

# Attainable Housing Credit Bill:

## Boost Housing & Economic Growth in New Mexico

The **Attainable Housing Credit Bill** is a strategic investment in New Mexico's future—supporting families, homeownership, creating jobs, and strengthening communities through increased production of new attainable housing. Builder provided financial incentives ensure transparency, accountability and are designed to increase the pool of eligible New Mexico homebuyers, stimulating development for new affordable and attainable homes.

### Purpose: Increase the production of Attainable Housing units by:

- Reducing Construction Costs via a GRT Tax Credit
- Improving affordability for homebuyers
- Stimulating private construction for 1,500+ of additional residential units per year that would not otherwise have been economically viable for the home building industry

### How the Bill Works - Builder Provided Incentives:

- Builders provides >\$10K **credit to individual home buyers of home at closing**
- Flexible uses: buyer is able to use the credit towards mortgage rate buydown, closing costs, down payment, student loans, PMI, PID levies
- Builder reimbursement for the buyer credit is provided through a \$10,000 GRT tax credit, issued the month after the home sale when the builder files the CRS report.

### Eligibility & Oversight

- Eligible Homes are priced below Housing NM's (MFA) FirstHome Program price caps with maximum mortgage limit for the county of purchase – currently \$544,255 for 24 of 26 NM Counties
- Applies to **newly built for-sale homes**: single-family, townhouses, condominiums & manufactured homes
- Builders required to document purchase price and buyer credit by submitting the settlement statement and copy of recorded deed to Taxation and Revenue Department
- Program runs through **2031**, with funding increasing:
  - \$30M → \$35M → \$40M (final 3 years)

### Economic Impact

Objective for Legislation is to increase for sale home production 25% across State of NM (ramping up to 1,500+ additional homes built annually by year #3). Estimated one-year economic impacts of building 100 homes in the State of New Mexico include:

- **\$36.1M** in income for residents, supporting **447 jobs in New Mexico** <sup>1</sup>
- **\$6.0M in taxes and other revenue** for the state and local governments. (**\$2.3M annual recurring impact** year after year.) <sup>1</sup>
- Ripple effects: boosts retail, healthcare, education, and services <sup>1</sup>
- **Each \$15 reduction** in a monthly mortgage payment enables an additional 680 New Mexico households to qualify for a new home <sup>2</sup>

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<sup>1</sup> NAHB Report: *The Economic Impact of Home Building in New Mexico* - 09/2025

<sup>2</sup> NAHB Housing Priced-Out Report - 2025