NEW MEXICO MORTGAGE FINANCE AUTHORITY  
Board Meeting  
344 4th St. SW, Albuquerque, NM  
Wednesday, July 18, 2018 at 9:30 a.m.  

Agenda  

Chair Convenes Meeting  
➢ Roll Call (Jay Czar)  
➢ Approval of Agenda – Board Action  
➢ Approval of June 13, 2018 Board Meeting Minutes – Board Action  
➢ New Employee Introductions: Kadie Creswell, Accountant (Yvonne Segovia) and Teresa Lloyd, Secondary Market Processor (Olivia Martinez)  

Board Action Items  

<table>
<thead>
<tr>
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<tr>
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Announcements and Adjournment  

Confirmation of Upcoming Board Meetings  
➢ August 15, 2018 - Wednesday – 9:30 a.m. (Albuquerque – Sandia Resort)  
➢ August 15-16, 2018 - Board Retreat Wednesday - Thursday (Albuquerque – Sandia Resort)  
➢ September 19, 2018 – Wednesday – 9:30 a.m. (Albuquerque – MFA)  
➢ October 17, 2018 – Wednesday – 9:30 a.m. (Albuquerque – MFA)  
➢ November 15, 2018 - moved up a week to Thursday (Albuquerque – MFA)
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Board Action Items Action Required?
Finance Committee
1 Budget Amendment FY2018 (Yvonne Segovia) - As a result of record single family mortgage loan production and implementation of a document management system, Staff anticipates that we will not have sufficient expense and capital outlay budget to carry the organization through the end of the fiscal year. Therefore staff is proposing an amendment to increase expense and capital budget by $1,523,970 and increase revenue budget by $2,356,500 for a net total of $832,530. YES

2 Housing Opportunity Fund Appropriations (Yvonne Segovia) - In order to meet anticipated demand, Staff recommends $6,300,000 be appropriated to the First Down DPA Loan Program, of which $2,500,000 will be transferred from the Primero Program, $975,000 will be transferred from the Partners Program, $2,100,000 will be transferred from the Access Program, resulting in $725,000 of new funds being appropriated to the Housing Opportunity Fund. YES

3 Authorized Signatures Resolution (Yvonne Segovia) - The Authorized Signatures Resolution is updated periodically as needed. Staff is recommending the addition of the Assistant Director of Servicing and Secondary Market Manager as authorized signors of program and servicing documents to support servicing expansion. YES

4 Approval of Broker/Dealers, Custodians and Depositories (Gina Hickman) - At least annually and as needed, MFA staff reviews and updates the Broker, Dealer, Custodian and Depository list. Staff recommends approval of the Broker, Dealer, Custodian and Depository List. All organizations meet established qualifications as stated in the MFA Investment Policy. YES

Contracted Services/Credit Committee
5 Approval of Community Development Block Grant (CDBG) Service Providers and Funding (Gina Bell) - Staff is requesting approval to award Community Development Block Grant (CDBG) funding to SW Regional Housing and Tierra Del Sol to provide accessibility upgrades to 13 homes and new roofs to 20 homes located in the Colonias. Upon approval, SW Regional would receive $201,490.38 in program funds and $6,044.71 in admin funds. Tierra Del Sol would receive $214,009.62 in program funds and $6,420.29 in admin. MFA would receive administrative fees in the amount of $2,535. YES

Other
6 2018 Series C Single Family Bond Resolution (Kathy Keeler) – Ongoing. YES
7 MFA’s 2018 Open Meetings Resolution (Joshua Allison) - The New Mexico Mortgage Finance Authority Open Meetings Resolution is submitted for MFA Board of Directors approval pursuant to Section 10-15-1 (B) and (D) of the New Mexico Open Meetings Act (Sections 10-15-1 to 10-15-4 NMSA 1978), which require that all meetings of a quorum of members of any board or other policymaking body of any state agency or authority discussing public business or taking action within its authority, declare its meetings to be open to the public at all times; and to further determine annually, in a public meeting, what constitutes reasonable notice of its public meetings. YES
Other Board Items  

8 Staff is available for questions  
- Staff Action Requiring Notice to Board  

Monthly Reports  

9 Staff is available for questions  
- 5/31/18 Financial Statements  
- Communications Department Reports  

Announcements and Adjournment  

Confirmation of Upcoming Board Meetings  
- August 15, 2018 - Wednesday – 9:30 a.m. (Albuquerque – Sandia Resort)  
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Minutes
Chair Burt convened the meeting on June 13, 2018 at 9:34 a.m. Secretary Czar called the roll. Members present: Chair Dennis Burt, Angel Reyes, Sally Malavé (designee for Attorney General Hector Balderas), Lieutenant Governor John Sanchez. Absent: Treasurer Tim Eichenberg, Steven Smith and Randy McMillan. Czar informed the Board that everyone had been informed about today’s meeting in accordance with the New Mexico Open Meetings Act.

Approval of Agenda - Board Action. Motion to approve the June 13, 2018 Board agenda as presented: Malavé. Second: Sanchez. Vote: 4-0.

Approval of May 16, 2018 Board Meeting Minutes – Board Action. Motion to approve the May 16, 2018 Board Meeting Minutes as presented: Sanchez. Second: Reyes. Vote: 4-0.

Employee Introductions: Monica Abeita director of policy & planning introduced Intern Keith Flynn who is a student at UNM and will be splitting his time with the Policy & Planning Department as well as Community Development. René Acuña director of homeownership introduced Intern Nolan Menapace who is also a student at UNM and will be working in the Homeownership Department.

Jay Czar recognized David Schmidt for his tireless efforts in affordable housing as MFA’s lobbyist over the past 15 years. He spoke of David’s efforts, professionalism, commitment and relationships. He wished him great health, happiness and success on his next chapter into retirement. Sanchez expressed his appreciation for David’s efforts in the legislature; he made reference to his professionalism and work ethics and wished him well. Chair Burt echoed those comments and thanked David for his years of service. David thanked MFA for the opportunity and spoke of his years of service and appreciation of MFA Board, Czar leadership and MFA staff. He also gave kudos to John Anderson.

Finance Committee
1 Single Family Mortgage Revenue Bond Loan Compliance Internal Audit (Cait Gutierrez, REDW). Gutierrez reviewed the Executive Summary provided behind tab one, which will be made a part of the official board packet. The focus of the internal audit was to evaluate the internal processes surrounding the Single Family Mortgage Revenue Bond loan application, income verification, and maximum income compilation process to determine if applications were completed in accordance with internal policies and procedures, relevant IRS Code sections and Housing and Urban Development (HUD) guidance. Gutierrez stated that most areas tested appeared to have functioning internal controls and procedures were followed. Additionally, she commented that compliance checklists were being utilized, necessary documentation was obtained for each loan, income calculations appeared to be appropriate and Maximum Income amounts were pulling correctly based on the parameters of each loan. There was one reportable low risk observation regarding recapture notification requirements that is in the process of being resolved in conjunction with MFA’s bond counsel. A process improvement opportunity was also provided to management. Motion to approve the Single Family Mortgage Revenue Bond Loan Compliance Internal Audit as presented: Reyes. Second: Sanchez. Vote: 4-0.

2 Vendor and Compliance Management Systems Including Sub-Servicing Oversight Internal Audit (Jessica Bundy, REDW). Bundy explained that the internal audit included verification of the significant sections within the Compliance Management System (CMS), Vendor Management and Sub-Servicer Oversight Policies and Procedures to determine if monitoring and reporting activities were in place as they relate to vendors and sub-servicers. She then went over the procedures and results as noted in the Executive Summary provided behind tab two, which will be made a part of the official board packet. Bundy reported that essential reviews and monitoring of vendors and the sub-servicer are being performed and that the CMS policies and procedures are functioning as intended. There was one reportable low risk observation related to lack of documentation for mortgage insurance premium testing performed by the sub-servicer which is in the process of being resolved. Discussion ensued regarding Dodd Frank changes and how it affects what MFA does or if it does. Further discussion ensued regarding sample sizing and transaction testing done my REDW as part of the procedures during the audit. Motion to approve the Vendor and Compliance Management Systems Including Sub-Servicing Oversight Internal Audit as presented: Malavé. Second: Sanchez. Vote: 4-0.
3 **Capital Magnet Fund Down Payment Assistance Program Policy (René Acuña).** Acuña began by explaining The U.S. Treasury’s Community Development Financial Institutions Fund (CDFI) recently awarded $3.6MM to MFA from the Capital Magnet Fund (CMF) to support a down payment assistance program for low income homebuyers. Staff recommends approval and implementation of the CMF Down Payment Assistance program policy. The program will expand homeownership opportunities throughout the state. He further explained that the program is designed to be used in conjunction with MFA’s First Home program. As such all First Home Program polices and guidelines still apply. The borrower must be a First Time Homebuyer, must occupy the single family residence as their primary residence, is required to contribute $500 of their own funds and homebuyer counseling is required. He then reviewed the matrix included in the memo behind tab three which includes highlights of the Policy Program parameters including loan features and related program requirements. Motion to approve the Capital Magnet Fund Program Policy as presented: Sanchez. Second: Malavé. Vote: 4 - 0.

4 **State of New Mexico Infrastructure Capital Improvements Plan (Monica Abeita).** Abeita explained that each year, the New Mexico Department of Finance and Administration (DFA) requests that state agencies, local governments, tribal governments, special districts and senior citizen facilities submit Infrastructure Capital Improvement Plans (ICIPs) for priority capital projects for which they will seek state funding in the next five years. MFA has submitted ICIPs through this process for the last three years. No funding has been received to date. MFA is recommending that a new ICIP be submitted for FY 2020-2024 for the following projects, which have been requested in previous years: Priority 1: New Mexico Housing Trust Fund $5 million each year for 2020-2024, and Priority 2: Weatherization/Energy-Efficiency $2 million each year for 2020-2024. Motion to approve the State of New Mexico Infrastructure Capital Improvements Plan as presented: Reyes. Second: Sanchez. Vote: 4 - 0.

5 **HUD Allocations (HOME & N-HTF (National Housing Trust Fund) (Izzy Hernandez).** Hernandez began by stating that staff recommends the allocation of $9 mm of National Housing Trust Fund (N-HTF) and $8,021,768 of HUD HOME funds to the activities identified in the N-HTF Table and 2018 HOME Allocation sheet as provided behind tab 12, which will be made a part of the official board packet. Hernandez provided background information reminding the Board that MFA has been the statewide Participating Jurisdiction (PJ) for HUD HOME funds in New Mexico since 1997. HOME Funds are allocated annually on a formula basis to each PJ. In 2016 MFA was also allocated N-HTF funds. In order to be eligible, MFA must be compliant with the Consolidated Plan, Action Plan, N-HTF Allocation Plan and Consolidated Annual Production Reporting (CAPER) amongst other requirements. He reviewed the tables for NHTF and HOME funds provided in the memo. MFA was allocated $3 mm from the N-HTF in 2016, 2017 and 2018 for a total of $9mm. The N-HTF allows up to a 10% administration fee ($300,000). HUD recently provided MFA with the 2018 HOME allocation in the amount of $5,241,485. This was an increase of $1,687,082 from the previous years’ allocation of $3,554,403. MFA’s carry forward $1,050,000 from the previous year in addition to $1,730,283 of program income. The combined total available for allocation of HOME funds is $8,021,768. Motion to approve the HUD Allocations (HOME & N-HTF (National Housing Trust Fund) as presented: Malavé. Second: Sanchez. Vote: 4-0.

Allocation Review Committee

6 **Proposed 2018 Low Income Housing Tax Credit (“LIHTC”) Awards (Susan Biernacki).** Biernacki explained that she would present the 2018 Low Income Tax Credit recommendations as presented to the Allocation Review Committee in April. She stated today we will request board approval to approve six (6) proposed initial awards to fully fund the top three (3) ranking new construction projects and the top three (3) ranking rehabilitation projects, Approval of the LIHTC Wait List and Approval of a forward allocation. She introduced the developers who were in attendance to answer any questions staff could not answer; they are: Herdner 80 - Steve Crozier with Tierra Realty Trust; Canyon Walk - Mark Shoemacher with Bethel Development and Veronika Molina, Executive Director of Southwest Regional Housing & Community Development Corp.; Nuevo Atrisco - Joe Ortega and Thaddeus Lucero with Yes Housing, Inc.; Villa Consuelo - Ed Romero, Executive Director of Santa Fe Civic Housing Authority and Dave Martinez with SFCHA; Parkside Place - Cheri Hoffman, Marie Allen and Robin Pelton, all of whom are with Chelsea Investment Corp., Chris Herbert, Executive Director of Eastern Regional Housing Authority, and Cesar Marenco; Valle Verde I - Rose Garcia, Executive Director of Tierra del Sol Housing Corporation. Biernacki stated that she would breakdown the presentation into three parts: background, process and results. She reviewed the background information located on the memo behind tab six. Then she reviewed the process beginning with staff work; MFA received 11 LIHTC applications proposing to build or rehabilitate 786 low income units. She discussed the scoring and underwriting process including the site visits and spoke to the function of the ARC. Biernacki
informed the board that one appeal was filed by ZHA LIHTC #3 by the appeal deadline of May 7, 2018. The ARC convened an appeal hearing on May 16, 2018 and ruled in favor of MFA. She informed the board that the ARC approved the six (6) proposed initial awards to those 2018 9% Low Income Housing Tax Credit (LIHTC) Projects (446 units) presented in Table 7A; 2018 9% LIHTC Wait List approval of five (5) projects for the as listed in Table 7B (340 units); and a forward allocation in the amount of $1,259,545 in 2019 Tax Credits in order to complete the funding for those six (6) Projects proposed for initial award. Biernacki reviewed the results in Table 7A, which list the six (6) recommended projects that are located in the following counties: Bernalillo, Santa Fe, Los Alamos, Taos, Dona Ana and Eddy. She further informed the board that all of the projects are in Areas of Statistically Demonstrated Need. She discussed each project in detail including the population to be served and services provided. Chair Burt thanked Biernacki and the team for an outstanding job, stating he appreciated the report stating it really brought clarity to the process. Motion to approve the Proposed 2018 Low Income Housing Tax Credit (“LIHTC”) Awards, Carry Forward and Wait List as presented: Reyes. Second: Malavé. Vote: 4-0.

Contracted Services/Credit Committee & Housing Trust Fund Committee

7 Low Income Housing Tax Credit (LIHTC) Gap Financing Loan Requests (George Maestas, Sharlynn Rosales & Tanya Birks)

- Valle Verde I – NMHTF and Primero Loan Requests (George Maestas) – Maestas began by stating that this project was approved as a 2018 LIHTC allocated project. It is a request for $2.5 mm for a 36-unit acquisition & rehabilitation project located in Placitas, NM (Dona Ana County). NM-HTF in the amount of $1.5 mm; 2 year construction period of $1.5 mm, 30 year permanent interest rate of 3% of 500k and is recommended by the HTF Advisory Committee. Primero loan $1 mm, 2 year construction, 2.5% interest rate/1% fees, five year affordability period. All 36 units are income-restricted to households earning 50% or less of Area Median Income (AMI). He also reviewed the additional funding sources as well as special conditions.

- Parkside Place – HOME and NHTF Loan Requests (Sharlynn Rosales) – Rosales began by informing the board that this recommendation is a request for Parkside Place (“Project”) includes the acquisition and rehabilitation of two existing apartment communities that will be combined into a single project. Mission Apartments, located at 710 Hueco, (68 units) and La Posada Apartments, located at 805 Hueco, (12 units) are adjacent communities in Carlsbad, New Mexico. The Project is proposed and operated for households at 50% Area Median Income (AMI), 30% AMI, and persons with Special Needs under the QAP set aside. Both communities are 100% HUD-subsidized with Project-Based Section 8. The requests includes: HOME loan of $400k with 24 month construction period, 40 year permanent period (40 yr. amortization), 0% interest; and N-HTF loan of $1.275 mm - 2 year construction, 35 year permanent, cash flow only loan 0% interest rate. She reviewed the special conditions as well as additional funding sources. She also provided additional information regarding the developer and property management company.

- Nuevo Atrisco – HOME, NMHTF, and NHTF Loan Requests (Tanya Birks) – Birks informed the board that this request is for new construction 80 rental units located in Albuquerque. The project will serve households - 24 units earning 30% or less of area median income (AMI), 16 units for 50% AMI households, 28 units for 60% AMI households, and 12 units with no income limitation. Project will also include 8 market-rate condominium live-work units on the ground floor. The request includes three loans HOME loan in the amount of $600k; 24 month construction, 10 year permanent (10 yr. amortization), 0% interest. NMHTF loan( reviewed and recommended by the HTF Advisory Committee) $1 mm - $500k for 24 month construction, 500k 30 year permanent, rate 3%; and N-HTF in the amount of $1.275 mm - 24 month construction, 35 year permanent, cash flow only loan 0% interest rate. She reviewed the special conditions as well as additional funding sources. She also provided additional information regarding the developer and property management company.

Motion to approve the three projects for Gap Financing Loan Requests include: Valle Verde I – NMHTF and Primero Loan Requests; Parkside Place – HOME and NHTF Loan Requests and Nuevo Atrisco – HOME, NMHTF, and NHTF Loan Requests as recommended: Malavé. Second: Sanchez. Vote: 4-0.

8 Limited Source Procurement for 2018-2019 Continuum of Care Performance (CoC) Award (Natalie Michelback). Michelback began her presentation by informing the Board that the Continuum of Care (COC) performance awards were established to provide support to agencies statewide that offer homeless prevention and supportive services through this limited source procurement. She informed the Board that the Continuum of Care Performance Program is supported exclusively by State Homeless funds. She reviewed the following information and tables included in the memo which included the following information: Purpose of Activities, Approval of Awards,
Funding Allocations for the 2018/2019 Program Year, Allocations by Program, Location and Recommended Awards to Continuum of Care Performance Award Service Providers. She stated that staff is requesting approval of 26 awards in the total amount of $458,174 for the Continuum of Care (COC) program. Motion to approve the Limited Source Procurement for 2018-2019 Continuum of Care Performance (CoC) Award as recommended: Sanchez. Second: Malavé. Vote: 4-0.

9 Approval of 2018/2019 Housing Opportunities for Persons With AIDS (HOPWA) Service Providers and Awards (Natalie Michelback). Michelback informed the Board that HOPWA funds are distributed in New Mexico to two geographic areas by The Department of Housing and Urban Development (HUD); the City of Albuquerque and the balance of state (all areas outside of Albuquerque) through MFA. For program year 2018-2019, MFA received $433,596.00 in HOPWA funds for housing assistance within the City of Albuquerque and $374,630.00 for the balance of state for a total of $808,226.00. MFA’s administrative fees are calculated at 3% for a total of $24,246.78 resulting in the total award of $783,979.22 to three service providers. The HOPWA RFP was approved by MFA’s Board of Directors on April 18, 2018, and released to the public on the same day. RFP training was held on April 26, 2018, and the response deadline was May 16, 2018. She further stated that three offerors had responded to the RFP and reviewed the tables in the memo located behind tab nine which included: Scoring, Region and Award by Agency. Motion to approve the 2018/2019 Housing Opportunities for Persons With AIDS (HOPWA) Service Providers and Awards as recommended: Reyes. Second: Malavé. Vote: 4-0.

10 Approval of the 2018/2019 NM EnergySmart Service Providers (Amy Gutierrez). Gutierrez began by reminding the Board that the NM Energy$mart RFP was approved by the MFA Board of Directors on April 18, 2018 and released to the public on the same day. RFP training was held on April 26, 2018 and the response deadline was May 11, 2018. Four Offerors responded to the NM Energy$mart RFP, stating that two of the respondents did not meet minimum threshold and therefore were not scored. She reviewed the scoring provided on the memo behind tab ten, which will be made a part of the official board packet. She also reviewed the table that included the Agency, Territory and Counties each agency would serve, Award by Agency and number of units to be weatherized. She further informed the Board that based on the applications received; there were no qualified applicants for Territory 2. Therefore, as outlined in Section 11 - Geographic Area to which the RFP applied – which states if there are not three successful Offerors or if all territories are not applied for, the successful Offerors would revert back to the territories currently covered by the existing service providers. Anticipated total funding for the NM Energy$mart Program for the program year 2018/2019 is $6,199,852. Staff recommends that the Board approve Central NM Housing Corporation for Territory 1 (Northern Territory) and Southwestern Regional Housing and Community Development Corporation for Territory 2 (Southern Territory) as the service providers for the NM Energy$mart Program. Board approval would allow the selected Service Providers to receive a one year contract with the option of four additional annual renewals. Motion to approve the Approval of the 2018/2019 NM Energy$mart Service Providers as presented: Sanchez. Second: Reyes. Vote: 4-0.

11 2018/2019 Linkages Award Recommendation (Shannon Tilseth). Tilseth began by informing the Board that the Linkages Program is funded by the state of New Mexico, Behavioral Health Service Division “BHSD”, Human Services Department “HSD”. MFA receives $1,350,000 in recurring funds from the state of New Mexico each year. She reviewed the charts in the memo located behind tab 11 which show how the funding is allocated, the six Linkages Housing Administrators, Areas Served, Recommended Award and Maximum Number of Vouchers for the program year beginning July 1, 2018. Staff is recommending approval of the awards to the six existing housing administrators for the Linkages Program in the amount of $1,242,000 and $108,000 in MFA administrative fees under the Limited Source Procurement for program year 2018/2019. In addition, staff is requesting that the approval allow for two, one year extensions to the contract which would expire on June 30, 2021. Motion to approve the 2018/2019 Linkages Award Recommendation and two, one year extensions as recommended: Malavé. Second: Reyes. Vote: 4-0.

Other

12 Election of Officers (Chair Burt). Chair Burt presented the slate of officers who are being recommended and agreed to serve, they are: Vice Chair – Angel Reyes, Treasurer – Steven Smith, Secretary – Jay Czar, Assistant Secretary – Gina Hickman, and Assistant Treasurer – Yvonne Segovia. Motion to approve the Slate of Officers as recommended: Sanchez. Second: Malavé. Vote: 4-0.
13 **Quarterly Single Family Production Report (René Acuña).** Acuña reviewed the single family program production report located behind tab 13 for January 1, 2018 – March 31 2018. He stated he would focus on areas of notable changes and current trends. He discussed MFA’s mortgage loan rates, stating that MFA is averaging approximately $8 mm in weekly reservations. He further stated that 62.66% of loans financed in the first quarter were financed through the issuance of Mortgage Revenue Bonds (MRB). Acuña referred to the MFA Program Utilization - formerly called the MFA Market Share. He reported that MFA’s program utilization is 23.39% of the purchase money FHA loans within the state. Non-Action Item.

**Other Board Items - Information Only**
14 There were no questions asked of staff
- Staff Action Requiring Notice to Board
- 2018 Series B Single Family Bond Pricing Summary

**Monthly Reports - No Action Required**
15 There were no questions asked of staff
- 4/30/18 Financial Statements.
- Communications Department Reports

**Announcements and Adjournment - Confirmation of Upcoming Board Meetings.** Chair Burt informed the Board that the next Board of directors meeting will be held on July 18, 2018 at the offices of the MFA at 9:30 a.m. Czar informed the Board that the Board Retreat would be held August 15-16 in conjunction with the Board of Directors meeting in Albuquerque. He further informed the Board that the venue has not been confirmed but as soon as it is we will inform the Board of the location.

There being no further business the meeting was adjourned at 11:36 p.m.

**Approved: July 18, 2018**

_________________________  ____________________________
Chair, Dennis Burt              Secretary, Jay Czar
Tab 1
**NEW MEXICO MORTGAGE FINANCE AUTHORITY**

**Finance/Operations Committee Meeting**  
**Tuesday, July 10, 2018 at 1:30 p.m.**

To dial in to the conference call dial: MFA (Abbott Hall) all participant dial in  
(641) 715-3276 Participant Access Code: 561172#  MFA only/Host Access Code: 561172#

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**Committee Members present:**

- Steven Smith, Chair  
  - ☑ present  
  - ☐ absent  
  - ✓ conference call

- Dennis Burt  
  - ✓ present  
  - ☐ absent  
  - ☐ conference call

- Lieutenant Governor John Sanchez  
  or Proxy Mark Van Dyke  
  - ☐ present  
  - ☐ absent  
  - ✓ conference call

Secretary: [Signature]  
7/10/18
MEMORANDUM

TO: Board of Directors

Through: Finance Committee – July 10, 2018

Through: Policy Committee – July 2, 2018

FROM: Yvonne Segovia, Controller

DATE: July 18, 2018

SUBJECT: Budget Amendment FY2018

Recommendation:

Staff recommends approval of the Budget Amendment to adjust for single family mortgage loan production and the implementation of a document management system.

Background:

The MFA By-laws authorize staff to expend the money of the MFA in accordance with the budget. On 9/20/2017 the Board approved the fiscal year 2018 budget, which authorized total expenses of $14,965,031 plus capital outlay of $2,907,840 for a total net including capital outlay that exceeds revenue budget of $1,297,478.

Discussion:

MFA has experienced record single family mortgage loan production this fiscal year. MFA owns the mortgage servicing rights on the MFA portfolio. As a result of this ownership, the accounting requires us to expense the lender compensation and capitalize the mortgage servicing rights. Therefore, single family loan production levels have a direct impact on our operating budget.

However, this increased production has also resulted in an increase in TBA transaction fees. As of 5/31/18 we recognized $4.4mm in TBA transaction fees, far exceeding the budget of $2.6mm. We also discovered while updating the Forecast that we budgeted fee income at a rate that was net of lender compensation, rather than a gross rate that reflects how the fee revenue is recorded.
Management made a strategic decision to prioritize a document management software system to provide organization wide technology to improve processes, efficiency and space utilization, which had been planned for FY2019. This required not only the purchase and maintenance of the software, but conversion of over 400 boxes of loan files in the basement to electronic copies. Although some other budgeted items were deferred to offset the cost of this document management system, they were not sufficient to cover the full cost.

MFA budget is created very closely to our anticipated operating needs; therefore, the production impact and acceleration of the document management initiative has a direct impact on our operating budget. Staff anticipates that we will not have sufficient expense budget to carry the organization through the end of the fiscal year. Therefore staff is proposing an amendment to increase expense and capital budget by $1,523,970 and increase revenue budget by $2,356,500 for a net increase in total budget including capitalized items of $832,530 as reflected on the attached Budget Amendment schedule.

Summary:

As a result of record single family mortgage loan production and implementation of a document management system, Staff anticipates that we will not have sufficient expense and capital outlay budget to carry the organization through the end of the fiscal year. Therefore staff is proposing an amendment to increase expense and capital budget by $1,523,970 and increase revenue budget by $2,356,500 for a net total of $832,530.
# Proposed Amended Budget 2018

## Projected Revenue

<table>
<thead>
<tr>
<th></th>
<th>Proposed</th>
<th>2018</th>
<th>Amended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budget 2018</td>
<td>Approved</td>
<td>Amendment</td>
</tr>
<tr>
<td>TOTAL PROJECTED REVENUE</td>
<td>21,526,850</td>
<td>19,170,350</td>
<td>2,356,500</td>
</tr>
</tbody>
</table>

## Projected Expenses

### Compensation

<table>
<thead>
<tr>
<th></th>
<th>Proposed</th>
<th>2018</th>
<th>Amended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budget 2018</td>
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<td>Amendment</td>
</tr>
<tr>
<td>Salaries</td>
<td>4,716,222</td>
<td>4,716,222</td>
<td>-</td>
</tr>
<tr>
<td>Overtime</td>
<td>7,403</td>
<td>7,403</td>
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<tr>
<td>Incentives</td>
<td>375,000</td>
<td>375,000</td>
<td>-</td>
</tr>
<tr>
<td>Payroll taxes &amp; Employee Benefits</td>
<td>2,189,817</td>
<td>2,189,817</td>
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<tr>
<td>TOTAL COMPENSATION</td>
<td>7,288,443</td>
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</table>

### Travel & Public Information

<table>
<thead>
<tr>
<th></th>
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<th>2018</th>
<th>Amended</th>
</tr>
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<tr>
<td></td>
<td>Budget 2018</td>
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<tr>
<td>Customer Relations</td>
<td>4,775</td>
<td>4,775</td>
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<tr>
<td>Public Information</td>
<td>164,959</td>
<td>164,959</td>
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</tr>
<tr>
<td>Housing Conference</td>
<td>20,000</td>
<td>20,000</td>
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<tr>
<td>In-State Travel</td>
<td>109,421</td>
<td>109,421</td>
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</tr>
<tr>
<td>Out-of-State Travel</td>
<td>178,448</td>
<td>178,448</td>
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<tr>
<td>TOTAL TRAVEL &amp; PUB. INFO.</td>
<td>477,603</td>
<td>477,603</td>
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</tr>
</tbody>
</table>

### Office Expenses

<table>
<thead>
<tr>
<th></th>
<th>Proposed</th>
<th>2018</th>
<th>Amended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budget 2018</td>
<td>Approved</td>
<td>Amendment</td>
</tr>
<tr>
<td>Utilities/Property Taxes</td>
<td>73,135</td>
<td>73,135</td>
<td>-</td>
</tr>
<tr>
<td>Leasehold Expense</td>
<td>(650)</td>
<td>(650)</td>
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</tr>
<tr>
<td>Insurance, Property &amp; Liability</td>
<td>122,597</td>
<td>122,597</td>
<td>-</td>
</tr>
<tr>
<td>Repairs, Maintenance &amp; Leases</td>
<td>533,512</td>
<td>516,440</td>
<td>17,071</td>
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<tr>
<td>Supplies</td>
<td>34,883</td>
<td>34,883</td>
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<tr>
<td>Postage/Express mail</td>
<td>36,782</td>
<td>36,782</td>
<td>-</td>
</tr>
<tr>
<td>Telephone</td>
<td>78,862</td>
<td>78,862</td>
<td>-</td>
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<tr>
<td>Janitorial</td>
<td>28,408</td>
<td>28,408</td>
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<tr>
<td>TOTAL OFFICE EXPENSES</td>
<td>907,529</td>
<td>890,458</td>
<td>17,071</td>
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</table>

### Other Operating Expenses

<table>
<thead>
<tr>
<th></th>
<th>Proposed</th>
<th>2018</th>
<th>Amended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budget 2018</td>
<td>Approved</td>
<td>Amendment</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>804,349</td>
<td>804,349</td>
<td>-</td>
</tr>
<tr>
<td>Dues &amp; Periodicals</td>
<td>57,328</td>
<td>57,328</td>
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<tr>
<td>Education &amp; Training</td>
<td>135,582</td>
<td>135,582</td>
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<tr>
<td>Contractual Services</td>
<td>1,296,982</td>
<td>1,245,382</td>
<td>51,600</td>
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<tr>
<td>Professional Services-Program</td>
<td>32,125</td>
<td>32,125</td>
<td>-</td>
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<tr>
<td>Rebate Analysis Fees</td>
<td>1,500</td>
<td>1,500</td>
<td>-</td>
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<tr>
<td>Direct Servicing Expenses</td>
<td>2,791,805</td>
<td>2,316,805</td>
<td>475,000</td>
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<tr>
<td>Program Expense-Other</td>
<td>25,875</td>
<td>25,875</td>
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<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL OTHER OPER. EXP.</td>
<td>5,145,546</td>
<td>4,618,946</td>
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</table>

### Total Operating Expenses

<table>
<thead>
<tr>
<th></th>
<th>Proposed</th>
<th>2018</th>
<th>Amended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budget 2018</td>
<td>Approved</td>
<td>Amendment</td>
</tr>
<tr>
<td>TOTAL OPERATING EXPENSES</td>
<td>13,819,120</td>
<td>13,275,449</td>
<td>543,671</td>
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</table>

### Non-Operating Expenses

<table>
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<tr>
<th></th>
<th>Proposed</th>
<th>2018</th>
<th>Amended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budget 2018</td>
<td>Approved</td>
<td>Amendment</td>
</tr>
<tr>
<td>Program Training &amp; Technical Assistance</td>
<td>199,800</td>
<td>199,800</td>
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<tr>
<td>Program Development/Capacity Building Costs</td>
<td>666,300</td>
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<tr>
<td>TOTAL NON-OPERATING EXPENSES</td>
<td>866,100</td>
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### Total Operating & Non-Operating Expenses

<table>
<thead>
<tr>
<th></th>
<th>Proposed</th>
<th>2018</th>
<th>Amended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budget 2018</td>
<td>Approved</td>
<td>Amendment</td>
</tr>
<tr>
<td>TOTAL OPERATING &amp; NON-OPERATING EXPENSES</td>
<td>14,685,220</td>
<td>14,141,549</td>
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</table>

### Expensed Assets

<table>
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<tr>
<th></th>
<th>Proposed</th>
<th>2018</th>
<th>Amended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budget 2018</td>
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<td>Amendment</td>
</tr>
<tr>
<td>EXPENSED ASSETS</td>
<td>82,220</td>
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</table>

### Non-Cash Expenses

<table>
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<tr>
<th></th>
<th>Proposed</th>
<th>2018</th>
<th>Amended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budget 2018</td>
<td>Approved</td>
<td>Amendment</td>
</tr>
<tr>
<td>NON-CASH EXPENSES</td>
<td>741,262</td>
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</tbody>
</table>

### Total Expenses & Non-Cash Outlay

<table>
<thead>
<tr>
<th></th>
<th>Proposed</th>
<th>2018</th>
<th>Amended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budget 2018</td>
<td>Approved</td>
<td>Amendment</td>
</tr>
<tr>
<td>TOTAL EXPENSES &amp; NON-CASH OUTLAY</td>
<td>15,508,702</td>
<td>14,965,031</td>
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</table>

### Excess Revenue Over Expenses

<table>
<thead>
<tr>
<th></th>
<th>Proposed</th>
<th>2018</th>
<th>Amended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budget 2018</td>
<td>Approved</td>
<td>Amendment</td>
</tr>
<tr>
<td>EXCESS REVENUE OVER EXPENSES</td>
<td>6,018,147</td>
<td>4,205,318</td>
<td>1,812,829</td>
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</table>

### Purchased Servicing & Capital Outlay

<table>
<thead>
<tr>
<th></th>
<th>Proposed</th>
<th>2018</th>
<th>Amended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budget 2018</td>
<td>Approved</td>
<td>Amendment</td>
</tr>
<tr>
<td>PURCHASED SERVICING RIGHTS</td>
<td>3,700,000</td>
<td>2,750,000</td>
<td>950,000</td>
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<tr>
<td>Capitalized Assets</td>
<td>188,139</td>
<td>157,840</td>
<td>30,299</td>
</tr>
<tr>
<td>TOTAL PURCHASED SERVICING &amp; CAPITAL OUTLAY</td>
<td>3,888,139</td>
<td>2,907,840</td>
<td>980,299</td>
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</table>

### Total Including Capitalized Items

<table>
<thead>
<tr>
<th></th>
<th>Proposed</th>
<th>2018</th>
<th>Amended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budget 2018</td>
<td>Approved</td>
<td>Amendment</td>
</tr>
<tr>
<td>TOTAL INCLUDING CAPITALIZED ITEMS</td>
<td>2,130,008</td>
<td>1,297,478</td>
<td>832,530</td>
</tr>
</tbody>
</table>
Tab 2
MEMORANDUM

TO: Board of Directors

Through: Finance Committee – July 10, 2018

Through: Policy Committee – June 26, 2018

FROM: Yvonne Segovia, Controller

DATE: July 18, 2018

SUBJECT: Housing Opportunity Fund Appropriations

Recommendation:

As specified on the attached Resolution, Staff recommends $6,300,000 be appropriated to the First Down DPA Loan Program, of which $2,500,000 will be transferred from the Primero Program, $975,000 will be transferred from the Partners Program, $2,100,000 will be transferred from the Access Program, resulting in $725,000 of new funds being appropriated to the Housing Opportunity Fund.

Background:

The Housing Opportunity Fund (HOF) was created in 1992 to support MFA’s legislative responsibility to provide decent, safe, and affordable housing programs to benefit all New Mexicans. The HOF programs are funded by MFA’s General Fund reserves through appropriations designated by the Board. The programs that comprise the General Fund HOF include: Primero Investment Fund Program, Partners Loan Program, “First Down” Down Payment Assistance Program, HERO First Mortgage Program, and Access Loan Program. The Board has appropriated General Fund reserves to various programs in the HOF throughout the years. Total appropriations to date are $91.6 million.

The DPA Program will exhaust all available appropriations due to increased demand in the Single Family Mortgage Program resulting in a need for funds of $.5mm through 9/30/18 to support anticipated demand. Due to this shortage, staff is presenting this recommendation outside of the annual budget cycle. MFA currently has $45mm in DPA portfolio loans on its Statement of Net
Position. The current interest rate on these loans is 6%. This program supports MFA’s mission by providing affordable homeownership opportunities in New Mexico.

Discussion:

The attached schedule summarizes the appropriations, uses, and projections for each program in the General Fund HOF as of 5/31/2018. Staff has estimated the availability of “Funds Required to meet Demand” for each of the programs that comprise the General Fund HOF. Staff also estimated the “Anticipated Need” for the programs through 9/30/2019 as well as the “Estimated Repayments” through 9/30/2019. Based on these estimates, funds will be necessary to support demand in the DPA loan program. However, there are excess funds available in the Primero, Partners and Access loan programs, which can be transferred to the DPA loan program.

These changes in appropriations would result in $725,000 in new funds being appropriated to the HOF. As of 5/31/2018, MFA has $27,997,000 in General Fund reserves which have been designated for use in the Single Family and Multifamily housing programs.

Summary:

In order to meet anticipated demand, Staff recommends $6,300,000 be appropriated to the First Down DPA Loan Program, of which $2,500,000 will be transferred from the Primero Program, $975,000 will be transferred from the Partners Program, $2,100,000 will be transferred from the Access Program, resulting in $725,000 of new funds being appropriated to the Housing Opportunity Fund.
### New Mexico Mortgage Finance Authority
#### Housing Opportunity Fund

**REQUEST**

**4/30/2018**

<table>
<thead>
<tr>
<th>Description</th>
<th>Primero Loans</th>
<th>Primero Loans PRLF</th>
<th>Partners Loans</th>
<th>DPA</th>
<th>HERO 1st Mortgages</th>
<th>Access Loans</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Original Appropriation:</strong></td>
<td>7,117,041</td>
<td>925,000</td>
<td>5,003,000</td>
<td>42,687,666</td>
<td>2,771,074</td>
<td>33,139,000</td>
<td>91,642,781</td>
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<tr>
<td><strong>RHEED 2002 Award</strong></td>
<td>13,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>13,000</td>
</tr>
<tr>
<td><strong>HERO Loans/State Innovations</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>363,413</td>
</tr>
<tr>
<td><strong>DPA Loans/State Mortgage Loans</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>75,000</td>
</tr>
<tr>
<td><strong>DPA Loans/General Indenture</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6,500,000</td>
</tr>
<tr>
<td><strong>Wells Fargo</strong></td>
<td>850,000</td>
<td>4,125,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6,000,000</td>
</tr>
<tr>
<td><strong>USDA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4,125,000</td>
</tr>
<tr>
<td><strong>NM Small Business Investment Corp.</strong></td>
<td>1,500,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,500,000</td>
</tr>
</tbody>
</table>

**Used for:**

- **Funded Loans**
  - (17,052,318) (1,935,965) (13,118,109) (76,970,653) (9,258,705) (29,622,224) (147,992,973)
- **Repayments**
  - 12,275,460 86,574 8,832,606 32,659,022 6,487,631 2,520,496 62,896,789

**Totals**

- **4,703,183** **3,200,609** **717,497** **5,314,449** **(0)** **6,037,272** **19,973,011**

**Total Unused Appropriations:**

- **19,973,011**

**Commitments:**

- 1,127,085 55,869 144,000 2,413,305 1,900,000 5,640,259

**Available:**

- 3,576,098 3,144,741 573,497 2,901,144 (0) 4,137,272 14,332,752

**PROJECTIONS FOR FISCAL YEAR 2018-2019:**

- **Anticipated Need thru 9/30/2019**
  - 3,000,000 500,000 500,000 15,362,391 0 2,500,000 21,862,391

- **Estimated Repayments**
  - 1,989,830 901,669 6,183,810 0 505,587 9,580,897

- **Funds Required to meet Demand**
  - (2,566,000) (2,645,000) (975,000) 6,278,000 - (2,143,000) (2,051,000)

- **Board Appropriation Request**
  - (2,500,000) 0 (975,000) 6,300,000 (2,100,000) 725,000

**SUMMARY UPON APPROVAL:**

- Loans & Guaranties Outstanding: 85,096,184
- Unused Appropriations: 20,698,011
- Total Appropriations: 105,794,194
NEW MEXICO MORTGAGE FINANCE AUTHORITY (MFA) RESOLUTION

WHEREAS the New Mexico Mortgage Finance Authority Board of Directors (the "Board") met in a Regular meeting at the MFA, 344 Fourth St. SW, Albuquerque, New Mexico on July 18, 2018 at 9:30 a.m.; and

WHEREAS there exists a need to provide statewide down payment assistance (DPA) to borrowers that have limited financial resources; and

WHEREAS the legislated responsibility of the MFA is to help provide decent, safe and affordable housing to all New Mexicans; and

WHEREAS the designation of General Fund reserves to the Housing Opportunity Fund for the use in the HERO First Mortgage Program has been fully disbursed; and

WHEREAS the Board has $2,500,000 of unused appropriation in the Primero Loan Program; and

WHEREAS the Board has $975,000 of unused appropriation in the Partners Loan Program; and

WHEREAS the Board has $2,100,000 of unused appropriation in the Access Loan Program; and

WHEREAS the Board has designated repayments from the Housing Opportunity Fund HERO First Mortgage loans to the DPA Program; and

WHEREAS the Board has designated repayments from various DPA loans to the DPA Program; and

WHEREAS the MFA recommends an additional appropriation of $6,300,000 plus repayments from the HERO First Mortgage loans and the various DPA loans be designated to the First Down DPA Loan Program; therefore

IT IS RESOLVED that the MFA Board agrees to appropriate an additional $6,300,000, of which $2,500,000 will be transferred from the Primero Program, $975,000 will be transferred from the Partners Program, $2,100,000 will be transferred from the Access Program, plus repayments of HERO and DPA loans to the First Down DPA Loan Program.

After discussion, the foregoing Resolution was duly moved by ________________, and seconded by____________________; adopted by the following vote:

Aye Nay Absent

Date Adopted: July 18, 2018
Tab 3
MEMORANDUM

TO:          Board of Directors

Through:     Finance Committee – July 10, 2018

Through:     Policy Committee – June 26, 2018

FROM:        Yvonne Segovia, Controller

DATE:        July 18, 2018

SUBJECT:     Authorized Signatures Resolution

Recommendation:

Staff recommends the addition of the Assistant Director of Servicing and Secondary Market Manager as authorized signors of program and servicing documents.

Background:

The Authorized Signatures Resolution is updated periodically as needed.

Discussion:

As an approved Ginnie Mae issuer, staff is required to perform various selling and servicing functions, which require the use of a Ginnie Mae RSA SecureID Token. As we move forward with the implementation of the next phase of the Servicing Expansion project and also to ensure adequate authorized staff to perform these functions, additional staff must apply to receive a token. In order to apply for the token, Ginnie Mae requires designated staff be listed on MFA's Authorized Signatures Resolution.

Summary:

The Authorized Signatures Resolution is updated periodically as needed. Staff is recommending the addition of the Assistant Director of Servicing and Secondary Market Manager as authorized signors of program and servicing documents to support servicing expansion.
WHEREAS, a regular meeting of the Board of Directors of the New Mexico Mortgage Finance Authority (MFA) was held at 344 Fourth St. SW, Albuquerque, New Mexico on July 18, 2018 at 9:30 a.m.; and

WHEREAS, authorized signatures are required to conduct the ongoing business of the MFA;

IT IS THEREFORE RESOLVED:

1. The individuals holding the following positions are designated as Authorized Signatures on documents and/or instruments required to perform program and servicing activities:
   
   Executive Director  
   Deputy Director(s)  
   Human Resources Director  
   Senior Director of Homeownership  
   Director of Servicing  
   Assistant Director of Servicing  
   Secondary Market Manager  
   Employees Designated by Management

2. The individuals holding the following positions are designated as Authorized Signatures on Bank Accounts and related banking documents:
   
   Chair of the Board  
   Vice-Chair of the Board  
   Treasurer of the Board  
   Board Members Designated by the Chair of the Board  
   Executive Director  
   Deputy Director(s)  
   Controller

3. The individuals holding the following positions are designated as Authorized Signatures on documents that legally bind the MFA, including contracts and federal fiscal reports and payment vouchers in accordance with OMB 2 CFR 200.415:
   
   Chair of the Board  
   Executive Director  
   Deputy Director(s)  
   Human Resources Director  
   Controller

After discussion the foregoing resolution was adopted on July 18, 2018.
RESOLVED, the individuals listed below are fully authorized and empowered to establish accounts in any bank or financial or depository institution (bank) in the name and on behalf of New Mexico Mortgage Finance Authority (MFA); to make deposits in, change, transfer funds to, or withdraw funds from such accounts by checks, drafts, wire transfers, or other instruments or orders customarily used for the payment of accounts or the transfer of funds, including the proceeds of mortgages; and to make, execute, and deliver, under the seal of New Mexico Mortgage Finance Authority, any and all written instruments necessary or proper to effectuate the authority hereby conferred; and that any such actions heretofore taken by any of the following persons on behalf of New Mexico Mortgage Finance Authority are hereby ratified, approved and confirmed.

Dennis R. Burt  Chair of the Board
Angel A. Reyes  Vice-Chair of the Board
Steven J. Smith  Treasurer of the Board
Jay J. Czar  Executive Director
Gina Hickman  Deputy Director of Finance & Admin.
Yvonne Segovia  Controller
Isidoro Hernandez  Deputy Director of Programs

IT IS FURTHER RESOLVED, that the authority conferred hereinabove shall continue in full force and effect until written notice of modification or revocation shall be received by the bank and that bank shall be protected in action upon any form of such written notice of modification or revocation which it in good faith believes to be genuine.

CORPORATE CERTIFICATION

I HEREBY CERTIFY, that I am the Secretary of New Mexico Mortgage Finance Authority; that the above and foregoing is a full, true and correct copy of a resolution duly and regularly adopted by the vote of a majority or more of the directors of the New Mexico Mortgage Finance Authority in accordance with the MFA by-laws on July 18, 2018; that there is no provision in the articles of the MFA conflicting with said resolution; and that said resolution has not been modified or revoked and still remains in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of the New Mexico Mortgage Finance Authority this ____________ day of July, 2018.

Jay J. Czar, Secretary
Tab 4
MEMORANDUM

TO: MFA Board of Directors

Through: Finance Committee – July 10, 2018

Through: Policy Committee – June 26, 2018

FROM: Gina Hickman

DATE: July 18, 2018

SUBJECT: Approval of Broker/Dealers, Custodians and Depositories

Recommendation: Staff recommends approval of the Broker/Dealer, Custodian and Depository List.

Background: At least annually and as needed, MFA staff reviews and updates the list of brokers, dealers, custodians and depositories. The Broker/Dealer, Custodian and Depository List includes firms that are part of our Underwriting Team, other underwriters with local offices who have expressed interest in working with MFA by responding to our most recent underwriting request for proposal (RFP) and who meet the required criteria in the Investment Policy. Depository and custodial relationships are established as part of either an RFP process or are institutions utilized by the State of New Mexico. The one exception is the Federal Home Loan Bank of Dallas, a government-sponsored enterprise, which provides financial services to member institutions including Housing Finance Agencies.

Discussion: A due diligence review was conducted and organizations meet established qualifications as stated in the MFA Investment Policy.

Summary: At least annually and as needed, MFA staff reviews and updates the Broker, Dealer, Custodian and Depository list. Staff recommends approval of the Broker, Dealer, Custodian and Depository List. All organizations meet established qualifications as stated in the MFA Investment Policy.
Recommended Broker/Dealers:

Underwriting Team and underwriters with local offices who have expressed interest in working with MFA (by responding to our most recent RFPs who meet the required criteria):

- Raymond James & Associates
- RBC Capital Markets, LLC
- J.P. Morgan Securities, LLC
- Merrill Lynch, Pierce, Fenner & Smith Inc.
- George K. Baum & Co.
- Fidelity Capital Markets
- Jefferies, LLC
- Stifel, Nicolaus & Company, Inc.

Bidding Agent:

- CSG Advisors

Investment Departments of Banks and Other Registered Broker/Dealers Approved for Broker/Dealer Relationship:

- Wells Fargo Securities, LLC
- Federal Home Loan Bank of Dallas
- BOK Financial Securities, Inc.
- Moreton Capital Markets, LLC
- Zions Bank Capital Markets/Zions Direct

Recommended Custodians:

- Wells Fargo Bank New Mexico/Wells Fargo Securities, LLC
- Federal Home Loan Bank of Dallas
- Zions Bank

Recommended Depositories:

- Wells Fargo Bank New Mexico
- Bank of Albuquerque/BOKF, NA
- Washington Federal
- Bank of America
- US Bank
- Federal Home Loan Bank of Dallas
- Bank of the West

Note: Additionally, for certificate of deposit investments, MFA has the authority to utilize approved depositories as per the Collateral Review Report prepared by the State Treasurer’s Office as part of their risk assessment program.
Tab 5
NEW MEXICO MORTGAGE FINANCE AUTHORITY
Contracted Services/Credit Committee Meeting
Tuesday, July 10, 2018 @ 10:00 am
MFA – Albuquerque
To dial in to the conference call dial: MFA (Abbott Hall) all participant dial in
(641) 715-3276 Participant Access Code: 561172# MFA only/Host Access Code: 561172#

<table>
<thead>
<tr>
<th>AGENDA ITEM</th>
<th>COMMITTEE RECOMMENDED</th>
<th>BOARD ACTION REQUIRED</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Approval of Community Development Block Grant (CDBG) Service Providers and Funding (Gina Bell)</td>
<td>3-0</td>
<td>YES</td>
</tr>
</tbody>
</table>

Committee Members present:

Angel Reyes, Chair

☐ present  ☐ absent  ☑ conference call

Attorney General Hector Balderas or Sally Malavé

☐ present  ☐ absent  ☑ conference call

Randy McMillan

☐ present  ☐ absent  ☑ conference call

Secretary: [Signature]
7/10/18
MEMORANDUM

TO: MFA Board of Directors

Through: Contracted Services on July 10, 2018

Through: Policy Committee on June 26, 2018

FROM: Gina Bell, Assistant Director of Community Development

DATE: July 18, 2018

SUBJECT: Recommendation for Community Development Block Grant (CDBG) Program Service Providers and Funding

Recommendation:
Staff requests approval of two Service Providers, SW Regional Housing and Tierra Del Sol to provide Roof Replacements to 20 homes and Accessibility Upgrades to 13 homes. Total funding for the two activities is $427,965. Rehab and Weatherization leveraging funding has already been awarded.

The total CDBG funding is $500,000 which consists of program funds and 3% administrative fee. In addition, MFA provided a cash match of $25,000 for a total of $525,000. The breakdown of the program funds for the four programs is listed below:

<table>
<thead>
<tr>
<th></th>
<th>CDBG Funding</th>
<th>MFA Cash Match</th>
<th>Total Funding by Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weatherization Leveraging Funding</td>
<td>$34,250</td>
<td>$.00</td>
<td>$34,250</td>
</tr>
<tr>
<td>Rehab Leveraging Funding</td>
<td>$60,250</td>
<td>$.00</td>
<td>$60,250</td>
</tr>
<tr>
<td>Roof Replacements</td>
<td>$240,250</td>
<td>$12,500</td>
<td>$252,750</td>
</tr>
<tr>
<td>Accessibility Upgrades</td>
<td>$150,250</td>
<td>$12,500</td>
<td>$162,750</td>
</tr>
<tr>
<td>3% Administrative Fees</td>
<td>$15,000</td>
<td>$.00</td>
<td>$15,000</td>
</tr>
<tr>
<td>Total</td>
<td>$500,000</td>
<td>$25,000</td>
<td>$525,000</td>
</tr>
</tbody>
</table>

The 3% Administrative Fees of $15,000 will be split between MFA, who will receive $2,535, and the agencies that will receive funding for the Roof Replacements and Accessibility Upgrades, who will receive the remaining $12,465. Staff recommends the allocation of funding as follows.
### Background:
The CDBG Housing Programs national objective is to assist low and moderate income homeowners with repair, rehabilitation, accessibility modifications, specific types of housing modernization, code enforcement, and historic preservation activities. MFA was awarded $500,000 of CDBG funding from the Department of Finance and Administration to provide housing services in the Colonias.

Colonias are rural communities and neighborhoods located within 150 miles of the U.S. Mexican border that lack adequate sewer, water, and/or housing. These areas also typically lack other basic services like electricity, garbage service, water drainage, schools and community facilities. The Colonias of New Mexico are located in the counties of Catron, Chavez, Dona Ana, Eddy, Grant, Hidalgo, Lincoln, Luna, Sierra, Otero and Socorro. A map of the Colonias is attached for your review.

### Discussion:
A RFP for Offerors to provide Roof Replacements and Accessibility Upgrades to homes in the Colonias was released on May 16, 2018. RFP training was held on May 23, 2018 and responses to the RFP were due on June 13, 2018.

MFA received 2 responses. One from SW Regional and one from Tierra Del Sol. The responses were reviewed independently by three MFA team members. Both agencies passed minimum threshold and scoring for each agency is as follows:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Maximum Score</th>
<th>SW Regional Housing</th>
<th>Tierra Del Sol</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization Capacity</td>
<td>30</td>
<td>25</td>
<td>26</td>
</tr>
<tr>
<td>Finance</td>
<td>20</td>
<td>16</td>
<td>20</td>
</tr>
<tr>
<td>Construction Experience</td>
<td>25</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>CDBG Program Implementation Plan</td>
<td>25</td>
<td>22</td>
<td>25</td>
</tr>
<tr>
<td>Total Maximum Points</td>
<td>100</td>
<td>78</td>
<td>86</td>
</tr>
</tbody>
</table>
The RFP allowed for funding up to four qualified Offerors to perform the work. Therefore, staff is requesting approval to fund both Offerors that applied. Upon Board approval, contracts will be provided to the Service Providers so that services can begin as early as August 2018.

Summary:
Staff is requesting approval to award Community Development Block Grant (CDBG) funding to SW Regional Housing and Tierra Del Sol to provide accessibility upgrades to 13 homes and new roofs to 20 homes located in the Colonias. Upon approval, SW Regional would receive $201,490.38 in program funds and $6,044.71 in admin funds. Tierra Del Sol would receive $214,009.62 in program funds and $6,420.29 in admin. MFA would receive administrative fees in the amount of $2,535.
Colonias are rural communities and neighborhoods located within 150 miles of the U.S.-Mexican border that lack adequate sewer, water, and/or housing. These areas also typically lack other basic services like electricity, garbage service, water drainage, schools and community facilities. The Colonias of New Mexico are located in the counties of Catron, Chavez, Dona Ana, Eddy, Grant, Hidalgo, Lincoln, Luna, Sierra, Otero and Socorro.
Tab 6
MEMORANDUM

TO: MFA Board of Directors

Through: Policy Committee – June 26, 2018

FROM: Kathleen M. Sysak-Keeler

DATE: July 18, 2018

SUBJECT: 2018 Series C Single Family Bond Resolution

Recommendation:
Staff is recommending the approval of the 2018 Series C Single Family Bond Resolution in the aggregate amount of not to exceed $75 million to provide funds for new Single Family mortgage loans.

Background:
For the past several years, MFA has relied mainly on the to be announced ("TBA") market to fund new Single Family mortgage loans. Over the past six months, the bond market has improved to the point where it is now more advantageous to fund Single Family mortgage loans with tax-exempt bond proceeds than to utilize the TBA market. So far this fiscal year, MFA has issued three bond issues, namely, 2017 Series B and 2018 Series A both of which were combination new money and refunding bond issues and 2018 Series B which was only new money. The new money portion of these three bond issues was used to originate new loans totaling approximately $160 million.

A new bond resolution is now needed to authorize future bonding activity. The 2018 Series C bond resolution outlines the parameters for the next bond issue.

Discussion:
The bond issue is anticipated to be in the $50-$75 million range based on the current level of loan reservations since bond proceeds will be used to originate these new Single Family mortgage loans. Given Board approval of the bond resolution, MFA anticipates selling bonds in August.

Summary:
To authorize future bonding activity and to ensure MFA can continue using the bond market to fund Single Family mortgage loans, Staff is requesting approval of the 2018 Series C Single Family Bond Resolution in the aggregate amount of not to exceed $75 million.
CERTIFICATE REGARDING THE RESOLUTION
OF THE AUTHORITY

I, the undersigned, Jay Czar, Secretary of the New Mexico Mortgage Finance Authority (the “Authority”), DO HEREBY CERTIFY that: (i) the annexed Resolution was duly adopted by the members of the New Mexico Mortgage Finance Authority at a meeting thereof duly called and held on July 18, 2018, at which meeting a quorum was present and acting throughout; (ii) the annexed Resolution has been compared by me with the original thereof recorded in the minute book of the Authority and is a correct transcript therefrom and of the whole of said original; (iii) the annexed Resolution has not been altered, amended or repealed; and (iv) the annexed Resolution is in full force and effect on the date of this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Authority this 18th day of July, 2018.

______________________________
Jay Czar, Secretary
New Mexico Mortgage Finance Authority

(SEAL)
A RESOLUTION

OF THE NEW MEXICO MORTGAGE FINANCE AUTHORITY (THE “AUTHORITY”) AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE BY THE AUTHORITY OF ITS SINGLE FAMILY MORTGAGE PROGRAM CLASS I BONDS, 2018 SERIES C IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $75,000,000; AUTHORIZING THE EXECUTION AND DELIVERY BY THE AUTHORITY OF A SERIES INDENTURE, A BOND PURCHASE CONTRACT, AN OFFICIAL STATEMENT, INVESTMENT AGREEMENTS, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the Legislature of the State of New Mexico (the “State”), at its 1975 regular session, adopted Chapter 303, Laws of New Mexico, 1975, known and cited as the Mortgage Finance Authority Act, being Sections 58-18-1 through 58-18-27, inclusive, NMSA 1978 and Section 2-12-5, NMSA 1978, as amended (collectively, the “Act”); and

WHEREAS, there was created by the Act, a public body politic and corporate, separate and apart from the State, constituting a governmental instrumentality known and identified as the “New Mexico Mortgage Finance Authority” (the “Authority”), said Authority being created and established to serve a public purpose and to act for the public benefit by improving the health, safety, welfare and prosperity of the State and the general public; and

WHEREAS, the purposes of the Authority are to provide decent, safe and sanitary residential housing to persons of low or moderate income, and the Authority has determined that it will serve and fulfill the purposes for which it was created by the establishment of a program to finance the purchase of mortgage loans made by eligible mortgage lenders for the financing of residential housing; and

WHEREAS, the Authority is authorized by the Act to purchase and contract to purchase, mortgage loans, or securities backed by mortgage loans, originated by mortgage lenders to finance residential housing for persons of low or moderate income under rules adopted by the Authority; and

WHEREAS, in furtherance of its Single Family Mortgage Program and to finance the purchase of housing by persons of low or moderate income within the State, it has been deemed appropriate and necessary that the Authority authorize the issuance of its Single Family Mortgage Program Class I Bonds, 2018 Series C (or such other or additional series/title designation(s) as the Authority may determine and including the
issuance of MBS pass through program bonds) (the “Bonds”), and prescribe and establish
conditions and other appropriate matters with respect to the issuance of the Bonds; and

WHEREAS, the Bonds shall be special obligations of the Authority payable
solely from and secured by a lien on the proceeds, moneys, revenues, rights, interest and
collections pledged therefor under a General Indenture of Trust dated as of November 1,
2005, as heretofore supplemented and amended (the “General Indenture”) between the
Authority and Zions Bank, a division of ZB, National Association (formerly known as
Zions First National Bank), as trustee (the “Trustee”); and

WHEREAS, there has been presented to the Authority at this meeting a proposed
form of Bond Purchase Contract relating to the Bonds (the “Purchase Contract”) to be
entered into among the Authority, and any of RBC Capital Markets LLC, Raymond
James & Associates, Inc. (including any of their successors) or any other purchasers to be
named therein (collectively, the “Underwriters”), a form of 2018 Series C Indenture (the
“2018 Series C Indenture” and collectively with the General Indenture, the “Indenture”)
to be entered into between the Authority and the Trustee, and a form of a Preliminary
Official Statement to be used by the Underwriters in marketing the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE NEW MEXICO
MORTGAGE FINANCE AUTHORITY, AS FOLLOWS:

Section 1. The Authority has determined and hereby determines that the
supply of funds available in the private banking system in the State for residential
mortgages is inadequate to meet the demand of persons of low or moderate income for
residential mortgage financing, and that financing the making of loans by the Authority
will alleviate such inadequate supply of residential mortgage money in the State’s
banking system.

Section 2. All other action heretofore taken (not inconsistent with the
provisions of this resolution) by the Authority and by the officers of the Authority
directed toward the issuance of the Bonds are hereby ratified, approved and confirmed.

Section 3. The 2018 Series C Indenture in substantially the form presented to
this meeting is in all respects authorized, approved and confirmed. The Chair, Vice
Chair, Executive Director, Secretary, Deputy Director of Finance and Administration and
the Assistant Secretary of the Authority are hereby authorized to execute, attest, seal and
deliver the 2018 Series C Indenture in the form and with substantially the same content as
presented to this meeting for and on behalf of the Authority with such alterations,
changes or additions as may be authorized by Section 16 hereof.

Section 4. The mortgage loans shall be pooled and serviced pursuant to the
Mortgage Loan Sub-servicing Agreements or Master Servicing Agreements each
previously entered into or to be entered into by the Authority. The Chair, Vice Chair,
Executive Director, Deputy Director of Finance and Administration or Secretary are
hereby authorized to execute and deliver the Mortgage Loan Sub-servicing Agreements
or Master Servicing Agreements (to the extent not previously executed and delivered)
and any necessary supplement thereto to reflect the terms of the mortgage loans attributable to the Bonds, and the inclusion of any other loans approved by the governing board of the Authority thereunder.

Section 5. Employees of the Authority designated by the Chair, Vice Chair, Executive Director, Deputy Director of Finance and Administration or Secretary are hereby authorized to give notice of the availability of funds from this issue (if applicable) and to enter into, execute and deliver program documents for and on behalf of the Authority.

Section 6. For the purpose of providing funds to finance the purchase of housing by persons of low or moderate income within the State, all as authorized under the Indenture, the Authority is authorized to issue the Bonds which shall be designated New Mexico Mortgage Finance Authority “Single Family Mortgage Program Class I Bonds, 2018 Series C” (or such other or additional Series/title designation as the Chair, Vice Chair, Executive Director, Deputy Director of Finance and Administration or Secretary shall determine). The Bonds shall be issued only in fully registered form.

Section 7. The Authority hereby declares its intention to reimburse itself from all or a portion of proceeds of the Bonds for expenditures for costs of making the mortgage loans. The Authority intends that the Bonds are to be issued and the reimbursements made, by the later of 18-months after the payment of the costs or after the project financed by each respective mortgage loan is placed in service, but in any event, no later than three years after the date the mortgage loan was made.

Section 8. The Authority hereby authorizes the issuance of the Bonds in the aggregate principal amount of not to exceed $75,000,000. The Bonds shall mature on the dates and in the principal amounts and shall bear interest at rates and payable all as provided in the Indenture, within the parameters set forth in Exhibit A hereto.

Section 9. The form, terms and provisions of the Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Indenture. The Chair, Vice Chair, Secretary and Assistant Secretary of the Authority are hereby authorized to execute, attest and seal by facsimile the Bonds and to deliver the Bonds to the bond registrar for authentication. All terms and provisions of the Indenture are hereby incorporated in this resolution.

Section 10. The appropriate officials of the Authority are hereby authorized to execute and deliver to the bond registrar the written order of the Authority for authentication and delivery of the Bonds in accordance with the provisions of the Indenture.

Section 11. The Bonds shall be sold to the Underwriters at a purchase price of not less than 100% of the principal amount thereof plus accrued interest in accordance with the provisions of the Purchase Contract. Pursuant to the Purchase Contract the Authority may agree to pay an underwriting fee to the Underwriters in an amount not to exceed 1.0% of the principal amount of the Bonds. The Chair, the Vice Chair, the
Executive Director, the Deputy Director of Finance and Administration or the Secretary, of the Authority are hereby authorized to execute and deliver the Purchase Contract in substantially the form and with substantially the same content as presented at this meeting for and on behalf of the Authority with such alterations, changes or additions as may be authorized by Section 16 hereof. The Chair, Vice Chair, Executive Director, Deputy Director of Finance and Administration and Secretary are hereby authorized to specify and agree as to the principal amounts, interest rates, maturities, purchase price and underwriting fee with respect to the Bonds for and on behalf of the Authority by the execution of the Purchase Contract and the Indenture, provided such terms are within the parameters set by this resolution.

Section 12. The Chair, Vice Chair, Executive Director, Deputy Director of Finance and Administration and Secretary are hereby authorized to approve the distribution of a Preliminary Official Statement (in substantially the form presented to the Authority at this meeting) and an Official Statement in substantially the form of the Preliminary Official Statement, with modifications determined at the time of the sale of the Bonds and to execute and deliver for and on behalf of the Authority an Official Statement in connection with the sale of the Bonds.

Section 13. The Trustee and the Chair, Vice Chair, Executive Director, Deputy Director of Finance and Administration or Secretary are hereby authorized to enter into investment agreements (“Investment Agreements”), in form and substance satisfactory to the Authority. Any and all proceeds of, and investment income attributable to, the Bonds may be loaned to or deposited from time to time pursuant to the Investment Agreements for the periods, and at the interest rates, specified therein.

Section 14. The appropriate officers of the Authority, including without limitation the Chair, Vice Chair, the Secretary, the Assistant Secretary, the Executive Director and Deputy Director of Finance and Administration are authorized to take all action necessary or reasonably required by the Bonds, the Indenture, the Mortgage Loan Sub-servicing Agreement, the Master Servicing Agreement and the Purchase Contract to carry out, give effect to and consummate the transactions as contemplated thereby and are authorized to take all action necessary in conformity with the Act.

Section 15. Upon their issuance, the Bonds will constitute special obligations of the Authority payable solely from and to the extent of the sources set forth in the Bonds and the Indenture. No provision of this resolution, the Indenture, the Bonds or the Purchase Contract shall be construed as creating a general obligation of the Authority or as incurring or creating a charge upon the general credit of the Authority. No provision of this resolution or of the Purchase Contract, the Indenture or the Bonds shall be construed as creating a general or special obligation of the State of New Mexico or any political subdivision thereof.

Section 16. The appropriate officials of the Authority, including without limitation the Chair, the Vice Chair, the Secretary, the Assistant Secretary, the Executive Director and the Deputy Director of Finance and Administration are authorized to make any alterations, changes or additions in the Indenture, the Bonds, the Purchase Contract,
the Preliminary Official Statement, the Official Statement, the Investment Agreements, the Mortgage Loan Sub-servicing Agreement, the Master Servicing Agreement or any other document herein authorized and approved which may be necessary to correct errors or omissions therein, to remove ambiguities therefrom, to permit the inclusion under the Indenture of any other loans approved by the governing board of the Authority, and maintain the expected rating on the Bonds, to conform the same to other provisions of said instruments, to the final terms established for the Bonds (within the parameters established herein), and the final agreement with the Underwriters, to the provisions of this resolution or any resolution adopted by the Authority, or the provisions of the laws of the State of New Mexico or the United States.

Section 17. The operating budget of the Authority is hereby amended to provide funds to pay costs relating to the issuance of the Bonds, any negative carry costs, or other related expenses in amounts not to exceed amounts specified in Exhibit A. Such amounts may also be taken from the Surplus Fund under the Indenture. The Authority may also allocate mortgage backed securities and/or cash held by the Authority (in the Surplus Fund or otherwise) to provide additional collateral for the Bonds.

Section 18. If any provisions of this resolution should be held invalid, the invalidity of such provision shall not affect the validity of any of the other provisions of this resolution.

Section 19. The appropriate officials of the Authority, including without limitation the Chair, the Vice Chair, the Secretary, the Assistant Secretary, the Executive Director and the Deputy Director of Finance and Administration are hereby authorized and directed to execute and deliver for and on behalf of the Authority any or all additional certificates, documents and other papers and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this resolution and the documents authorized and approved herein.

Section 20. After any of the Bonds are delivered by the Trustee to the Underwriters and upon receipt of payment therefor, this resolution shall be and remain irrepealable until the principal of, premium, if any, and interest on the Bonds are deemed to have been fully discharged in accordance with the terms and provisions of the Indenture.

Section 21. No member or employee of the Authority has any interest, direct or indirect, in the transactions contemplated by the Authority and authorized by this resolution.

Section 22. All resolutions of the Authority or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency.

Section 23. This resolution shall become effective immediately upon its adoption.
ADOPTED:

Aye:

Nay:

Abstain:

Absent:

PASSED AND APPROVED BY THE NEW MEXICO MORTGAGE FINANCE AUTHORITY THIS 18th DAY OF JULY, 2018.

____________________________________
Chair

(SEAL)

ATTEST:

____________________________________
Secretary
## EXHIBIT A

Single Family Mortgage Program Bonds, 2018 Series C

<table>
<thead>
<tr>
<th>Maturity Date</th>
<th>Principal Amount</th>
<th>Interest Rate</th>
<th>Authority Funds Contribution:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not to exceed</td>
<td>Not to exceed</td>
<td>Not to exceed</td>
<td>Not to exceed</td>
</tr>
<tr>
<td>January 1, 2052</td>
<td>$75,000,000</td>
<td>5.00%</td>
<td>$1,300,000</td>
</tr>
</tbody>
</table>
Tab 7
MEMORANDUM

TO: MFA Board of Directors

Through: Policy Committee – June 26, 2018

FROM: Joshua Allison

DATE: July 18, 2018

SUBJECT: MFA 2018 Open Meetings Resolution

Recommendation: Staff recommends the MFA’s Board of Directors approve the 2018 Open Meetings Resolution.

Background: As an authority of the state of New Mexico, responsible for the formulation of public policy, MFA is required pursuant to the New Mexico Open Meetings Act, Section 10-15-1 NMSA 1978 et seq., to make all meetings in which there is a quorum of members of the Board of Directors open to the public, except as otherwise provided in the state constitution or the Open Meetings Act, and to annually determine in a public meeting what notice for a public meeting is reasonable for MFA’s Board of Directors.

Discussion: The MFA Open Meetings Resolution of 2018 is being presented for approval by the MFA Board of Directors. There are no proposed amendments this year, and the Resolution contains the language approved last year by MFA’s Board of Directors, in a public meeting duly noticed pursuant to the requirements of the Open Meetings Act.

Summary: The New Mexico Mortgage Finance Authority Open Meetings Resolution is submitted for MFA Board of Directors approval pursuant to Section 10-15-1 (B) and (D) of the New Mexico Open Meetings Act (Sections 10-15-1 to 10-15-4 NMSA 1978), which require that all meetings of a quorum of members of any board or other policymaking body of any state agency or authority discussing public business or taking action within its authority, declare its meetings to be open to the public at all times; and to further determine annually, in a public meeting, what constitutes reasonable notice of its public meetings.
WHEREAS, the New Mexico Mortgage Finance Authority (“MFA”) met in a regular meeting at the MFA headquarters located at 344 4th Street SW, Albuquerque, N.M. 87102 on July 18, 2018 at 9:30 a.m.; and,

WHEREAS, the MFA’s Open Meetings policy is intended to follow the Open Meetings Act (Sections 10-15-1 to 10-15-4 NMSA 1978) which requires at Section 10-15-1(B) that, all meetings of a quorum of members of any board, commission, administrative adjudicatory body or other policymaking body of any state agency or any agency or authority of any county, municipality, district or political subdivision, held for the purpose of formulating public policy, including the development of personnel policy, rules, regulations or ordinances, discussing public business or taking any action within the authority of or the delegated authority of any board, commission or other policymaking body are declared to be public meetings open to the public at all times, except as otherwise provided in the constitution of New Mexico or the Open Meetings Act; and further requires at Section 10-15-1(D) such policymaking body to determine annually what constitutes reasonable notice of its public meetings;

NOW, THEREFORE, BE IT RESOLVED:

1. Regular meetings shall be held at the discretion of the Board of Directors. Notice of regular meetings will be given ten (10) days in advance of the meeting date. The agenda will be available from the MFA at least seventy-two (72) hours prior to the regular meeting.

2. Special meetings may be called by the Chair or three (3) of the members upon three (3) days’ notice. The notice shall include an agenda for the meeting or information on how members of the public may obtain a copy of the agenda. The agenda shall be available to the public at least seventy-two (72) hours before any special meeting.

3. Emergency meetings will be called only under circumstances permitted by, and in accordance with the provisions of, Section 10-15-1 (F) of the Open Meetings Act. The MFA will avoid emergency meetings whenever possible. Emergency meetings may be called by the Chair or a majority of the members upon twenty-four (24) hours’ notice, unless threat of injury or damage to persons or property or substantial financial loss to MFA requires less notice. The notice for all emergency meetings shall include an agenda for the meeting or information on how the public may obtain a copy of the agenda.

4. For the purposes of regular meetings described in paragraph 1 of this resolution, notice requirements are met if notice of the date, time, place and an agenda or information on how an agenda may be obtained is placed in two (2) newspapers of general circulation in the state and the agenda is posted on MFA’s website. The MFA shall also e-mail copies of the written notice to those broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation which have made a written request for notice of MFA meetings.

5. For the purposes of special and emergency meetings described in paragraphs 2 and 3 of this resolution, notice requirements shall be met by posting notice of the date, time, place, and agenda at the MFA and on MFA’s website and by providing facsimile notice to those broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation that have made a written request for notice of MFA meetings.

In addition to the information specified above, all notices shall include the following language:
If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the MFA at 843-6880 at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the MFA at 843-6880 if a summary or other type of accessible format is needed.

7. The MFA may close a meeting to the public only if the subject matter of such discussion or action is exempted from the open meeting requirement under Section 10-15-1(H) of the Open Meetings Act.

   a) If any meeting is closed during an open meeting, such closure shall be approved by a majority vote of a quorum of the MFA Board of Directors taken during the open meeting. The authority for the closure and the subjects to be discussed shall be stated with reasonable specificity in the motion for closure and the vote on closure of each individual member shall be recorded in the minutes. Only those subjects specified in the motion may be discussed in a closed meeting.

   b) If the decision to hold a closed meeting is made when the MFA is not in an open meeting, the closed meeting shall not be held until public notice, appropriate under the circumstances, stating the specific provision of law authorizing the closed meeting and the subjects to be discussed with reasonable specificity is given to the members and to the general public.

   c) Following completion of any closed meeting, the minutes shall state whether the matters discussed in the closed meeting were limited only to those specified in the motion or notice for closure.

   d) Except as provided in Section 10-15-1(H) of the Open Meetings Act, any action taken as a result of discussions in a closed meeting shall be made by vote of the MFA Board of Directors in an open public meeting.

8. Members are strongly encouraged to attend all meetings in person. However, when it is otherwise difficult or impossible for the member to attend the meeting in person a member may participate in a meeting by means of a conference telephone or other similar communications equipment, provided that each member participating by conference telephone can be identified when speaking, all participants are able to hear each other at the same time and members of the public attending the meeting are able to hear any member who speaks during the meeting.

After discussion, the foregoing Resolution was adopted.

Date Adopted: July 18, 2018
Tab 8
### Staff Actions Requiring Notice to Board
**During the Period of June 30, 2018**

<table>
<thead>
<tr>
<th>Department and Program</th>
<th>Project</th>
<th>Action Taken</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing Development</td>
<td>Northern Pueblos Housing Authority (NPHA) - Tesuque Subdivision</td>
<td>Loan modification to adjust the lot release price and repayment schedule to correspond with current principal loan balance.</td>
<td>Approved by Izzy Hernandez on 5/31/2018. Modification dated 6/04/2018.</td>
</tr>
<tr>
<td>Servicing</td>
<td>April 2018 Quarterly Loan Servicing Quality Control Review</td>
<td>Approval of report issued by REDW. No findings.</td>
<td>Approved by Policy Committee on June 4, 2018</td>
</tr>
<tr>
<td>Housing Development</td>
<td>Generations at West Mesa</td>
<td>Loan Modification to change Borrower and Guarantor</td>
<td>Approved by Izzy Hernandez on 6/15/18</td>
</tr>
<tr>
<td>National Housing Trust Fund</td>
<td>Generations at West Mesa</td>
<td>Loan Modification to change Borrower and Guarantor</td>
<td>Approved by Izzy Hernandez on 6/15/18</td>
</tr>
<tr>
<td>NM-Housing Trust Fund</td>
<td>Generations at West Mesa</td>
<td>Loan Modification to change Borrower and Guarantor</td>
<td>Approved by Izzy Hernandez on 6/15/18</td>
</tr>
</tbody>
</table>
Tab 9
SUMMARY OF NEW BOND ISSUES:
Single Family Issues: $45 mm 2017 Series B Bonds-New Money (November)
$12.3 mm 2017 Series B Bonds-Refunding (November)
$50 mm 2018 Series A Bonds-New Money (May)
$12.8 mm 2018 Series A Bonds-Refunding (May)
Multi-family Issues: None

COMPARATIVE YEAR-TO-DATE FIGURES (Dollars in millions):

<table>
<thead>
<tr>
<th>PRODUCTION</th>
<th>8 months 5/31/2018</th>
<th>8 months 5/31/2017</th>
<th>% Change Year / Year</th>
<th>Forecast 5/31/2018</th>
<th>Actual to Forecast 9/30/18</th>
<th>Forecast/Target 9/30/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Single family issues (new money):</td>
<td>$95.0</td>
<td>$50.0</td>
<td>90.0%</td>
<td>$45.0</td>
<td>111.1%</td>
<td>$111.0</td>
</tr>
<tr>
<td>2 Single family loans sold (TBA):</td>
<td>$191.6</td>
<td>$166.7</td>
<td>14.9%</td>
<td>$172.7</td>
<td>11.0%</td>
<td>$259.0</td>
</tr>
<tr>
<td>3 Total Single Family Production</td>
<td>$286.6</td>
<td>$216.7</td>
<td>32.3%</td>
<td>$217.7</td>
<td>31.7%</td>
<td>$370.0</td>
</tr>
<tr>
<td>4 Multifamily issues:</td>
<td>$0.0</td>
<td>$0.0</td>
<td>0.0%</td>
<td>$0.0</td>
<td>0.0%</td>
<td>$20.0</td>
</tr>
<tr>
<td>5 Single Family MBS Payoffs:</td>
<td>$38.2</td>
<td>$44.7</td>
<td>-14.5%</td>
<td>$43.4</td>
<td>-12.0%</td>
<td>$65.1</td>
</tr>
</tbody>
</table>

STATEMENT OF NET POSITION

| 6 Avg. earning assets: | $940.0 | $935.4 | 0.5% | $925.8 | 1.5% | $940.6 |
| 7 General Fund Cash and Securities: | $97.8 | $64.5 | 51.6% | $83.9 | 16.6% | $81.6 |
| 8 General Fund SIC FMV Adj.: | $0.0 | $0.0 | 100.0% | $0.0 | N/A | $0.0 |
| 9 Total bonds outstanding: | $703.4 | $679.3 | 3.5% | $681.1 | 3.3% | $698.0 |

STATEMENT OF REVENUES, EXPENSES AND NET POSITION

| 10 General Fund expenses (excluding capitalized assets): | $9.7 | $8.0 | 21.3% | $10.0 | -3.0% | $15.0 |
| 11 General Fund revenues: | $15.3 | $14.0 | 9.3% | $12.8 | 19.5% | $19.2 |
| 12 Combined net revenues (all funds): | $5.9 | $7.2 | -18.1% | $7.1 | -16.5% | $10.6 |
| 13 Combined net position: | $230.5 | $219.5 | 5.0% | $231.6 | -0.5% | $235.2 |
| 14 Combined return on avg. earning assets: | 0.95% | 1.15% | -17.4% | 1.13% | -15.9% | 1.13% |
| 15 Net TBA profitability: | 1.51% | 2.07% | -27.1% | 1.70% | -11.2% | 1.70% |
| 16 Combined interest margin: | 1.07% | 0.95% | 12.6% | 1.06% | 0.9% | 1.06% |

MOODY'S BENCHMARKS

| 17 Net Asset to debt ratio (5-yr avg): | 29.32% | 26.52% | 10.6% | 30.47% | -3.8% | 30.47% |
| 18 Net rev as a % of total rev (5-yr avg): | 9.79% | 9.03% | 8.4% | 10.39% | -5.8% | 10.39% |

SERVICING

| 19 Mortgage Operations net revenues: | $3.3 | $3.7 | -10.8% | $0.9 | 280.8% | $1.3 |
| 20 Subserviced portfolio | $628.1 | $256.6 | 144.8% | $562.1 | 11.7% | $749.8 |
| 21 Servicing Yield (subserviced portfolio) | 0.39% | 0.36% | 8.3% | 0.36% | 8.3% | 0.36% |
| 22 Combined delinquency rate (MFA serviced) | 12.29% | 13.05% | -5.8% | 11.79% | 4.2% | 11.79% |
| 23 DPA loan delinquency rate (all) | 11.36% | 12.68% | -10.4% | N/A | N/A | N/A |
| 24 Default rate (MFA serviced) | 1.03% | 0.72% | 43.1% | 1.61% | -36.0% | 1.61% |
| 25 Subserviced portfolio delinquency rate (first mortgages) | 5.12% | 2.94% | 74.1% | N/A | N/A | N/A |
| 26 Purchased Servicing Rights Valuation Change (as of 3/31) | $2.6 | $1.0 | 160.0% | N/A | N/A | N/A |

Legend: Positive Impact, Negative Impact, Caution/Known Trend
SIGNIFICANT MONTHLY/QUARTERLY FINANCIAL VARIANCES:

► In comparison to FY2017 trends indicate improved production and prepayments as well as gains in interest margin and Moody’s ratios.
► FY2018 net revenues in comparison to FY2017 net revenues (YOY) reflect less gain on sale of assets of $1.0 mm and $.4 mm more provision for loan losses expense.
► FY2018 net revenues in comparison to the FY2018 forecast reflect less than estimated interest income of $2.7 mm on an annualized basis due to timing of mortgage and MBS forecasted balances.

CURRENT YEAR FINANCIAL TRENDS & VARIANCES:

► TBA transaction fees are currently exceeding budget by approximately $2.7 mm or 158% due to production trends. This additional revenue is offset by related lender compensation expense which is exceeding budget by $.6 mm or 63%.
► During this fiscal year there have been large swings in the State Investment Counsel (SIC) fair market values (FMV) on the General Fund investment portfolio. Changes in valuations have ranged from $.7 mm in gains and $.9 mm in losses. As of May 2018 MFA has experienced $25k in gains. MFA classifies FMV adjustments on this portfolio as non-operating gains/losses.
► Servicing expansion continues to provide additional revenues as the subserviced portfolio and purchased servicing rights asset bases increase. This fiscal year MFA is providing a full mortgage warehouse line to Idaho Housing through the FHLB Loans Held for Sale program which will also provide additional revenues.
► Staff does continue to have concerns over the MBS subserviced portfolio increased delinquency rates. The Compliance Officer and Director of Servicing are closely monitoring collections and foreclosure services provided by MFA’s subservicer and coordinating with them on risk management strategies. These delinquencies have an impact on the credit risk associated with MFA’s downpayment assistance (DPA) loan portfolio, however in March 2018 staff performed the semi-annual analysis and adjustment of the DPA portfolio loan loss reserves and adjusted accordingly for 1st mortgages in foreclosure and non-performing DPA loans.
► Based on the current Loan Loss Reserve (LLR) methodology, MFA’s portfolios are adequately reserved.
► The economics of the single family mortgage program have changed since the beginning of February when MFA began bonding for all FIRST HOME Program loans. The bond execution primarily produces long-term cash flows in comparison to the TBA markets one-time transaction fees. Additionally, spreads earned on the TBA sale of NEXT HOME securities have decreased due to changes in the markets and interest rate environment thus reducing profitability for that execution.
► Incurred $552k in single family bond cost of issuance expense for 2017 Series B (November). Transaction provided MFA $1.4mm in net economic benefit (present value) over the life of the bonds. Incurred $575k in single family bond cost of issuance expense for 2018 Series A (May). Transaction provided MFA $3.5mm in net economic benefit (present value).
► Fair market value for purchased servicing rights as of March 31, 2018 was $7.9 mm, an increase of approximately $2.6 mm over cost. GASB requires MFA to utilize “lower of cost or market” accounting for this asset. Therefore, no valuation adjustments are anticipated. Current purchased servicing rights are recorded at a cost of $5.4 mm as of March 31, 2018. Valuations are obtained on a quarterly basis.
► Based on Moody’s issuer credit rating scorecard, MFA’s 29.32% net asset ratio (5-year average), which measures balance sheet strength, indicates a strong and growing level of resources for maintaining HFA’s creditworthiness under stressful circumstances (> 20%). The net revenue as a percent of total revenue measures performance and profitability and MFA’s 9.79% ratio (5-year average) points to a satisfactory profitability with consistent trends (5%-10% range).
► Moody’s Investor Services issued an updated credit opinion on MFA. They reaffirmed our Aa3 rating. Comments included strong asset to debt ratio, good profitability and low risk profile due to mortgage-backed security structure, multifamily risk share program and no exposure to variable rate debt.
MONTHLY FINANCIAL GRAPHS

Assets Under Management as of 9/30/2018
($ in thousands)

<table>
<thead>
<tr>
<th>Year</th>
<th>Subserviced Portfolio</th>
<th>Other Grants (1)</th>
<th>HOME</th>
<th>Section 8</th>
<th>Low Income Housing Tax Credit</th>
<th>Trusts (2)</th>
<th>Rental Housing Program</th>
<th>General Fund</th>
<th>Single Family Mortgage Program</th>
<th>Book Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$2,530,234</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>$2,549,825</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>$2,649,500</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>$3,029,148</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>$3,429,295</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

YTD Annualized Payoffs as a Percentage of Single Family Mortgage Portfolio as of 9/30/2018

YTD Excess Revenues over Expenses as of 5/31/2018

Yield Targets 9/30/2018

(1) Weatherization Assistance Programs; Emergency Shelter Grant; State Homeless; Housing Opportunities for People With Aids; NM State Tax Credit; Governor's Innovations; EnergySaver; Tax Credit Assistance Program; Tax Credit Exchange; Neighborhood Stabilization Program; Section 811 PRA; Homeownership Preservation Program (2) NM Affordable Housing Charitable Trust Fund; Land Title Trust Fund; Housing Trust Fund
# Combined Statement of Net Position

**New Mexico Mortgage Finance Authority**  
**Combined Statement of Net Position**  
**May 31, 2018**  
*(Thousands of Dollars)*

<table>
<thead>
<tr>
<th>Category</th>
<th>YTD 5/31/18</th>
<th>YTD 5/31/17</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>44,548</td>
<td>15,947</td>
</tr>
<tr>
<td>Restricted Cash Held in Escrow</td>
<td>10,206</td>
<td>10,636</td>
</tr>
<tr>
<td>Short-Term Investments</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Accrued Interest Receivable</td>
<td>3,121</td>
<td>3,198</td>
</tr>
<tr>
<td>Mortgage Payment Clearing</td>
<td>-</td>
<td>101</td>
</tr>
<tr>
<td>Other Current Assets</td>
<td>2,185</td>
<td>2,489</td>
</tr>
<tr>
<td>Administrative Fees Receivable (Payable)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Inter-Fund Receivable (Payable)</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>60,059</td>
<td>32,372</td>
</tr>
<tr>
<td>Cash - Restricted</td>
<td>56,096</td>
<td>31,711</td>
</tr>
<tr>
<td>Long-Term &amp; Restricted Investments</td>
<td>63,653</td>
<td>59,536</td>
</tr>
<tr>
<td>Investments in Reserve Funds</td>
<td>229</td>
<td>112</td>
</tr>
<tr>
<td>FNMA, GNMA, &amp; FHLMC Securitized Mtg. Loans</td>
<td>581,845</td>
<td>584,107</td>
</tr>
<tr>
<td>Mortgage Loans Receivable</td>
<td>236,378</td>
<td>197,356</td>
</tr>
<tr>
<td>Allowance for Loan Losses</td>
<td>(2,353)</td>
<td>(2,661)</td>
</tr>
<tr>
<td>Notes Receivable</td>
<td>-</td>
<td>32,447</td>
</tr>
<tr>
<td>Fixed Assets, Net of Accum. Depn</td>
<td>1,208</td>
<td>975</td>
</tr>
<tr>
<td>Other Real Estate Owned, Net</td>
<td>373</td>
<td>435</td>
</tr>
<tr>
<td>Other Non-Current Assets</td>
<td>21</td>
<td>-</td>
</tr>
<tr>
<td>Intangible Assets</td>
<td>5,868</td>
<td>2,423</td>
</tr>
<tr>
<td>Total Assets</td>
<td>1,003,377</td>
<td>938,813</td>
</tr>
<tr>
<td><strong>Deferred Outflows of Resources</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Refundings of Debt</td>
<td>538</td>
<td>692</td>
</tr>
<tr>
<td>Total Assets &amp; Deferred Outflows of Resources</td>
<td>1,003,914</td>
<td>939,505</td>
</tr>
<tr>
<td><strong>Liabilities and Net Position:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued Interest Payable</td>
<td>5,118</td>
<td>5,580</td>
</tr>
<tr>
<td>Accounts Payable and Accrued Expenses</td>
<td>10,463</td>
<td>5,701</td>
</tr>
<tr>
<td>Escrow Deposits &amp; Reserves</td>
<td>10,122</td>
<td>10,636</td>
</tr>
<tr>
<td>Total Current Liabilities</td>
<td>25,702</td>
<td>21,918</td>
</tr>
<tr>
<td>Bonds Payable, Net of Unamortized Discount</td>
<td>703,366</td>
<td>679,339</td>
</tr>
<tr>
<td>Mortgage &amp; Notes Payable</td>
<td>44,144</td>
<td>18,511</td>
</tr>
<tr>
<td>Accrued Arbitrage Rebate</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Liabilities</td>
<td>208</td>
<td>245</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>773,419</td>
<td>720,013</td>
</tr>
<tr>
<td><strong>Net Position:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Invested in Capital Assets, Net of Related Debt</td>
<td>1,208</td>
<td>971</td>
</tr>
<tr>
<td>Unappropriated Net Position (Note 1)</td>
<td>62,227</td>
<td>60,853</td>
</tr>
<tr>
<td>Appropriated Net Position (Note 1)</td>
<td>167,060</td>
<td>157,669</td>
</tr>
<tr>
<td>Total Net Position</td>
<td>230,495</td>
<td>219,492</td>
</tr>
<tr>
<td>Total Liabilities &amp; Net Position</td>
<td>1,003,914</td>
<td>939,505</td>
</tr>
<tr>
<td></td>
<td>YTD 5/31/18</td>
<td>YTD 5/31/17</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>-------------</td>
<td>-------------</td>
</tr>
<tr>
<td><strong>OPERATING REVENUES:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest on Loans</td>
<td>$21,828</td>
<td>$22,892</td>
</tr>
<tr>
<td>Interest on Investments &amp; Securities</td>
<td>1,675</td>
<td>1,573</td>
</tr>
<tr>
<td>Loan &amp; Commitment Fees</td>
<td>773</td>
<td>520</td>
</tr>
<tr>
<td>Administrative Fee Income (Exp)</td>
<td>5,947</td>
<td>6,019</td>
</tr>
<tr>
<td>RTC, Risk Sharing &amp; Guaranty Income</td>
<td>73</td>
<td>46</td>
</tr>
<tr>
<td>Housing Program Income</td>
<td>649</td>
<td>705</td>
</tr>
<tr>
<td>Loan Servicing Income</td>
<td>1,648</td>
<td>845</td>
</tr>
<tr>
<td>Other Operating Income</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>SUBTOTAL OPERATING REVENUES</strong></td>
<td>32,595</td>
<td>32,601</td>
</tr>
<tr>
<td><strong>NON-OPERATING REVENUES:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arbitrage Rebate Income (Expense)</td>
<td>-</td>
<td>53</td>
</tr>
<tr>
<td>Gain/(Loss) Asset Sales/Debt Extinguishment</td>
<td>-01</td>
<td>653</td>
</tr>
<tr>
<td>Other Non-Operating Income</td>
<td>36</td>
<td>11</td>
</tr>
<tr>
<td>Grant Award Income</td>
<td>29,566</td>
<td>28,587</td>
</tr>
<tr>
<td><strong>SUBTOTAL NON-OPERATING REVENUES</strong></td>
<td>29,301</td>
<td>29,304</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>61,896</td>
<td>61,905</td>
</tr>
<tr>
<td><strong>OPERATING EXPENSES:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative Expenses</td>
<td>8,422</td>
<td>6,961</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>16,769</td>
<td>18,451</td>
</tr>
<tr>
<td>Amortization of Bond/Note Premium/(Discount)</td>
<td>-293</td>
<td>-529</td>
</tr>
<tr>
<td>Provision for Loan Losses</td>
<td>556</td>
<td>203</td>
</tr>
<tr>
<td>Mortgage Loan &amp; Bond Insurance</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trustee Fees</td>
<td>55</td>
<td>57</td>
</tr>
<tr>
<td>Amort. of Serv. Rights &amp; Depreciation</td>
<td>178</td>
<td>125</td>
</tr>
<tr>
<td>Bond Cost of Issuance</td>
<td>1,127</td>
<td>950</td>
</tr>
<tr>
<td><strong>SUBTOTAL OPERATING EXPENSES</strong></td>
<td>25,814</td>
<td>25,217</td>
</tr>
<tr>
<td><strong>NON-OPERATING EXPENSES:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capacity Building Costs</td>
<td>624</td>
<td>666</td>
</tr>
<tr>
<td>Grant Award Expense</td>
<td>29,512</td>
<td>28,603</td>
</tr>
<tr>
<td>Other Non-Operating Expense</td>
<td>-</td>
<td>216</td>
</tr>
<tr>
<td><strong>SUBTOTAL NON-OPERATING EXPENSES</strong></td>
<td>30,135</td>
<td>29,485</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td>55,949</td>
<td>54,702</td>
</tr>
<tr>
<td><strong>NET REVENUES</strong></td>
<td>5,947</td>
<td>7,203</td>
</tr>
<tr>
<td><strong>OTHER FINANCING SOURCES (USES)</strong></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net Revenues and Other Financing Sources (Uses)</td>
<td>5,947</td>
<td>7,203</td>
</tr>
<tr>
<td>Net Position at Beginning of Year</td>
<td>224,548</td>
<td>212,289</td>
</tr>
<tr>
<td><strong>NET POSITION AT 5/31/18</strong></td>
<td>230,495</td>
<td>219,492</td>
</tr>
</tbody>
</table>
MFA Net Position as of May 31, 2018:

**UNAPPROPRIATED NET POSITION:**
- $34,150 is held by Bond Program Trustees and is pledged to secure repayment of the Bonds.
- $27,956 is held in Trust for the NM Housing Trust Fund and the NM Land Title Trust Fund.
- $121 held for New Mexico Affordable Housing Charitable Trust.
- Total unappropriated Net Position: $62,227

**APPROPRIATED NET POSITION: GENERAL FUND**

By actions of the Board of Directors on various dates, General Fund net assets have been appropriated as follows:

- $105,069 for use in the Housing Opportunity Fund ($85,804 in loans plus $19,265 unfunded, of which $3,457 is committed).
- $9,781 for loss exposure on Risk Sharing loans.
- $1,208 invested in capital assets, net of related debt.
- $5,867 invested in mortgage servicing rights.
- $5,454 for the future General Fund Operating Budget Y E 9/30/18 ($17,873 total budget less $12,419 expended budget through 05/31/18.)

Total - General Fund: $155,376

**APPROPRIATED NET POSITION: HOUSING**

By actions of the Board of Directors on December 7, 1999, Housing assets have been appropriated as follows:

- $12,892 for use in the federal and state housing programs administered by MFA.
- Total - Housing Program: $168,268

Total combined Net Position at May 31, 2018: $230,495

Total combined Net Position, or reserves, at May 31, 2018 was $230.5 million, of which $62.2 million was pledged to the bond programs, Affordable Housing Charitable Trust and fiduciary trusts. $168.3 million of available reserves, with $97.8 million primarily liquid in the General Fund and in the federal and state Housing programs and $70.5 million illiquid in the programs of the General Fund, have been:

- for use in existing and future programs
- for coverage of loss exposure in existing programs, and
- for support of operations necessary to carry out the programs.

MFA’s general plan for bond program reserves as they may become available to MFA over the next 30 years is to use the reserves for future programs, loss exposure coverage, and operations.
### New Mexico Mortgage Finance Authority General Fund & Housing

**Budget Variance Report**

For the Eight Months Ended 5/31/18

| REVENUES | OPERATING REVENUES | INTEREST INCOME | 627,424 | 5,052,806 | 5,485,590 | 432,784 | 8,228,385 | 3,175,579 | 61.41% |
|          |                   | ADMIN INCOME    | 770,535 | 7,882,820 | 4,850,875 | (3,031,946) | 7,276,312 | (606,508) | 108.34% |
|          |                   | OTHER OPERATING INCOME | 276,196 | 2,380,915 | 2,462,369 | 81,454 | 3,693,553 | 1,312,638 | 64.46% |
|          | SUBTOTAL OPERATING REVENUES | 1,674,155 | 15,316,542 | 12,798,833 | (2,517,708) | 19,198,250 | 3,881,708 | 79.78% |
|          | NON-OPERATING REVENUES | 15,502 | 19,026 | (18,600) | (37,626) | (27,900) | (46,926) | -68.19% |
|          | TOTAL REVENUES | 1,689,657 | 15,335,568 | 12,780,233 | (2,555,334) | 19,170,350 | 3,834,782 | 80.00% |

| EXPENSES | OPERATING EXPENSES | COMPENSATION | 589,336 | 4,294,600 | 4,858,961 | 564,362 | 7,288,442 | 2,993,842 | 58.92% |
|          |                   | TRAVEL & PUBLIC INFO | 23,678 | 196,934 | 318,402 | 121,468 | 477,603 | 280,669 | 41.23% |
|          |                   | OFFICE EXPENSES | 57,698 | 589,295 | 593,639 | 4,344 | 890,458 | 301,163 | 66.18% |
|          | OTHER OPERATING EXPENSES | 515,920 | 3,424,380 | 3,079,297 | (345,083) | 4,618,946 | 1,194,566 | 74.14% |
|          | SUBTOTAL OPERATING EXPENSES | 1,186,631 | 8,505,208 | 8,850,299 | 345,091 | 13,275,449 | 4,770,241 | 64.07% |
|          | NON-OPERATING EXPENSES | 522,617 | 623,826 | 577,400 | (46,426) | 866,100 | 242,274 | 72.03% |
|          | SUBTOTAL OPERATING & NON-OPERATING EXPENSES | 1,709,248 | 9,129,034 | 9,427,699 | 298,665 | 14,141,549 | 5,012,515 | 64.55% |
|          | EXPENSED ASSETS | 450 | 77,001 | 54,813 | (22,187) | 82,220 | 5,219 | 93.85% |
|          | NON-CASH ITEMS | 46,002 | 534,404 | 494,175 | (40,229) | 741,262 | 206,858 | 72.09% |
|          | TOTAL EXPENSES | 1,755,700 | 9,740,439 | 9,976,687 | 236,249 | 14,965,031 | 5,224,592 | 65.09% |
|          | NET REVENUES | (66,043) | 5,595,129 | 2,803,546 | 2,791,583 | 4,205,319 | 1,389,810 | 66.95% |
|          | PURCHASED SERVICING & CAPITAL OUTLAY | PURCHASED SERVICING RIGHTS | 281,930 | 2,450,030 | 1,833,333 | (616,696) | 2,750,000 | 299,970 | 89.09% |
|          |                   | CAPITALIZED ASSETS | 30,299 | 228,513 | 105,227 | (123,286) | 157,840 | (70,673) | 144.78% |
|          | TOTAL PURCHASED SERVICING & CAPITAL OUTLAY | 312,229 | 2,678,543 | 1,938,560 | (739,983) | 2,907,840 | 229,298 | 92.11% |
|          | TOTAL INCLUDING CAPITALIZED ITEMS | 246,186 | 8,273,872 | 4,742,106 | 2,051,601 | 7,113,159 | 1,619,108 | 77.24% |
June 4 – July 10

MEDIA COVERAGE

6-5 Santa Fe New Mexican  
*Short-Term Rentals Distracting from Real Housing Issues*

6-14 Gallup Independent  
*Acoma housing development an award winner*

6-14 Travois Newsletter  
*PAHA LIHTC Homes #1 Receives National Honor*

6-22 Ruidoso News  
*Meeting aims to correct rumors about project*

PRESS RELEASES, NEWSLETTERS and LENDER MEMOS

6-19 E-blast  
*Webinar: National Housing Trust Fund Environmental Provisions*

6-19 Tribal Homeownership Coalition  
*Updates*

6-27 E-blast to mailing list  
*Summit hotel rooms going fast*

7-9 Tribal Homeownership Coalition  
*July coalition meeting agenda*
FROM THE PRESIDENT’S DESK
Short-Term Rentals Distracting from Real Housing Issues

The Santa Fe Chamber of Commerce’s leadership believes that housing affordability is one of the most critical factors affecting our workforce, threatening the viability of local businesses, and the vitality of our community. The Chamber has committed to positively impacting the current housing affordability crisis across the spectrum of housing needs from homelessness to homeownership, and is actively collaborating with the city, county, nonprofits and other stakeholders to identify practical solutions to bringing our housing economy back into balance.

A frequently mentioned topic in the housing discussion is the growth of short-term rentals and their impact on the rental housing supply. Listening to many in the community you’d think that abolishing short-term rentals could solve our housing crunch, but in reality, the causes—just like the solutions—are much more complex.

Short-term rentals have always been part of the local economy, though growing demand and new technology have fueled their expansion. To their credit, the City of Santa Fe has created regulations that include licensing, inspections, collection of all taxes and protections for neighborhoods. As part of this regulation, the city has issued 1000 rental permits, of which around 800 been approved, suggesting that the supply is starting to become saturated.

By contrast, estimates of the demand for new long-term rental housing are as high as 8000 units. Even if every short-term rental were immediately converted into long-term units, we would still be thousands of units shy of what is needed.

Moreover, we can’t overlook the benefits that short-term rentals have provided our community. The vast majority of these permits are held by local Santa Feans and more of the revenue from these rentals stays in the local economy. The added income for hosts also means many local homeowners are more financially sustainable over the long-term. And perhaps most importantly, visitors get to enjoy a more intimate and genuine Santa Fe experience, the kind you can only get with a local host. This new type of tourism encourages repeat visits and will be a critical part of cultivating a new generation of visitors to our city.

Like any policy, current rental regulations should be assessed on an ongoing basis to determine their effectiveness and to ensure we find the right balance between economic vitality and housing availability. But we also need to look to broader solutions. To address such a large housing gap, we’ll need to employ a variety of strategies to support new housing, not just large rental development projects, but also distributed strategies like easing rules governing casitas, adding housing in existing neighborhoods that are close to jobs and services. Most of all it will take concerted support from our local government to permanently capitalize our local Affordable Housing Trust Fund.

At last count, over 60% of the Santa Fe workforce lives outside Santa Fe and spends the majority of their money elsewhere. With over 80% of our municipal revenue based on sales taxes, this exporting of economic activity represents a huge drain on city services we all enjoy and undermines our community fabric, all while placing a huge burden on the environment.

The Chamber is committed to working towards productive collaborations that bring together the public and private sector to promote innovative approaches to ensure that Santa Fe’s workforce can continue to live in Santa Fe. While it is clear that causes and solutions are complex, we look forward to creative thinking and hard work it will take to build a more inclusive and economically vital Santa Fe.

Simon Brackley
President and CEO
Santa Fe Chamber of Commerce
Acoma housing development an award winner

By Dana Martinez
Cibola County Bureau
cibola2@gallupindependent.com

ACOMA — Congressman Steve Pearce offered his congratulations to the Pueblo of Acoma Housing Authority Wednesday for their Charles L. Edson Tax Credit Excellence Award.

PAHA won first place in the Affordable Housing Tax Credit Coalition 24th Annual Charles L. Edson Tax Credit Excellence Awards. They are presented to the most outstanding Low-Income Housing Tax Credit properties in seven categories. PAHA won the award in the rural housing category for their $8.9 million Cedar Hills apartment complex that was completed in April. The complex became home to 30 Acoma families.

In a news release, Pearce said, “Native American communities, like many rural areas across the nation, are in dire need for safe and affordable housing options. The Pueblo of Acoma’s Housing Authority has been a leader in New Mexico and nationally in innovate and creative methods that fill the Pueblo’s housing need. PAHA’s use of a low-income housing tax credit allowed the Pueblo to develop housing for those in the community who are in greatest need, while also recognizing their history and heritage by creating a project that honors the Pueblo’s original city. I congratulate the Pueblo of Acoma, the Housing Authority, and all its partners on this well-deserved recognition.”

AHTCC started accepting entries in February. The Edson Awards takes place each year on Capitol Hill, bringing together members of congress, business, and nonprofit leaders to honor Low-Income Housing Tax Credit developments that are strengthening communities, improving health and boosting economy in urban, suburban, and rural areas nationwide.

In the news release, resident of the Affordable Housing Tax Credit Coalition, Michael Gaber, said, “We convene each year to shine a spotlight on excellence in the affordable housing industry. The Edson Awards honor the developments that take very opportunity to make innovative use of the Low-Income Housing Tax Credit as a tool for public and private collaboration, investment, and community revitalization.”

Executive Director of the AHTCC Emily Cadik added, “The Edson Awards honor developments that harness the Housing Credit to strengthen America’s communities and provide homes that transform the lives of low-income families, veterans, seniors, and people with special needs. The winner honored today exemplify why housing credit is smart policy and why congress should expand and strengthen this proven tool.”

The AHTCC was founded in 1988. It is a trade organization of housing professionals who advocate for affordable rental housing financed using Low-Income Housing Tax Credit. They include both for-profit and nonprofit members who seek to preserve, expand, and improve the Housing Credit and complementary programs through legislative outreach and education.
A view from the balcony of Cedar Hills, Acoma Pueblo’s new housing complex. The $8.9 million complex will house 30 families, who began to move in April 16.
PAHA LIHTC Homes #1 Receives National Honor, the 24th Annual Charles L. Edson Tax Credit Excellence Award from Affordable Housing Tax Credit Coalition

June 14, 2018

By: Shannon McGraw

Affordable Housing

Client news

Design & Construction Services

Low Income Housing Tax Credits

Travois news

PAHA LIHTC Homes #1 received the award for excellence in Rural Housing at the 24th Annual Charles L. Edson Tax Credit Excellence Awards (Edson Awards) by the Affordable Housing Tax Credit Coalition in Washington, D.C. on Wed., June 13, 2018.
The Edson Awards take place each year on Capitol Hill, bringing together members of Congress, business and nonprofit leaders to honor Low-Income Housing Tax Credit (Housing Credit) developments that are strengthening communities, improving health and boosting the economy in urban, suburban and rural areas nationwide.

“We convene each year to shine a spotlight on excellence in the affordable housing industry,” said Michael Gaber, President of the Affordable Housing Tax Credit Coalition. “The Edson Awards honor the developments that take every opportunity to make innovative use of the Low-Income Housing Tax Credit as a tool for public and private collaboration, investment and community revitalization.”

Providing 30 affordable rental homes to local families and people with special needs, the property — developed by The Pueblo of Acoma Housing Authority (PAHA) — is designed to evoke nearby Sky City. Sky City is the Pueblo’s original village (c. 1150 A.D.) and North America’s longest continually inhabited community. Outdoor spaces located on roofs and other horizontal surfaces created by the dwellings themselves are intended to foster gatherings for the residents and a sense of community rooted in shared history and culture.

“The Edson Awards honor developments that harness the Housing Credit to strengthen America’s communities and provide homes that transform the lives of low-income families, veterans, seniors and people with special needs,” said Emily Cadik, Executive Director of the Affordable Housing Tax Credit Coalition. “The winners honored today exemplify why the Housing Credit is smart policy, and why Congress should expand and strengthen this proven tool.”

The Housing Credit was created as part of the Tax Reform Act of 1986, and today is widely regarded as the nation’s most successful housing production tool. The Housing Credit has financed more than 3 million affordable apartments through public-private partnerships, and supports 96,000 jobs each year, mostly in the small-business sector. It has earned strong bipartisan support, and was recently preserved in the Tax Cuts and Jobs Act of 2017, and expanded and strengthened in the omnibus spending bill for fiscal year 2018. The broadly-supported Affordable Housing Credit Improvement Act would further expand and strengthen the program.

Since it was signed into law by President Reagan, the Housing Credit has financed three million homes across the country, including 24,000 in New Mexico. These homes have provided a stable foundation of opportunity to 55,000 New Mexico families, and their development has created 27,000 jobs, generated $2.5 billion in income, and $1 billion in tax revenues, which are reinvested in communities statewide.

Residents of PAHA LIHTC Homes #1 have free access to services including quarterly financial literacy trainings, workforce training, and homeownership education, all of which are available at the on-site community center. The development includes a community building, picnic pavilion, bike and walking path, playground, open recreation space and a full-court basketball court – and incorporates green building techniques. PAHA LIHTC Homes #1 is also expected to receive certification from Enterprise Green Communities, the first national framework for developing and operating green affordable homes.

“Native American communities, like many rural areas across the nation, are in dire need of safe and affordable housing options,” said Congressman Steve Pearce. “The Pueblo of Acoma’s Housing Authority has been a leader in New Mexico and nationally in innovative and creative methods to fill the Pueblo’s housing need. PAHA’s use of a Low-Income Housing Tax Credit allowed the Pueblo to
develop housing for those in the community who are in greatest need, while also recognizing their history and heritage by creating a project that honors the Pueblo’s original city. I congratulate the Pueblo of Acoma, the Housing Authority, and all its partners on this well-deserved recognition.”
Funding for the townhomes and amenities was primarily provided through the Housing Credit, with an award from the New Mexico Mortgage Finance Authority. PAHA was the developer of the property. Development partners include Travois (consultant and architect), Raymond James Tax Credit Funds (investor) and Pavilion Construction (general contractor).

“Receiving the Edson Award is further validation of the importance we at PAHA placed on design, of incorporating the aesthetics of the Pueblo architecture to create spaces to enhance community and tighten the social fabric,” said PAHA Executive Director Floyd Tortalita. “The Housing Credit enabled us to leverage our resources to create a development that provides a foundation on which we are building to increase opportunity and strengthen the social and economic health of our community.”

“We congratulate PAHA on their well-deserved Edson Award,” said Elizabeth Glynn, CEO, Travois. “In addition to rural and urban communities, the Low Income Housing Tax Credit helps tribal communities to build desperately needed housing, where traditional financing is especially challenging. PAHA staff and our team of architects worked hard to make their vision a reality with this development.”

About the Affordable Housing Tax Credit Coalition

Founded in 1988, AHTCC is a trade organization of housing professionals who advocate for affordable rental housing financed using the Low-Income Housing Tax Credit (Housing Credit). Our for-profit and non-profit members—including syndicators, investors, lenders, developers, legal and accounting professionals and state allocating agencies—seek to preserve, expand and improve the Housing Credit and complementary programs through legislative outreach and education. The Coalition, a
nonprofit corporation chartered under the laws of the District of Columbia, is governed by an elected Board of Directors.

Please visit www.taxcreditcoalition.org for more information about the Affordable Housing Tax Credit Coalition.

**About the Low-Income Housing Tax Credit**

The Housing Credit was created as part of the Tax Reform Act of 1986, and today is widely regarded as the nation’s most successful housing production program. The Housing Credit has financed more than 3 million affordable apartments through public-private partnerships, and supports 96,000 jobs each year, mostly in the small-business sector. It has earned strong bipartisan support, and was recently preserved in the Tax Cuts and Jobs Act of 2017, and expanded and strengthened in the omnibus spending bill for fiscal year 2018. The broadly-supported Affordable Housing Credit Improvement Act would further expand and strengthen the program.

**About the Charles L. Edson Tax Credit Excellence Awards**

Given annually by the Affordable Housing Tax Credit Coalition, The Edson Awards are named for Charles L. Edson, an affordable housing luminary who was Transition Director for the U.S. Department of Housing and Urban Development (HUD) on President Carter’s Transition Staff. Mr. Edson served in the Office of the General Counsel at HUD and served as Co-Editor-in-Chief of *Housing and Development Reporter* for nearly 40 years. He is a founding partner of the law firm Lane and Edson, and was later a partner of Nixon Peabody LLP.
Meeting aims to correct rumors about project
Midtown architectural restrictions limit structure height

Dianne L. Stallings
Ruidoso News
USA TODAY NETWORK - NEW MEXICO

Rumors are circulating that a 20-story building will be constructed in midtown Ruidoso for low-income housing on property left over from five acres purchased by the village for a municipal parking lot.

Neither assertion, 20-stories nor low-income, is true, Ruidoso Community Development Director Bradford Dyjak said Wednesday. Residents and business owners will have a chance during a meeting of the Ruidoso Workforce Housing Advisory Board meeting at 2 p.m., June 28, to learn the facts surrounding the proposal being reviewed to use that land.

Architectural standards in midtown limit building height to a maximum 35 feet, essentially three stories, the same as some of the adjacent hotels, Dyjak said. And the units are aimed at people with viable jobs, who pass credit and criminal background checks, he said.

"It's concerning," he said of the wilder claims he has heard..."I certainly respect the residents interests and concerns. There are a number of items that need to be taken under advisement that bear further research. We in the due diligence stage.

"But at the same time, it's disingenuous if we are having conversations and there is this (extreme) speculation. We're committed to moving forward and trying to dispel some of those concerns and questions, and we are trying to discuss it within the realm of the facts of the program."

A fact sheet was prepared to hand out to people who attend the meeting, he said.

"We have property we are evaluating," Dyjak said. "No decisions have been made. It would have to go to the village council, if it were to move forward. The public would have an opportunity to weigh in on the design and layout and all the issues associated with a normal site plan.

"There's a number of steps in the process and I hope we all are speaking the facts. if you talk about facts, you can reasonably disagree and that's fair."

Some of the confusion may stem from a packet assembled to review for a previous workforce housing advisory board meeting that shows examples of structures built by the Chelsea Investment Corporation, a firm that works with the Eastern Regional Housing Authority. One of the structures rises 16 floors.

"The village certainly is committed to the evaluation of this potential property for use in this project, but we want to reassure people that if we move forward, there is a commitment to workforce housing within the parameters and guidelines of the new Mexico Mortgage Finance Authority," Dyjak said. "This is something that will be a benefit and not a detraction."

As part of the packet on seeking workforce housing, "current progress" listed the sale of a large tract to a housing developer at Grindstone subdivision with a portion of the proceeds deposited in a designated trust fund; a smaller tract sold with proceeds deposited and other tracts identified; the council adopted a trust fund and land bank ordinance; inventoried and began planning for future village lots; is drafting an ordinance allowing accessory dwellings; drafting criteria for partnerships and incentives and seeking a developer for publicly-owned sites.

Some of the land reviewed for use included a potential swap with Presbyterian Healthcare Services or with the Ruidoso School District. The advisory board also looked at potential private partners collaboration through private development on a parcel identified as the Roblas Tract and on the Midtown Warren tract, as well as existing public-ly-owned lots.

A statement in the fact sheet reads that affordable housing, also called workforce housing, refers to housing prices that are not inflated by certain economic factors such as tourism, high income neighborhood or real estate markets.

"It is not the same concept as HUD (Housing and Urban Development) housing or housing that is paid for by vouchers," the sheet states. "It is intended to give a viable workforce a safe and affordable place to live with the convenience of walkability and easy, affordable access to community."
Units can be rental or ownership reasonably afforded by a moderate to middle income. Examples cited were based on someone earning 60 percent of the median income in Lincoln County of $55,500. Monthly rents for two people in a house would be about $587, for three, $706, and for four, $910.

Ten-year objectives for what is needed in the village covers 220 units of affordable housing, 305 units of rental housing, 25 units of senior independent living, 15 units of senior assisted living, 20-50 units of housing rehabilitation, 25 units of transitional housing and preparation for 20 families annually that will need emergency services and help with housing.

The fact sheet also noted that the purchase price of the 4.96 acres selected by Chelsea was the appraised value of $1,165,000 and the cost of the parking lot and handicapped compliant ramp was $269,610. The remaining land was to be used for housing or commercial development.

The advisory board meeting is in council chambers at village hall, 313 Cree Meadows Drive.
Reminder: Join MFA for a training webinar on the National Housing Trust Fund Environmental Provisions
June 28, 2018 from 10 a.m. to 11 a.m.

This training webinar will be presented by MFA’s Sharlynn Rosales, Programs Coordinator, and Debbie Davis, Reporting Specialist.

The webinar will cover the logistics of completing your Environmental Provisions as required by HUD at 24 CFR § 93.301(f)(1) when applying for National Housing Trust Fund (NHTF) with New Mexico Mortgage Finance Authority (MFA). We will provide a brief background of the Housing Trust Fund and MFA’s NHTF rental development program which can be found at [http://housingnm.org/developers/national-housing-trust-fund](http://housingnm.org/developers/national-housing-trust-fund)

We will cover the following more in-depth:

- Review Timing
- Recordkeeping and Resources
- Public Comment and Request for Release of Fund Requirements
- Applying and submitting documentation for the following:
  - New Construction
  - Rehabilitation
  - HUD Part 50/58 Environmental Review with HTF Environmental Provisions - 24 CFR §93.301(f)(1) - New Construction
  - HUD Part 50/58 Environmental Review with HTF Environmental Provisions - 24 CFR § 93.301(f)(2) – Rehabilitation

Please register at [http://housingnm.org/developers/nhtf-webinar-registration](http://housingnm.org/developers/nhtf-webinar-registration)
NM Tribal Homeownership Coalition Updates

**Tribal Healthy Homes Grants Public Webinar**
hosted by the U.S. EPA Indoor Environments Division

Review the NOFA and Scope of Work with potential applications with Questions and Answer Session

Date: Wednesday, June 20, 2018
Time 1:00 pm - 2:30 pm EDT
To register click on this [link](#).

**Tribal Healthy Homes Grant. Application Deadline is July 18, 2018**

HUD’s Office of Lead Hazard Control and Healthy Homes Tribal Healthy Homes Production (HHP) Grant provides $12 million, grant amounts are minimum $500K to maximum $1M. The purpose of the HHP program is to assist American Indian and Alaska Native tribal governments to identify and remediate housing related health and safety hazards. This program will assist American Indian and Alaska Native tribal governments to develop comprehensive programs to identify and remediate housing issues that contribute to health and safety issues in urban and tribal communities. Application deadline is July 18, 2018. For more information click [here](#).
Click [here](#) to submit your application.
This is first time since 2012 this NOFA has been offered. Time is limited – 30 day application period.

**Attention All Tribal Housing Representatives!!**

Please join Tamaya Housing Incorporated for their first annual housing fair Friday, June 22nd from 12pm to 4pm at the Tamaya Wellness Center Gymnasium.

Please see the attached [flyer](#)

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**NM Tribal Homeownership Coalition Meeting July 26, 2018**

Please join us for a NM Tribal Homeownership Coalition Meeting on July 26, 2018 at the New Mexico Mortgage Finance Authority, located at 344 4th Street SW, Albuquerque, NM 8702

**Agenda**

11:30 - 12:30 pm  Registration and Luncheon

12:30 - 12:45 pm  Welcome and Introductions
   Gina Hickman, Deputy Director of Finance and Administration, MFA
   Ariel Cisneros, Senior Advisor, Federal Reserve Bank of Kansas City
   Marvin Ginn, Executive Director, Native Community Finance

12:45 - 1:30 pm  Homebuyer Education/Financial Fitness Best Practices
   Moderator Ariel Cisneros, Federal Reserve Bank of Kansas City
   Rose Marquez, Deputy Director, Native Community Finance
   Elena Gonzales, Director, Homestart, Homewise
<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
</tr>
</thead>
</table>
| 1:30 - 1:50 pm | Review the "Borrowing Guide for Tribal Members"  
Rose Marquez, Deputy Director, Native Community Finance |
| 1:50 - 2:10 pm | MFA Weatherization Programs and Funding Updates  
Amy Gutierrez, Program Manager, NME$, MFA |
| 2:10 - 2:30 pm | IHBG and ICDBG - Training Updates  
Southwest Office of Native American Programs |
| 2:30 - 2:50 pm | Fannie and Freddie - Native American Products  
Marvin Ginn, Executive Director, Native Community Finance |
| 2:50 - 3:00 pm | Announcements - Upcoming Events  
Ed Rosenthal, Consultant, Enterprise Community Partners - Enterprise Homeownership Academy at UNM  
New Mexico Housing Summit 2018, September 12 - 14, 2018  
at Hotel Albuquerque, [http://summit.housingnm.org/](http://summit.housingnm.org/) |
| 3:00 pm | Adjourn |

Conference call-in is available. Please register at [http://housingnm.org/developers/nm-tribal-homeownership-coalition-meeting](http://housingnm.org/developers/nm-tribal-homeownership-coalition-meeting) to participate by phone or to attend in person. Remember lunch will be provided!!!
Housing Summit Hotel Rooms Are Going Fast!

More than half of the sleeping rooms at Hotel Albuquerque are already reserved!

Register for the 2018 New Mexico Housing Summit today at summit.housingnm.org, and then secure your room by going to the "Lodging" tab.

While you're on the summit website, take a look at all the great sessions and speakers we have lined up. You don't want to miss this event!

Discounted early-bird registration ends in four weeks.

New Mexico Mortgage Finance Authority, 344 Fourth St. SW, Albuquerque, NM 87102
505.843.6880  800.444.6880
Please join us on July 26, 2018 for a New Mexico Tribal Homeownership Coalition meeting from 11:30am to 3pm.

Updated Agenda

11:30 – 12:30 pm  Registration and Luncheon
                   - Retirement Recognition for Marvin Ginn,
                     Executive Director of Native Community Finance

12:30 – 12:45 pm  Welcome and Introductions
                   - Gina Hickman, Deputy Director of Finance
                     and Administration, MFA
                   - Ariel Cisneros, Senior Advisor, Federal Reserve Bank
                     of Kansas City
                   - Marvin Ginn, Executive Director, Native Community Finance

12:45 -- 1:30 PM  Homebuyer Education/Financial Fitness Best Practices
                   - Moderator Ariel Cisneros, Federal Reserve of Kansas City, Denver
                   - Rose Marquez, Deputy Director, Native Community Finance
                   - Elena Gonzales, Director, Homestart, Homewise

1:30 – 1:50 pm    Review the “Borrowing Guide for Tribal Members”
                   - Rose Marquez, Deputy Director, Native Community Finance
<table>
<thead>
<tr>
<th>Time</th>
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<th>Speaker(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1:50 – 2:10 pm</td>
<td>MFA Weatherization Programs and Funding Updates</td>
<td>Amy Gutierrez, Program Manager, NME$, MFA</td>
</tr>
<tr>
<td>2:10 – 2:30 pm</td>
<td>IHBG and ICDBG--Training Updates</td>
<td>Southwest Office of Native American Programs</td>
</tr>
<tr>
<td>2:30 – 2:50 pm</td>
<td>Fannie and Freddie—Native American Products</td>
<td>Marvin Ginn, Executive Director, Native Community Finance</td>
</tr>
<tr>
<td>2:50 – 3:00 pm</td>
<td>Announcements—Upcoming Events</td>
<td>Ed Rosenthal, Consultant, Enterprise Community Partners – Enterprise Homeownership Academy</td>
</tr>
<tr>
<td>3:00 pm</td>
<td>Adjourn</td>
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Please Register here
http://housingnm.org/developers/nm-tribal-homeownership-coalition-meeting

You will be able to call in for this meeting. Start time will be at 12:30pm. The conference call-in number will be sent out via email the morning of the meeting.