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Overview: Homeownership Presentation – LOC 2026

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Presentation Topics

1. 2025 Single Family Program Impact
2. First Mortgage and Down Payment Assistance Program Overview
3. Barriers to Homeownership
4. Legislative Funding Overview

2025 Impact

Created Homeownership and Wealth-Building Opportunities through First Mortgages

$555M In First-Mortgage Financing

2,287 Families

Created Homeownership and Wealth-Building Opportunities through Down Payment Assistance

$28.1M In Assistance Provided

3,311 Loans

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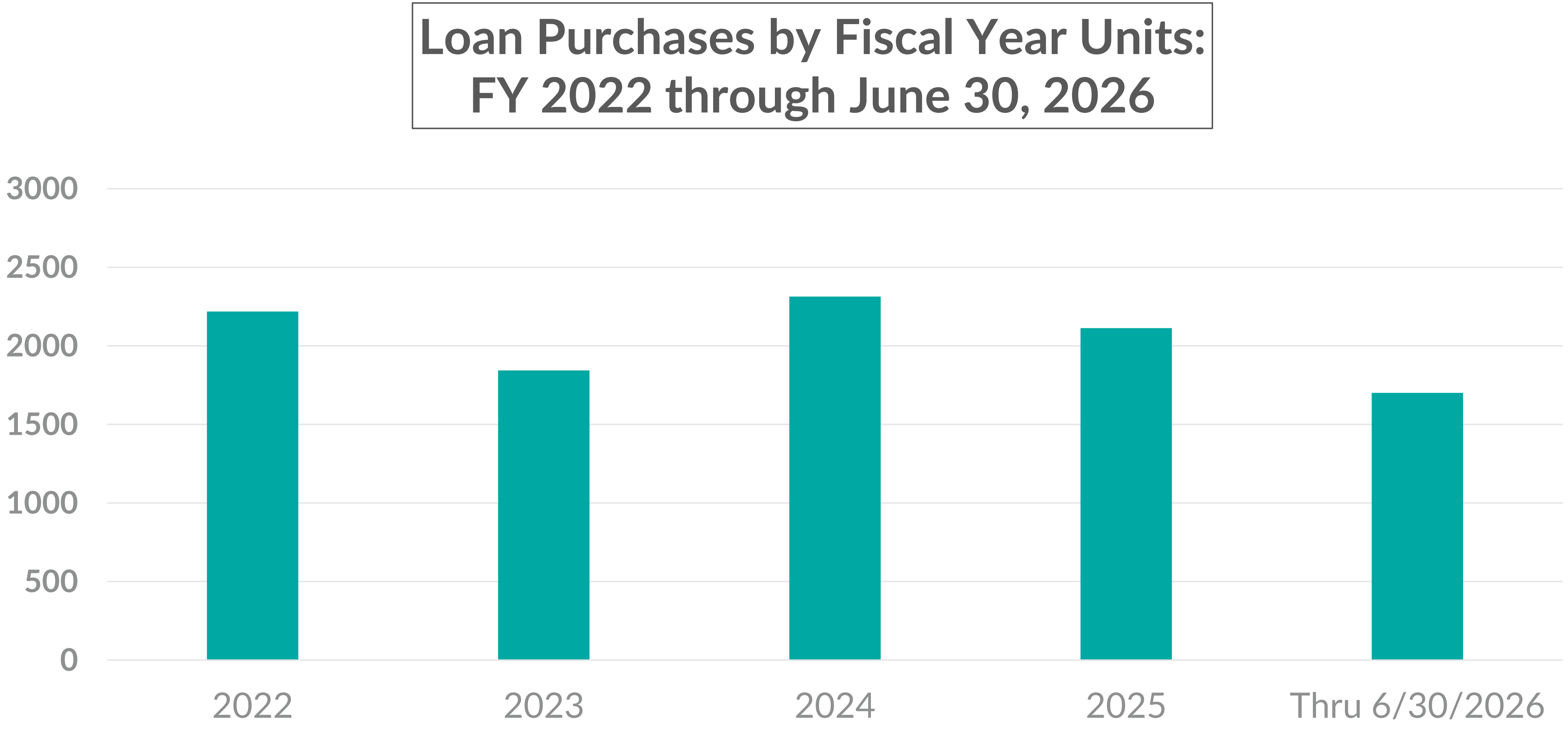
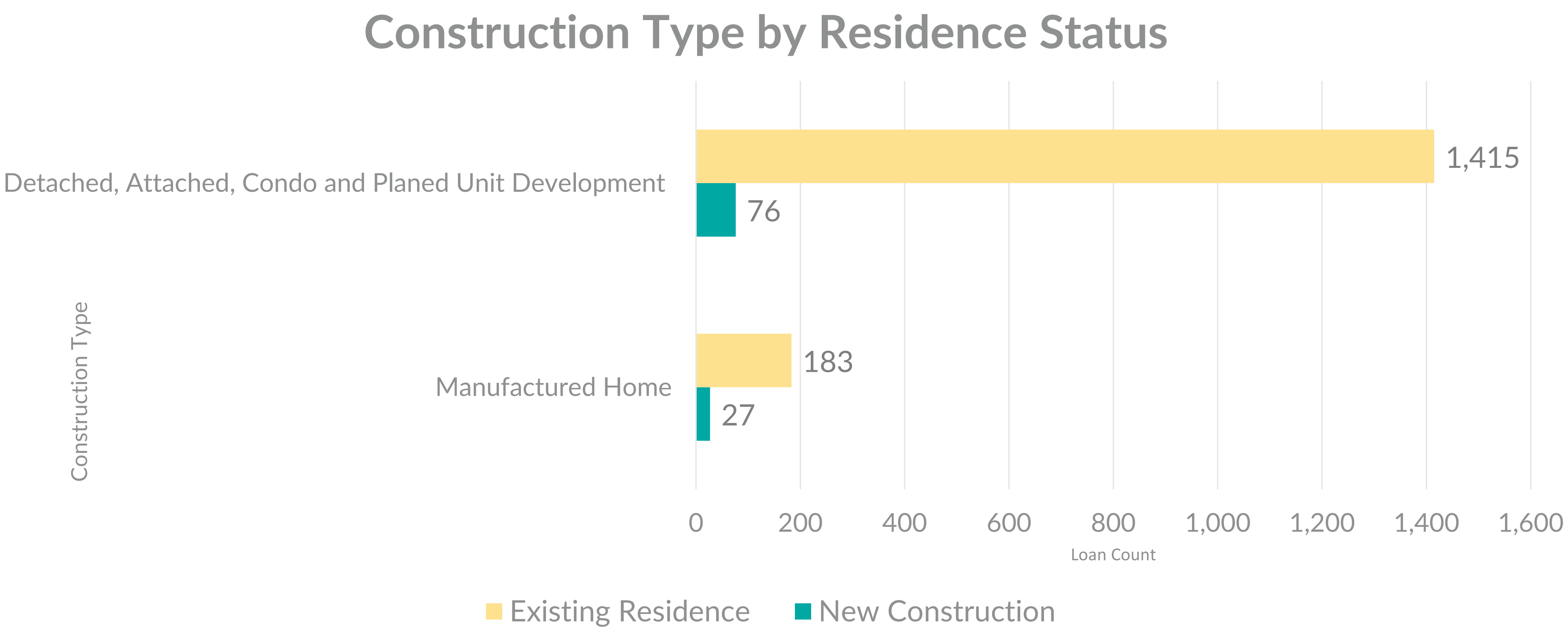
Households Impacted



Existing vs New Construction



Demographics

	FY 2026 (Q1 & Q2)	FY 2025	FY 2024
Average Sales Price	$264,426	$256,335	$246,926
Average Loan Amount	$250,924	$242,771	$232,431
Average Household Income	$76,152	$74,665	$70,087
Average Family Size	2.31	2.39	2.36
Ethnicity	60 % Minority	63 % Minority	62 % Minority
Average Borrower Age	35	34	35
Average Number of Dependents	1 dependent	0 dependents	0 dependents
Primary Borrower Gender	41.78% female 56.41% male	42.13% female 56.74% male	44.39% female 54.31% male
Average FICO score	706	705	704

Program Overview

Programs available for first-time AND repeat homebuyers:

- Income and purchase price limits
- Must be the buyer's primary residence
- Minimum credit score is just 620;
  - alternative credit is allowed
- Programs work in conjunction with standard loan types such as FHA (& 203k), VA, USDA-RD, HUD Section 184, and conventional loans
- Down payment assistance loans are always *optional*.

Eligible Property Types:

- Detached site-built
- Townhomes
- Approved Condominiums
- Planned Unit Development (PUD)
- Modular homes
- Manufactured homes (single or multi-section)
  - Permanent foundation
  - Taxed as real property
  - Meet HUD guidelines
  - Deactivated title.

First*Home* Program

- Borrower(s) must be a **first-time homebuyer**.
    - U.S. military veterans who served in duty, were discharged or released under conditions other than dishonorable **are exempt** from the first-time homebuyer requirement.
- All first-time homebuyers receive **homebuyer education**.
- First-time homebuyers are persons who have not owned and **occupied a home as their primary residence in the past three years.**

Provides a 30-year, fixed-rate first mortgage. Housing New Mexico sets the rates.

May be used as a stand-alone first mortgage to take advantage of the interest rate; or combined with optional down payment assistance mortgage loans

Down Payment Assistance—First time homebuyers

First Down

- *Second* mortgage
- provides up to 4 percent of the sales price. Minimum loan amount is $1,000
- Funds may be used towards down payment ***and/or*** closing costs.
- Amortizes over a 15 or 30-year term.

First Down Plus

- *Third* mortgage
- $10,000 towards down payment only (no closing costs)
- Available to borrowers using ***both*** First*Home* & First*Down*
- Repaid over 15 years and is not forgivable.
- Zero-percent interest rate, monthly payments of $55.56 (principal-only)

Home*Forward* Program and Home*Forward* DPA

- Available to **first-time *and* repeat home-buyers**
- Allows **higher income and purchase price limits** (charts available on website)
- **Lender calculated, total qualifying income** used to determine if borrower is within income limits
- **Down payment assistance loan** up to **3 percent of the sales price** available (down payment only – no closing costs)

30-year, fixed rate first mortgage. Housing New Mexico sets the rates

May be used as a stand-alone first mortgage; or combined with optional down payment assistance mortgage loan

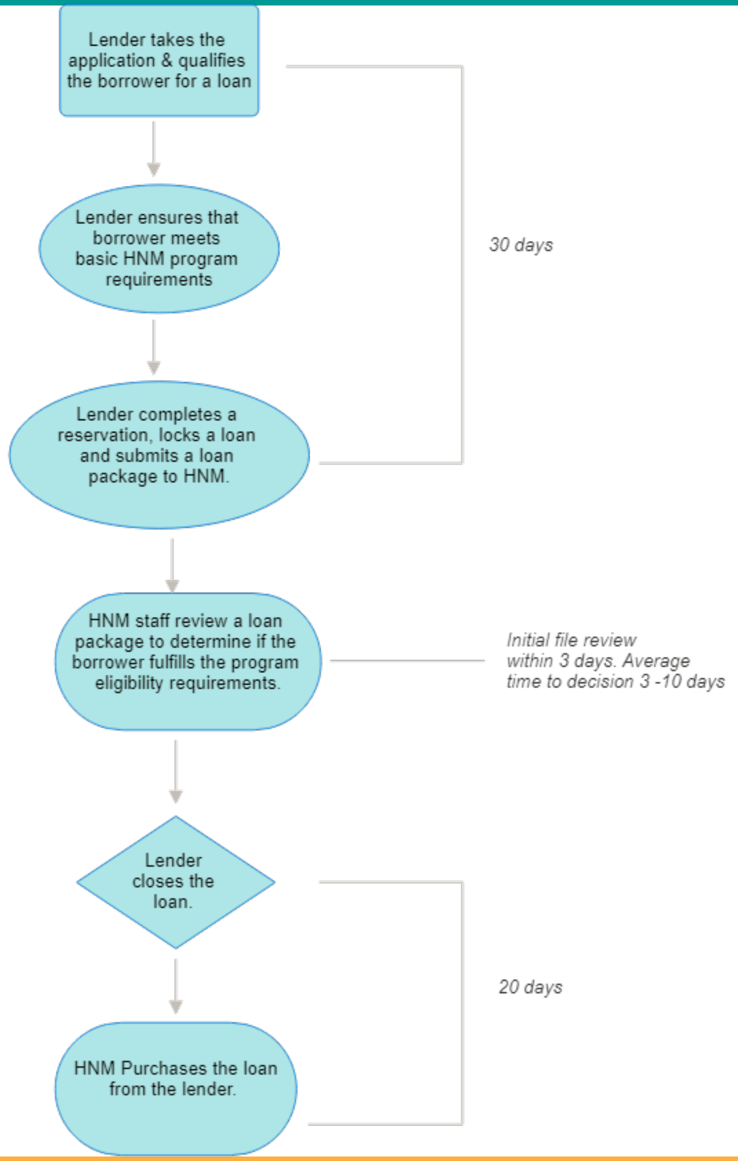
Transaction Timeline

- Free lock period is 60 days. Lenders control the timeline and may lock any time after they have a signed purchase agreement.
- Lender uploads a compliance package and Housing New Mexico performs a pre-closing compliance review to assure income and sales price requirements are met.
- Once Housing New Mexico approval is given, the lender moves forward with closing.
- Lenders must allow three full business days for the initial compliance file review and 1 – 2 days additional if the file has conditions.

Loan Process Timeline

1. Lender takes the borrowers loan application and qualifies them for different loan products. This may or may not include Housing New Mexico single family programs.
2. If lender determines Housing New Mexico single family programs best assist their client. Lender completes a reservation, locks a loan and submits a loan package to Housing New Mexico.
3. Housing New Mexico staff review a loan package to determine if the borrower fulfills the program eligibility requirements.
4. A program eligibility approval is provided to the lender If borrower meets program eligibility requirements.
5. Lender closes the loan.
6. Housing New Mexico purchases loan from lender.

The loan process from application to closing takes an average of 45–60 days.



Homeownership

Barriers

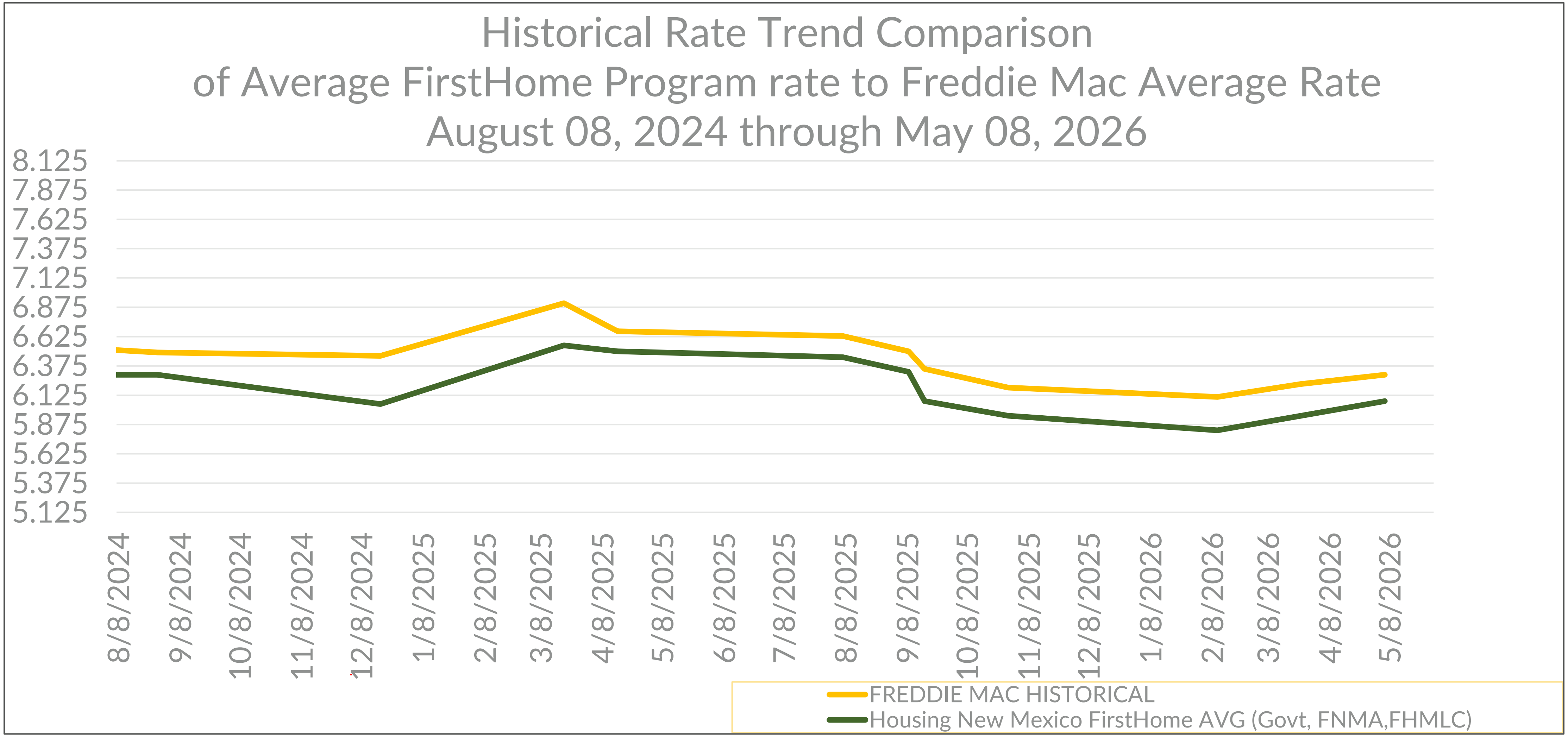
- *High home prices*
- *Lack of affordable housing inventory*
- *High interest rates*
- *Lack of down payment*
- *Increasing down payment and costs*
- *Financial literacy*

Affordability

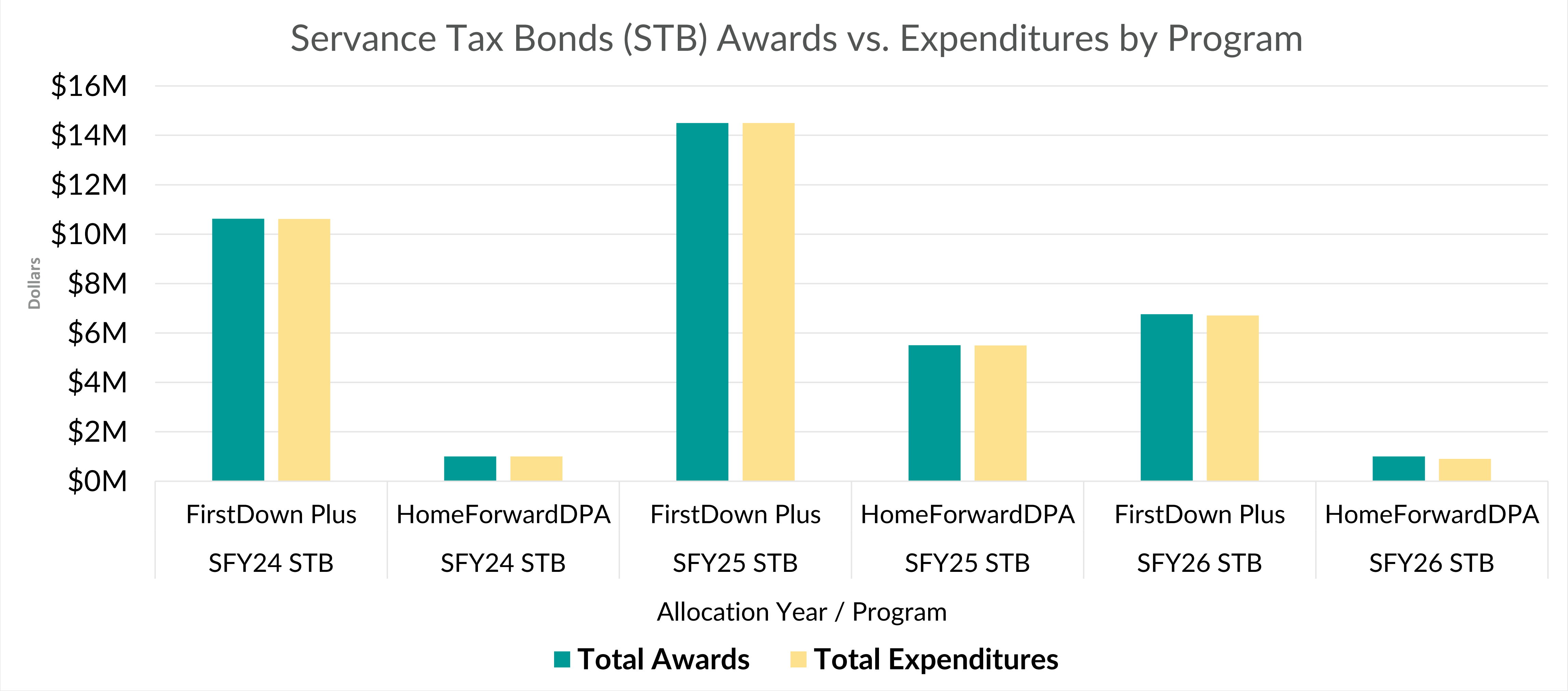
- *Affordable housing options*
  - *Manufactured*
  - *Modular*
- *Incentivize creation of starter homes*
- *Below market interest rates*
- *Increase down payment assistance*
- *Free Homebuyer Education**
- *Program flexibility*
  - *Insurance deductibles*
  - *Increase household income limits*

***Thanks to a grant from Federal Home Loan Bank**

Mitigating Barriers to Homeownership



Legislative Funding Impacts



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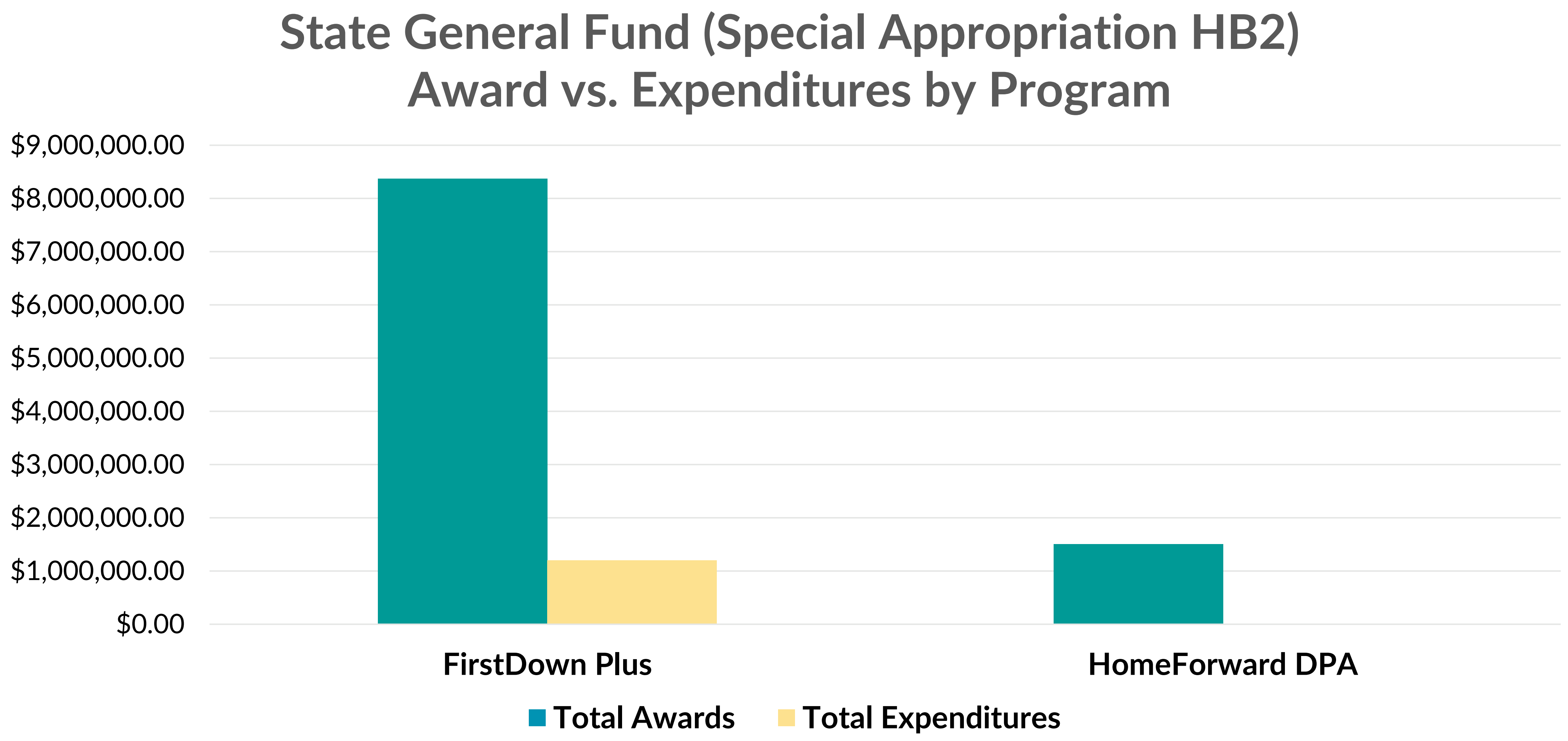

Thank you!

Questions?

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