



NEW MEXICO
FINANCE AUTHORITY

Venture Capital Program Fund
2024 Annual Report
July 1, 2025

Presented to
Governor Michelle Lujan Grisham
and the
New Mexico Legislature

Introduction

The Venture Capital Program Fund (“VCPF”) was established by the Legislature in 2022 through the enactment of the Venture Capital Program Act (the “Act”). The Act authorizes the New Mexico Finance Authority (“NMFA”) to make investments, including differential rate investments, in venture private equity funds or New Mexico businesses whose investments or enterprises enhance the economic development objectives of the state. The Act authorizes NMFA to invest within guidelines and policies established by the NMFA Board of Directors.

NMFA administers the VCPF with the support of Meketa Investment Group, a qualified institutional investment consultant selected through a competitive procurement process. The investment consultant advises on policy and best practice implementation, conducts due diligence on potential investments, and supports portfolio monitoring and reporting. Investments are reviewed by staff, the investment consultant, and the NMFA Board’s Economic Development Committee and approved by the NMFA Board of Directors. NMFA deducts the costs of administering the Act from the VCPF.

VCPF Capitalization

Since its inception the VCPF has administered \$75 million in total funding. The New Mexico Legislature appropriated \$35 million in 2022 and \$15 million in 2023. In 2023, VCPF received \$15 million in federal State Small Business Credit Initiative (“SSBCI”) funding through NMFA’s partnership with the New Mexico Economic Development Department. The SSBCI is a program administered by the U.S. Treasury that supports small businesses and entrepreneurship throughout the country. In 2024, NMFA entered a Memorandum of Understanding with the New Mexico Energy Minerals and Natural Resources to invest through the VCPF a special appropriation of \$10 million made during the 2024 regular session.

Mission & Diversification Objectives

According to its investment policy, the VCPF shall invest in venture private equity funds that advance two or more of the following economic development objectives within the State:

- create and invest in new, early-stage and expanding New Mexico businesses;
- create and/or retain quality jobs for New Mexicans;
- increase investment in diverse sectors of the State’s economy;
- increase access to capital for businesses owned by entrepreneurs from or benefiting underserved communities;
- attract additional private sector investment in early-stage and emerging businesses.

VCPF Activity in 2024

Fund Investments

In the 2024 calendar year NMFA committed \$47.0 million to seven venture private equity funds, bringing the total committed to \$50.5 million to eight venture private equity funds at the end of the year. During 2024 NMFA funded capital calls totaling \$5.4 million to seven funds in the portfolio. Fund managers called capital to fund investments in portfolio companies and to pay for management fees and fund expenses.

Fund	Year Committed	Fund Manager	Total Committed	\$ Invested in 2024 ⁽¹⁾	Aggregate \$ Invested as of 12.31.24 ⁽²⁾
Tramway Venture Partners III	2023	Tramway Ventures	\$3,500,000	\$443,910	\$486,060
Raven Indigenous Impact Fund II	2024	Raven Indigenous Capital Partners	\$7,500,000	\$2,627,660	\$2,627,660
Dangerous Ventures NM Fund I	2024	Dangerous Ventures	\$5,000,000	\$48,290	\$48,290
Advance New Mexico	2024	Mission Driven Finance	\$10,000,000	\$277,205	\$277,205
Tiverton Ag Legacy Holdings II	2024	Tiverton Advisors	\$5,000,000	\$1,827,686	\$1,827,686
VamosVentures Fund II	2024	VamosVentures	\$7,500,000	\$150,000	\$150,000
Rethink Impact III	2024	Rethink Impact	\$2,000,000	\$15,958	\$15,958
Perennial Fund II	2024	Mad Capital	\$10,000,000	\$0	\$0
Total			\$50,500,000	\$5,390,709	\$5,432,859

(1) Total capital called by the fund and invested by VCPF in calendar year 2024.

(2) Total capital called by the fund and invested by VCPF since inception.

Fund Strategies & Economic Development Objectives

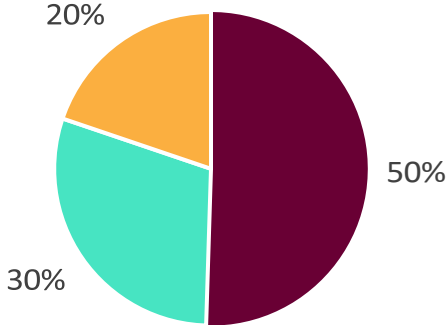
Each fund is reviewed according to five mission and diversification objectives outlined in the VCPF investment policy. The table below provides descriptions of each fund’s strategy and shows how each fund is expected to perform across the targeted economic development objectives.

Fund	Strategy Description	Investing in new and expanding NM businesses	Creating and retaining quality local jobs	Increasing investment in diverse sectors	Investing in under-served communities	Attracting additional private sector investment
Tramway Venture Partners III	Invests in New Mexico early stage medtech, biotech, and healthtech companies					
Raven Indigenous Impact Fund II	Invests in early stage Native-owned companies building sustainable economies					
Dangerous Ventures NM Fund I	Invests in early-stage New Mexico companies building a sustainable future					
Advance New Mexico	Invests gap-filling growth capital (flexible debt) for expanding New Mexico small businesses					
Tiverton Ag Legacy Holdings II	Invests in food and agricultural production sectors					
Vamos Ventures Fund II	Invests in diverse teams leading scalable, tech-driven companies					
Rethink Impact III	Invests in women-led businesses using technology to solve the world’s biggest problems					
Perennial Fund II	Invests long-term flexible debt to regenerative organic and transitioning farmers in New Mexico					

Key: ● = Very Strong ◐ = Strong ◑ = Medium ◒ = Weak

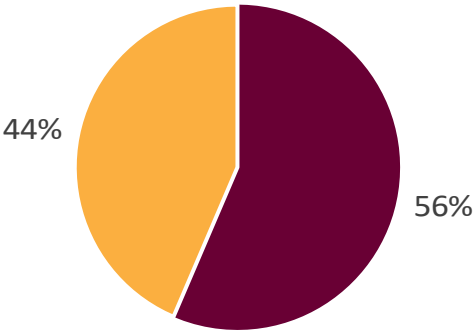
The charts below show the split of the total committed of \$50.5 million at the end of 2024 between different strategy types (venture capital, agriculture and private credit) and between funds with a national geographic scope that includes New Mexico, or a New Mexico-focused geographic scope.

Total Committed by Strategy



- Venture Capital
- Agriculture
- Private Credit

Total Committed by Geographic Focus



- New Mexico Focused
- National (incl. NM)

Special Appropriation Investment in Green Lenders

In December 2024 NMFA entered into a Memorandum of Agreement with the New Mexico Energy, Minerals and Natural Resources Department to invest special appropriation funding in one or more New Mexico lenders that finance clean energy and energy efficiency projects. The NMFA Board of Directors approved a \$10 million commitment¹ to the New Mexico Climate Investment Center, a New Mexico non-profit founded in 2023 with the mission to finance clean energy projects throughout the state, with an emphasis on low and moderate income and underserved communities. The investment was structured as an equity-equivalent investment, a differential rate long-term subordinated loan, to support the early-stage growth of the organization. The objectives of the investment are to increase investment in diverse sectors and underserved and low-income communities, facilitate the adoption of technologies intended to reduce carbon emissions, and attract additional public and private sector investment to the State.

¹ The commitment to the New Mexico Climate Investment Center closed in calendar year 2025.

Looking forward to 2025

The VCPF has committed \$60.5 million or approximately 80% of the \$75 million in currently available funding. After administrative expenses NMFA estimates approximately \$9.5 million remains available for investment.

Investment type	Total # Investments	Total Committed
Venture Private Equity Funds	8	\$50,500,000
New Mexico Business	1	\$10,000,000
Estimated administrative expenses		\$5,000,000
Total commitments + expenses		\$65,500,000
Total VCPF funding		\$75,000,000
<i>Total available for investment</i>		<i>\$9,500,000</i>

The focus in 2025 will be on several new allocations to diversifying funds that align with the economic development objectives of the program. Also in 2025, NMFA will collect impact metrics to enhance reporting of the economic development objectives achieved by underlying investments. These impact metrics will be included in next year’s report.

NMFA has explored numerous opportunities to further advance the economic development objectives of the program. These opportunities would require additional funding into the VCPF. They include:

- investments in funds in diversifying sectors including consumer brands, agricultural technology, manufacturing and the care economy;
- investments in funds with diversifying strategies including employee-ownership and infrastructure;
- investment in local operations of a best-in-class start-up incubator/accelerator programs;
- investments in funds targeting rural businesses; and
- follow-on co-investments in local businesses.