

New Homes Development Program

Boost Attainable Housing Development, Homeownership & Economic Growth for NM

The attainable **“New Homes” Development Program**, administered by Housing New Mexico/Mortgage Finance Authority, is a strategic investment in New Mexico’s future, directly addressing an estimated 32,000-unit statewide housing deficit. The program enables thousands more New Mexico families to become homeowners, creates generational wealth, supports jobs, and strengthens communities by lowering home purchase prices and monthly mortgages.

Economic data points to an additional 6,000-7,000 New Mexico families able to afford the mortgage on a median priced home for every \$10,000 reduction in price.

Increase Production of Attainable Housing Units

- ⇒ Bill creates the New Homes Development Program within the New Mexico Mortgage Finance Authority to deliver flexible use home-buyer assistance grants of \$10,000.
- ⇒ Provides targeted and flexible financial support to home buyers under the Affordable Housing Act with funds being available to be used as downpayment assistance, mortgage rate buydowns, loan repayments, or tax assessments.
- ⇒ Allocates \$30 million from general fund for fiscal years 2027-2029 to fund grants directly incentivizing construction and creates markets for the sale of attainable units.
- ⇒ MFA administers the program, sets rules for oversight, home buyer eligibility, grant disbursement (up to \$10,000 per grantee at home closing).
- ⇒ Grants are disbursed only to qualifying grantees meeting program criteria pursuant to the Affordable Housing Act.
- ⇒ Requires annual reporting starting July 1, 2027, to the oversight committee on grants awarded and program recommendations.

Economic Impact

By improving conditions for New Mexico families to realize the American dream of home ownership, this program builds generational wealth and creates positive economic impact in our communities. The program stimulates a crucial increase in for-sale housing production that will not otherwise exist - ramping up to 1,500+ additional units built by year #3. The (year #1*) 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** ¹
- **\$6.0M in taxes and other revenue** for the state government and local ¹ governments in the state. (**\$2.3M annual recurring impact** year after year)
- Ripple effects: boosts retail, healthcare, education, and services ¹
- **Each \$15 reduction** in a monthly mortgage payment enables an **additional 680 New Mexico households to qualify** for a new a home ²

* Additional, annually recurring impacts of building 100 single-family homes in New Mexico include \$5.7 million in income for New Mexico residents, \$2.3 million in taxes and other revenue for the state and local governments in the state, and 84 jobs in New Mexico.

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

² NAHB Housing Priced-Out Report - 2025