



The New Mexico Housing Trust Fund – \$250 Million

New Mexico's Critical Housing Needs

Major housing problems in New Mexico include severe cost burden, hazardous living conditions, and overcrowding. Nearly one in three New Mexican families face at least one housing problem.

- Almost half --49%-- and 20% of homeowners face cost burden. Cost burden is severe when more than 30% of a household's monthly income goes to housing cost, including rent or mortgage, utilities, and insurance.
- Currently, there are 34,000 very low-income renters who cannot find rental units that they can afford.
- The 2025 Point-in-Time (PIT) Count identified 2,960 persons experiencing homelessness in Albuquerque and 1,723 in the Balance of State.
- Approximately 10,530 students in New Mexico public schools were identified as experiencing homelessness in the 2024–2025 academic year.
- To meet the needs of low- and moderate-income households from 2025 to 2045, the following number of affordable units are needed:
 - For households with incomes below 30% of AMI: 4,281 rental units and 3,364 ownership units.
 - For households with incomes between 30% and 50% of AMI: 2,941 rental units and 3,227 ownership units.
 - For households with incomes between 50% and 80% of AMI: 3,740 rental units and 5,307 ownership units.
 - For households with incomes between 80% and 100% of AMI: 1,887 rental units and 3,751 ownership units.¹

What's Been Accomplished

Housing New Mexico | MFA, as the Trustee of the New Mexico Housing Trust Fund (NMHTF), has established programs and partnerships to deploy NMHTF funds to meet the continuum of housing needs by building rental and homeownership housing, supplying down payment assistance, rehabilitating aging housing stock, funding homelessness services and prevention, and investing in innovative affordable housing projects.

Since the 2024 fiscal year, **\$268,500,000** from the New Mexico Housing Trust Fund has been allocated to programs affecting change across the housing continuum, resulting in **94 unique awards in 16 counties supporting 25 statewide and regional programs**. Beneficiaries include 24

¹ https://housingnm.org/uploads/documents/New_Mexico_Housing_Strategy_2026_Update.pdf



rural and 6 tribal awardees, with awards supporting multiple homelessness providers, home modification programs for seniors, housing development, community land trusts, and single-family housing for working families, to name just a few.

While our \$268.5M investment has driven immense progress, the 2045 projections show that sustained funding is critical to closing the gap.

With a focus on supply-side solutions, creating affordable housing opportunities requires a predictable funding landscape with an eye on long term strategic goals. Investment in infrastructure, construction, down payment assistance and rental development funding are keys to opening the construction pipeline and spurring more development in our state.

By mitigating risk to developers, the state can and will successfully support housing supply. Continued investment in the New Mexico Housing Trust Fund signals that the state is here to support the goal that all New Mexicans have access to safe, affordable housing opportunities.

What could be accomplished

Based on the approximate cost of various programs and anticipated funding from severance tax bonds, a **\$250 million appropriation to the New Mexico Housing Trust Fund would allow Housing New Mexico and its partners to serve an estimated 15,000 New Mexicans** across the state and across the continuum of housing need.

With sustained, strategic investment in affordable housing supply, down payment assistance, housing preservation, and housing programs that support New Mexico families, the state can transform the housing landscape over the long-term.

Key Production Highlights

- 15,800 households assisted, and counting
- Statewide programs have reached 29 of 33 counties
- 5,522 rental units under construction statewide
- 422 single family homes under construction
- 3,600 people impacted through homelessness provider facilities improvement programs, home modification and safety programs, and transitional and permanent housing programs
- 7,400 households have received Down Payment Assistance
- 15,000 additional households impacted over the next year



Program / Initiative	Unit Cost / Baseline	SFY 2028 Target	SFY 2028 Cost	FY 2029 Target	FY 2029 Cost
Down Payment Assistance	\$25,000 / borrower	2,200 borrowers	\$55,000,000	2,400 borrowers	\$60,000,000
Interest Rate Buydown (New Construction)	\$15,000 / borrower	500 borrowers	\$7,500,000	500 borrowers	\$7,500,000
Rental Housing Development	\$5,000,000 / project	1,140 units (12 dev)	\$60,000,000	1,140 units (12 dev)	\$60,000,000
Single Family Housing Construction*	\$3,000,000 / line	250 units (5 lines)	\$15,000,000	250 units (5 lines)	\$15,000,000
Infrastructure Development	\$5,000,000 / project	250 lots (5 dev)	\$25,000,000	250 lots (5 dev)	\$25,000,000
Home Rehab & Weatherization	\$30,000 / unit	200 units	\$6,000,000	240 units	\$7,200,000
Permanent Supportive Housing	\$50,000 / unit	100 units	\$5,000,000	120 units	\$6,000,000
Homelessness Prevention	\$6,000 / household	1,000 households	\$6,000,000	1,200 households	\$7,200,000
Total Annual NMHTF Demand		5,640 targets	\$179,500,000	6,100 targets	\$187,900,000

Fiscal Year	Total Demand	Est. STB Earmark	Net Funding Gap
SFY 2028	\$179.50M	\$57.70M	\$121.80M
FY 2029	\$187.90M	\$56.90M	\$131.00M

New Mexico Low Income Housing Tax Credit (LIHTC): To further boost supply, draft legislation establishes a 6-year credit period with **\$10M available annually**. Paired strictly with Federal LIHTC, this program will multiply state dollars and accelerate multi-family unit delivery across all AMI tiers.

***Single Family Housing Construction is financed with low interest revolving lines of credit**