

Housing New Mexico MFA

Overview of Financial
Highlights & FY 2026 Budget

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Chief Financial Officer



2024 – 2025 Production & Financial Highlights

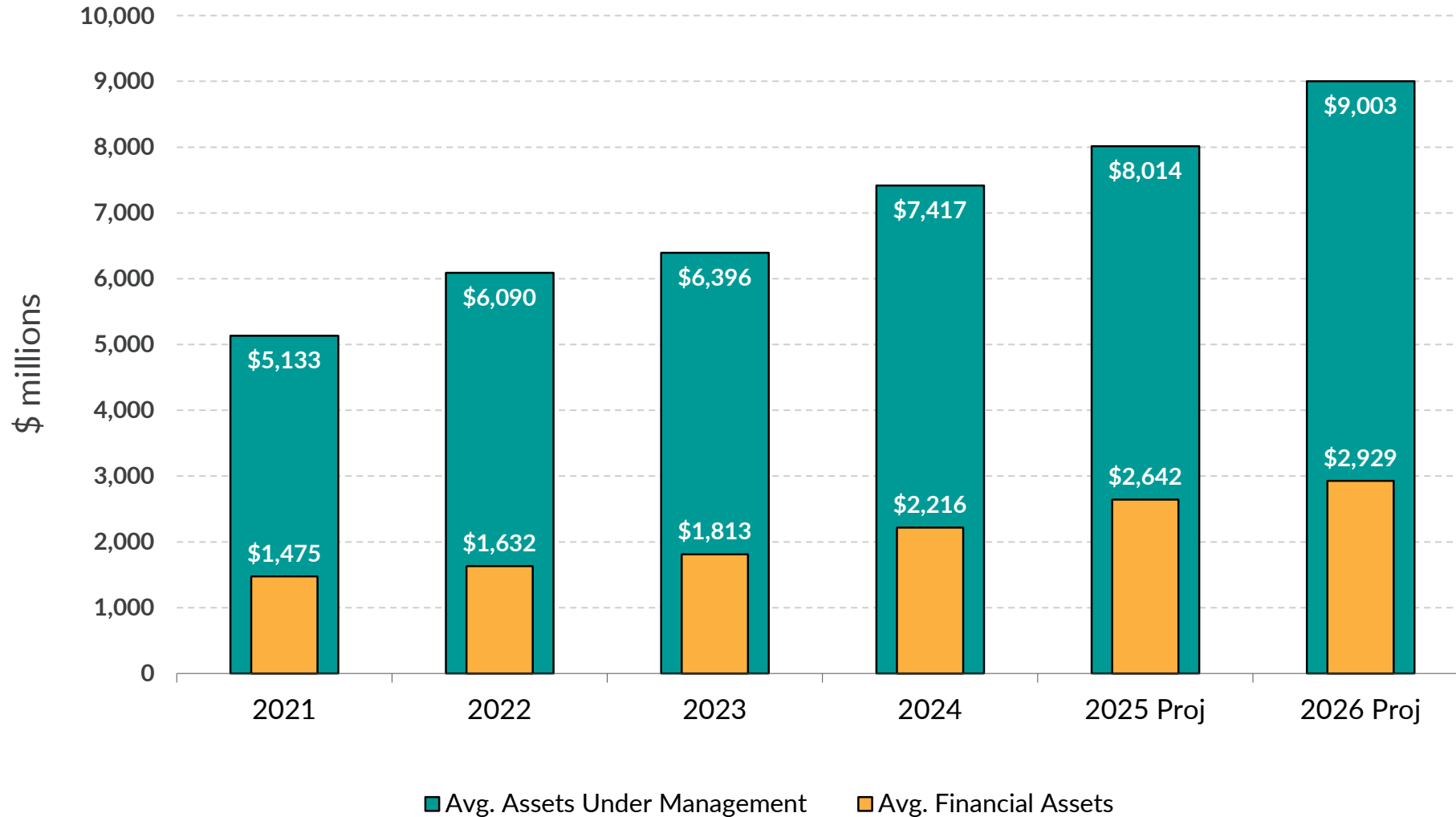
FY24 - Expanding Capacity & Aligning to Mission

Received \$50M legislative appropriation from the State to the New Mexico Housing Trust Fund	Revenue Expenses Assets Managed
Implemented a new Down Payment Assistance 0% interest “third” mortgage to offset higher housing costs	Revenue Production
New record production and market share, as well as record bond issuances	Revenue Expenses Production/Assets Managed
Interest rates high throughout the year	Revenue Expenses Liquidity
Renovated and moved into new building, and sold old building	Expenses Revenue
Received Congressional funding grant	Revenue Expenses Assets Managed
Rebranded MFA to Housing New Mexico	

FY25 – 50 Years Housing New Mexico

Responsive to ever-changing market conditions	
Bond Cap constraint, leading to structural changes in the bond issue compositions	Revenue Assets Managed Liquidity
Single Family Development focus – 0% interest construction loan program	Production/Assets Managed
Record pipeline of Multifamily Development rentals – 56 active projects and ~5,200 units across the State	Production/Assets Managed Revenue
Strong marketing reception on social media and rural media, surpassing all records	
Multiple new programs developed: Rehab2Rental, Innovations, Landlord Incentive programs	Production Expenses
Celebrating 50 years of Housing New Mexico, culminating in Housing Summit, with 505,000 New Mexicans	
Strong revenue growth via tight fiscal management, increases in bond administrative fees for recent issues, and sustaining interest income via active investment management and loan servicing fee income	Revenue Expenses

Assets Under Management



Assets Under Management includes additional non-statement assets including: LIHTC, HOME, Section 8, Rental Housing Program, Subserviced Portfolio, and Other Grants.

Importance of Bonds for Housing New Mexico



Offer Low Rates

Housing New Mexico can offer lower-than-market rates due to its ability to issue tax-exempt bonds. These competitive rates propel borrowers toward our programs.

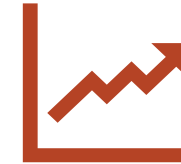
On 9/30/25, rates for first-time homebuyers were **1/4** of a percent below the market rate for New Mexico.



Collaboration is Key

Housing New Mexico works with a team of industry experts to execute our bonds. From financial advisors and underwriter to our trustee, each issuance is not only a group effort, but a long-term commitment to ensure that we meet every requirement for our bonds.

Some of our collaborators have more than a decade of familiarity with Housing New Mexico's programs.



Bonds Well-Received

Housing New Mexico's bonds are well-received by investors. Each issuance is rated by Moody's and Housing New Mexico has maintained a rating in-line with the federal government on our bonds. Our bonds often attract more investor interest than we have bonds available, leading to even more competitive rates.

Housing New Mexico received about **3.5** times more investor interest than we had bonds available in its most recent issuance.

FY26 Operating Budget – General Fund

Summary



The FY26 General Fund Budget shows meaningful growth in both revenues (11%) and expenses (7%). The primary driver of the change has to do with increasing revenues, due to larger bond and loan balances outstanding. Housing New Mexico has continued to observe slower prepayment speeds and does not expect this to change substantially over the next year. These slower prepayment speeds subsequently lead to longer cash flows for Housing New Mexico.

Revenues

FY26 Budget:
\$40.9M

FY25 Budget: \$36.7M

Difference: \$4.2M



-  Increasing income from administrative and loan servicing fees.
-  Decreasing income from interest on Housing New Mexico's investments.

Expenses

FY26 Budget:
\$36.3M

FY25 Budget: \$34.3M

Difference: \$2.0M


-  Increasing salary and benefit costs, and other direct servicing expenses.
-  Decreasing interest expense paid.

Net Revenues

FY26 Budget:
\$4.6M

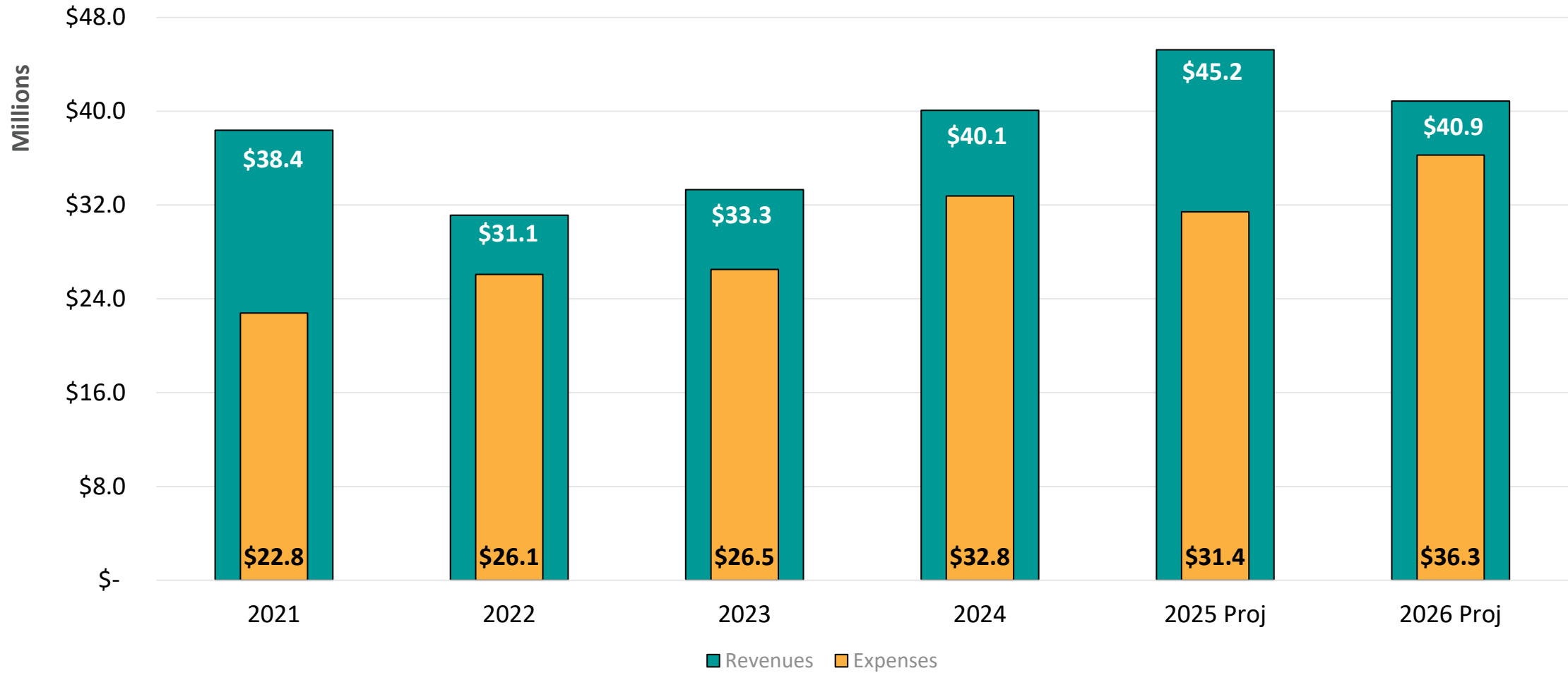
FY25 Budget: \$2.4M

Difference: \$2.2M

-  Increasing revenues and decreasing expenses produce a net effect that is **favorable to budget.**

Housing New Mexico uses its excess revenues to support new affordable housing activities across the state.

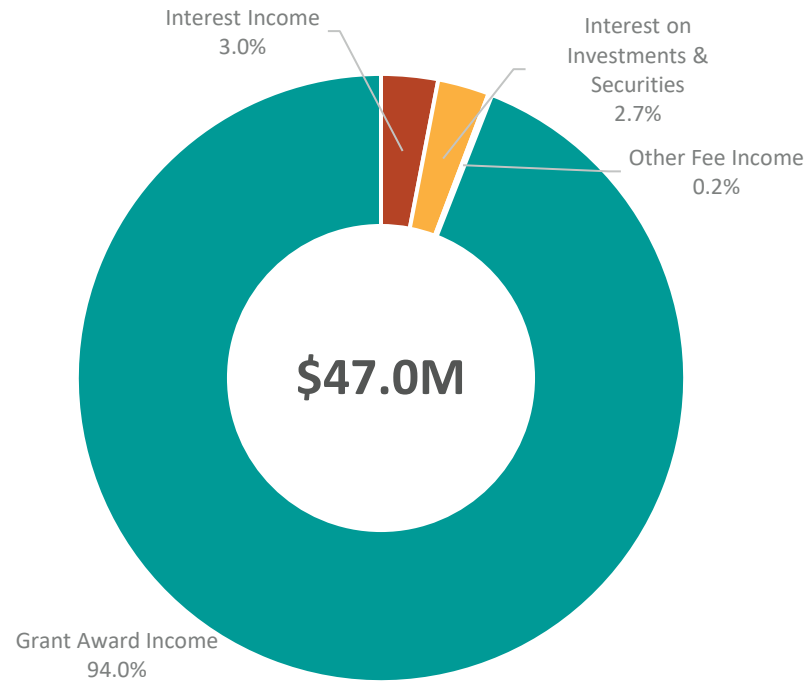
General Fund Revenue & Expenses FY21-26



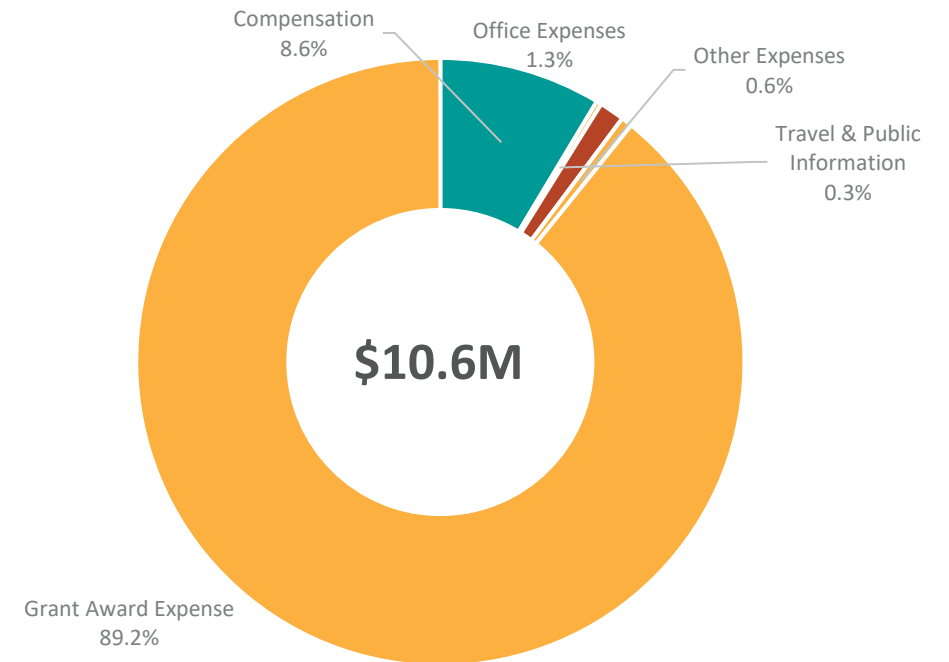
2021-2024 reference actual values. 2025 annualizes actuals as of 8.31.2025. 2026 references the budgeted projections for fiscal year.

New Mexico Housing Trust Fund – FY26 Budget

Revenues



Expenses



Excess Revenue over Expenses | \$36,431,122

Questions?

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We Are Housing New Mexico

Appendix A: FY26 Capital Budget

FY26

Purchased Servicing Rights	\$ 4,100,000
Furniture & Equipment	\$ 56,200
Computer Hardware	\$ 85,000
Building	\$ 104,600
Vehicle	\$ 0
Computer Software	\$ 264,873
Total	\$ 4,608,673

SIGNIFICANT VARIANCES


- Reduction (9%) in purchased servicing rights due to projected decreased single family mortgage production
- Large reduction (72%) in Computer Hardware due to investments made in FY25 to outfit building.
- Computer Software increase (212%) is attributable to changes in procurement processes, coupled with expanded service packages.

Appendix B: Housing Opportunity Fund – Investing in New Mexico




\$262.33
million
in loans
to NM
Residents*


FY26 Anticipated Need: \$20.8M




Down Payment
Assistance
\$13.0 million



Partners/HERO
\$1.5 million



Primero
\$6.0 million



Emergency
Housing Needs
\$.3 million

*As of 8.31.2025

Appendix C: MFA Detailed Administrative Expense Breakout

Administrative Expenses account for 77.99% of the FY26 General Fund Budget. Breakout below:

