

**MINUTES
of the
FOURTH MEETING
of the
MORTGAGE FINANCE AUTHORITY ACT OVERSIGHT COMMITTEE**

**October 4, 2023
New Mexico Mortgage Finance Authority Office
344 Fourth Street SW
Albuquerque**

The fourth meeting of the Mortgage Finance Authority Act Oversight Committee for the 2023 interim was called to order by Representative Eliseo Lee Alcon, chair, on Wednesday, October 4, 2023, at 10:07 a.m. at the New Mexico Mortgage Finance Authority (MFA) Office in Albuquerque.

Present

Rep. Eliseo Lee Alcon, Chair
Sen. Nancy Rodriguez, Vice Chair
Rep. Meredith A. Dixon
Sen. Roberto "Bobby" J. Gonzales
Sen. Stuart Ingle
Rep. Rod Montoya
Sen. Michael Padilla

Absent

Rep. Angelica Rubio

Advisory Members

Rep. Janelle Anyanonu
Rep. Cynthia Borrego
Rep. Kathleen Cates
Rep. Harry Garcia
Sen. Gerald Ortiz y Pino
Rep. Andrea Romero
Rep. Luis M. Terrazas

Sen. Gregory A. Baca
Rep. Ambrose Castellano
Rep. Tara L. Lujan
Sen. Mark Moores
Rep. Patricia Roybal Caballero

Staff

Cristina Vasquez, Staff Attorney, Legislative Council Service (LCS)
Sabina Gaynor, Staff Attorney, LCS
Simon D. Suzuki, Staff Attorney, LCS

Guests

The guest list is in the meeting file.

Handouts

Handouts and other written testimony are in the meeting file and posted on the legislature's website.

References to Webcast

Due to technical issues, the webcast of this meeting was not recorded in its entirety. The recorded portion of the meeting is available on the legislature's website here:

<https://sg001-harmony.sliq.net/00293/Harmony/en/PowerBrowser/PowerBrowserV2/20231004/-1/74061>.

Wednesday, October 4

Welcome and Introductions (10:07 a.m.)

Representative Alcon welcomed committee members, presenters and other attendees and asked the members of the committee to introduce themselves.

Report on Bonds Issued, Financing Strategies and Market Updates (10:10 a.m.)

Mina Choo, managing director, RBC Capital Markets, provided information about the MFA's Single Family Mortgage Program bonds, including program highlights and information about trends in the bond and housing markets and mortgage rates. Key points from Ms. Choo's presentation include: 1) in 2022, the MFA helped more than 2,200 New Mexico families become homeowners; 2) homeownership rates in New Mexico are higher than the national average, at 71 percent compared to 66 percent nationally; and 3) housing prices in New Mexico continue to rise, with monthly mortgage payments 13 percent higher than they were a year ago.

David Jones, principal, CSG Advisors, provided information about trends and challenges in the housing, bond and securities markets, as well as information on the MFA's program goals. Additionally, Mr. Jones spoke about some of the challenges that the MFA faces, including affordable housing supply and costs of development, market volatility and an evolving regulatory environment. Finally, Mr. Jones discussed the MFA's continued growth in the New Mexico mortgage market, including the MFA's ability to offer significantly lower loan rates by issuing tax-exempt bonds. The presentation can be found here:

<https://www.nmlegis.gov/handouts/MFA%20100423%20Item%201%20Report%20on%20Bonds%20Issued,%20Financing%20Strategies%20and%20Market%20Updates.pdf>.

Approval of Minutes (11:14 a.m.)

On a motion duly made and seconded, the minutes of the August 30, 2023 meeting were amended to reflect the accurate attendance of members. On a motion duly made and seconded, and without any objections, the minutes of the August 30, 2023 meeting were approved as amended.

Overview of Housing Continuum Programs and Funding: Homeownership and Homeowners (11:15 a.m.)

Kellie Tillerson, director of community development, MFA, and Rene Acuna, director of homeownership, MFA, spoke about homeownership and homeowner programs that are administered by the MFA. The homeownership programs include FirstHome, an affordable

mortgage loan option for first-time homebuyers; FirstDown, an amortizing down payment assistance program; Home Forward, a recently updated first mortgage loan option for non-first-time homebuyers; HomeNow, a second mortgage loan program that provides down payment assistance to low-income buyers; and Partners, a program in which the MFA purchases first-time homebuyer loans originated by Habitat for Humanity affiliates. The MFA also offers programs to qualified homeowners to assist with accessibility modifications, rehabilitation and preservation repairs and weatherization. For households experiencing financial hardship associated with the COVID-19 pandemic, the MFA offers a homeowner assistance fund that provides housing grants to income-eligible applicants. The presentation can be found here:

<https://www.nmlegis.gov/handouts/MFA%20083023%20Item%202%20Overview%20of%20Ho using%20Continuum.pdf>.

Isaac Perez, executive director, San Felipe Pueblo Housing Authority (SFPHA), and Pamela Sandoval, assistant programs manager, SFPHA, presented on the SFPHA's home rehabilitation program. Mr. Perez and Ms. Sandoval provided information on the administration of and the qualifications and eligibility criteria for the home rehabilitation program. They also shared success stories, including providing before and after photographs to demonstrate the wide range of home rehabilitation and weatherization projects that the SFPHA undertakes.

New Mexico Housing Trust Fund Update (12:25 p.m.)

Robyn Powell, director of policy and planning, MFA, provided an update on the New Mexico Housing Trust Fund. Ms. Powell's presentation provided information on the MFA's resources and funding, program income and production metrics, as well as its strategic framework and considerations. The presentation can be found here:

<https://www.nmlegis.gov/handouts/MFA%20100423%20Item%203%20New%20Mexico%20Ho using%20Trust%20Fund%20Update.pdf>.

Executive Director Update (12:48 p.m.)

Isidoro "Izzy" Hernandez, executive director, MFA, provided a brief update and gave closing remarks.

Adjournment

There being no further business before committee, the meeting adjourned at 12:54 p.m.