



New Mexico Housing Trust Fund – \$500 Million

The New Mexico Housing Trust Fund (NMHTF) was established in 2005 by the legislature to fund the acquisition, building, rehabilitation, preservation, and financing opportunities to address the affordable housing needs of low- and moderate-income New Mexicans. According to data provided by the Department of Housing and Urban Development (HUD), 30% (236,625) of households in New Mexico have at least one housing problem.¹ A transformative investment to the NMHTF is required to address the housing crisis facing the state. The New Mexico Mortgage Finance Authority (MFA), as the Trustee of the NMHTF, has established programs and partnerships to deploy NMHTF funds to meet the continuum of housing needs by

- building rental and homeownership housing,
- supplying downpayment assistance,
- rehabilitating aging housing stock,
- funding homelessness and homelessness prevention programs,
- and investing in innovative affordable housing projects.

Local Government Set-Aside

Increasingly local governments, urban and rural alike, are seeking to spur affordable housing initiatives. In providing additional funding to the NMHTF through Housing New Mexico's proposed appropriation, 10% of the allocation would be set aside for local governments. While local governments are currently eligible to solicit NMHTF funding, the set-aside would ensure that municipalities and counties are guaranteed funding availability. As proposed, local governments would be required to leverage awards made through the set-aside at a rate of 3:1. Additionally, unawarded funds within the set-aside would be released from the set-aside restriction after one-year.

Who will the NMHTF investment serve?

Housing is considered affordable when housing costs do not exceed 30% of a household's income. The MFA Act allows Housing New Mexico to serve households earning up to 150% area median income (AMI) with the NMHTF. In Bernalillo County, 150% AMI means a two-person household earning up to \$129,600 could be eligible for programs funded through the NMHTF.²

What will this investment accomplish?

An investment of \$500 million would allow Housing New Mexico and its partners to serve an estimated 10,500 New Mexicans in addition to those approximately 20,000 families Housing New Mexico is able to serve currently. The table below provides an analysis of how a \$500 million appropriation could improve housing opportunities based on the approximate cost of various program types. Currently, Housing New Mexico

¹ Source: HUD Comprehensive Housing Affordability Strategy 2024 release. HUD identifies housing problems as: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room (overcrowding), and cost burden greater than 30%. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes.

² Other funding sources, primarily federal funding sources, often restrict projects or program to serving lower income households. When NMHTF is leveraged with more restrictive sources, the lower income limits are followed.



maximizes its federal resources for affordable housing, meaning transforming the housing landscape requires significant state investment.

	Assumptions		2025		2026		2027	
	Investment Cost		Assistance Target	Investment Cost	Assistance Target	Investment Cost	Assistance Target	Investment Cost
Down Payment Assistance*	\$10,000	per borrower	2,000	\$ 20,000,000	2,400	\$ 24,000,000	2,640	\$ 26,400,000
Rental Housing Development*	\$50,000	per unit	1,200	\$ 60,000,000	1,440	\$ 72,000,000	1,584	\$ 79,200,000
Single Family Housing Development*	\$250,000	per unit	500	\$ 125,000,000	600	\$ 150,000,000	660	\$ 165,000,000
Single Family Housing Rehabilitation	\$150,000	per unit	100	\$ 15,000,000	120	\$ 18,000,000	132	\$ 19,800,000
Homeless and Homelessness Prevention – Permanent	\$100,000	per unit	200	\$ 20,000,000	240	\$ 24,000,000	264	\$ 26,400,000
Homeless and Homelessness Prevention –Homelessness	\$6,000	per household	1,000	\$ 6,000,000	1,200	\$ 7,200,000	1,320	\$ 7,920,000
Total			5,000	\$ 246,000,000	6,000	\$ 295,200,000	6,600	\$ 324,720,000
Cumulative Total			5,000	\$ 246,000,000	11,000	\$ 541,200,000	17,600	\$ 865,920,000

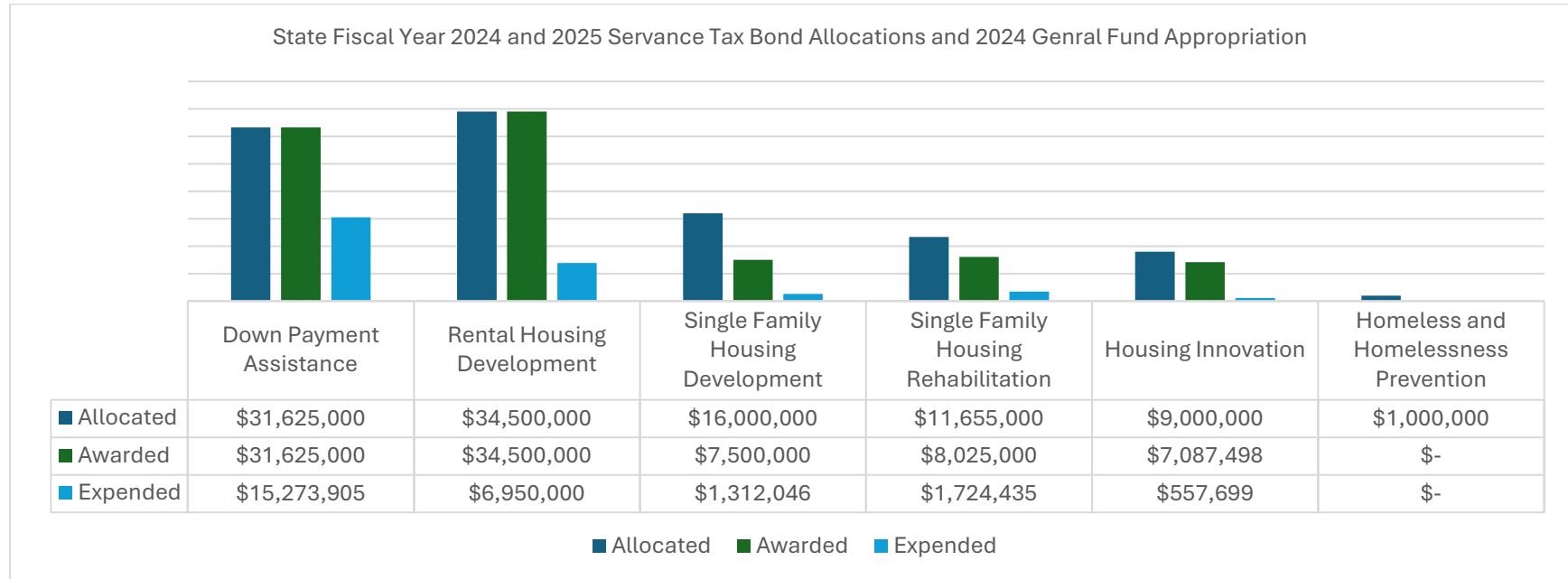
**For these programs, NMHTF awards are typically part of a larger capital stack, are among layered funding sources or administered as a revolving line of credit. The investment costs shown are an estimate of the portion NMHTF would cover.*

Housing New Mexico balances NMHTF allocations to programs based on two primary criteria: meeting housing needs throughout the state and maintaining the sustainability of the funding source. Downpayment assistance and rental and single family housing development are administered as loans, generating program income and significant leverage. Housing New Mexico prioritizes grant funding for programs serving the most vulnerable populations, including those facing or experiencing homelessness as well as very low income seniors and veterans.



NMHTF Performance Metrics

In the 16 months since funding from the NMHTF severance tax bond earmark legislation became available, Housing New Mexico has awarded 73% and expended 21% of the \$122.15 million in NMHTF allocations, which includes \$72.15 million from the severance tax bond earmark (state fiscal year 2024 and 2025) and the one-time \$50 million appropriation. These performance metrics demonstrate Housing New Mexico’s capacity to urgently deploy funding and serve households in need. The table below shows funding allocated, awarded, and expended by activity.



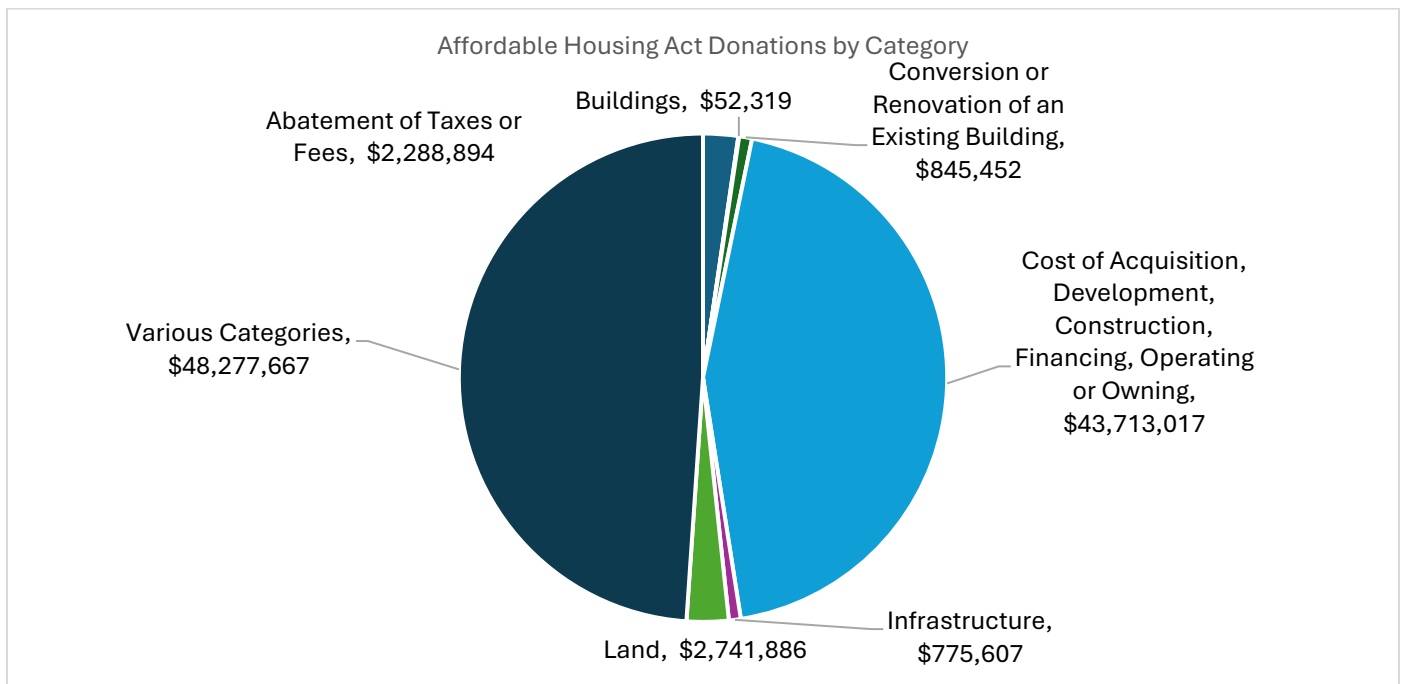


Affordable Housing Act – \$500,000

This appropriation will enable Housing New Mexico to 1) oversee the Affordable Housing Act, including review and approval of plans and ordinances, 2) provide direct technical assistance to local governments in the drafting of an affordable housing plan and affordable housing ordinance, and 3) offer planning and implementation grants to local governments on an as-needed basis.

The Affordable Housing Act was signed into law in 2004. Like the Local Economic Development Act (LEDA), it is an exemption to the state's Anti-Donation clause. It permits the state and local governments to contribute public funds, land, buildings and other resources to create and preserve affordable housing. Housing New Mexico is charged with rulemaking authority and oversight of the Act but receives no funds for these purposes.

The priority for this funding is to help local governments, municipalities, and jurisdictions implement approved housing plans and ordinances, paving the way for communities to increase housing stock and deploy housing solutions that meet local needs while leveraging local resources. To date, Housing New Mexico has assisted 39 local governments achieve Affordable Housing Act compliance support with creating affordable housing plans and ordinances. These local governments have donated land and resources totaling \$98.7 million for affordable housing as of November 2023.





New Mexico Housing Trust Fund Income Limits

2024 150% AMI by Household Size

	1- Person	2- Person	3- Person	4- Person	5- Person	6- Person	7- Person	8- Person
Bernalillo	\$ 90,720	\$ 103,680	\$ 116,640	\$ 129,600	\$ 139,968	\$ 150,336	\$ 160,704	\$ 171,072
Catron	\$ 74,130	\$ 84,720	\$ 95,310	\$ 105,900	\$ 114,372	\$ 122,844	\$ 131,316	\$ 139,788
Chaves	\$ 74,130	\$ 84,720	\$ 95,310	\$ 105,900	\$ 114,372	\$ 122,844	\$ 131,316	\$ 139,788
Cibola	\$ 74,130	\$ 84,720	\$ 95,310	\$ 105,900	\$ 114,372	\$ 122,844	\$ 131,316	\$ 139,788
Colfax	\$ 74,130	\$ 84,720	\$ 95,310	\$ 105,900	\$ 114,372	\$ 122,844	\$ 131,316	\$ 139,788
Curry	\$ 74,130	\$ 84,720	\$ 95,310	\$ 105,900	\$ 114,372	\$ 122,844	\$ 131,316	\$ 139,788
DeBaca	\$ 85,785	\$ 98,040	\$ 110,295	\$ 122,550	\$ 132,354	\$ 142,158	\$ 151,962	\$ 161,766
Dona Ana	\$ 74,130	\$ 84,720	\$ 95,310	\$ 105,900	\$ 114,372	\$ 122,844	\$ 131,316	\$ 139,788
Eddy	\$ 106,890	\$ 122,160	\$ 137,430	\$ 152,700	\$ 164,916	\$ 177,132	\$ 189,348	\$ 201,564
Grant	\$ 75,495	\$ 86,280	\$ 97,065	\$ 107,850	\$ 116,478	\$ 125,106	\$ 133,734	\$ 142,362
Guadalupe	\$ 74,130	\$ 84,720	\$ 95,310	\$ 105,900	\$ 114,372	\$ 122,844	\$ 131,316	\$ 139,788
Harding	\$ 75,915	\$ 86,760	\$ 97,605	\$ 108,450	\$ 117,126	\$ 125,802	\$ 134,478	\$ 143,154
Hidalgo	\$ 74,130	\$ 84,720	\$ 95,310	\$ 105,900	\$ 114,372	\$ 122,844	\$ 131,316	\$ 139,788
Lea	\$ 77,490	\$ 88,560	\$ 99,630	\$ 110,700	\$ 119,556	\$ 128,412	\$ 137,268	\$ 146,124
Lincoln	\$ 74,130	\$ 84,720	\$ 95,310	\$ 105,900	\$ 114,372	\$ 122,844	\$ 131,316	\$ 139,788
Los Alamos	\$ 176,925	\$ 202,200	\$ 227,475	\$ 252,750	\$ 272,970	\$ 293,190	\$ 313,410	\$ 333,630
Luna	\$ 74,130	\$ 84,720	\$ 95,310	\$ 105,900	\$ 114,372	\$ 122,844	\$ 131,316	\$ 139,788
McKinley	\$ 74,130	\$ 84,720	\$ 95,310	\$ 105,900	\$ 114,372	\$ 122,844	\$ 131,316	\$ 139,788
Mora	\$ 74,130	\$ 84,720	\$ 95,310	\$ 105,900	\$ 114,372	\$ 122,844	\$ 131,316	\$ 139,788
Otero	\$ 82,530	\$ 94,320	\$ 106,110	\$ 117,900	\$ 127,332	\$ 136,764	\$ 146,196	\$ 155,628
Quay	\$ 74,130	\$ 84,720	\$ 95,310	\$ 105,900	\$ 114,372	\$ 122,844	\$ 131,316	\$ 139,788
Rio Arriba	\$ 74,130	\$ 84,720	\$ 95,310	\$ 105,900	\$ 114,372	\$ 122,844	\$ 131,316	\$ 139,788
Roosevelt	\$ 76,650	\$ 87,600	\$ 98,550	\$ 109,500	\$ 118,260	\$ 127,020	\$ 135,780	\$ 144,540
Sandoval	\$ 90,720	\$ 103,680	\$ 116,640	\$ 129,600	\$ 139,968	\$ 150,336	\$ 160,704	\$ 171,072
San Juan	\$ 74,130	\$ 84,720	\$ 95,310	\$ 105,900	\$ 114,372	\$ 122,844	\$ 131,316	\$ 139,788
San Miguel	\$ 74,130	\$ 84,720	\$ 95,310	\$ 105,900	\$ 114,372	\$ 122,844	\$ 131,316	\$ 139,788
Santa Fe	\$ 96,075	\$ 109,800	\$ 123,525	\$ 137,250	\$ 148,230	\$ 159,210	\$ 170,190	\$ 181,170
Sierra	\$ 74,130	\$ 84,720	\$ 95,310	\$ 105,900	\$ 114,372	\$ 122,844	\$ 131,316	\$ 139,788
Socorro	\$ 74,130	\$ 84,720	\$ 95,310	\$ 105,900	\$ 114,372	\$ 122,844	\$ 131,316	\$ 139,788
Taos	\$ 78,015	\$ 89,160	\$ 100,305	\$ 111,450	\$ 120,366	\$ 129,282	\$ 138,198	\$ 147,114
Torrance	\$ 90,720	\$ 103,680	\$ 116,640	\$ 129,600	\$ 139,968	\$ 150,336	\$ 160,704	\$ 171,072
Union	\$ 74,130	\$ 84,720	\$ 95,310	\$ 105,900	\$ 114,372	\$ 122,844	\$ 131,316	\$ 139,788
Valencia	\$ 90,720	\$ 103,680	\$ 116,640	\$ 129,600	\$ 139,968	\$ 150,336	\$ 160,704	\$ 171,072

**Housing New Mexico set an income limit floor based on the median income for the state to ensure counties with lower income levels are not disadvantaged.*