

**MINUTES
of the
FOURTH MEETING
of the
MORTGAGE FINANCE AUTHORITY ACT OVERSIGHT COMMITTEE**

**September 26, 2024
Central New Mexico Community College
WORKforce Training Center, Room 103
5600 Eagle Rock Avenue NE
Albuquerque**

The fourth meeting of the Mortgage Finance Authority Act Oversight Committee for the 2024 interim was called to order by Senator Nancy Rodriguez, chair, on Thursday, September 26, 2024, at 10:08 a.m. at the Central New Mexico Community College (CNM) WORKforce Training Center in Albuquerque.

Present

Sen. Nancy Rodriguez, Chair
Rep. Eliseo Lee Alcon, Vice Chair
Sen. Roberto "Bobby" J. Gonzales
Sen. Michael Padilla

Absent

Rep. Meredith A. Dixon
Rep. Rod Montoya
Rep. Angelica Rubio

Advisory Members

Rep. Janelle Anyanonu
Rep. Cynthia Borrego
Rep. Kathleen Cates
Rep. Harry Garcia
Sen. Gerald Ortiz y Pino
Rep. Andrea Romero
Rep. Patricia Roybal Caballero
Rep. Luis M. Terrazas

Sen. Gregory A. Baca
Rep. Ambrose Castellano
Rep. Tara L. Lujan
Sen. Mark Moores

Staff

Cristina Vasquez, Staff Attorney, Legislative Council Service (LCS)
Ric Gaudet, Researcher, LCS

Guests

The guest list is in the meeting file.

Handouts

Handouts and other written testimony are in the meeting file and on the legislature's website.

References to Webcast

The time reference noted next to each agenda item in this document is cross-referenced to the webcast of the committee meeting, which can be found at www.nmlegis.gov, under the "Webcast" tab. The presentations made and committee discussions for agenda items can be found on the recorded webcast for this meeting.

Thursday, September 26

Welcome and Introductions (10:08 a.m.)

Senator Rodriguez welcomed committee members and allowed committee members and staff to introduce themselves.

CNM Welcome and Opening Remarks (10:14 a.m.)

Olivia Padilla-Jackson, vice president of finance and operations, CNM, welcomed the committee to the CNM campus. She talked about the SkillsUSA National Leadership and Skills Conference, which is hosted by CNM every April. The event brings together hundreds of New Mexico high school and community college students to test their skills in various trades that they have learned in their classes. CNM will be asking the legislature for an increased appropriation amount for the next conference so that more students may participate.

Approval of Minutes (10:33 a.m.)

The minutes of the August 16, 2024 committee meeting were approved without changes.

Executive Director Update (10:34 a.m.)

Isidoro "Izzy" Hernandez, executive director and chief executive officer, New Mexico Mortgage Finance Authority (MFA), discussed recent activities of the MFA, including the recent move to the new MFA office. He also updated the committee on various expenditures from the New Mexico Housing Trust Fund and presented that information by county. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=MFA&Date=9/26/2024&ItemNumber=2>.

Building Homeownership Opportunities (11:11 a.m.)

Jeff Payne, chief lending officer, MFA; Rene Acuna, director of homeownership, MFA; and Brian Bagon, area sales manager, CMG Mortgage, discussed how down payment and other mortgage assistance is critical to helping first-time home buyers purchase homes. Programs administered by or in partnership with the MFA include FirstHome, which provides below-market mortgage interest rates for first-time home buyers; FirstDown, which provides a four percent amortizing loan that is used for a down payment; FirstDown Plus, which provides an additional \$10,000 loan for down payment assistance, amortized with zero percent interest; HomeForward, which provides mortgage loans to non-first-time home buyers; HomeForward DPA, which provides down payment assistance in conjunction with the HomeForward program;

and Partners, which purchases mortgages originated by Habitat for Humanity for first-time home buyers. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=MFA&Date=9/26/2024&ItemNumber=3>.

Report on Bonds Issued, Financing Strategy and Market Update (11:58 a.m.)

David Jones, principal, CSG Advisors, and Mina Choo, managing director, RBC Capital Markets, discussed various aspects of financing related to MFA housing bonds. Mr. Jones discussed high mortgage rates, the lack of affordable housing supply and the usage and limitations of private activity bonds, which have a cap in 2024 of \$378 million. Ms. Choo discussed various bond issuances, including tax-exempt and taxable bonds, that the MFA started issuing in 2024 to expand its mortgage capacity. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=MFA&Date=9/26/2024&ItemNumber=4>.

Adjournment

There being no further business before the committee, the meeting adjourned at 12:29 p.m.