PRESENTATION TO LEGISLATIVE MFA OVERSIGHT COMMITTEE

AUGUST 30, 2023

homewise®

THE
HOMEWISE MISSION

is to help create successful homeowners and strengthen neighborhoods so that individuals and families can improve their long-term financial wellbeing and quality of life.

the Homewise business model

Marketing & Outreach	Buyer Assessment and Preparation	Real Estate Sales Services	Real Estate Development	Mortgage Lending and Loan Servicing	Community Development and Neighborhood Revitalization	Home Improvement and Refinance Lending

Successful Homeownership

Each function is aligned with the next, building the foundation for customers' long term financial security and the organization's self-sufficiency

HOME SWEET HOME

FY23 key results

Financial and Homebuyer Coaching:
3,241 clients who received free 1-on-1 coaching in English and Spanish

Home Purchase:
333 homeowners created who are building wealth and improving their financial wellbeing

Homewise Homes:
67 energy-efficient homes built

12 homes renovated

Home Improvement:
77 clients who were able to invest in their homes with enegy-efficient upgrades
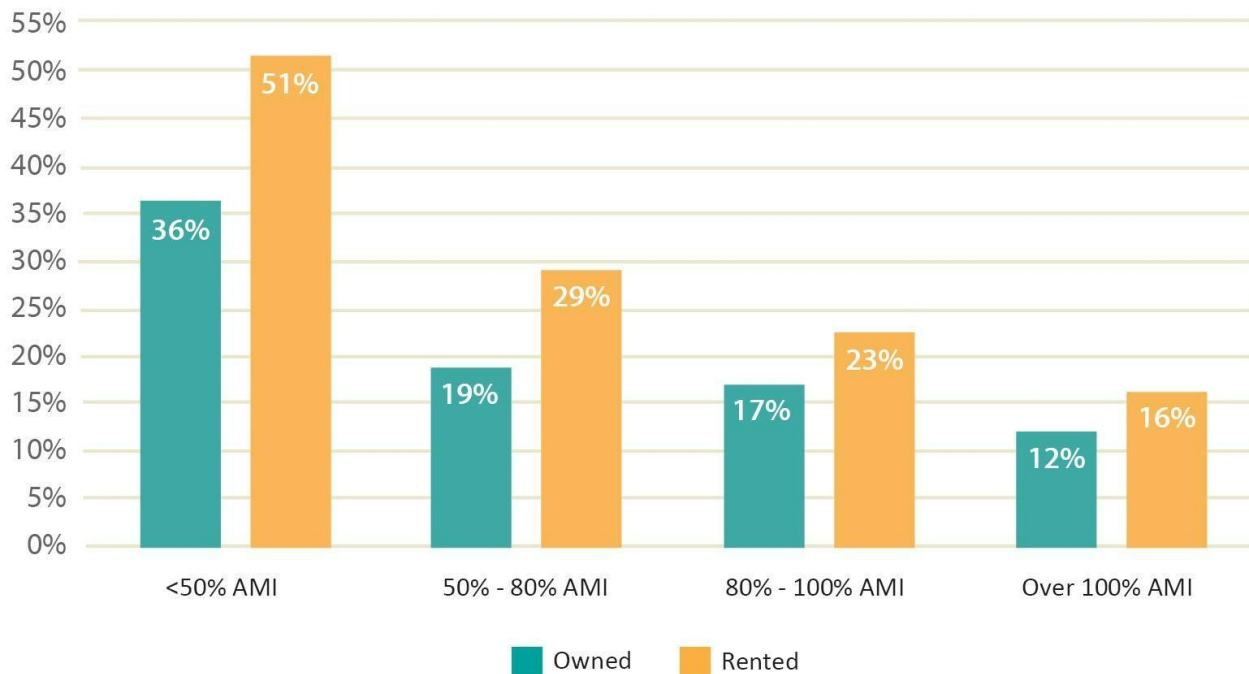
Home Refinance:
41 clients who saved money with a lower interest rate

Homeownership *is* affordable housing

Homeowners across all income groups spend less on housing costs than renters

Homeowners also benefit from more stable housing costs over time compared to renters

Figure 1: Share of Income Spent on Housing by Income Class, NM

Legend: Owned, Rented

Source: US Census 2021 5-Yr American Community Survey Public Use Microdata and author calculations

Miraflores

Location:	South Side of Santa Fe
# of units:	56 new single family detached homes
Affordability:	All homes priced below market median, with 22 homes for low-to-moderate income buyers.

Los Prados

Location:	South Side of Santa Fe
# of units:	161 new single family detached homes, townhomes and condos
Affordability:	All units priced below market median, with 81 homes for low-to-moderate income buyers.

Casa Pacifica

Location:	Near Downtown Santa Fe
# of units:	5
Affordability:	4 out of 5 units are affordable to low-to-moderate income buyers.

SOMBRA DEL OESTE

SNOWVISTA BLVD

UNSER BLVD

GIBSON BLVD

Sombra del Oeste

Location: Westside of Albuquerque

# of units: 75 townhomes

Affordability: 40% affordable to households at 120% area medium income (AMI).

Palladium

Location:	Downtown Albuquerque
# of units:	16 units
Affordability:	25% of units affordable to low- and moderate-income buyers.

How affordability works

City of Santa Fe Example			
Affordability tier	Income range for household of 4 by affordability tier	Maximum 3-bedroom home price affordable to household of 4 by affordability tier	Who can afford this?
50 - 65% AMI	$42,650 - $55,450	$181,500	Wait Staff
65 - 80% AMI	$55,450 - $68,250	$236,000	Entry Level Teacher
80 - 100% AMI	$68,250 - $85,300	$290,250	Police Officer
100 - 120% AMI	$85,300 - $102,350	$363,000	Nurse

How affordability works

Miraflores Example - Santa Fe	
# of bedrooms	3
# of bathrooms	2
Targeted household size	4
80% of Area Median Income (AMI) for household of 4	$68,250
Market value	$440,000
Affordable price for household at 80% AMI	$236,000
Amount of homeownership assistance needed	**$204,000**

Scaling Up