth for GNMA Certificates in Section 5.01(a) and (b) above.

(b) MFA shall ensure that the Program shall have at least equal priority with respect to the other activities of MFA to any unfunded Freddie Mac Certificates available to MFA or to the issuance of any other Freddie Mac Certificates not specifically pledged to an identifiable lending activity.

(c) In accordance with its standards and policies, MFA may provide for the issuance of Freddie Mac Certificates in a minimum original outstanding principal amount of one million thousand dollars (\$1,000,000), or such lesser amounts as may be approved by Freddie Mac. The total principal amount of any issue of Freddie Mac Certificates shall equal the aggregate unpaid principal balances of Eligible Mortgage Loans in the Pool.

Section 7.02. Agreement to Purchase Freddie Mac Certificates.

(a) MFA, or its Contracted Service Provider, shall purchase, through the Trustee, such Secondary Market Institution, or such other party as may be directed by MFA, with funds on deposit under the Indenture, or funds of such other institution from such other sources as directed by MFA and available for such purpose, the Freddie Mac Certificates delivered to the Trustee, Secondary Market Institution or MFA by MFA in accordance with this Agreement; provided, however, that the Trustee, Secondary Market

Institution or MFA shall not have any obligation to purchase any Freddie Mac Certificate unless the applicable requirements of this Agreement and the Indenture with respect to each Eligible Mortgage Loan in the Pool have been satisfied.

(b) The purchase price for any Freddie Mac Certificate shall be the Freddie Mac Certificate Price.

Section 7.03. Delivery of Freddie Mac Certificates/Payment of Freddie Mac Certificate Price and Servicing Rights.

(a) MFA shall deliver Freddie Mac Certificates for purchase to the Trustee, Secondary Market Institution or MFA in accordance with this Agreement on the Freddie Mac Certificate Delivery Date. At least four (4) Business Days before each Freddie Mac Certificate Delivery Date, MFA shall notify the Trustee or other Secondary Market Institution, as applicable, of the aggregate principal amount of, and accrued interest on, the Freddie Mac Certificate to be sold to the Trustee, Secondary Market Institution or MFA.

(b) On each Freddie Mac Certificate Delivery Date, MFA shall issue the Freddie Mac Certificate and deliver to the Trustee, Secondary Market Institution or MFA copies of the appropriately completed Freddie Mac Forms 2005 and 2014 with respect to the related Pool.

(c) Simultaneous with the issuance and delivery by MFA of the Freddie Mac Certificate(s) and the other documents required to be delivered pursuant to Section 7.03(b) above, the Trustee, Secondary Market Institution or MFA shall pay, or cause to be paid, to MFA the Freddie Mac Certificate Price.

- h. ARTICLE VIII – SALE OF ELIGIBLE MORTGAGE LOANS DIRECTLY TO FANNIE MAE OR FREDDIE MAC is amended and restated in its entirety as follows:

**ARTICLE VIII
SALE OF ELIGIBLE MORTGAGE LOANS
DIRECTLY TO FANNIE MAE OR FREDDIE MAC**

Section 8.01. Sale and Delivery of Eligible Mortgage Loans to Fannie Mae or Freddie Mac. MFA, or its Contracted Service Provider, may purchase Eligible Mortgage Loans from Mortgage Lenders for sale and delivery to Fannie Mae or Freddie Mac under its cash window program. IHFA may provide these services to MFA to include assistance with forward sale contracts and/or hedging by IHFA. The parties hereto acknowledge that the procedures, guidelines and policies of Fannie Mae or

Freddie Mae may be amended or modified in the future to such an extent that it may become impractical or impossible for IHFA to perform such services pursuant to this Agreement, in which event IHFA shall not be held responsible for such failure to perform and MFA shall no longer request the assistance of IHFA with respect to the sale and delivery of Eligible Mortgage Loans directly to Fannie Mae or Freddie Mac hereunder. MFA, or its Contracted Service Provider, shall purchase Eligible Mortgage Loans from the Mortgage Lenders in accordance with the terms of Article III of this Agreement and the Fannie Mae or Freddie Mac Guides, and shall pay all fees required by Fannie Mae or Freddie Mac in connection with the sale and delivery of Eligible Mortgage Loans to Fannie Mae or Freddie Mac, as applicable. MFA shall contract with IHFA as provided herein as sub-servicer to service the Eligible Mortgage Loans in accordance with this Agreement and be compensated as provided in this Agreement.

Section 8.02. Delivery of Eligible Mortgage Loans to Fannie Mae/Payment of Price. MFA shall deliver such Eligible Mortgage Loans to Fannie Mae or Freddie Mac for purchase by Fannie Mae or Freddie Mac in accordance with this Agreement on the applicable delivery date.

- i. Section 9.01 “Loan Sub-Servicing Guidelines” is amended and restated in its entirety as follows:

Section 9.01. Loan Sub-Servicing Guidelines. IHFA shall service MFA’s Eligible Mortgage Loans and shall have full power and authority, acting alone, to do any and all things in connection with such servicing that it may deem necessary and shall exercise at least the same degree of care that it exercises with respect to the servicing of mortgage loans for its own account. In servicing MFA’s Eligible Mortgage Loans, IHFA shall conform to at least the minimum requirements established by either FHA in the case of FHA-insured Mortgage Loans, VA in the case of VA-guaranteed Mortgage Loans, RHS in the case of RHS insured Mortgage Loans, HUD in the case of HUD guaranteed Mortgage Loans or Fannie Mae or Freddie Mac and the applicable PMI Insurer in the case of Conventional Mortgage Loans, and to the requirements of the GNMA, Fannie Mae or Freddie Mac Guides. Without limiting the generality of the foregoing, IHFA shall, and is hereby authorized and empowered by MFA to, execute and deliver, in its own name, on behalf of itself and MFA, with respect to the MFA’s Eligible Mortgage Loans and with respect to the properties subject to the Mortgages securing such mortgage loans, any and all instruments, documents, and writings necessary to file all claims and initiate all proceedings, by foreclosure or otherwise, necessary or appropriate to realize upon the insurance policies and property securing any such Mortgage Loan or in satisfaction, cancellation or in part or full release or discharge of such Mortgage Loans.

Without limiting the generality of the foregoing paragraph, IHFA shall service MFA's Eligible Mortgage Loans in accordance with the servicing standards required for Mortgage Loans insured by FHA or guaranteed by VA, HUD or RHS and as required by GNMA, Fannie Mae or Freddie Mac. In addition, IHFA shall provide to FHA, VA, RHS, HUD, GNMA, Fannie Mae and Freddie Mac any and all notices required as a condition of the payment of all benefits and such reports regarding servicing, including reports of delinquencies as may be required.

IHFA shall permit (or cause to be permitted) any officer, employee, agent or representative of MFA or FHLB (a) with reasonable prior written notice, to examine (at any office of IHFA selected by MFA) IHFA's books and records, accounts and any and all files, records and documents relating to the Eligible Mortgage Loans (including any in-file credit reports), and to make copies and extracts of any and all of the foregoing; and (b) to discuss the affairs, finances, books and records and accounts of IHFA with IHFA's officers, accountants and auditors. If MFA reasonably determines that IHFA is not in substantial compliance in all material respects with the aforementioned servicing standards in connection with the servicing of MFA's Eligible Mortgage Loans, then, in addition to expenses required to be paid by IHFA as otherwise specified herein, IHFA agrees to pay the reasonable out of pocket operational costs and expenses incurred by MFA in investigating servicing activities of IHFA and in terminating IHFA or replacing it as a sub-servicer of MFA's Eligible Mortgage Loans in accordance with the provisions of Section 10.03 of this Agreement. If MFA later determines that IHFA is in substantial compliance in all material respects with the aforementioned servicing standards, IHFA shall have no obligation to pay MFA's costs of investigating IHFA's servicing activities. To the extent the requirements of this Agreement conflict with the FHA, VA, RHS, HUD, GNMA, Fannie Mae or Freddie Mac guidelines or regulations, such guidelines or regulations shall control.

- j. Section 9.02 "Payment of Sub-Servicing Fees and Other Servicing Costs; Payments to MFA; and Warehousing of Loans" is amended and restated in its entirety as follows:

Section 9.02. Payment of Sub-Servicing Fees and Other Servicing Costs; Payments to MFA; and Warehousing of Loans

(a) As compensation for IHFA's performance of servicing activities hereunder and in consideration for servicing of MFA's Eligible Mortgage Loans as set forth in and during the term of this Agreement, IHFA shall retain from the loan payments the Sub-Servicing Fee plus the other fees and expense reimbursements detailed in subsection 9.02(b), (c) and (d) below.

(b) In connection with the foreclosure of any Eligible Mortgage Loan and the processing of insurance claims related thereto, MFA shall pay IHFA \$400 per foreclosure case and shall pay IHFA for unreimbursed foreclosure expenses and other usual and customary costs incurred in connection with such foreclosure, including inspection fees and reasonable attorney fees not reimbursed by the insurer or guarantor. IHFA shall retain any borrower late fees collected with respect to any Eligible Mortgage Loans serviced on MFA's behalf.

(c) In consideration for IHFA's services with respect to Eligible Mortgage Loan purchases on behalf of MFA, IHFA will conduct pre-purchase loan review of Eligible Mortgage Loans and post-purchase quality review of Eligible Mortgages Loans, MFA agrees to pay IHFA a loan review fee of \$150.00 per loan file. IHFA shall invoice MFA for the services and MFA shall pay the fee to IHFA on settlement.

(d) MFA shall advance funds to pay principal, interest and other expenses related to any delinquent Mortgage Loan, including without limitation, funds to repurchase the related foreclosed property. Prepayments are netted from the delinquencies per Ginnie Mae, Fannie Mae and Freddie Mac guidelines, allowing MFA to use those funds towards the delinquency amounts needing advance until those prepaid funds are insufficient to cover the delinquencies.

(e) For each calendar month, the fees due to IHFA under this Section 9.02 shall be netted against the servicing fees due MFA for that month. By the fifteenth (15th) Business Day of each calendar month, IHFA shall provide MFA with an invoice setting forth the details, for the preceding calendar month, of the amounts due to IHFA under this Section 9.02 and the net amount due to MFA. Payment of the net amount due to MFA shall be made by the last Business Day of the calendar month.

- k. Section 9.06 "Mortgage Loan Documents" is amended and restated in its entirety as follows:

Section 9.06. Mortgage Loan Documents. Except with respect to such documents that are required by the GNMA Guide or the Fannie Mae or Freddie Mac Guides to be held by a document custodian, IHFA shall be the custodian of the Mortgage Loan Documents delivered to it with respect to each Eligible Mortgage Loan. For such documents required to be held by a document custodian, for each Mortgage Loan, IHFA shall provide to the Custodian the Mortgage Loan Documents, all other items

constituting part of the Mortgage Loan custodial file for such Mortgage Loan, and any other items reasonably requested by MFA in accordance with the Custodial Agreement. MFA may request, and IHFA shall promptly provide (or cause to be provided), copies of any of the foregoing for review prior to MFA making reimbursing IHFA for the purchase of any Mortgage Loan.

IHFA acknowledges and agrees that any and all Mortgage Loan Custodial Documents governing, evidencing or otherwise relating to any Mortgage Loan which are at any time held by the Custodian after IHFA's purchase of such Mortgage Loan on behalf of MFA shall be held and maintained (and released) by the Custodian, and utilized and returned by IHFA to the Custodian, pursuant to and in accordance with the terms and conditions of the Custodial Agreement.

In conjunction with mortgage industry requirements, IHFA will maintain and provide MFA staff with access to the electronic mortgage servicing file which includes but is not limited to the following information; Loan origination file; Schedule of payments credited or debited to the borrower's account; Escrow payments and history; Copies of the borrower's security instrument; Collection notes made by the IHFA reflecting communication with borrower; Any data fields relating to a mortgage loan account created by IHFA auto dial and response system regarding collection activity; and Copies of documents provided by the borrower to IHFA in connection with the collection of their mortgage loan account. IHFA shall make such Mortgage Loan Documents available for inspection and copying by MFA at such reasonable times and in such reasonable manner as IHFA shall determine. IHFA shall retain the Mortgage Loan Documents, or copies thereof, for the longer of the period required by law, the Fannie Mae Guides, Freddie Mac Guides, or the GNMA Guides, as applicable.

- l. Exhibit A – Sub-Servicer Oversight Policy, is hereby replaced in its entirety by the Sub-Servicer Oversight Policy attached hereto as Exhibit A.
 - m. Scope of Services. A new Exhibit B, attached hereto, is hereby incorporated setting forth the transition of the scope of services between IHFA and MFA. IHFA and MFA acknowledge this scope of services is meant for information purposes and may be amended, modified, supplemented or revised from time to time by agreement of both parties to reflect the actual transition of services.
3. Representations and Warranties.
- a. MFA represents and warrants to IHFA as follows:

- i. MFA is not in default under the Original Agreement and all representations made under the Original Agreement are true and correct as of the date hereof as if made on the date hereof.
- ii. MFA is approved by GNMA to sell and service Mortgage Loans having FHA Insurance or a VA Guaranty, an RHS Guaranty or a HUD Guaranty, is an FHA/VA approved mortgagee, meets all the issuer eligibility requirements of GNMA (including current net worth requirements and minimum insurance coverage requirements) and is approved by GNMA to issue mortgage backed securities guaranteed by GNMA pursuant to Section 306(g) of Title III of the National Housing Act of 1934 and applicable regulations thereunder and will remain so approved under current requirements for the term of this Agreement.
- iii. MFA is approved by Fannie Mae and Freddie Mac to sell and service Conventional Mortgage Loans and Mortgage Loans guaranteed by an RHS Guaranty, meets all of the issuer eligibility requirements of Fannie Mae and Freddie Mac (including current net worth requirements and minimum insurance coverage requirements), and is approved by Fannie Mae and Freddie Mac to deliver Mortgage Loans to Fannie Mae and Freddie Mac to back Mortgage Certificates and will remain so approved under current requirements for the term of this Agreement.
- iv. MFA is organized and operated for the purpose, among others, of delivering mortgage backed securities guaranteed by GNMA, Fannie Mae, and Freddie Mac, has full legal power and authority under its organizational documents and applicable laws to execute and deliver the GNMA Certificates, the Fannie Mae Certificates and the Freddie Mac Certificates and to perform its obligations hereunder and thereunder, and by proper action has duly authorized or will duly authorize the execution and delivery of the Mortgage Certificates.
- v. The GNMA Certificates, Fannie Mae Certificates, and Freddie Mac Certificates, upon their issuance, execution, and delivery, will constitute legal, valid and binding obligations of MFA enforceable in accordance with their terms, except as limited by applicable Insolvency Laws, provided that no GNMA Certificate, Fannie Mae Certificate, or Freddie Mac Certificate will constitute a liability of, nor evidence any recorded debt against MFA, because it is based on and secured by Mortgage Loans, and recovery may be made from GNMA, Fannie Mae, or Freddie Mac, as applicable, in the event of any failure of timely payment as provided for in the Guaranty Agreements and Pool Purchase Contracts for GNMA Certificates, Fannie Mae Certificates, and Freddie Mac Certificates, as applicable.
- vi. MFA is familiar with all GNMA, Fannie Mae and Freddie Mac rules and regulations applicable to the Program and will use diligent, reasonable efforts to become and to remain familiar with all GNMA, Fannie Mae and

Freddie Mac rules and regulations applicable to the Program, including, but not limited to, any changes or proposed changes in the GNMA, Fannie Mae and Freddie Mac servicing rate, size of Pools or other features affecting the Eligible Mortgage Loans or Mortgage Certificates under this Agreement.

- vii. MFA will not knowingly take any action or fail to take any action or permit any action within its control to be taken which would impair the exclusion from gross income for federal income tax purposes of interest on the Bonds, as applicable.
- viii. No action taken by MFA in connection with the activities contemplated by this Agreement shall affect its existing responsibilities, representations or warranties provided herein.

- b. IHFA represents and warrants that it is not in default under the Original Agreement and all representations made under the Original Agreement are true and correct as of the date hereof as if made on the date hereof.

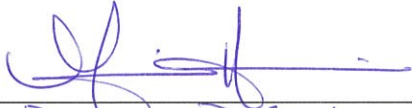
4. Full Force and Effect. Except as otherwise modified herein the terms and provisions of the Original Agreement shall remain unchanged and are hereby ratified and confirmed.

5. Counterparts. This First Amendment may be executed in any number of counterparts and each such counterpart shall be deemed for all purposes to be an original and all such counterparts shall together constitute but one and the same amendment.

[Signature page follows]

IN WITNESS WHEREOF, this First Amendment has been executed as of the day and year first above written.

New Mexico Mortgage Finance Authority:

By 
Title Deputy Director of Finance

Idaho Housing and Finance Association

By 
Title EVP - Homeownership Lending

[Signature page to First Amendment to Sub-Servicing Agreement]

EXHIBIT A
SUB-SERVICER OVERSIGHT POLICY

Subservicer Oversight Procedure

NEW MEXICO MORTGAGE FINANCE AUTHORITY

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Version

Original	Approved by	Date
Subservicing Oversight Procedures v1	Compliance Officer, Robyn Powell Director of Servicing, Theresa Garcia	Finalized 3/28/2016
Annual Review v1.2	Compliance Officer, Robyn Powell Director of Servicing, Theresa Garcia	In process 8.20.18
Additional oversight added regarded OFAC SDP screening	Compliance Officer, Robyn Powell	December 3, 2019
Annual Revision -new contract	Subservicing oversight committee	August, 2020

Overview of the Examination Procedure

Introduction

As part of New Mexico Mortgage Finance Authority's ("MFA") comprehensive Compliance Management Program, the following oversight policy has been developed and implemented to monitor delegated subservicer functions. The purpose of this policy is to outline the oversight responsibilities of MFA to ensure its contracted subservicer remains in compliance with current examination expectations for mortgage servicing as defined by the applicable governmental agencies, GSE's and the Consumer Financial Protection Bureau.

Examination Objectives

Prevent or reduce regulatory violations, protect consumers from non-compliance and associated harms and help align MFA and its contracted business partners' strategies through the process of on-going quality control review.

For purposes of this document the term "service provider" shall mean any person or entity that maintains, processes or otherwise provides services to or on behalf of MFA which are subject to Federal consumer financial law as defined in Section 1002(14) of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The terms "contracted subservicer" "service provider", "vendor" and "third party" will be used interchangeably throughout this and other documents pertaining to Vendor Management. The term "risk" shall mean the potential for MFA or its consumers to suffer economic loss or other legally cognizable injury as a result of a violation of Federal consumer financial law.

Overview of the Examination Process

MFA will assess on no less than an annual basis the risk posed by the subservicing relationship. Legal and regulatory compliance evaluations of the contracted subservicer service delivery and business performance will be conducted and reported to the subservicing oversight committee and the Board of Directors.

Initial Due Diligence

Before entering into a contractual arrangement with a third party subservicer, MFA will perform appropriate due diligence to ensure that the subservicer has the capacity to perform the contracted activity in compliance with all applicable laws and regulations and in a safe and sound manner.

As part of the initial due diligence review process, MFA will assess the following areas related to loan servicing functions:

- Obtain available investor “seller/servicer” reporting, as well as the contracted subservicer’s internal audit reports and QC reports on servicing functions.
- Verify the contracted subservicer’s investor approval status and check for recent adverse audit finding or suspensions by HUD, Fannie Mae, Freddie Mac, Ginnie Mae, and Mortgage Insurance companies. MFA will review available ratings from these companies for the contracted subservicer’s default and investor reporting and remittance functions.
- Obtain financial information, such as audited financial statements, SAS 115 reports, attestations on servicing from external auditors, and available servicer ratings from rating agencies.
- If appropriate, perform an on-site due diligence visit and determine the adequacy of the contracted subservicer’s internal audit function or system functionality.
- Verify the adequacy of the contracted subservicer’s errors and omissions (E&O) insurance and surety bond coverage.
- Obtain current servicing policies and procedures the contracted subservicer is to use for all common or anticipated servicing situations.
- Require the contracted subservicer to comply with all applicable laws, regulations, and other applicable requirements.
- Verify the contracted subservicer management and staff has the ability to perform key functions.

Subservicer Contract Requirements

In addition to the standard contract elements such as rights and responsibilities of each party, cost, compensation, timeframe and insurance requirements, the following elements shall be addressed in the

subservicer contract language (specific section references to Mortgage Loan Sub-Servicing and Single Family Program Support Services Agreement):

- Permissibility to subcontract services (section 9.07)
- Confidentiality and security of information (section 12.19)
- Terms of use of MFA property, equipment and staff including intellectual property and data (section 12.19)
- Use of customer information (section 2.02(q))
- Roles and responsibilities of both parties regarding Nonpublic Personal Information (NPPI) (section 2.02(q))
- Distribution of required disclosures and statements to MFA customers Require notification of security breaches involving NPPI (section 2.02(q))
- Require notification by and to both parties of financial difficulty, catastrophic events, significant incidents (e.g. information breaches, data loss, service or system interruptions, compliance lapses, enforcement actions, or other regulatory actions), significant strategic business changes that could affect contracted activities (section 2.02(d))
- Training requirements for the contracted subservicer's staff (section 2.02(i))
- Right to audit (section 9.01)
- Compliance requirements with applicable laws, regulations and regulatory guidance including consequences for non-compliance (section 9)
- Stipulate the frequency and type of reports required (section 11.12)
- An exit strategy in the event of the contracted subservicer's noncompliance or failure to perform (section 10)

Sub-Servicing Audit and Oversight Process

The MFA audit and oversight process will cover many aspects of servicing to ensure regulatory compliance as defined by the applicable governmental agencies, GSE's and Consumer Financial Protection Bureau (CFPB).

When evaluating a contracted subservicer's performance of delegated functions, MFA will focus on the servicer's compliance with Federal consumer financial law, the terms of the contract, and established performance standards of the service provider.

The examination process will generally be conducted in the following manner:

- Collect and review available information from within MFA and communicate with the contracted subservicer will be required to provide all necessary information;
- Collect available third-party compliance audit results and review for findings, including the claim filing and processing functions;
- Request and review supplementary documents and information from the service provider related to servicing compliance;
- Go onsite to observe, conduct interviews and review additional documents and information when necessary;

- Utilize third parties for quality control review
- Consult internally regarding any follow-up corrective actions needed;
- Report results of oversight activities to management and the Board, as necessary.

MFA, as the servicer of record, will conduct due diligence review and ongoing examination of the contracted subservicer in order to verify that that:

- The subservicer demonstrates the ability to meet its contractual obligations (including third party service providers of its outsourced servicing activities) to
 - Carry out all aspects of their servicing duties in accordance with regulatory requirements
 - Maintain acceptable performance standards as indicated by investors, regulatory agencies and MFA
 - Provide borrowers with assistance when it is requested, perform loss mitigation functions as required by investors, insurers and regulatory agencies
 - Identify that no employee is debarred, suspended or under a Limited Denial of Participation (LDP) or otherwise restricted from participation in HUD/FHA programs
- MFA will require that the contracted subservicer
 - Maintain policies and procedures for contracted servicing activities
 - Conduct audits and quality control reviews of its outsourced servicing activities to ensure compliance with regulatory requirements and provide the results of those audits to MFA
 - Conduct operational assessments and reviews that measure performance of contracted third party provider performance
- The contracted subservicer will be required to provide MFA with evidence of their procedures and/or internal audit results related to :
 - Disaster Recovery and Business Continuity
 - Appropriate levels of liability insurance
 - Information Security policy
 - Loan servicing procedures
 - Consumer Complaint procedures including how customer complaints are to be handled and a timeframe for response
- Loan level audit review may be completed in the following areas
 - Verification of loan documentation
 - Review of new loan setup data integrity
 - Review of Escrow Administration
 - Review of Custodial Administration
 - Review of delinquent loans to ensure appropriate loss mitigation efforts
 - Review of loans in bankruptcy and foreclosure
 - Review of MIP to ensure timely and accurate payment
 - Review of payoffs to ensure compliance with all regulatory requirements

- Review of customer service to ensure servicing best practice expectations
- Review of records maintenance
- Review of REO and claims processing
- Review of Fair Lending to ensure compliance with unfair, deceptive or abusive acts or practices (UDAAP);
- Review subservicer' s independent audit results for:
 - Uniform Audit Program letter
 - SOC or SAS Reports on Controls Placed in Operations

This list is not intended to be all inclusive and additional audit requirements may be necessary, depending on the portfolio size and investor/insurer regulatory requirements. MFA may utilize third parties such as contracted internal auditors to support oversight functions.

Requests for supplementary documents and information from the service provider and the subsequent submission of those documents may be performed electronically; however, any transmission of non-public personal information (NPPI) must be performed using encryption protocols.

During the examination process and any onsite observation visits, staff should communicate with the appropriate service provider personnel about preliminary findings and conclusions. MFA will seek cooperation from the contracted subservicer to improve any weaknesses identified.

The completed examination records must be reviewed and signed by the Compliance Officer responsible for supervision of the contracted activity.

After review by the Compliance Officer, the examination record, summary and any supplementary documentation obtained will be retained with the executed contract for the duration of the contract plus 3 years.

OFAC Screening

MFA will independently verify that the contracted subservicer perform periodic screen of the servicing portfolio against the OFAC SDN (Special Designated Nationals) list in compliance with investor requirements. This screen should be completed no less than annually.

Consumer Complaint Tracking

MFA will require the contracted subservicer provide its consumer complaints and/or inquiries received by CFPB or received directly regarding the contracted subservicer and its service providers.

MFA will review a sample of complaints and its contracted subservicer' s internal policies to verify that the contracted subservicer has in place and is following the appropriate policies and procedures for receiving, escalating and resolving consumer complaints and inquiries.

Data Security and Privacy – Gramm-Leach-Bliley Act

MFA will require that its contracted subservicer takes the necessary steps to protect consumer information, pursuant to Section 501(b) of the Gramm-Leach-Bliley Act. This includes, but is not limited to, ensuring the below standards are met:

- Determine whether the contracted subservicer's information-sharing practices are consistent with the requirements of the GLBA.
- Determine whether the contracted subservicer accurately and timely discloses its sharing practices to consumers and customers.
- Determine whether the subservicer properly manages opt-out requests.

Timeliness and Frequency

MFA will perform examination for quality control and compliance of its contracted subservicer on an on-going basis. Monthly, quarterly and annual reviews will be conducted in accordance with investor requirements. MFA may utilize third party auditors to complete regulatory audit requirements.

Sample Size for Independent Audit

MFA will determine the sample size that is appropriate to manage portfolio risk and audit areas identified through the oversight process. The sample size and frequency of the audit is dependent upon many factors related to the servicer and subservicer contract, portfolio size and regulatory requirements. If problems are found in one particular area, corrective action may be requested, and the sample size in that particular area may be increased until such time that MFA is able to ensure that the corrective action implemented has been effectuated by the contracted subservicer.

EXHIBIT B

SCOPE OF SERVICES AND TRANSITION

Scope of Work – Idaho Housing and Finance Association and New Mexico Mortgage Finance Authority

This summary clarifies work and responsibilities to transfer the performance of pooling and securitization functions from IHFA to MFA. This summary may be updated from time to time with agreement from both parties.

MFA to Take Over Loan Securitization Responsibilities:

MFA Responsibilities include:

- Application for Ginnie Mae Commitment Authority, payment of fees and tracking of Commitment Authority and Pool Numbers.
 - Obtain Employer Identification Number (“EIN”) for MFA pools, prior to pooling
 - Monitoring of remaining balances that exist for Commitment Authority and Pool Numbers in relationship to locked loan pipeline.
 - MFA will order CUSIPS through ginniemae1@bnymellon.com, once pools have been accepted
- Monitor GSE Master Agreements:
 - Volume delivered
 - Open commitment balance
 - Forecasting volume yet to be delivered under the remaining balance
 - Initiate discussions with leadership about engaging Fannie Mae for a new Master Agreement.
- Continued receipt of daily IDHO-NM Trust Receipt and Reports “certification” from Wells Fargo Bank, N.A., as custodian, indicating loans are eligible for purchase.
 - Pay \$25/day fee for above list to certify in the flow to the warehouse lender (FHLB) that the loans will meet GNMA or Fannie requirements
- Receive loans to pool from IHFA warehouse list from IHFA.
- Lead communicator to other internal stakeholder’s and IHFA regarding pooling activity, initial certification, and changes to data during the pooling process.
 - For needed changes to unpaid principle balance MFA will make a request of IHFA servicing team.
 - Payment posting special group-serve email to IHFA team that can do the reversal and suspension. Point of contact at IHFA. Call if needed but send the email.
 - Other edits. Assure that principal balance in the warehouse matches the balance in Ginnie Mae. Correct for principal payments Balance in the warehouse is different than GNMA system. Must agree to the penny.
- Lenders endorse loans to MFA

- IHFA will stamp those notes and endorse them in blank prior to sending them to the custodian.
 - There is no subsequent endorsement by MFA or IHFA on behalf of MFA.
- Lenders transfer loans to MFA in MERS.
- MFA will reimburse IHFA for the daily purchases
 - Utilize MFA's current process of reimbursement to IHFA
 - IHFA purchases in MFA's name; no concurrent transfer of servicing.
- Create or receive settlement and pooling instructions for TBA and MRB transactions.
 - CSG or Hilltop, or such other financial advisor as may be selected by MFA from time to time, currently provide pooling instructions to MFA
- Upload pooling instructions into Power Seller to create and transmit data files and pools to Ginnie Mae.
 - MFA takes out our own Fannie/Freddie contracts and gives Idaho access to MFA's login to Fannie/Freddie systems.
 - IHFA delivers pools in Fannie/Freddie system on behalf of MFA using access granted by MFA
- Identify loans that have a lock extension have been priced correctly.
- MFA must be made aware of any changes to data during the pooling process.
 - Develop a process for correcting data on Ginnie Net.
- Pools based on UPB as of next due date. Use certified balance at settlement. Payments made by borrower during pooling process are backed out, pool transmitted to GNMA and then payment remitted to GNMA.
- Get the security 11705 confirmed by Ginnie Net that it will settle on a certain date
- Send 11705 data file to IHFA to move loans from warehouse to Ginnie /Fannie
- Develop a monthly reconciliation process with MFA's Finance Department to ensure that all loans that have been purchased, have been pooled.
 - Power Seller can also do that once the trade is settled; loans are moved.
- Implement and review new requirements as directed by Ginnie Mae in All Participant Memorandums (APM's) or Fannie Mae Guide Updates. Include Loan Delivery and Document Custodian requirements.

Services IHFA will continue to provide to MFA:

- IHFA boards loans into servicing system the day the wire goes out to lender for loan purchase
- Transfer specialist will continue at IHFA and needs data transfer from MFA's PowerSeller to IHFA's AS400 system
- IHFA delivers in Fannie system in MFA's name
- IHFA Receives electronic loan files from lenders (Phase I)
 - FNMA purchasers and shippers at IHFA gather required information and data at purchase time from LOS system
 - Phase I until data flow can be modified so that MFA receives the data from IHFA or lenders for ULDD files:
- IHFA performs Pre-purchase reviews (all loans) prior to purchase by IHFA on behalf of MFA.

- IHFA purchases loans on behalf of MFA.
 - IHFA wires funds to lenders.
 - MFA to reimburse IHFA on a daily basis using the current process
- Lenders endorse notes to MFA.
 - If note endorsements are incorrect, IHFA to require an allonge to correct
- IHFA will continue to receive and track the notes and loan documents
 - IHFA will stamp those notes and endorse them in blank prior to sending them to the custodian.
 - There is no subsequent endorsement by MFA or IHFA on behalf of MFA.
- IHFA reviews and forwards notes and title policies and other required documents to the document custodian as they are received from lenders (the “flow”).
 - Send notes to Wells Fargo for deposit into MFA’s “account.” Create a different Fed Ex account for use by IHFA for MFA notes and documents sent to custodian
 - IHFA and MFA receives a list of certified notes from the document custodian
- IHFA receives and tracks corrected notes, trailing mortgages and title policies from lenders.
 - IHFA follows up with lenders to satisfy document custodian requirements
 - MFA to provide reporting to IHFA from custodian as to what documents are missing
 - MFA takes over final pool certification follow up after 6 months from loan purchase date
- IHFA continues Pre-purchase QC reviews on sample of loans prior to purchase
- IHFA continues Post-purchase QC reviews
 - 10% sample of loans where the loan is re-underwritten by IHFA QC staff
 - Targeted reviews
- IHFA accepts MERS transfers on behalf of MFA.
- The concurrent transfer of servicing rights or PIIT Pool transfers will no longer be required
- IHFA will do investor reporting as part of the sub-servicing function

Next Transition Steps:

MFA takes over MERS transfer acceptance process

MFA takes over pooling and delivering of conventional loans

MFA performs purchase reviews

MFA takes over the duties of purchasing loans and paying lenders

MFA takes over document flow, shipping and final pool certification follow up

MFA takes over purchase QC reviews (outsource)

MFA takes over QC reviews (outsource)

Pre-purchase

Post purchase

**SECOND AMENDMENT TO
MORTGAGE LOAN SUB-SERVICING AND SINGLE-FAMILY PROGRAM
SUPPORT SERVICES AGREEMENT**

This Second Amendment to Mortgage Loan Sub-Servicing and Single-Family Program Support Services Agreement (the "Second Amendment") dated as of August 1, 2021, is made by and between the New Mexico Mortgage Finance Authority, a public body politic and corporate, separate and apart from the State of New Mexico, constituting a governmental instrumentality ("MFA"), and Idaho Housing and Finance Association, an independent public body corporate and politic doing business as "HomeLoanServ" ("IHFA" or Sub-Servicer), and amends that certain Mortgage Loan Sub-Servicing and Single-Family Program Support Services Agreement dated June 1, 2016 (the "Original Agreement") as amended by the First Amendment to Mortgage Loan Sub-Servicing and Single-Family Program Support Services Agreement dated as of October 1, 2020 (the "First Amendment" and, together with the Original Agreement and the Second Amendment, the "Agreement").

RECITALS

WHEREAS, MFA was created by the Legislature of the State of New Mexico as a public body politic and corporate, separate and apart of the State of New Mexico, upon the passage of the Mortgage Finance Authority Act, which is compiled as NMSA 1978, §§ 58-18-1 *through* -27 and § 2-12-5, as amended (collectively, the "Act");

WHEREAS, MFA and IHFA desire to amend the Original Agreement to extend the term of the Agreement;

WHEREAS, by entering into this Second Amendment, neither the IHFA nor MFA intends or is authorized to create a separate legal entity, and neither the IHFA nor MFA is in fact creating a separate legal entity of any kind or type.

NOW, THEREFORE, in consideration of the premises, and of the mutual agreements and covenants herein set forth, MFA and IHFA agree as follows:

AGREEMENT

1. Defined Terms. Capitalized terms used but not defined herein shall have the respective meanings attributed thereto in the Original Agreement and the First Amendment.

2. Term. Notwithstanding anything to the contrary in Section 10.01 of the Original Agreement, the term of the Agreement shall expire on September 30, 2022; provided, that the term of the Agreement may be extended for an additional one (1) year period to September 30, 2023 upon written agreement by MFA and IHFA.

3. Representations and Warranties.

a. MFA represents and warrants to IHFA that MFA is not in default under the Original Agreement or the First Amendment and all representations made under the Original Agreement and First Amendment are true and correct as of the date hereof as if made on the date hereof.

b. IHFA represents and warrants that it is not in default under the Original Agreement or the First Amendment and all representations made under the Original Agreement and the First Amendment are true and correct as of the date hereof as if made on the date hereof.

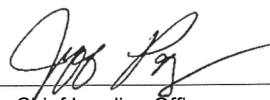
4. Full Force and Effect. Except as otherwise modified herein the terms and provisions of the Original Agreement and the First Amendment shall remain unchanged and are hereby ratified and confirmed.

5. Counterparts. This Second Amendment may be executed in any number of counterparts and each such counterpart shall be deemed for all purposes to be an original and all such counterparts shall together constitute but one and the same amendment.

[Signature page follows]

IN WITNESS WHEREOF, this Second Amendment has been executed as of the day and year first above written.

New Mexico Mortgage Finance Authority:

By 
Title Chief Lending Officer

Idaho Housing and Finance Association

By 
Title EVP Homeownership Lending

**THIRD AMENDMENT TO
MORTGAGE LOAN SUB-SERVICING AND SINGLE-FAMILY PROGRAM
SUPPORT SERVICES AGREEMENT**

This Third Amendment to Mortgage Loan Sub-Servicing and Single-Family Program Support Services Agreement (the "Third Amendment") dated as of September 15, 2022, is made by and between the New Mexico Mortgage Finance Authority, a public body politic and corporate, separate and apart from the State of New Mexico, constituting a governmental instrumentality ("MFA"), and Idaho Housing and Finance Association, an independent public body corporate and politic doing business as "HomeLoanServ" ("IHFA" or Sub-Servicer), and amends that certain Mortgage Loan Sub-Servicing and Single-Family Program Support Services Agreement dated June 1, 2016 (the "Original Agreement") as amended by the First Amendment to Mortgage Loan Sub-Servicing and Single-Family Program Support Services Agreement dated as of October 1, 2020 (the "First Amendment" and, together with the Original Agreement, the Second Amendment, and the Third Amendment, the "Agreement").

RECITALS

WHEREAS, MFA was created by the Legislature of the State of New Mexico as a public body politic and corporate, separate and apart of the State of New Mexico, upon the passage of the Mortgage Finance Authority Act, which is compiled as NMSA 1978, §§ 58-18-1 *through* -27 and § 2-12-5, as amended (collectively, the "Act");

WHEREAS, MFA and IHFA desire to amend the Original Agreement to extend the term of the Agreement;

WHEREAS, by entering into this Third Amendment, neither the IHFA nor MFA intends or is authorized to create a separate legal entity, and neither the IHFA nor MFA is in fact creating a separate legal entity of any kind or type.

NOW, THEREFORE, in consideration of the premises, and of the mutual agreements and covenants herein set forth, MFA and IHFA agree as follows:

AGREEMENT

1. Defined Terms. Capitalized terms used but not defined herein shall have the respective meanings attributed thereto in the Original Agreement, the First Amendment, and the Second Amendment.
2. Term. Notwithstanding anything to the contrary in Section 10.01 of the Original Agreement, the term of the Agreement shall expire on September 30, 2023
3. Representations and Warranties.
 - a. MFA represents and warrants to IHFA that MFA is not in default under the Original Agreement or the First Amendment and Second Amendment and all representations made under the Original Agreement, First Amendment and Second Amendment are true and correct as of the date hereof as if made on the date hereof.

b. IHFA represents and warrants that it is not in default under the Original Agreement or the First Amendment and the Second Amendment and all representations made under the Original Agreement and the First Amendment and Second Amendment are true and correct as of the date hereof as if made on the date hereof.

4. Full Force and Effect. Except as otherwise modified herein the terms and provisions of the Original Agreement, the First Amendment and the Second Amendment shall remain unchanged and are hereby ratified and confirmed.

5. Counterparts. This Third Amendment may be executed in any number of counterparts and each such counterpart shall be deemed for all purposes to be an original and all such counterparts shall together constitute but one and the same amendment.

[Signature page follows]

IN WITNESS WHEREOF, this Third Amendment has been executed as of the day and year first above written.

New Mexico Mortgage Finance Authority:

By *Supriya Rahnaraj*
Title *Chief Financial Officer*

Idaho Housing and Finance Association

By *Susan Sembo*
Title *V.P. Homeownership Lending*

**FOURTH AMENDMENT TO
MORTGAGE LOAN SUB-SERVICING AND SINGLE-FAMILY PROGRAM
SUPPORT SERVICES AGREEMENT**

This Fourth Amendment to Mortgage Loan Sub-Servicing and Single-Family Program Support Services Agreement (the “Fourth Amendment”), dated as of October 1, 2023, is made by and between the New Mexico Mortgage Finance Authority, a public body politic and corporate, separate and apart from the State of New Mexico, constituting a governmental instrumentality (“MFA”), and Idaho Housing and Finance Association, an independent public body corporate and politic doing business as “HomeLoanServ” (“IHFA” or Sub-Servicer), and amends that certain Mortgage Loan Sub-Servicing and Single-Family Program Support Services Agreement, dated as of June 1, 2016 (the “Original Agreement”), the First Amendment to Mortgage Loan Sub-Servicing and Single-Family Program Support Services Agreement, dated as of October 20, 2020 (the “First Amendment”), the Second Amendment to Mortgage Loan Sub-Servicing and Single-Family Program Support Services Agreement, dated as of August 1, 2021 (the “Second Amendment”), and the Third Amendment to Mortgage Loan Sub-Servicing and Single-Family Program Support Services Agreement, dated as of September 15, 2022 (the “Third Amendment” and together with the Original Agreement, the First Amendment, the Second Amendment, the Third Amendment, and this Fourth Amendment, collectively the “Agreement”).

RECITALS

WHEREAS, MFA was created by the Legislature of the State of New Mexico as a public body politic and corporate, separate and apart of the State of New Mexico, upon the passage of the Mortgage Finance Authority Act, which is compiled as NMSA 1978, §§ 58-18-1 through -27 and § 2-12-5, as amended (collectively, the “Act”);

WHEREAS, IHFA is an independent body, corporate and politic and an instrumentality of the State of Idaho and is authorized to participate in cooperative venture agreements with any agencies in furtherance of its powers and purposes;

WHEREAS, MFA and IHFA desire to amend the Original Agreement to extend the term of the Agreement and set forth certain amended terms and provisions related to MFA’s purchase of eligible mortgage loans and IHFA’s obligations to service such eligible mortgage loans;

WHEREAS, by entering into this Fourth Amendment, neither the IHFA nor MFA intends or is authorized to create a separate legal entity, and neither the IHFA nor MFA is in fact creating a separate legal entity of any kind or type; and

NOW, THEREFORE, in consideration of the premises, and of the mutual agreements and covenants herein set forth, MFA and IHFA agree as follows:

AGREEMENT

1. Defined Terms. Capitalized terms used but not defined herein shall have the respective meanings attributed thereto in the Original Agreement.

2. **Term.** Notwithstanding anything to the contrary in Section 10.01 of the Original Agreement, the term of the Agreement shall expire on September 30, 2026.

3. **Amendments.**

a. **Amendment to Article I entitled “Definitions.”** The Original Agreement is hereby amended by deleting the definition of Sub-Servicing Fee and in place thereof inserting the following:

“Sub-Servicing Fee” means fourteen hundredths of one percent (0.14%) or 14 basis points.

b. **Amendment to Section 9.02(b) of the Original Agreement.** Section 9.02 of the Original Agreement is hereby modified by amending and restating the section as follows:

(a) As compensation for IHFA’s performance of servicing activities hereunder and in consideration for servicing of MFA’s Eligible Mortgage Loans as set forth in and during the term of this Agreement, IHFA shall retain from the loan payments the Sub-Servicing Fee plus the other fees and expense reimbursements detailed in subsection 9.02(b), (c), (d) and (e) below.

(b) In connection with the foreclosure of any Eligible Mortgage Loan and the processing of insurance claims related thereto, MFA shall pay IHFA \$500 per foreclosure case and shall pay IHFA for unreimbursed foreclosure expenses and other usual and customary costs incurred in connection with such foreclosure, including inspection fees and reasonable attorney fees not reimbursed by the insurer or guarantor. IHFA shall retain any borrower late fees collected with respect to any Eligible Mortgage Loans serviced on MFA’s behalf.

(c) In consideration for IHFA’s services with respect to Eligible Mortgage Loan purchases on behalf of MFA, IHFA will conduct pre-purchase loan review of Eligible Mortgage Loans and post-purchase quality review of Eligible Mortgages Loans, MFA agrees to pay IHFA a loan review fee of \$150.00 per loan file. IHFA shall invoice MFA for the services and MFA shall pay the fee to IHFA on settlement.

(d) MFA shall advance funds to pay principal, interest and other expenses related to any delinquent Mortgage Loan, including without limitation, funds to repurchase the related foreclosed property. Prepayments are netted from the delinquencies per Ginnie Mae, Fannie Mae and Freddie Mac guidelines, allowing MFA to use those funds towards the delinquency amounts needing advance until those prepaid funds are insufficient to cover the delinquencies.

(e) In connection with IHFA’s loss mitigation services provided for any Eligible Mortgage Loan, should any federal loss mitigation incentive program be suspended or terminated, MFA shall pay IHFA an amount equal to the amount IHFA would otherwise have received from such suspended or terminated federal loss mitigation incentive program as of the date it was last in effect.

(f) For each calendar month, the fees due to IHFA under this Section 9.02 shall be netted against the servicing fees due MFA for that month. By the fifteenth (15th) Business Day of each calendar month, IHFA shall provide MFA with an invoice setting forth the details, for the preceding calendar month, of the amounts due to IHFA under this Section 9.02 and the net amount due to MFA. Payment of the net amount due to MFA shall be made by the last Business Day of the calendar month.

(g) IHFA shall "warehouse" the Eligible Mortgage Loans utilizing a warehouse line by separate agreement with MFA until such time that IHFA has accumulated sufficient volume of Eligible Mortgage Loans to form a Pool and cause the issuance of a GNMA Certificate, Fannie Mae Certificate or Freddie Mac Certificate or for sale through the cash window to Fannie Mae or Freddie Mac. MFA agrees to provide funding to IHFA under a warehouse line to reimburse IHFA for purchase of an Eligible Mortgage Loan not later than two business days after such loan is purchased by IHFA. Failure to provide funds for more than two business days may result in IHFA suspending reservations with, and/or not purchasing Mortgage Loans from Mortgage Lenders. IHFA acknowledges that it is in MFA's best interest and hereby agrees to use its best efforts to aggregate Eligible Mortgage Loans to form Pools and to issue GNMA Certificates, Fannie Mae Certificates or Freddie Mac Certificates or for sale through the cash window to Fannie Mae or Freddie Mac in as expeditious a manner as possible and shall coordinate the pooling of such loans and the issuance of the certificates with MFA.

4. Representations and Warranties.

a. MFA represents and warrants to IHFA that MFA is not in default under the Agreement and all representations made under the Agreement are true and correct as of the date hereof as if made on the date hereof.

b. IHFA represents and warrants that it is not in default under the Agreement and all representations made under the Agreement are true and correct as of the date hereof as if made on the date hereof. IHFA further represents and warrants that it will follow the policies and procedures as outlined in the Subservicing Oversight Policies and Procedures Manual as updated and agreed to by both parties.

5. Full Force and Effect. Except as otherwise modified herein the terms and provisions of the Original Agreement shall remain unchanged and are hereby ratified and confirmed.

6. Counterparts. This Fourth Amendment may be executed in any number of counterparts and each such counterpart shall be deemed for all purposes to be an original and all such counterparts shall together constitute but one and the same amendment.

[Signature page follows]

IN WITNESS WHEREOF, this Fourth Amendment has been executed as of the day and year first above written.

**NEW MEXICO MORTGAGE FINANCE
AUTHORITY**

By: Yvonne Segovia
Name: Yvonne Segovia
Title: Acting Chief Financial Officer

**IDAHO HOUSING AND FINANCE
ASSOCIATION**

By: _____
Chuck Kracht, Vice President of Loan
Servicing

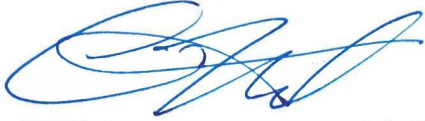
[Signature page]

IN WITNESS WHEREOF, this Fourth Amendment has been executed as of the day and year first above written.

**NEW MEXICO MORTGAGE FINANCE
AUTHORITY**

By: _____
Name:
Title:

**IDAHO HOUSING AND FINANCE
ASSOCIATION**

By: 

Chuck Kracht, Vice President of Loan
Servicing

[Signature page]

Tab 6

**CDD Staff Actions Requiring Notice to Board
During the Period of June 2026**

Department and Program	Project	Action Taken	Comments / Date Approved
Community Development Department- Weatherization (WAP)	Pre-Award Reimbursement- DOE IIJA	Approval of General Fund to reimburse activities for IIJA grant.	Approved by Policy Committee on June 2, 2026
Community Development Department- Home Rehab	Request to exceed internally imposed project cap for a Home Improvement Program manufactured home replacement Ignacio Armijo project	Approval to exceed the per project cap of \$200,000 by \$2,000 to cover soft costs.	Approved by Policy Committee on June 8, 2026
Community Development Department- Linkages	2026-2027 Award Recommendations	Approval of 2026-2027 Linkages awards by service providers. Funding determined by analyzing 2025-2026 expenditures and current funding available.	Approved by Policy Committee on June 8, 2026
Community Development Department- Home Rehab	HOME Rehab NOFA updates	Requested to update the language of the NOFA to be consistent with the new "Project-by-Project" funding allocation.	Approved by Policy Committee on June 16, 2026
Community Development Department- HOPWA and ESG	Pre-Award Reimbursement for HOPWA and ESG	Approval of General Fund for ESG and HOPWA reimbursements until HUD grant agreements are executed.	Approved by Policy Committee on June 16, 2026
Policy and Planning Department	East Central Ministries – Housing Innovation Capital Outlay Awards	Nullification of Housing Innovation awards made to East Central Ministries (ECM) using Capital Outlay funding that has been reassigned to Bernalillo County to be administered to ECM.	Approved by Policy Committee on June 23, 2026

Tab 7



Housing New Mexico | MFA Marketing and Communications Monthly Report

June 2026

Press Release

June 15, 2026

Housing New Mexico Board of Directors approves over \$7 million in Low-Income Housing Tax Credits worth over \$56 million in equity, as well as over \$16 million in loans for multifamily developments

<https://housingnm.org/about-us/news/housing-new-mexico-board-of-directors-approves-over-7-million-in-low-income-housing-tax-credits-worth-over-56-million-in-equity-as-well-as-over-16-million-in-loans-for-multifamily-developments>

Jun 15, 2026 9:28 PM MDT

Housing New Mexico board approves more than \$20 million for home developments



Channel
KRQE

Market
United States

Category
News & Politics

Language
English

The tax credits will create 194 **new** homes and 39 rehabilitated homes across the state.

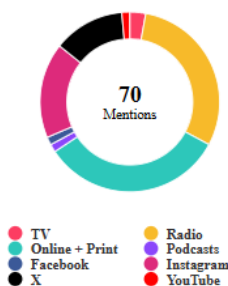
Media Mentions/News Coverage



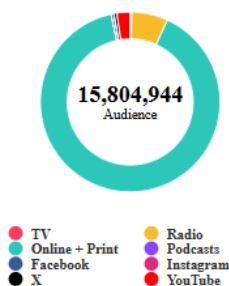
6.1.26 to 6.30.26 June Media Mentions Report

Mention Analytics

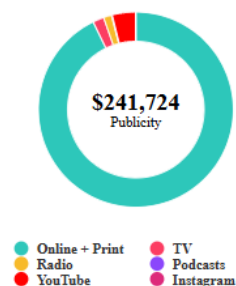
Mentions by Media Type



Audience by Media Type



Publicity by Media Type



Critical Mention calculates the **value of publicity** differently for each media type:

1. TV: The Nielsen Score is multiplied by the cost per point (CPP) provided by SQAD, which is a company that provides advertising cost data (<https://www.linkedin.com/company/sqad-inc./about/>).
2. Radio: Nielsen's hourly ad spend data per station is used to calculate per market cost-per-thousand (CPM), which is applied it to the audience value.
3. Online: The value is based on the site's importance, estimated monthly visitors and article length. If only audience value is available, an estimate is made using a \$9.25 CPM.
4. Podcast: The audience value is multiplied by an \$18 CPM.
5. Social Media: Platform-specific formulas are used. For example, on Instagram, the value is calculated as number of followers multiplied by \$5 CPM.

These calculations help estimate the monetary impact of earned (non-paid) media mentions across different platforms.

Advertisements & Sponsorships

[Telemundo Spanish Commercial](#)

June 1-14



*Tribal Homeownership Coalition of the Southwest
~Tribal Homeownership Resource Guide ~*

Homeownership Made Easy!

UP TO

\$30,000

in down payment and
closing cost assistance*

**Based on eligibility and purchase price.*

Visit housingnm.org
or Scan to
Learn More!



Your New Mexico Home Awaits!



Affordable Mortgage Loans & Assistance

Take the first step toward homeownership with our affordable mortgage options and down payment assistance programs. We serve all of New Mexico.

Start your journey today by contacting a participating lender!

Scan to Learn More or Visit: housingnm.org



Billboards
Chaves, Otero, San Juan Counties
6/1-6/30



Cumulus Media's KKOB News Radio 250 Flags Campaign Sponsorship
Recognizing and honoring 250 individuals who make New Mexico stronger every day
<https://mediaconfidential.blogspot.com/2026/04/albuquerque-radio-bkkob-plans-250-flags.html>



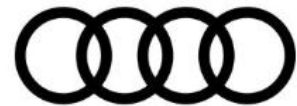
THANK YOU TO OUR SPONSORS



Mercedes-Benz
of Albuquerque



ISLETATM
resort + casino



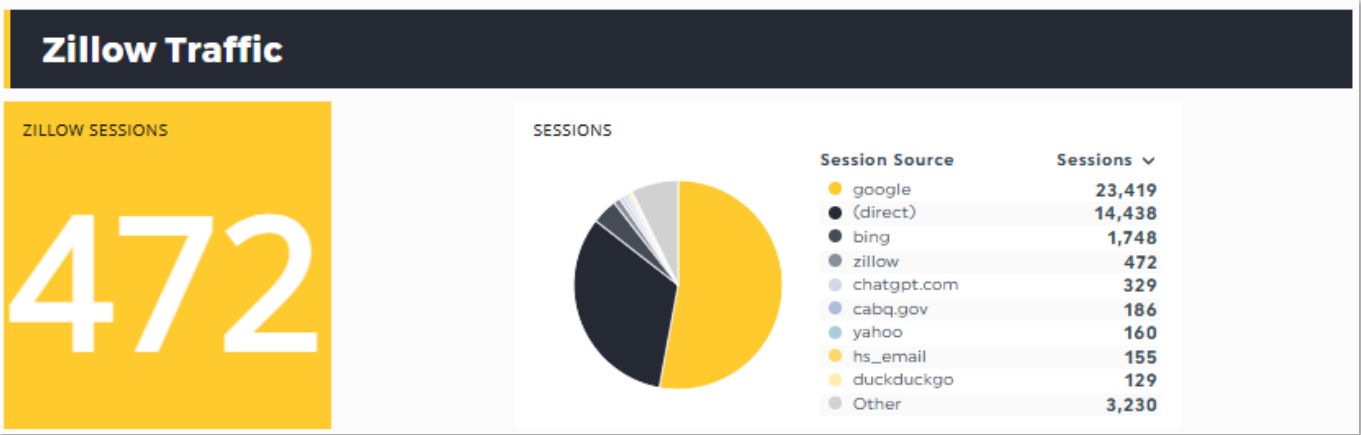
Audi
Albuquerque



Zillow



June Website Traffic from Zillow:



New Mexico Society of CPAs E-Newsletter

Support affordable housing by **donating** to New Mexico's State Tax Credit Program and **receive 50%** of the donation's value.

The logo for Housing New Mexico | MFA features a stylized house icon with a hand holding a key, symbolizing affordable housing and financial support.

Advertisements & Sponsorships



June Report:

Housing New Mexico's June down payment assistance and affordable housing Google ad campaign yielded 1,074 conversions.

June conversions:

- Phone calls directly from ads: 309
- Phone calls from the website after clicking an ad: 315
- Contact form submissions: 450 (an increase from 332 in May)

Conversions = The number of leads Housing New Mexico received after a user clicked on an ad

google.com

Open now

For rent

Application

Top rated

New Mexico · Choose area

Sponsored

housingnm.org
https://www.housingnm.org

Housing New Mexico | MFA
MFA Provides Down Payment Assistance & Competitive Interest Rate Mortgage Loans. Contact New Mexico Mortgage Finance Authority Today For Help...

Homebuyer Resources

Tools & Resources To Prepare You For The Homebuying Process.

About Us

We Help Strengthen New Mexico Families & Communities

Mortgage Calculators

Inquire Now

Sponsored

housingnm.org
https://www.housingnm.org

Down Payment Assistance
New Mexico Mortgage Programs — MFA Provides Homebuyers With Down Payment & Closing Cost Assistance. Let MFA Help Now.

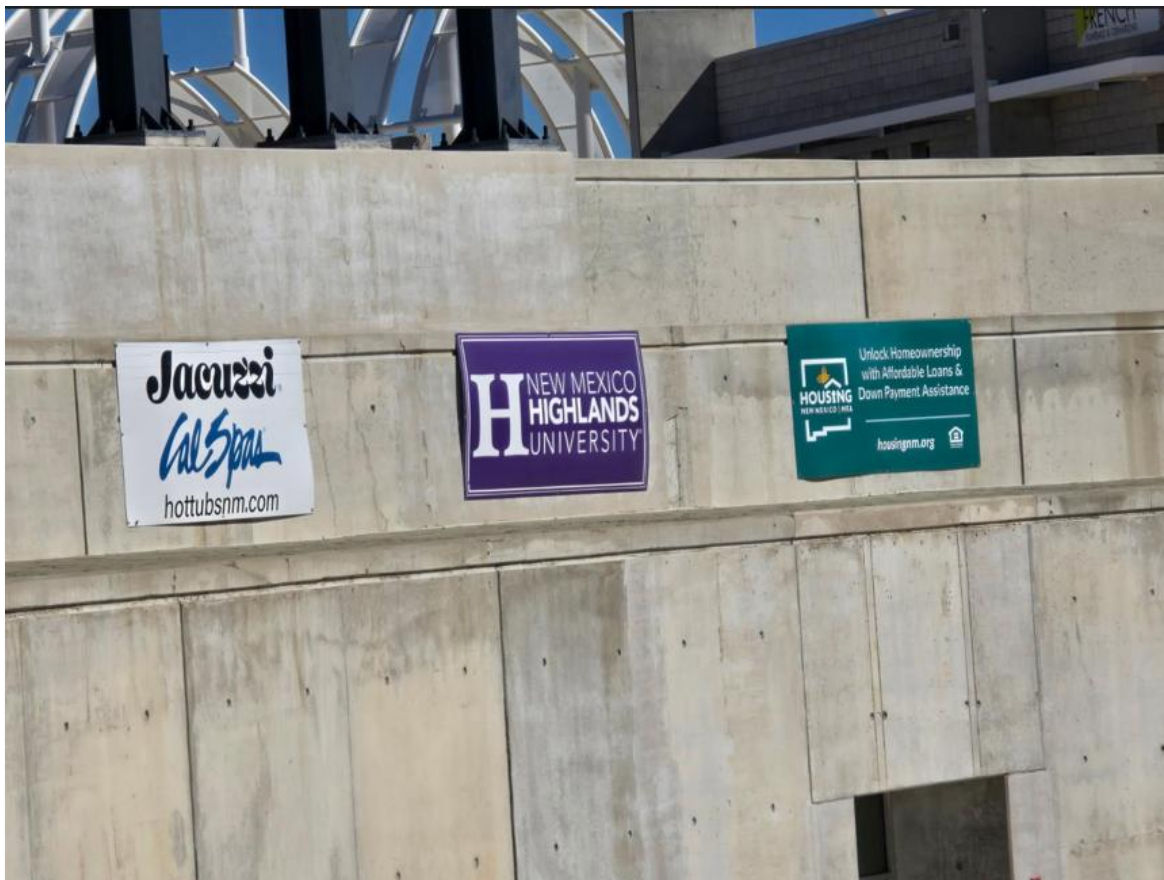
Advertisements & Sponsorships

*Albuquerque Public Schools Nusenda Community Stadium
Through September 2026*



Unlock Homeownership
with Affordable Loans &
Down Payment Assistance

housingnm.org



Advertisements & Sponsorships

2025-2026 New Mexico Counties Business Partnership
Weekly in May: New Mexico Counties News Brief



Enchantment Business Partners



Zia Business Partners



Roadrunner Business Partners

Cherry Bekaert | Enterprise Fleet Management | Housing New Mexico MFA
Indivior | Invenergy | Kofile | Mooring USA | NextEra ENERGY RESOURCES
NM DOT - Aviation Division | Roadrunner Health Services | Singleton Schreiber
LLP The Sulzer Group | Triadic Enterprises | Waste Management

Yucca Business Partner

Santa Fe Community College

Revenue Sharing Partners



Outreach, Events and Sponsorships

June 5: Santa Fe Association of REALTORS Golf Classic Sponsorship (Santa Fe)

June 12: Pueblo of Acoma Housing Authority (PAHA) Housing Fair (Acoma Pueblo)



June 15: New Mexico Association of Regional Councils board meeting presentations
(Housing New Mexico Board Room)



June 15-18: New Mexico Association of Counties Annual Conference (Gallup)

June 16: Eight Northern Indian Pueblos Council Presentations (Ohkay Owingeh)

June 18-19: New Mexico Bankers Association Annual Conference (Santa Fe)

June 25: Greater Albuquerque Assn of REALTORS ABCD Committee Presentations
(Albuquerque)

June 26: New Mexico Construction Alliance Golf Tournament Sponsorship (Las Cruces)



NMCA
NEW MEXICO CONSTRUCTION ALLIANCE

NEW MEXICO CONSTRUCTION ALLIANCE

NEWSLETTER



**JUNE 26:
SWINGIN' WITH THE TRADES
GOLF TOURNAMENT!**

Sonoma Ranch Golf Course

**BREAKFAST/REGISTRATION- 7:00AM
SHOTGUN START: 8:00AM
LUNCH AND RAFFLE TO FOLLOW**

*Register
Now*



**THANK YOU
SPONSORS**





June 28-30: New Mexico Manufactured Housing Association Annual Conference
(Albuquerque)



June 29: New Mexico City Managers Association Meeting Presentation (Ruidoso)

Constituent Inquiries

170



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First name*

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Comments

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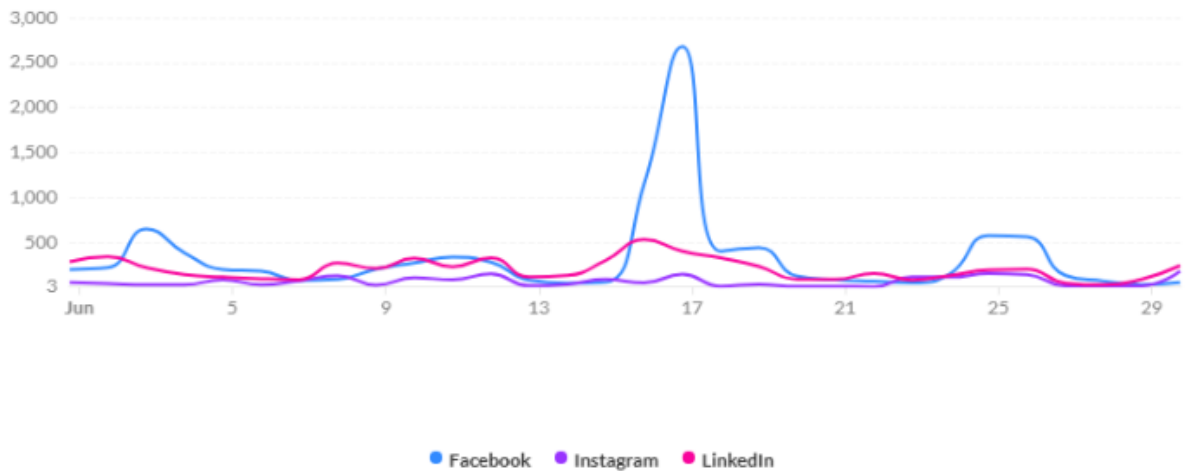
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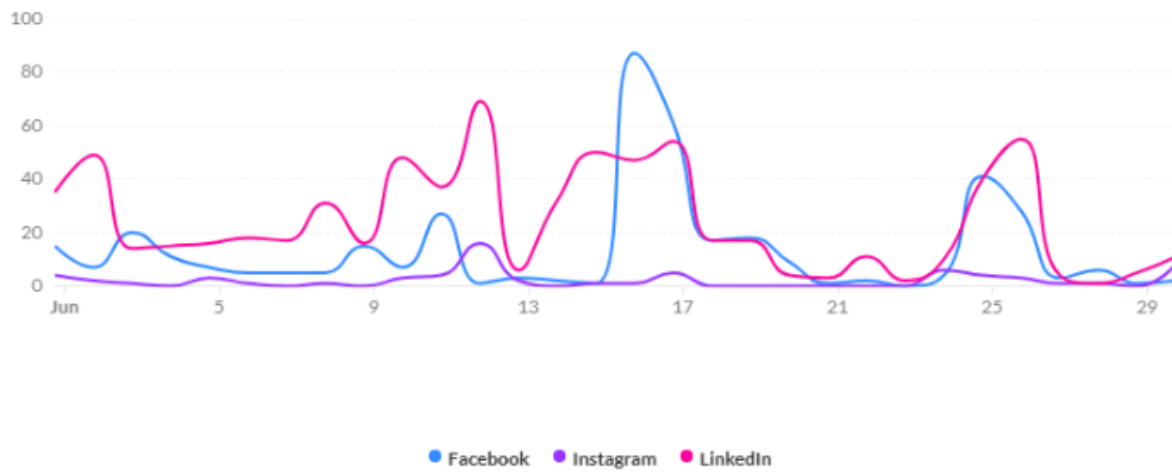
Cross-Channel Impressions ⓘ



Impressions	Total
Overall	17,550
Facebook	9,735
LinkedIn	5,927
Instagram	1,888

Impressions = The number of times Housing New Mexico social media page content was displayed.

Cross-Channel Engagements ⓘ



Engagement	Total
Overall	1,212
Facebook	411
LinkedIn	734
Instagram	67

Engagements = Depending on platform, engagements include likes, comments, shares, clicking on links, saves, story replies, post clicks.

Top Post Performance

f Housing New Mexico ⓘ

Housing New Mexico
Jun 15, 2026 3:00 PM

PRESS RELEASE: Housing New Mexico Board of Directors approves over \$7...



104 Clicks	57 Reactions	4 Comments
3 Shares	3017 Reach	4249 Views

Housing New Mexico
Jun 24, 2026 4:00 PM

Housing New Mexico staff enjoyed connecting with the community while...



43 Clicks	9 Reactions	0 Comments
1 Shares	518 Reach	752 Views

Housing New Mexico
Jun 2, 2026 10:00 AM

With the support of Governor Michelle Lujan Grisham and the Legislature, the...



11 Clicks	7 Reactions	1 Comments
4 Shares	504 Reach	711 Views

in Housing New Mexico ⓘ

Housing New Mexico
Jun 15, 2026 3:00 PM

PRESS RELEASE: Housing New Mexico Board of Directors approves over \$7...



13 Likes	2 Support	1 Celebrate
2 Love	0 Funny	0 Insightful
0 Comments	5 Reposts	64 Clicks

Housing New Mexico
Jun 24, 2026 4:06 PM

Housing New Mexico staff enjoyed connecting with the community while...



6 Likes	0 Support	0 Celebrate
0 Love	0 Funny	0 Insightful
0 Comments	0 Reposts	46 Clicks

Housing New Mexico
Jun 1, 2026 12:00 PM

Housing New Mexico is a proud Impact Partner of the Affordable Housing...



13 Likes	0 Support	0 Celebrate
0 Love	0 Funny	0 Insightful
0 Comments	6 Reposts	15 Clicks

Top Post Performance

Housing New Mexico
Jun 11, 2026 4:01 PM

🏠 Preparing for Homeownership - What Lenders Need to Approve Your Mortgage



0 Comments	18 Likes	0 Saves
0 Shares	151 Reach	179 Views
18 Engagement		

Housing New Mexico
Jun 1, 2026 12:00 PM

Housing New Mexico is a proud Impact Partner of the Affordable Housing



0 Comments	5 Likes	1 Saves
1 Shares	70 Reach	115 Views
8 Engagement		

Housing New Mexico
Jun 24, 2026 4:01 PM

Housing New Mexico staff enjoyed connecting with the community while



0 Comments	8 Likes	0 Saves
0 Shares	81 Reach	180 Views
8 Engagement		

June Vimeo (Video Platform) Analytics

Dashboard

Jun 1, 2026 - Jun 30, 2026 ▾

Content ▾

ⓘ Filters

Views ⓘ

130

Unique viewers ⓘ

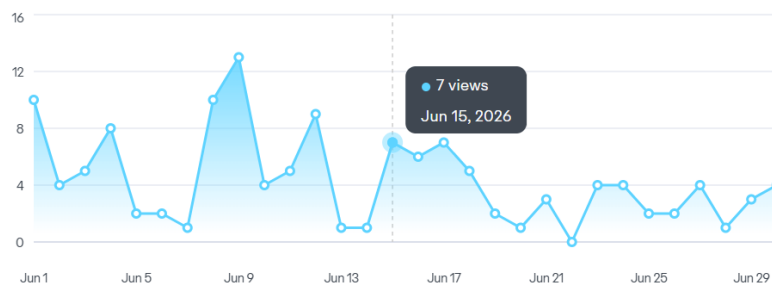
111

Total time watched ⓘ

05:10:45

Overview >

Jun 1 to Jun 30



Views ⓘ

130

- 21% from previous 30 days

Impressions ⓘ

4,955

Unique viewers ⓘ

111

June Website Traffic Overview

<https://housingnm.org/>

Top-Viewed Page "/" = Home Page

Second Top-Viewed Page "/?..." = Views Attributed to Google Ad Campaigns

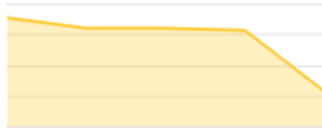


Housing New Mexico Monthly Dashboard

Website Traffic Overview | Google Analytics 4

TOTAL VISITS

44,266



Previous period **1%** Previous year **26%**

NEW USERS

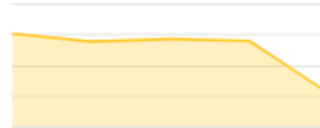
21,785



Previous period **-4%** Previous year **33%**

TOTAL USERS

27,429



Previous period **-3%** Previous year **26%**

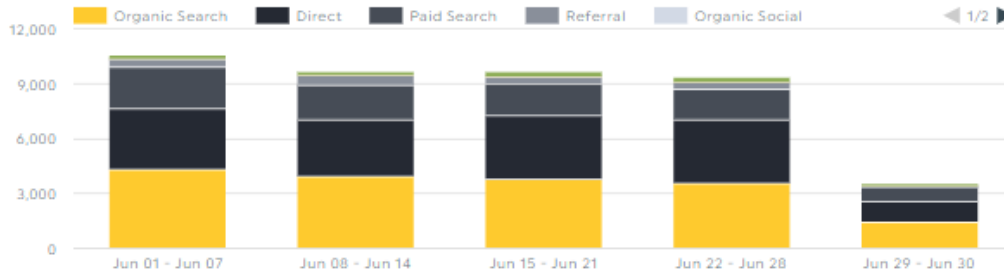
VIEWS

72,466



Previous period **-3%** Previous year **17%**

SESSIONS BY MEDIUM



PAGES PER VISIT

1.64

Previous period **-4%** Previous year **-7%**

BOUNCE RATE

57.59%

Previous period **3%** Previous year **12%**

TOP VIEWED PAGES

Page path	Views		Total users	
/	15,178	+785	8,802	+370
/?				
hsa_acc=7382405198&hsa_cam=17305995781&hsa_grp=161423321950&hsa_ad=693503565500&hsa_src=g&hsa_tgt=1652313956796&hsa_kw=&hsa_mt=&hsa_net=adwords&hsa_ver=3	2,467	-383	1,853	-268
/lenders-realtors/current-rates	2,258	-337	620	-99
/individuals-and-families/homebuyers/mortgage-programs	1,652	+1,652	1,086	+1,086
/mortgage-loans/make-payment	1,566	-7	1,063	+58
/lenders-realtors	1,389	-159	445	-4
/lenders-realtors/income-and-purchase-price-limits	1,269	-56	581	+7
/individuals-and-families/find-housing/rentals/affordable	1,256	+1,256	867	+867



New Mexico Housing Trust Fund Monthly Overview - July 15, 2026

New Mexico Housing Trust Fund Funding Source	Total Allocation	Total Encumbered*		Total Awarded		Encumbered but not Awarded	Total Expended		Awardee	Award Amount	Activity
Severance Tax Bond SFY 2024	\$ 37,530,000.00	\$ 37,530,000.00	100%	\$ 37,530,000.00	100%	\$ -	\$ 30,737,241.57	82%			
Severance Tax Bond SFY 2025	\$ 34,620,000.00	\$ 34,620,000.00	100%	\$ 34,620,000.00	100%	\$ -	\$ 30,250,864.45	87%			
State General Fund Approp. SFY 2025	\$ 50,000,000.00	\$ 50,000,000.00	100%	\$ 47,322,703.00	95%	\$ 2,677,297.00	\$ 26,695,256.38	53%			
Severance Tax Bond SFY 2026	\$ 44,763,415.00	\$ 44,763,415.00	100%	\$ 37,114,266.00	83%	\$ 7,649,149.00	\$ 11,862,506.11	27%	Heading Home	\$301,975.00	Housing Innovation
Severance Tax Bond SFY 2027	\$ 51,628,000.00	\$ 51,628,000.00	100%	\$ 14,917,300.00	29%	\$ 36,710,700.00	\$ -	0%	Chelsea Investment	\$3,000,000	Rental Development
Total	\$ 218,541,415.00	\$ 218,541,415.00	100%	\$ 171,504,269.00	78%	\$ 47,037,146.00	\$ 99,545,868.51	46%			

Awards in green are included in the total awarded but are being proposed at the current Housing New Mexico Board of Directors meeting. All awards and expenditures are as of the final Policy Committee meeting on July 6, 2026.

*State Fiscal Year (SFY) runs from July - June. Meaning, for example SFY27 is equivalent to July 1, 2026 through June 30, 2027.

Encumbered is defined as Housing New Mexico has a program to deploy the funding and is available to potential applicants (homebuyers, service providers, developers, and other applicants).

Awarded is defined as Housing New Mexico has directed an amount of the funding to an awardee or program.

Expended is defined as Housing New Mexico has released funding through draws or reimbursements.

New Mexico Housing Trust Fund Performance Metrics by Certified Use - July 15, 2026

Certified Use	State Fiscal Year*	Funding Allocated	Funding Encumbered	Funding Awarded	Funding Expended
Downpayment Assistance (FirstDownPlus, HomeForwardDPA)	SFY24 STB	\$ 11,625,000.00	\$ 11,625,000.00	\$ 11,625,000.00	\$ 11,615,252.07
	SFY25 STB	\$ 20,000,000.00	\$ 20,000,000.00	\$ 20,000,000.00	\$ 19,996,006.22
	SFY25 SGF Approp.	\$ 9,570,000.00	\$ 9,570,000.00	\$ 9,570,000.00	\$ 2,745,888.56
	SFY26 STB	\$ 7,763,415.00	\$ 7,763,415.00	\$ 7,763,415.00	\$ 7,649,633.78
	Sub Total	\$ 48,958,415.00	\$ 48,958,415.00	\$ 48,958,415.00	\$ 42,006,780.63
	% of Funding Allocated		100%	100%	86%
Rental & Single Family Development (Rental Development, Single Family Development, Preservation, Housing Innovation)	SFY24 STB	\$ 22,130,000.00	\$ 22,130,000.00	\$ 22,130,000.00	\$ 15,363,251.10
	SFY25 STB	\$ 14,620,000.00	\$ 14,620,000.00	\$ 14,620,000.00	\$ 10,254,858.23
	SFY25 SGF Approp.	\$ 34,380,000.00	\$ 34,380,000.00	\$ 32,702,703.00	\$ 21,720,133.36
	SFY26 STB	\$ 35,500,000.00	\$ 35,500,000.00	\$ 27,850,851.00	\$ 2,902,989.87
	SFY27 STB	\$ 51,300,000.00	\$ 51,300,000.00	\$ 14,589,300.00	\$ -
	Sub Total	\$ 157,930,000.00	\$ 157,930,000.00	\$ 111,892,854.00	\$ 50,241,232.56
	% of Funding Allocated		100%	71%	32%
Single Family Acquisition, Rehabilitation & Resale (Restoring Our Communities)	SFY24 STB	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 1,983,738.40
	SFY26 STB	\$ 1,500,000.00	\$ 1,500,000.00	\$ 1,500,000.00	\$ 1,309,882.46
	SFY27 STB	\$ 328,000.00	\$ 328,000.00	\$ 328,000.00	\$ -
	Sub Total	\$ 3,828,000.00	\$ 3,828,000.00	\$ 3,828,000.00	\$ 3,293,620.86
	% of Funding Allocated		100%	100%	86%
Single Family Emergency Repairs, Accessibility, Energy Efficiency Improvements & Rehabilitation (Weatherization, Weatherization - EnergySmart Solar Program, Home Improvement Program)	SFY24 STB	\$ 1,775,000.00	\$ 1,775,000.00	\$ 1,775,000.00	\$ 1,775,000.00
	SFY25 SGF Approp.	\$ 5,050,000.00	\$ 5,050,000.00	\$ 4,050,000.00	\$ 1,769,859.42
	Sub Total	\$ 6,825,000.00	\$ 6,825,000.00	\$ 5,825,000.00	\$ 3,544,859.42
	% of Funding Allocated		100%	85%	52%
Homelessness & Homelessness Prevention	SFY25 SGF Approp.	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 459,375.04
	Sub Total	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 459,375.04
	% of Funding Allocated		100%	100%	46%
Grand Total	Grand Total	\$ 218,541,415.00	\$ 218,541,415.00	\$ 171,504,269.00	\$ 99,545,868.51
	% of Funding Allocated		100%	78%	46%

*State Fiscal Year runs from July - June. Meaning, for example SFY27 is equivalent to July 1, 2026 through June 30, 2027.

New Mexico Housing Trust Fund Awards - July 15, 2026

Awardee	Award	Award Amount	Certified Use	Activity	New Mexico Housing Trust Fund Funding Source	Anticipated Impact (Households)	City	County
Homeownership Department	FirstDown Plus	\$ 8,370,000.00	Down payment assistance (DPA)	Down Payment Assistance	2025 Legislative Allocation	837	Statewide	☐☐ New Mexico
Homeownership Department	HomeForward DPA	\$ 1,200,000.00	Down payment assistance (DPA)	Down Payment Assistance	2025 Legislative Allocation	141	Statewide	☐☐ New Mexico
HOME and VHRMP		\$ 500,000.00	Single family emergency repairs, accessibility, energy efficiency improvements and rehabilitation	Home Improvement Program	2025 Legislative Allocation	19	New Mexico	☐☐ Guadalupe County, New Mexico
Home Improvement Program		\$ 100,000.00	Single family emergency repairs, accessibility, energy efficiency improvements and rehabilitation	Home Improvement Program	2025 Legislative Allocation	7		☐☐ Guadalupe County, New Mexico
Saranam		\$ 732,939.00	Homelessness and Homelessness Prevention	Homeless and Homelessness Prevention (Housing Innovation)	2025 Legislative Allocation	13		☐☐ Bernalillo County, New Mexico
Forget Me Not Park		\$ 375,000.00	Homelessness and Homelessness Prevention	Housing Innovation	2025 Legislative Allocation	15	Socorro/ Truth or Consequences Area	☐☐ Socorro County, New Mexico
Village of Ruidoso		\$ 712,498.00	Rental and single family development	Housing Innovation	2025 Legislative Allocation	-	Ruidoso	☐☐ Lincoln County, New Mexico
	Cornerstone Apartments	\$ 2,782,087.00	Rental and single family development	Rental Development	2025 Legislative Allocation	30	Silver City	☐☐ Grant County, New Mexico
Country Club SF, LLC (to be formed)	Country Club Apartments	\$ 3,000,000.00	Rental and single family development	Rental Development	SFY25 STB	62	Santa Fe	☐☐ Santa Fe County, New Mexico
Lincoln Avenue Communities	Cresta Ranch	\$ 4,000,000.00	Rental and single family development	Rental Development	2025 Legislative Allocation	240		☐☐ Santa Fe County, New Mexico
Dominium Development & Acquisition LLC	Desert Willow	\$ 2,000,000.00	Rental and single family development	Rental Development	SFY26 STB	244	Albuquerque	☐☐ Bernalillo County, New Mexico
EC Ruidoso LP	Elk Meadows Apartments	\$ 2,000,000.00	Rental and single family development	Rental Development	SFY24 STB	72	Ruidoso	☐☐ Lincoln County, New Mexico
Enriched Communities LLC & NM Housing	Elk Meadows Apartments	\$ 489,300.00	Rental and single family development	Rental Development	SFY26 STB	-	Ruidoso	☐☐ Lincoln County, New Mexico
Artisan's Guild Contracting, LLC	El Toro Community	\$ 3,000,000.00	Rental and single family development	SF Development	2025 Legislative Allocation	29	Roswell	☐☐ Chaves County, New Mexico
Clearbrook Investments, Inc.	Villa Encantada II	\$ 2,900,000.00	Rental and single family development	SF Development	2025 Legislative Allocation	83	Moriarty	☐☐ Torrance County, New Mexico
Tierra del Sol Housing Corporation	Vado New Horizons	\$ 1,000,000.00	Rental and single family development	SF Development	2025 Legislative Allocation	56		☐☐ Doña Ana County, New Mexico
Y.M.H. Inc.	South 40 Subdivision	\$ 2,000,000.00	Rental and single family development	SF Development	2025 Legislative Allocation	47	Hobbs	☐☐ Lea County, New Mexico
Central New Mexico Housing Corporation		\$ 250,000.00	Single family emergency repairs, accessibility, energy efficiency improvements and rehabilitation	Weatherization	2025 Legislative Allocation	18	Central NM	☐☐ Bernalillo County, New Mexico
Redfeather Development		\$ 450,000.00	Single family emergency repairs, accessibility, energy efficiency improvements and rehabilitation	Weatherization	2025 Legislative Allocation	32	Navajo Nation	☐☐ Navajo Nation
Southwest Regional Housing and Community Development		\$ 250,000.00	Single family emergency repairs, accessibility, energy efficiency improvements and rehabilitation	Weatherization	2025 Legislative Allocation	18	Southwestern NM	☐☐ Doña Ana County, New Mexico
Central New Mexico Housing Corporation		\$ 475,000.00	Single family emergency repairs, accessibility, energy efficiency improvements and rehabilitation	Weatherization	SFY24 STB	34	Central NM	☐☐ Bernalillo County, New Mexico
NCNO Limited Partnership, LLLP	Encino Senior Gardens	\$ 2,000,000.00	Rental and single family development	Rental Development	SFY24 STB	165	Albuquerque	☐☐ Bernalillo County, New Mexico
City of Las Cruces		\$ 1,500,000.00	Rental and single family development	Housing Innovation	SFY24 STB	50	Las Cruces	☐☐ Doña Ana County, New Mexico
DreamTree Project		\$ 500,000.00	Rental and single family development	Housing Innovation	SFY24 STB	250	Taos	☐☐ Taos County, New Mexico
La Serena Apartments, LLC	La Serena Apartments	\$ 1,000,000.00	Rental and single family development	Rental Development	SFY24 STB	100	Albuquerque	☐☐ Bernalillo County, New Mexico
Esperanza Shelter		\$ 64,938.00	Rental and single family development	Housing Innovation	SFY24 STB	3	Santa Fe	☐☐ Santa Fe County, New Mexico
Greater Albuquerque Habitat for Humanity		\$ 500,000.00	Rental and single family development	Housing Innovation	SFY24 STB	20	Albuquerque	☐☐ Bernalillo County, New Mexico

New Mexico Housing Trust Fund Awards - July 15, 2026

Awardee	Award	Award Amount	Certified Use	Activity	New Mexico Housing Trust Fund Funding Source	Anticipated Impact (Households)	City	County
HagermanForward Inc.		\$ 500,000.00	Rental and single family development	Housing Innovation	SFY24 STB	18	Chavez County	☐☐ Chaves County, New Mexico
Home Improvement Program		\$ 536,918.98	Single family emergency repairs, accessibility, energy efficiency improvements and rehabilitation	Home Improvement Program	SFY24 STB	27	New Mexico	☐☐ Guadalupe County, New Mexico
Homeownership Department	FirstDown Plus	\$ 10,625,000.00	Down payment assistance (DPA)	Down Payment Assistance	SFY24 STB	708	New Mexico	☐☐ New Mexico
Homeownership Department	HomeForward DPA	\$ 1,000,000.00	Down payment assistance (DPA)	Down Payment Assistance	SFY24 STB	67	New Mexico	☐☐ New Mexico
Homewise	Sombra del Oeste	\$ 500,000.00	Rental and single family development	SF Development	SFY24 STB	10	Albuquerque	☐☐ Bernalillo County, New Mexico
Homewise	Miraflores	\$ 500,000.00	Rental and single family development	SF Development	SFY24 STB	7	Santa Fe	☐☐ Santa Fe County, New Mexico
Chelsea Investment Group	Mariposa Apartments	\$ 2,000,000.00	Rental and single family development	Rental Development	SFY25 STB	51	Taos	☐☐ Taos County, New Mexico
TWG Development LLC & Santa Fe County	Nueva Acequia (9% LIHTC)	\$ 2,000,000.00	Rental and single family development	Rental Development	SFY26 STB	53	Santa Fe	☐☐ Santa Fe County, New Mexico
New Creation Church		\$ 65,062.00	Rental and single family development	Housing Innovation	SFY24 STB	7	Albuquerque	☐☐ Bernalillo County, New Mexico
NM Ramp Project		\$ 500,000.00	Rental and single family development	Housing Innovation	SFY24 STB	242	Statewide	☐☐ Bernalillo County, New Mexico
North Central New Mexico Economic Development District		\$ 1,000,000.00	Rental and single family development	Housing Innovation	SFY24 STB	4	North Central NM	☐☐ Colfax County, New Mexico
Ohkay Owingeh		\$ 500,000.00	Rental and single family development	Housing Innovation	SFY24 STB	10	Ohkay Owingeh	☐☐ Rio Arriba County, New Mexico
Ocate SF, LLC (to be formed)	Ocate Apartments	\$ 3,000,000.00	Rental and single family development	Rental Development	SFY25 STB	60	Santa Fe	☐☐ Santa Fe County, New Mexico

New Mexico Housing Trust Fund Awards - July 15, 2026

Awardee	Award	Award Amount	Certified Use	Activity	New Mexico Housing Trust Fund Funding Source	Anticipated Impact (Households)	City	County
Peachetree Canyon Limited Partnership (to be formed)	Peachtree Canyon I	\$ 3,000,000.00	Rental and single family development	Rental Development	SFY24 STB	144	Las Cruces	Doña Ana County, New Mexico
Post Las Brisas, LLC	Las Brisas Apartments	\$ 1,000,000.00	Rental and single family development	Preservation	SFY24 STB	120	Albuquerque	Bernalillo County, New Mexico
Restoring Our Communities Program		\$ 2,000,000.00	Single family acquisition and rehabilitation	Restoring Our Communities	SFY24 STB	12	Albuquerque/ North Central NM	Bernalillo County, New Mexico
San Felipe Pueblo		\$ 229,425.97	Single family emergency repairs, accessibility, energy efficiency improvements and	Home Improvement Program	SFY24 STB	3	San Felipe Pueblo	Sandoval County, New Mexico
San Felipe Pueblo		\$ 450,000.00	Rental and single family development	Housing Innovation	SFY24 STB	24	San Felipe Pueblo	Sandoval County, New Mexico
Santa Fe Community Housing Trust	Arroyo Oeste Phase II	\$ 1,000,000.00	Rental and single family development	SF Development	SFY24 STB	8	Santa Fe	Santa Fe County, New Mexico
Sawmill CLT		\$ 262,498.00	Rental and single family development	Housing Innovation	SFY24 STB	105	Albuquerque	Bernalillo County, New Mexico
Southwest Regional Housing and Community Development		\$ 134,655.19	Single family emergency repairs, accessibility, energy efficiency improvements and rehabilitation	Home Improvement Program	SFY24 STB	3	Southwestern NM	Doña Ana County, New Mexico
Southwest Regional Housing and Community Development		\$ 98,999.86	Single family emergency repairs, accessibility, energy efficiency improvements and rehabilitation	Home Improvement Program	SFY24 STB	1	Southwestern NM	Doña Ana County, New Mexico
Southwest Regional Housing and Community Development		\$ 300,000.00	Single family emergency repairs, accessibility, energy efficiency improvements and rehabilitation	Weatherization	SFY24 STB	21	Southwestern NM	Doña Ana County, New Mexico
Town of Silver City		\$ 500,000.00	Rental and single family development	Housing Innovation	SFY24 STB	8	Silver City	Grant County, New Mexico
Village of Ruidoso		\$ 287,502.00	Rental and single family development	Housing Innovation	SFY24 STB	50	Ruidoso	Lincoln County, New Mexico
New Mexico Housing	Peachtree Canyon II	\$ 3,000,000.00	Rental and single family development	Rental Development	SFY26 STB	144	Las Cruces	Doña Ana County, New Mexico
Pedrena Apartments LLC	Pedrena Apartments	\$ 1,000,000.00	Rental and single family development	Rental Development	SFY24 STB	80	Las Cruces	Doña Ana County, New Mexico
Dona Ana County Health and Human Services Department		\$ 714,971.66	Rental and single family development	Housing Innovation	SFY25 STB	8		Doña Ana County, New Mexico
Homeownership Department	FirstDown Plus	\$ 14,496,998.16	Down payment assistance (DPA)	Down Payment Assistance	SFY25 STB	1,033	Statewide	New Mexico
Homeownership Department	HomeForward DPA	\$ 5,503,001.84	Down payment assistance (DPA)	Down Payment Assistance	SFY25 STB	300	Statewide	New Mexico
New Creation Church		\$ 213,467.00	Rental and single family development	Housing Innovation	SFY25 STB	-	Albuquerque	Bernalillo County, New Mexico
Spire Development Inc.	Plaza Luna Lofts	\$ 3,000,000.00	Rental and single family development	Rental Development	SFY26 STB	57	Los Lunas	Valencia County, New Mexico
Spire Development Inc.	San Mateo Manor	\$ 3,000,000.00	Rental and single family development	Rental Development	SFY26 STB	50	Albuquerque	Bernalillo County, New Mexico

New Mexico Housing Trust Fund Awards - July 15, 2026

Awardee	Award	Award Amount	Certified Use	Activity	New Mexico Housing Trust Fund Funding Source	Anticipated Impact (Households)	City	County
Rio Rancho Leased Housing Authority I, LLP	Sandoval Flats	\$1,380,000.00	Rental and single family development	Rental Development	2025 Legislative Allocation	216	Rio Rancho	☞ Sandoval County, New Mexico
Rio Rancho Leased Housing Authority I, LLP	Sandoval Flats	\$1,620,000.00	Rental and single family development	Rental Development	SFY25 STB	-	Rio Rancho	☞ Sandoval County, New Mexico
Homeownership Department	FirstDown Plus	\$6,763,415.00	Down payment assistance (DPA)	Down Payment Assistance	SFY26 STB	676	Statewide	☞ New Mexico
Homeownership Department	HomeForward DPA	\$1,000,000.00	Down payment assistance (DPA)	Down Payment Assistance	SFY26 STB	125	Statewide	☞ New Mexico
Somos Apartments Limited Partnership	Somos Apartments	\$4,000,000.00	Rental and single family development	Rental Development	SFY25 STB	70	Albuquerque	☞ Bernalillo County, New Mexico
Synergy Community Development Corp	Sunset 1600 Apartments	\$3,000,000.00	Rental and single family development	Rental Development	2025 Legislative Allocation	60	Roswelll	☞ Chaves County, New Mexico
Chelsea Investment Corp.	Three Sisters	\$3,500,000.00	Rental and single family development	Rental Development	SFY24 STB	70	Las Cruces	☞ Doña Ana County, New Mexico
DBG Properties	Tierra Linda Apartments	\$217,913.00	Rental and single family development	Rental Development	2025 Legislative Allocation	240		☞ Bernalillo County, New Mexico
Dominium Development and Acquisition LLC	Turquoise Trail	\$2,000,000.00	Rental and single family development	Rental Development	2025 Legislative Allocation	312	Santa Fe	☞ Santa Fe County, New Mexico
Central New Mexico Housing Corporation		\$75,000.00	Single family emergency repairs, accessibility, energy efficiency improvements and rehabilitation	Weatherization - Energy\$mart Solar Program	2025 Legislative Allocation	5	Central NM	☞ Bernalillo County, New Mexico
Redfeather Development		\$25,000.00	Single family emergency repairs, accessibility, energy efficiency improvements and rehabilitation	Weatherization - Energy\$mart Solar Program	2025 Legislative Allocation	2	Navajo Nation	☞ Navajo Nation
Southwest Regional Housing and Community Development		\$2,400,000.00	Single family emergency repairs, accessibility, energy efficiency improvements and rehabilitation	Weatherization - Energy\$mart Solar Program	2025 Legislative Allocation	170	Southwestern NM	☞ Doña Ana County, New Mexico
Restoring Our Communities Program		\$1,500,000.00	Single family acquisition and rehabilitation	Restoring Our Communities	SFY26 STB	5		☞ New Mexico
Greater Albuquerque Habitat for Humanity		\$71,561.34	Rental and single family development	Housing Innovation	SFY25 STB	14	Albuquerque	☞ Bernalillo County, New Mexico
Greater Albuquerque Habitat for Humanity		\$178,439.00	Rental and single family development	Housing Innovation	2025 Legislative Allocation	-	Albuquerque	☞ Bernalillo County, New Mexico
The Life Link		\$350,000.00	Rental and single family development	Housing Innovation	2025 Legislative Allocation	15	Santa Fe	☞ Santa Fe County, New Mexico
New Mexico Ramps		\$500,000.00	Rental and single family development	Housing Innovation	2025 Legislative Allocation	180	Statewide	☞ New Mexico
La Casa Inc.		\$500,000.00	Rental and single family development	Housing Innovation	2025 Legislative Allocation	4	Las Cruces	☞ Doña Ana County, New Mexico
Tierra del Sol Housing Corporation	Villa de Tularosa	\$2,500,000.00	Rental and single family development	Rental Development	SFY26 STB	22	Tularosa	☞ Otero County, New Mexico
ECOHAB		\$384,063.00	Rental and single family development	Housing Innovation	2025 Legislative Allocation	4	Taos	☞ Taos County, New Mexico

New Mexico Housing Trust Fund Awards - July 15, 2026

Awardee	Award	Award Amount	Certified Use	Activity	New Mexico Housing Trust Fund Funding Source	Anticipated Impact (Households)	City	County
ECOHAB		\$ 65,937.00	Rental and single family development	Housing Innovation	SFY26 STB	-	Taos	☐☐ Taos County, New Mexico
Chelsea Investment Corp.	West Mesa Ridge A	\$ 3,000,000.00	Single family emergency repairs, accessibility, energy efficiency improvements and rehabilitation	Rental Development	2025 Legislative Allocation	128	Albuquerque	☐☐ Bernalillo County, New Mexico
JH Homes Inc.	Oaks Subdivision 7	\$ 2,163,000.00	Rental and single family development	SF Development	2025 Legislative Allocation	48	Roswell	☐☐ Chaves County, New Mexico
HopeWorks		\$ 500,000.00	Rental and single family development	Housing Innovation	SFY26 STB		Albuquerque	☐☐ Bernalillo County, New Mexico
DreamTree Project		\$ 500,000.00	Rental and single family development	Housing Innovation	SFY26 STB	250	Taos	☐☐ Taos County, New Mexico
City of Las Cruces		\$ 500,000.00	Rental and single family development	Housing Innovation	SFY26 STB	500	Las Cruces	☐☐ Doña Ana County, New Mexico
Rebuilding Together Sandoval County		\$ 350,000.00	Rental and single family development	Housing Innovation	SFY26 STB	30	-	☐☐ Sandoval County, New Mexico
Central New Mexico, LP	Central Apartments	\$ 1,000,511.00	Rental and single family development	Preservation	2025 Legislative Allocation	20	Santa Clara	☐☐ Grant County, New Mexico
Rosedale Limited Partnership	Valley View Apartments	\$ 1,259,192.00	Rental and single family development	Preservation	2025 Legislative Allocation	32	Silver City	☐☐ Grant County, New Mexico
Stillbrooke Homes, Inc.	Villa Encantada II	\$ 3,000,000.00	Rental and single family development	SF Development	SFY26 STB	83	Moriarty	☐☐ Torrance County, New Mexico
W-HOMES, LLC and GHK Properties, LLC	Este Es Otono	\$ 2,000,000.00	Rental and single family development	Rental Development	SFY26 STB	35	Taos	☐☐ Taos County, New Mexico
Spire Development Inc.	Niko Commons	\$ 410,700.00	Rental and single family development	Rental Development	SFY26 STB	37	Bernalillo	☐☐ Sandoval County, New Mexico
Spire Development Inc.	Niko Commons	\$ 2,589,300.00	Rental and single family development	Rental Development	SFY27 STB	-	Bernalillo	☐☐ Sandoval County, New Mexico
Elderly Housing Development & Operations Corporation	Edward Romero Terrarce II Apartments	\$ 3,000,000.00	Rental and single family development	Rental Development	SFY27 STB	39	Albuquerque	☐☐ Bernalillo County, New Mexico
JL Gray and HERO	Desert Sun III	\$ 3,000,000.00	Rental and single family development	Rental Development	SFY27 STB	52	Deming	☐☐ Luna County, New Mexico
Redwood Housing	Montana Meadows and Wildewood Apartments	\$ 3,000,000.00	Rental and single family development	Rental Development	SFY27 STB	80	Las Cruces	☐☐ Doña Ana County, New Mexico
						60	Roswell	☐☐ Chaves County, New Mexico
Habitat for Humanity		\$ 500,000.00	Rental and single family development	Housing Innovation	SFY26 STB	17	Albuquerque	☐☐ Bernalillo County, New Mexico
Crosstown		\$ 500,000.00	Rental and single family development	Housing Innovation	SFY26 STB	20	Las Cruces	☐☐ Doña Ana County, New Mexico
JH Homes Inc.	Oaks Subdivision 7	\$ 3,000,000.00	Rental and single family development	SF Development	SFY26 STB	48	Roswell	☐☐ Chaves County, New Mexico
Restoring Our Communities Program		\$ 328,000.00	Single family acquisition and rehabilitation	Restoring Our Communities	SFY27 STB	1	Statewide	☐☐ New Mexico
North Central New Mexico Economic Development District		\$ 500,000.00	Rental and single family development	Housing Innovation	SFY26 STB	3	Statewide	☐☐ New Mexico
Chelsea Investment Corp.	West Mesa Ridge B	\$ 3,000,000.00	Rental and single family development	Rental Development	SFY27 STB	144	Albuquerque	☐☐ Bernalillo County, New Mexico
Heading Home		\$ 301,975.00	Rental and single family development	Housing Innovation	SFY26 STB	800	Albuquerque	☐☐ Bernalillo County, New Mexico
Total		\$ 171,504,269.00				10,638		

New Mexico Housing Trust Fund Update - All Allocations

\$250,000,000.00

\$200,000,000.00

\$150,000,000.00

\$100,000,000.00

\$50,000,000.00

\$-

Total

■ Total Allocation (Certified amount)

\$218,541,415.00

■ Total Encumbered (Procured)

\$218,541,415.00

■ Total Awarded (Contractually Committed to awardee)

\$171,504,269.00

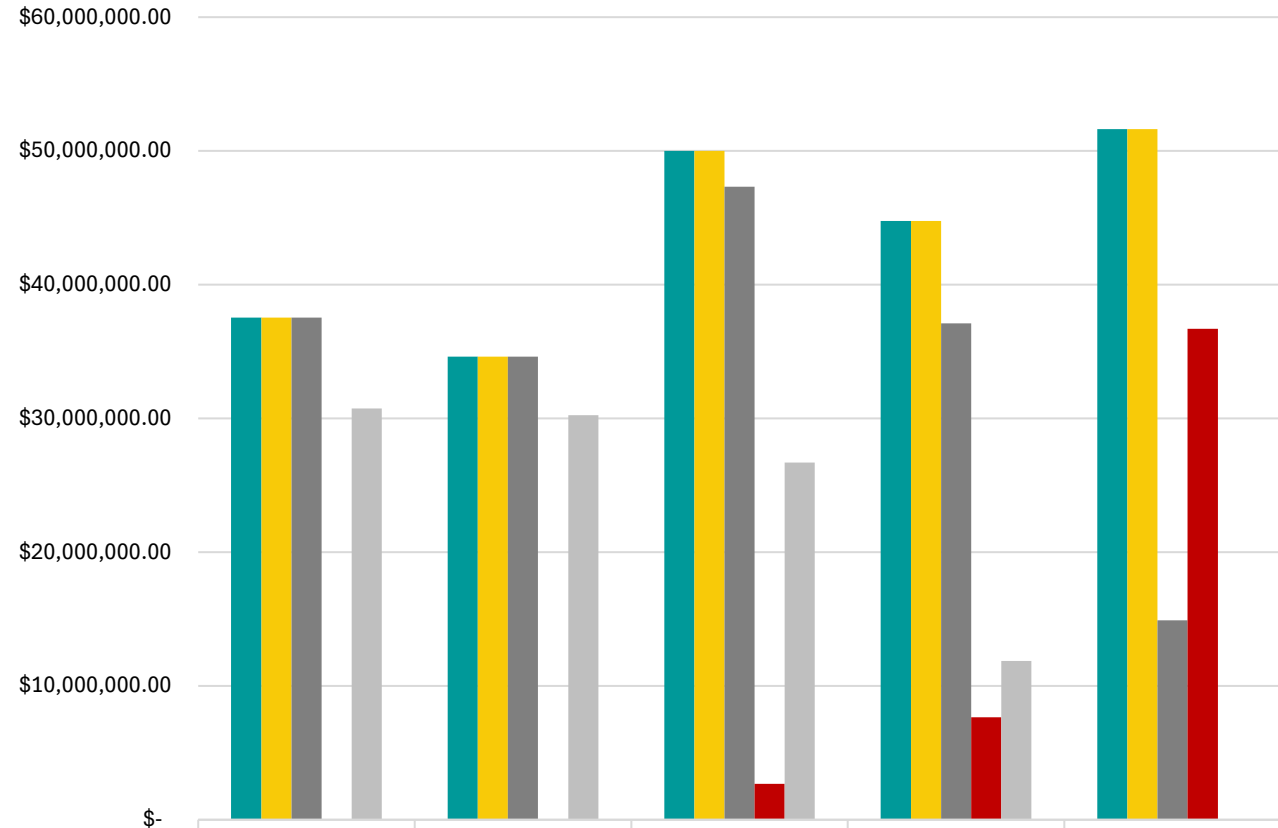
■ Total Encumbered but not Awarded

\$47,037,146.00

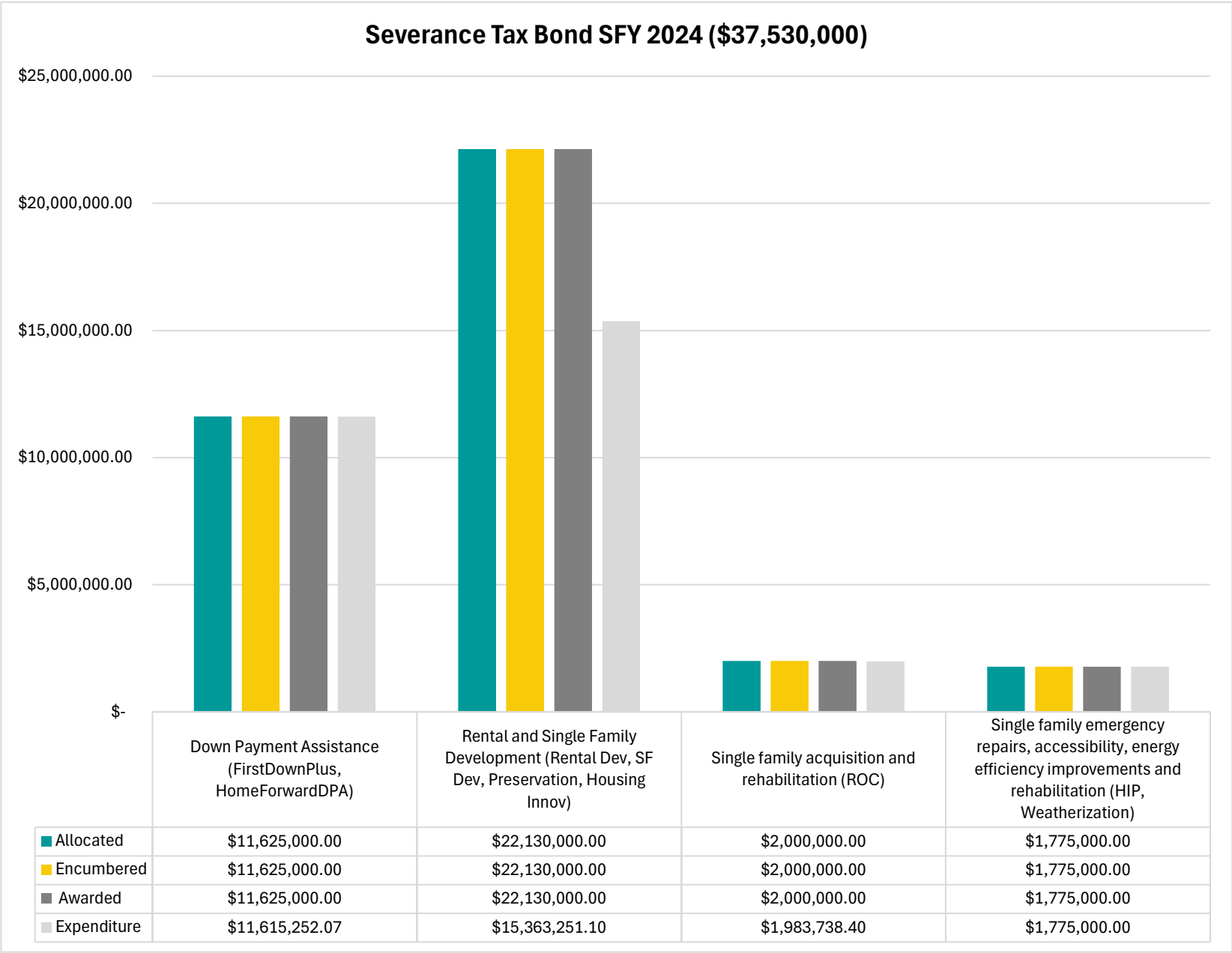
■ Total Expended (Amount paid to awardees)

\$99,545,868.51

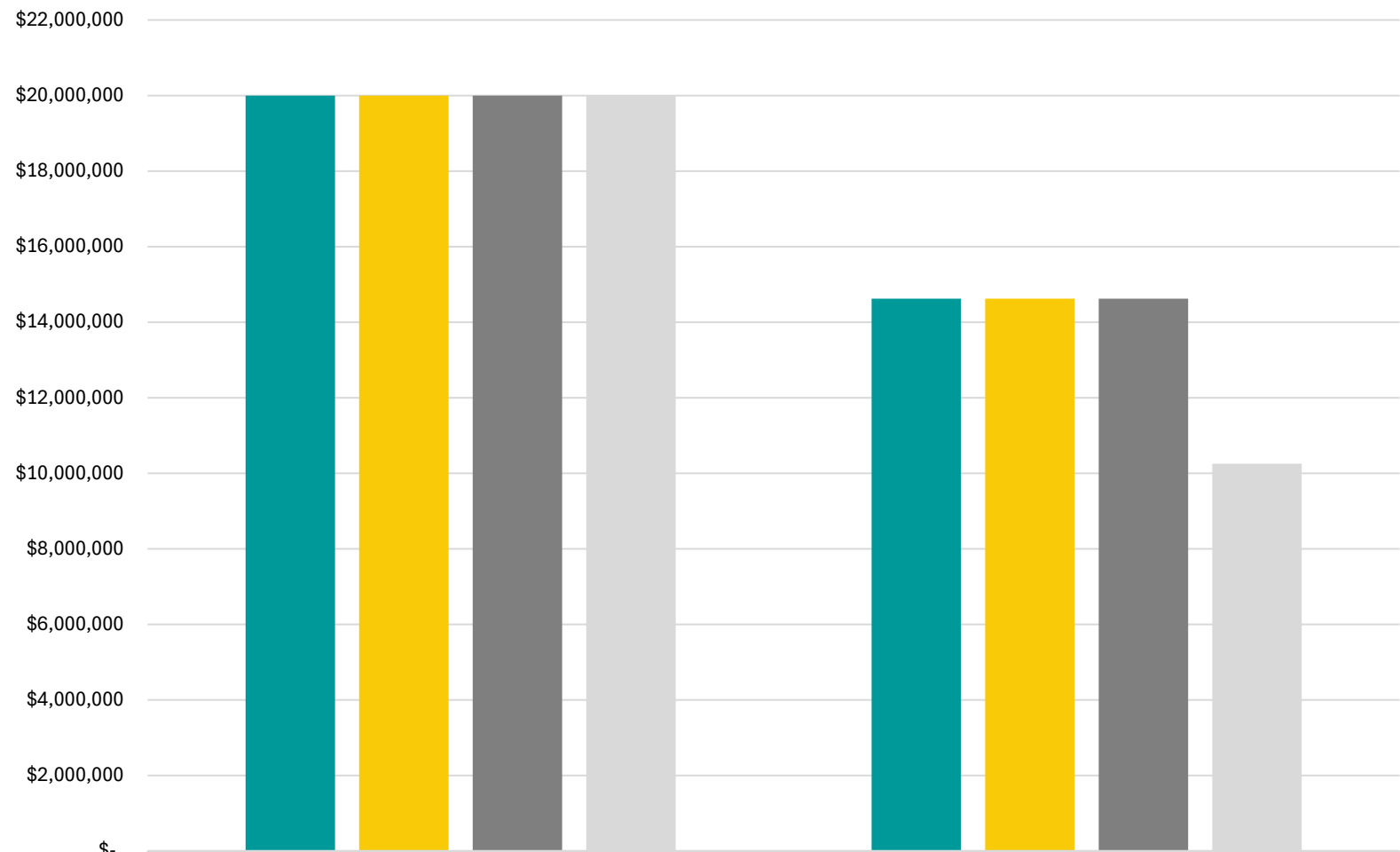
New Mexico Housing Trust Fund Update



Total Allocation (Certified amount)	\$37,530,000.00	\$34,620,000.00	\$50,000,000.00	\$44,763,415.00	\$51,628,000.00
Total Encumbered (Procured)	\$37,530,000.00	\$34,620,000.00	\$50,000,000.00	\$44,763,415.00	\$51,628,000.00
Total Awarded (Contractually Committed to awardee)	\$37,530,000.00	\$34,620,000.00	\$47,322,703.00	\$37,114,266.00	\$14,917,300.00
Total Encumbered but not Awarded	\$-	\$-	\$2,677,297.00	\$7,649,149.00	\$36,710,700.00
Total Expended (Amount paid to awardees)	\$30,737,241.57	\$30,250,864.45	\$26,695,256.38	\$11,862,506.11	\$-

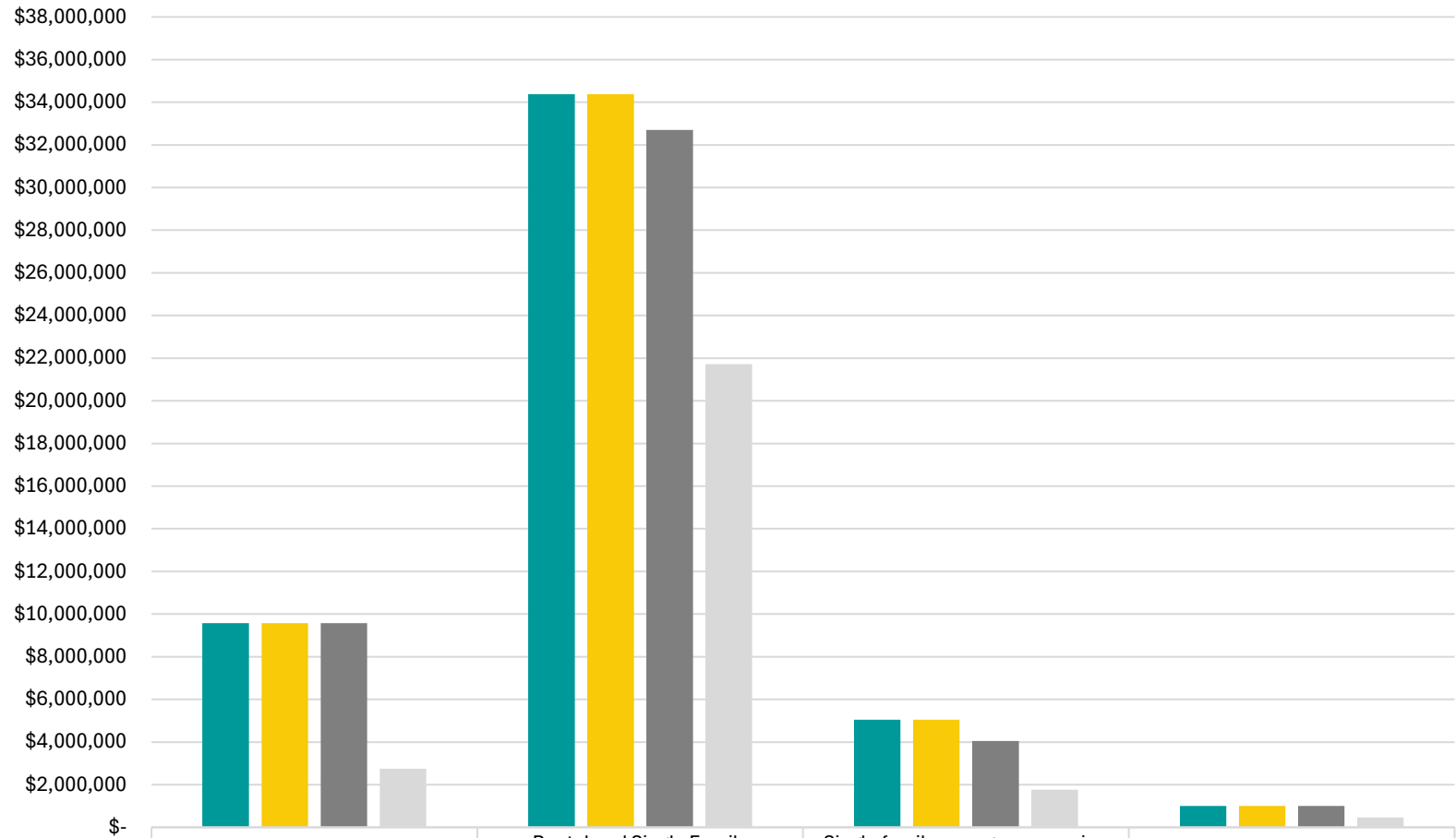


Severance Tax Bond SFY 2025 (\$34,620,000)

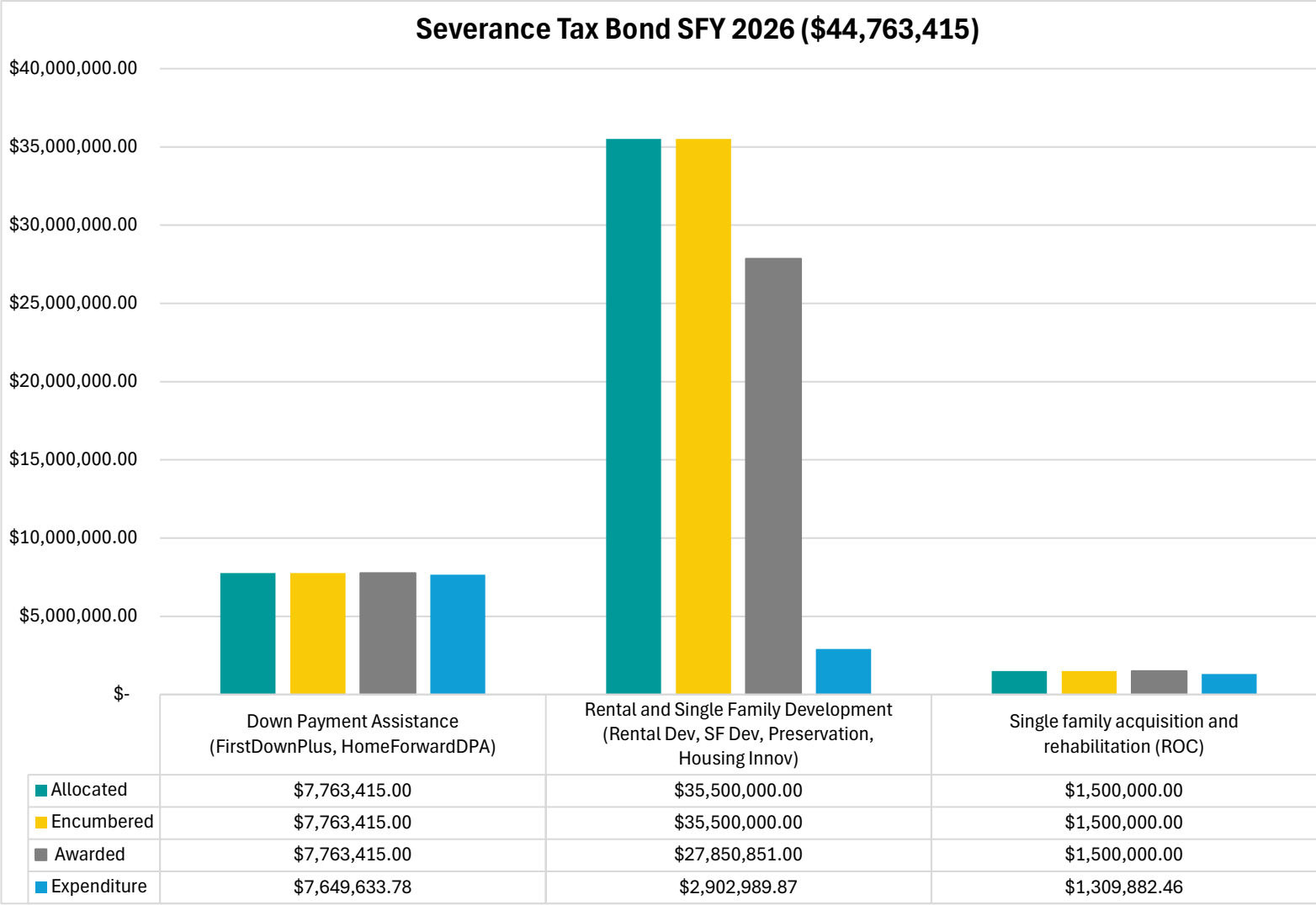


	Down Payment Assistance (FirstDownPlus, HomeForwardDPA)	Rental and Single Family Development (Rental Dev, SF Dev, Preservation, Housing Innov)
Allocated	\$20,000,000	\$14,620,000
Encumbered	\$20,000,000	\$14,620,000
Awarded	\$20,000,000	\$14,620,000
Expenditure	\$19,996,006	\$10,254,858

State General Fund Approp. SFY 25 (\$50,000,000)



Allocated	\$9,570,000.00	\$34,380,000.00	\$5,050,000.00	\$1,000,000.00
Encumbered	\$9,570,000	\$34,380,000.00	\$5,050,000.00	\$1,000,000.00
Awarded	\$9,570,000.00	\$32,702,703.00	\$4,050,000.00	\$1,000,000.00
Expenditure	\$2,745,888.56	\$21,720,133.36	\$1,769,859.42	\$459,375.04



■ Allocated

■ Encumbered

■ Awarded

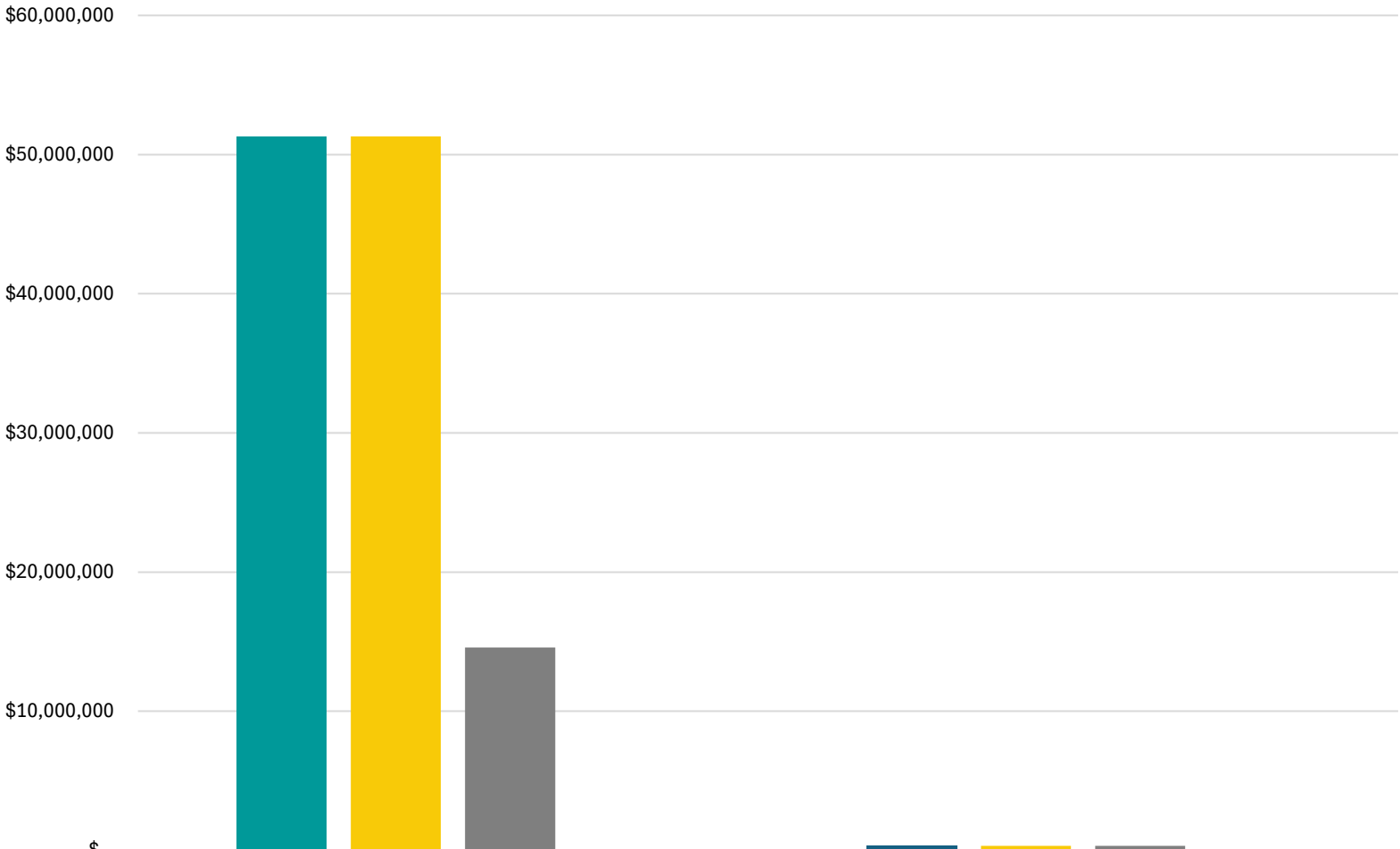
■ Expenditure

Down Payment Assistance (FirstDownPlus, HomeForwardDPA)	
Allocated	\$7,763,415.00
Encumbered	\$7,763,415.00
Awarded	\$7,763,415.00
Expenditure	\$7,649,633.78

Rental and Single Family Development (Rental Dev, SF Dev, Preservation, Housing Innov)	
Allocated	\$35,500,000.00
Encumbered	\$35,500,000.00
Awarded	\$27,850,851.00
Expenditure	\$2,902,989.87

Single family acquisition and rehabilitation (ROC)	
Allocated	\$1,500,000.00
Encumbered	\$1,500,000.00
Awarded	\$1,500,000.00
Expenditure	\$1,309,882.46

Severance Tax Bond SFY 2027 (\$51,628,000)



	Rental and Single Family Development (Rental Dev, SF Dev, Preservation, Housing Innov)	Single family acquisition and rehabilitation (ROC)
Allocated	\$51,300,000	\$328,000
Encumbered	\$51,300,000	\$328,000
Awarded	\$14,589,300	\$328,000
Expenditure	\$-	\$-

New Mexico Mortgage Finance Authority

Combined Financial Statements
and Schedules

May 31, 2026

Housing New Mexico | MFA
Financial Review
For the eight-month period ended May 31, 2026

Comparative Fiscal Year-to-Date Figures (Dollars \$ in millions):

	8 months 5/31/2026	8 months 5/31/2025	Change Year / Year	Forecast 5/31/2026	Actual to Forecast
<u>BOND ISSUANCE</u>					
1 Single Family Bonds Issued (new money):	\$ 259.7	\$ 330.0	-21.3%	\$ 283.3	-8.4%
<u>PRODUCTION</u>					
2 Single-family Mortgages Settled (bond financing):	\$ 282.3	\$ 283.7	-0.5%	\$ 283.0	-0.2%
3 Single-family Mortgages Settled & Sold (TBA execution):	\$ 85.4	\$ 83.8	1.9%	\$ 68.2	25.1%
4 Total Single-family Mortgage Production	\$ 367.7	\$ 367.5	0.1%	\$ 351.2	4.7%
5 Single-family MBS Payoffs (unscheduled):	\$ 54.1	\$ 50.4	7.4%	\$ 45.4	19.2%
<u>STATEMENT OF NET POSITION</u>					
6 Average Earning Assets:	\$ 2,848.6	\$ 2,429.3	17.3%	\$ 2,925.4	-2.6%
7 General Fund Cash and Investments:	\$ 110.7	\$ 108.3	2.2%	\$ 87.2	26.9%
8 SIC FMV Adjustment (General Fund):	\$ 1.8	\$ (0.3)	728.7%	N/A	N/A
9 Total Bonds Outstanding:	\$ 2,604.5	\$ 2,250.3	15.7%	\$ 2,578.1	1.0%
<u>STATEMENT OF REVENUES, EXPENSES, AND NET POSITION</u>					
10 General Fund Expenses (excluding capitalized assets):	\$ 20.4	\$ 20.9	-2.3%	\$ 24.4	-16.1%
11 General Fund Revenues:	\$ 27.3	\$ 28.7	-5.0%	\$ 27.2	0.04%
12 Combined Net Revenues (all funds):	\$ 41.1	\$ 30.2	36.0%	N/A	N/A
13 SIC FMV Adjustment (combined net revenues):	\$ 1.8	\$ (0.4)	580.8%	N/A	N/A
14 Combined Net Position:	\$ 462.3	\$ 408.2	13.2%	\$ 462.8	-0.1%
15 Combined Return on Average Earning Assets:	2.16%	1.86%	16.3%	N/A	N/A
16 SIC FMV Adjustment (return on average earning assets):	0.09%	-0.03%	457.5%	N/A	N/A
17 TBA-execution Cash Profit (as a % of loans sold):	1.31%	1.35%	-3.0%	0.50%	162.0%
18 Combined Interest Margin:	0.83%	0.89%	-6.4%	0.82%	1.2%
<u>MOODY'S BENCHMARKS</u>					
19 Net Asset to Debt Ratio (5-year average):	21.36%	22.83%	-6.5%	21.57%	-1.0%
20 Net Revenues as a % of Total Revenues (5-year average):	13.67%	12.66%	7.9%	16.01%	-14.7%
<u>SERVICING</u>					
21 Subserviced Portfolio Balance (IHFA first mortgages)	\$ 3,181.5	\$ 2,812.9	13.1%	\$ 2,810.1	13.2%
22 Servicing Yield (subserviced portfolio)	0.354%	0.366%	-3.4%	0.387%	-8.6%
23 Combined Average Delinquency Rate (Housing New Mexico-serviced loans)	10.19%	9.61%	6.0%	N/A	N/A
24 DPA Loan Delinquency Rate	11.28%	10.59%	6.5%	N/A	N/A
25 Default Rate (Housing New Mexico-serviced loans)	0.81%	0.77%	5.2%	N/A	N/A
26 Subserviced Portfolio Delinquency Rate (IHFA first mortgages)	12.93%	11.16%	15.9%	N/A	N/A
27 Net Mortgage Servicing Rights Valuation (end of fiscal year Q2)	\$ 11.8	\$ 12.1	-2.3%	N/A	N/A

Legend:

Positive Trend Caution Negative Trend Known Trend/Immaterial

Housing New Mexico | MFA
Financial Review
For the eight-month period ended May 31, 2026

CURRENT YEAR FINANCIAL TRENDS & VARIANCES:

BOND ISSUANCE

● In November 2025, Housing New Mexico issued a Convertible Option Bond (\$192.97mm), preserving tax-exempt authority used later in February's 2026 Series AB issuance (\$120mm). While new-money transactions are on an atypical schedule, Housing New Mexico still observes consistent bond-funded production in single-family mortgages (~0.1% more pooling than last year). In May 2026, Housing New Mexico issued 2026 Series CD for \$150mm, of which ~\$139.65mm are expected to fund new mortgages.

PRODUCTION

● The rate of pooling single-family mortgages is effectively flat year-over-year and in-line with forecasted figures. Unscheduled payoffs are also slightly higher than as well, but likely more a function of a proportionally higher balance of loans than observed higher prepayment speeds.

STATEMENT OF NET POSITION

● Housing New Mexico's funds invested with the State Investment Council outpaced growth compared to last year, however it still remains subject to changes in the macroeconomic climate, which are not under Housing New Mexico's direct control.

STATEMENT OF REVENUES, EXPENSES, AND NET POSITION

● Both General Fund revenues and expenses are slightly behind its pace from last year, but both are also notably outperforming budget as well. Year-over-year, combined net revenues also increased by 42.8%.

MOODY'S BENCHMARKS

Both the Net Asset to Debt Ratio and Net Revenue as a % of Total Revenue Ratio are measured as five-year averages, which may not reflect the standalone year-over-year change that these measures might otherwise exhibit.

- Based on Moody's Issuer Credit Rating scorecard, Housing New Mexico's 21.36% 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%). The 1-year measurement for this ratio as of May 2026 is 19.72%, an function of the record bond issuances and low prepayment speeds that we have consistently observed for a couple of years. Staff continue to monitor this figure and seek ways to mitigate the impact.
- Housing New Mexico's Net Revenue as a % of Total Revenue (5-year average) is currently 13.67%, indicating high profitability and favorable trends (>10%). The 1-year measurement as of May 2026 is 22.01%.
- Moody's Investor Services completed an updated credit opinion on Housing New Mexico's Issuer Credit Rating in December 2024, to which they assigned the Aa3 rating with a stable outlook. Comments included a high Net Asset to Debt Ratio, solid profitability, and a conservative/low-risk profile not currently exposed to variable-rate debt.

SERVICING

● The Mortgage Bankers Association (MBA) reported in their quarterly survey as of March 2026, that the national delinquency rate for FHA fixed-rate loans is 11.88% (seasonally adjusted), and 8.68% in New Mexico. The Federal Housing Administration (HUD) reported Single Family Loan Performance Trends in April 2026, showing a 14.51% national delinquency (for FHA-insured purchase loans only), which decreased from 14.67% in March 2026.

- Data from both sources typically lag about 2-3 months after each quarter/month end.

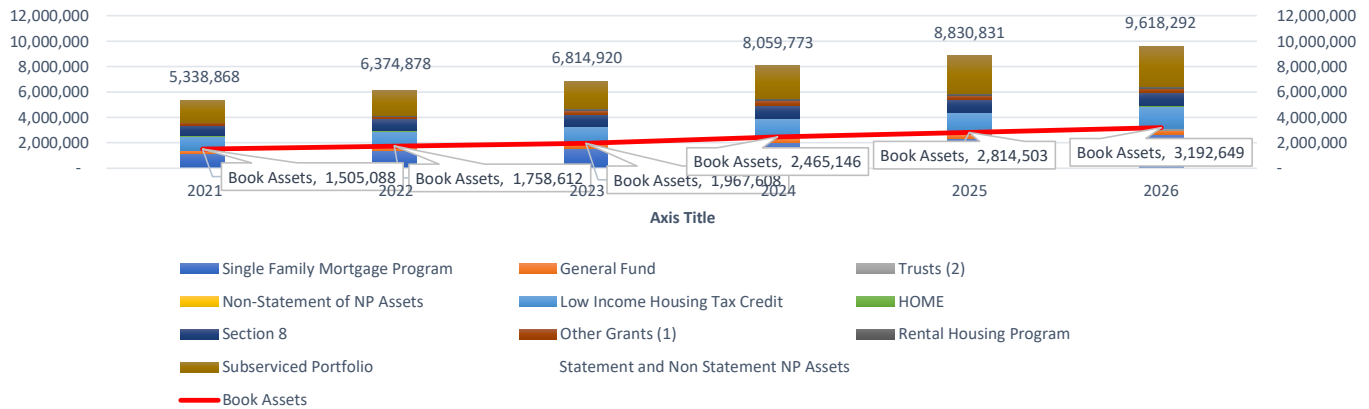
- These figures can be used for market comparison, but may not always align with trends seen internally.

- Housing New Mexico's portfolio of single-family mortgages sits higher than MBA's measured New Mexico benchmark, but lower than HUD's measured national benchmark by comparison. The subserviced portfolio delinquency rate, currently serviced by Idaho Housing and Finance Association, stands at 12.93%, ~16% higher from last year. The subserviced portfolio is characterized by approximately 82% FHA-insured loans, 16% conventional GSE-insured loans, and 1% whole or warehoused loans; all fixed-rate. Its internal servicing delinquency rate is currently 10.19%, a ~6.0% increase from last year. Housing New Mexico continues to monitor delinquencies on its loan portfolio to identify reduction strategies and refer borrowers to available loss mitigation programs.
- Housing New Mexico's DPA delinquency rate is lower than last year, a notable reversal in trends observed earlier in the year. Housing New Mexico continues to monitor and support borrowers who are delinquent in order to prevent further delinquency or default, and promote favorable homeownership practices.
- Housing New Mexico's annualized default rate is 0.81%, in-line with this time last year. Macroeconomic inflationary pressures, high interest rates, and a weakening labor market can be major contributors to general default trends. Of note, defaults can also increase Housing New Mexico's unscheduled payoffs figure.
- The fair-market value for mortgage servicing rights as of December 2025 is \$37.4 million; subtracting out the book cost (\$25.6 million) leaves Housing New Mexico with a net value in purchased mortgage servicing rights of \$11.8 million, an increase in the net over the quarter (approximately \$1.5 million). GASB requires Housing New Mexico to record the value of servicing rights at the 'lower of cost or market'. Nevertheless, the FMV remains elevated from recent years, a function of continued uncertainty in the interest rate environment and sustained, lower-than-average projections for future prepayment speeds across the market, which may differ from Housing New Mexico's observed payoffs. Valuations are obtained quarterly.

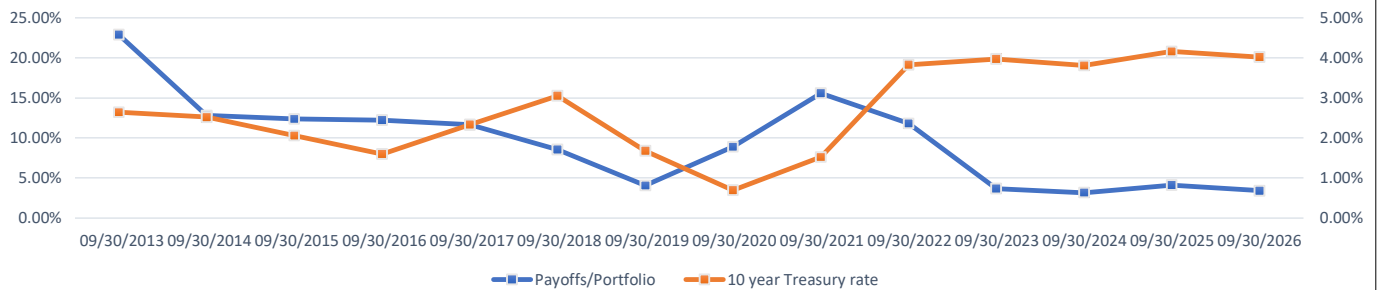
ADDITIONAL NOTES

- Bond Payoffs, GF expenses, and servicing delinquency & default rates use an inverse scale to measure year-over-year change. The colors in the comparison columns reference a materiality threshold of 10%, with a cautionary range between 10% and 25%. An exception to this are data which fluctuate in direct proportion with other figures; these figures are coded as known trends.
- The forecasted values for fiscal year 2026 are based off of historical data as of September 30, 2024 (Fiscal Year-end 2024).

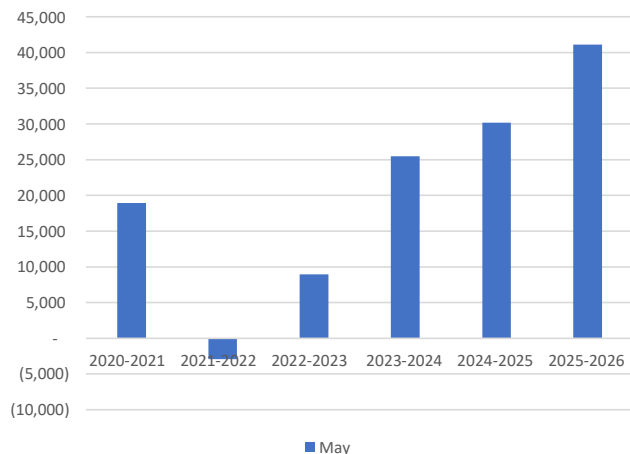
Assets Under Management as of 05/31/2026 (\$ in thousands)



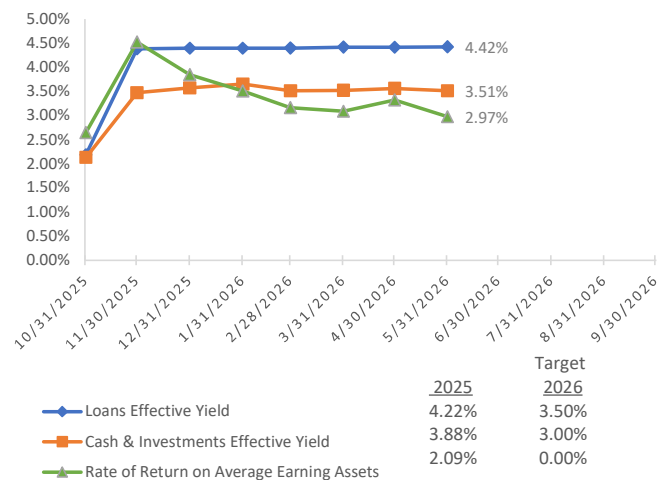
YTD Annualized Payoffs as a percentage of Single Family Mortgage Portfolio as of 05/31/2026



YTD Excess Revenues over Expenses as of 05/31/2026



YIELD TARGETS 09/30/2026



(1) 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

HOUSING NEW MEXICO | MFA
COMBINED STATEMENT OF NET POSITION
MAY 2026
(THOUSANDS OF DOLLARS)

	<u>YTD 05/31/2026</u>	<u>YTD 05/31/25</u>
<u>ASSETS:</u>		
<u>CURRENT ASSETS:</u>		
CASH & CASH EQUIVALENTS	89,481	\$98,280
RESTRICTED CASH HELD IN ESCROW	11,383	10,187
SHORT-TERM INVESTMENTS	-	-
ACCRUED INTEREST RECEIVABLE	13,900	9,393
OTHER CURRENT ASSETS	10,802	6,919
ADMINISTRATIVE FEES RECEIVABLE (PAYABLE)	-	-
INTER-FUND RECEIVABLE (PAYABLE)	0	(0)
TOTAL CURRENT ASSETS	<u>125,567</u>	<u>124,779</u>
CASH - RESTRICTED	171,553	260,639
LONG-TERM & RESTRICTED INVESTMENTS	70,614	63,145
INVESTMENTS IN RESERVE FUNDS	151,970	-
FNMA, GNMA, & FHLMC SECURITIZED MTG. LOANS	2,349,041	2,046,988
MORTGAGE LOANS RECEIVABLE	293,749	242,279
ALLOWANCE FOR LOAN LOSSES	(17,500)	(15,142)
NOTES RECEIVABLE	-	-
FIXED ASSETS, NET OF ACCUM. DEPN	13,816	14,378
OTHER REAL ESTATE OWNED, NET	7,193	6,142
OTHER NON-CURRENT ASSETS	3	6
INTANGIBLE ASSETS	26,444	24,126
TOTAL ASSETS	<u>3,192,449</u>	<u>2,767,340</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
REFUNDINGS OF DEBT	200	251
TOTAL ASSETS & DEFERRED OUTFLOWS OF RESOURCES	<u>3,192,649</u>	<u>2,767,591</u>
<u>LIABILITIES AND NET POSITION:</u>		
<u>LIABILITIES:</u>		
<u>CURRENT LIABILITIES:</u>		
ACCRUED INTEREST PAYABLE	\$28,575	\$24,202
ACCOUNTS PAYABLE AND ACCRUED EXPENSES	14,217	17,363
ESCROW DEPOSITS & RESERVES	11,093	9,991
TOTAL CURRENT LIABILITIES	<u>53,885</u>	<u>51,557</u>
BONDS PAYABLE, NET OF UNAMORTIZED DISCOUNT	2,604,548	2,250,260
MORTGAGE & NOTES PAYABLE	71,565	57,074
ACCRUED ARBITRAGE REBATE	-	-
OTHER LIABILITIES	232	271
TOTAL LIABILITIES	<u>2,730,230</u>	<u>2,359,161</u>
DEFERRED INFLOWS	163	199
TOTAL LIAB/DEFERRED INFLOWS	<u>2,730,393</u>	<u>2,359,360</u>
<u>NET POSITION:</u>		
NET INVESTED IN CAPITAL ASSETS	13,816	14,378
UNAPPROPRIATED NET POSITION (NOTE 1)	198,182	159,040
APPROPRIATED NET POSITION (NOTE 1)	250,258	234,812
TOTAL NET POSITION	<u>462,256</u>	<u>408,231</u>
TOTAL LIABILITIES & NET POSITION	<u>3,192,649</u>	<u>2,767,591</u>

HOUSING NEW MEXICO | MFA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE SIXTH MONTH ENDED APRIL 2026
(THOUSANDS OF DOLLARS)

	<u>YTD 05/31/2026</u>	<u>YTD 05/31/25</u>
<u>OPERATING REVENUES:</u>		
INTEREST ON LOANS	\$74,662	\$61,819
INTEREST ON INVESTMENTS & SECURITIES	10,221	8,550
LOAN & COMMITMENT FEES	2,778	3,022
ADMINISTRATIVE FEE INCOME (EXP)	5,127	5,097
RTC, RISK SHARING & GUARANTY INCOME	86	77
HOUSING PROGRAM INCOME	3,036	2,313
LOAN SERVICING INCOME	7,916	7,201
OTHER OPERATING INCOME	-	-
SUBTOTAL OPERATING REVENUES	<u>103,826</u>	<u>88,079</u>
<u>NON-OPERATING REVENUES:</u>		
ARBITRAGE REBATE INCOME (EXPENSE)	-	-
GAIN(LOSS) ASSET SALES/DEBT EXTINGUISHMENT	1,808	1,436
OTHER NON-OPERATING INCOME	83	1
GRANT AWARD INCOME	92,781	70,957
SUBTOTAL NON-OPERATING REVENUES	<u>94,672</u>	<u>72,394</u>
TOTAL REVENUES	<u>198,498</u>	<u>160,473</u>
<u>OPERATING EXPENSES:</u>		
ADMINISTRATIVE EXPENSES	17,347	17,138
INTEREST EXPENSE	69,078	55,986
AMORTIZATION OF BOND/NOTE PREMIUM(DISCOUNT)	(4,126)	(2,424)
PROVISION FOR LOAN LOSSES	724	(127)
MORTGAGE LOAN & BOND INSURANCE	82	-
TRUSTEE FEES	200	157
AMORT. OF SERV. RIGHTS & DEPRECIATION	1,897	2,264
BOND COST OF ISSUANCE	2,581	2,782
SUBTOTAL OPERATING EXPENSES	<u>87,782</u>	<u>75,775</u>
<u>NON-OPERATING EXPENSES:</u>		
CAPACITY BUILDING COSTS	151	107
GRANT AWARD EXPENSE	69,476	54,395
OTHER NON-OPERATING EXPENSE	21	-
SUBTOTAL NON-OPERATING EXPENSES	<u>69,648</u>	<u>54,502</u>
TOTAL EXPENSES	<u>157,431</u>	<u>130,277</u>
NET REVENUES	41,067	30,196
OTHER FINANCING SOURCES (USES)	-	0
NET REVENUES AND OTHER FINANCING SOURCES(USES)	<u>41,067</u>	<u>30,196</u>
NET POSITION AT BEGINNING OF YEAR	<u>421,189</u>	<u>378,035</u>
NET POSITION AT 05/31/2026	<u><u>462,256</u></u>	<u><u>408,231</u></u>

NOTES TO FINANCIAL STATEMENTS
(For Informational Purposes Only)
(in Thousands of Dollars)

(Note 1) Housing New Mexico Net Position as of May 31, 2026

UNAPPROPRIATED NET POSITION:

\$ 45,545	is held by Bond Program Trustees and is pledged to secure repayment of the Bonds.
\$ 152,053	is held in Trust for the NM Housing Trust Fund and the NM Land Title Trust Fund.
\$ 584	is held for New Mexico Affordable Housing Charitable Trust.
\$ 198,181	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:

\$ 129,986	for use in the Housing Opportunity Fund (\$114,862 in loans and grants plus \$15,124 unfunded, of which \$8,009 is committed).
\$ 48,157	for future use in Single Family & Multi-Family housing programs.
\$ 878	for loss exposure on Risk Sharing loans.
\$ 13,816	invested in capital assets, net of related debt.
\$ 25,978	invested in mortgage servicing rights.
\$ 17,717	for the future General Fund Budget year ending 09/30/26 (\$40,876 total budget less \$23,159 expended budget through 5/31/26.)
\$ 236,532	Subtotal - General Fund

APPROPRIATED NET POSITION: HOUSING

\$ 27,542	for use in the federal and state housing programs administered by Housing New Mexico.
\$ 27,542	Subtotal - Housing Program
\$ 264,074	Total Appropriated Net Position
\$ 462,256	Total Combined Net Position at May 31, 2026

Total combined Net Position, or reserves, at March 31, 2026 was \$462 million, of which \$198 million was pledged to the bond programs, Affordable Housing Charitable Trust and fiduciary trusts. \$264.1 million of available reserves, with \$110.7 million primarily liquid in the General Fund and in the federal and state Housing programs and \$153.4 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.

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

GENERAL FUND
Fiscal Year 2025-2026 Budget
For the eight months ended 05/31/26

	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 %
Interest Income	901,302	7,024,185	7,330,398	10,995,597	306,213	3,971,412	63.88%
Interest on Investments & Securities	254,029	2,028,247	1,997,701	2,996,551	(30,546)	968,304	67.69%
Loan & Commitment Fees	(70,493)	6,527	209,990	314,985	203,463	308,458	2.07%
Administrative Fee Income (Exp)	1,098,091	8,512,713	8,206,687	12,310,030	(306,026)	3,797,317	69.15%
Risk Sharing/Guaranty/RTC fees	127	31,484	259,239	388,858	227,755	357,374	8.10%
Housing Program Income	205,693	1,737,757	1,234,523	1,851,784	(503,234)	114,027	93.84%
Loan Servicing Income	1,046,233	7,915,952	8,006,107	12,009,161	90,155	4,093,209	65.92%
Other Operating Income			-	-	-	-	
Operating Revenues	3,434,982	27,256,865	27,244,644	40,866,966	(12,221)	13,610,101	66.70%
Gain (Loss) Asset Sale/Debt Ex	1,500,135	1,839,478	-	-	(1,839,478)	(1,839,478)	
Other Non-operating Income	20	82,595	100	150	(82,495)	(82,445)	
Non-Operating Revenues	1,500,155	1,922,073	100	150	(1,921,973)	(1,921,923)	
Revenue	4,935,138	29,178,938	27,244,744	40,867,116	(1,934,194)	11,688,178	71.40%
Salaries	592,032	4,906,095	5,813,106	8,396,709	907,012	3,490,615	58.43%
Overtime	2,487	12,162	17,992	25,988	5,829	13,825	46.80%
Incentives	4,309	291,886	496,352	717,104	204,466	425,218	40.70%
Payroll taxes, Employee Benefits	311,226	2,298,842	3,099,091	4,475,900	800,249	2,177,058	51.36%
Compensation	910,054	7,508,985	9,426,541	13,615,701	1,917,556	6,106,716	55.15%
Business Meals Expense	73	1,489	8,927	13,390	7,438	11,901	11.12%
Public Information	58,008	240,515	297,773	446,660	57,258	206,145	53.85%
In-State Travel	8,358	39,975	108,271	162,407	68,296	122,432	24.61%
Out-of-State Travel	10,562	95,949	172,105	258,157	76,155	162,208	37.17%
Travel & Public Information	77,000	377,929	587,076	880,614	209,147	502,685	42.92%
Utilities/Property Taxes	16,964	132,574	144,713	217,070	12,139	84,496	61.07%
Insurance, Property & Liability	23,620	178,074	176,969	265,454	(1,105)	87,380	67.08%
Repairs, Maintenance & Leases	74,149	1,079,308	1,035,101	1,552,652	(44,206)	473,344	69.51%
Supplies	5,190	32,494	20,767	31,150	(11,727)	(1,344)	104.31%
Postage/Express mail	7,113	56,364	46,307	69,460	(10,057)	13,096	81.15%
Telephone	6,152	26,298	19,243	28,864	(7,056)	2,566	91.11%
Janitorial	4,005	32,038	33,667	50,500	1,629	18,462	63.44%
Office Expenses	128,589	1,462,678	1,383,095	2,074,642	(79,583)	611,964	70.50%
Dues & Periodicals	3,173	44,028	55,620	83,430	11,592	39,402	52.77%
Education & Training	11,488	56,248	119,697	179,546	63,450	123,298	31.33%
Contractual Services	125,102	730,555	1,041,393	1,562,090	310,838	831,535	46.77%
Professional Services-Program	5,558	41,155	54,933	82,400	13,778	41,245	49.95%
Direct Servicing Expenses	883,419	6,225,723	6,139,265	9,208,897	(86,458)	2,983,174	67.61%
Program Expense-Other	33,667	216,058	227,914	341,871	11,856	125,813	63.20%
Rebate Analysis Fees			-	-	-	-	
Other Operating Expense	1,062,406	7,313,765	7,638,823	11,458,234	325,057	4,144,469	63.83%
Interest Expense	242,074	1,817,599	2,227,241	3,340,861	409,641	1,523,262	54.41%

GENERAL FUND
Fiscal Year 2025-2026 Budget
For the eight months ended 05/31/26

	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 %
Non-Cash Expenses	218,808	1,850,701	2,940,745	4,411,117	1,090,044	2,560,416	41.96%
Expensed Assets	694	97,894	154,399	231,598	56,505	133,704	42.27%
Operating Expenses	2,639,624	20,429,552	24,357,918	36,012,767	3,928,367	15,583,216	56.73%
Program Training & Tech Asst	37,797	128,750	78,655	117,982	(50,096)	(10,768)	109.13%
Program Development	2,551	22,408	90,905	136,358	68,497	113,950	16.43%
Capacity Building Costs	40,348	151,158	169,560	254,340	18,402	103,182	59.43%
Other Non Operating Expenses	20,926	20,926			(20,926)	(20,926)	
Non-Operating Expenses	61,275	172,084	169,560	254,340	(2,524)	82,256	67.66%
Expenses	2,700,899	20,601,636	24,527,478	36,267,107	3,925,842	15,665,471	56.81%
Excess Revenue over Expenses	2,234,238	8,577,302	2,717,266	4,600,009	(5,860,036)	(3,977,293)	186.46%

GENERAL FUND CAPITAL BUDGET
Fiscal Year 2025-2026 Budget
For the eight months ended 05/31/26

	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 %
	Actuals		Budget FY2025-26		YTD Budget Under/(Over)	Annual Budget Under/(Over)	Expended Annual Budget %
	P08 Current Month	Year to Date	P08 Year to Date	All Periods Year to Date	P08 Year to Date	P08 Year to Date	P08 Year to Date
2690 PURCHASED SERVICING RIGHTS	309,976	2,484,843	2,733,333	4,100,000	248,491	1,615,157	60.61%
2950 COMPUTER HARDWARE	-	66,884	176,582	264,873	109,698	197,989	25.25%
2960 SOFTWARE LICENSES	-	-	56,667	85,000	56,667	85,000	0.00%
2920 FURNITURE & EQUIPMENT-10 YR	-	5,382	36,133	54,200	30,751	48,818	9.93%
2930 FURNITURE & EQUIP, 5 YR.	-	-	-	-	-	-	
2860 BUILDING	-	35,079	69,733	104,600	34,654	69,521	33.54%
2840 LAND	-	-			-	-	
2937 AUTOMOBILE	-	-	-	-	-	-	
Capital Budget	309,976	2,592,188	3,072,449	4,608,673	480,260	2,016,485	56.25%