NEW MEXICO MORTGAGE FINANCE AUTHORITY
Board Meeting
344 4th St. SW, Albuquerque, NM
Wednesday, October 19, 2016 at 9:30 a.m.

Agenda

Chair Convenes Meeting
➢ Roll Call (Jay Czar)
➢ Approval of Agenda – Board Action
➢ Approval of 9/21/16 Board Meeting Minutes – Board Action
➢ Employee Introductions;
   Alicea “Lisa” Coyne, Mortgage Servicing Representative – Servicing Department (Blanca Vasquez)
   Christine Wheelock, Program Analyst – Asset Management Department (Jacobo Martinez)

Board Action Items

Action Required?

Presentations
1 Ventana Fund Update (Todd Clarke, Chairman Ventana Fund) NO

Finance Committee
2 Compressed Work Week (Dolores Deer) YES

Contracted Services/Credit Committee
3 Western Regional Housing Authority (WRHA) commissioner recommendation (Rose Baca-Quesada) YES

Other
4 2017 Legislative Agenda (Monica Abeita) YES
5 Pasa Tiempo Bond Resolution (Heather Abramowski) YES
6 Draft 2017 QAP Status Update (Susan Biernacki and Shawn Colbert) NO

Other Board Items

Information Only
7 (Staff is available for questions)
   ▪ Staff Action Requiring Notice to Board

Monthly Reports

No Action Required
8 (Staff is available for questions)
   ▪ 8/31/16 Financial Statements
   ▪ Communications Department Reports

Announcements and Adjournment

Discussion Only

Confirmation of Upcoming Board Meetings
➢ November 16, 2016 - Wednesday - 9:30 a.m. (MFA Board Room)
➢ December 21, 2016 - Wednesday - 9:30 a.m. (MFA Board Room)
➢ January 18, 2017 – Wednesday – 9:30 a.m. (SF – location TBD)
Minutes
Chair Dennis Burt convened the meeting on September 21, 2016 at 10:34 a.m. Secretary Jay Czar called the roll. Members present: Chair - Dennis Burt, Vice Chair - Angel Reyes Steven Smith, Sally Malavé (Designee for Attorney Hector Balderas) Lieutenant Governor John Sanchez (arrived late; prior to Tab 1), Treasurer Tim Eichenberg, Steven Smith and Randy McMillan. Absent: none. Czar informed the Board that the meeting was being held in accordance with the New Mexico Open Meetings Act.

Chair Burt welcomed everyone to today’s MFA Board of Directors meeting.

Approval of Agenda - Board Action. Motion to approve the September 21, 2016 Board agenda as presented: Malavé. Second: Eichenberg. Vote: 6-0.

Approval of 8/17/16 Board Meeting Minutes – Board Action. Motion to approve the August 17, 2016 Board Meeting Minutes as presented: Smith. Second: McMillan. Vote: 6-0.

Approval of 8/17-19/16 Board Retreat Meeting Minutes – Board Action. Motion to approve the August 17-18, 2016 Board Retreat Meeting Minutes as presented: Malavé. Second: McMillan. Vote: 6-0.

Employee Introductions: Gina Hickman introduced Melissa Cabrera, Lending Specialist – Homeownership Department. Izzy Hernandez introduced Jacobo Martinez, Director Asset Management – Asset Management Department.

Lieutenant Governor John Sanchez joined the meeting 10:45 a.m.

Finance Committee

1 Affordable Housing Tax Credit Rules (Monica Abeita). Abeita reviewed the background information from the memo located behind tab one which will become a part of the official board packet. She explained the memo covered both the Affordable Housing Tax Credit Rules and the New Mexico Affordable Housing Charitable Trust Program Policy. Further stating that they are listed separately on the agenda and will require two separate votes. Abeita presented the new version of the New Mexico Affordable Housing Tax Credit Rules to improve upon the existing rules to better define the parameters of potential donations under this program. Motion to accept the Affordable Housing Tax Credit Rules as presented: Malavé. Second: Sanchez. Vote: 7-0. (See attachment A)

2 New Mexico Affordable Housing Charitable Trust Program Policy (Monica Abeita). Abeita presented the New Mexico Affordable Housing Charitable Trust Program Policy to improve upon the existing policy and to better define the parameters of potential donations under this program. Motion to accept the New Mexico Affordable Housing Charitable Trust Program Policy as presented: Malavé. Second: Sanchez. Vote: 7-0. (See Attachment B)

3 Production Statistics (Gina Hickman/Izzy Hernandez). Hickman informed the Board that this information is provided in conjunction with the presentation of the FY 2016-2017 budget to summarize production and financial highlights historically. She informed the Board that she would go over the financial graphs and Izzy Hernandez would go over the production graphs. These charts are located behind tab three and will be made a part of the official Board packet. No action required. (See attachment C)

4 FY2016-2017 General Fund Budget (Yvonne Segovia). Segovia reviewed the MFA’s General Fund proposed budget for FY 2016-2017, which is located behind tab four and will be made a part of the official Board packet. Revenue is projected at $16,466,000, an increase of $1,216,000 over projected 9/30/16 actual and an increase of $1,810,000 over prior year budget. The expense budget is projected at $13,332,000, an increase of $2,767,000 over 9/30/16 projected actual and an increase of $2,547,000 over prior year budget. The FY 2016-
2017 budgeted excess revenue over expenses is $3,134,000. The decrease is a result of the implementation of the Mortgage Operations servicing expansion model, as well as the addition of 5.5 full-time equivalent (FTE) staff positions. The capital budget is projected at $2,664,000, an increase of $2,033,000 over 9/30/16 projected actual and an increase of $1,292,000 over prior year budget. Ms. Segovia then discussed the largest budget variances.

- **Annual Review of Compensation & Benefits (Steve Smith, Chair, Compensation Committee).** Member Smith, Chair of the Compensation Committee explained that the committee believes that MFA’s compensation and benefit programs and the approach to the FY2017 compensation and benefits budget are reasonable and fair. In addition the committee believes that MFA has comprehensive policies and procedures related to the compensation and benefit processes. Motion to approve the FY2016-2017 General Fund Budget as recommended: McMillan. Second: Sanchez. Vote: 7-0. (See Attachment D)

5 **FY2016-2017 NM Affordable Housing Charitable Trust Budget (Yvonne Segovia).** Segovia reviewed the proposed budget for the New Mexico Affordable Housing Charitable Trust for FY 2016-2017, which is located behind tab five and will be made a part of the official Board packet. Revenue is projected at $19,000, and the expense budget is projected at ($3,000), resulting in a 2016-2017 budgeted excess expense over revenue of $16,000. The expense budget includes salaries and indirect costs provided by MFA to support the non-profit organization as well as budget for marketing to support strategic plan initiatives. Motion to approve the FY2016-2017 NM Affordable Housing Charitable Trust Budget as presented: Reyes. Second: Malavé. Vote: 7-0. (See Attachment E)

6 **Housing Opportunity Fund Appropriations (Yvonne Segovia).** Segovia went over background information starting with the inception of the Housing Opportunity Fund (HOF) program in 1992 explaining that it is 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. In order to meet anticipated demand, Staff recommends $1,457,000 be transferred from the Partners Loan Program to the DPA Loan Program, $1,191,000 of new funds be appropriated to the DPA Loan Program; and $1,500,000 be transferred from the Access Loan Program to the Primero Loan Program. Motion to approve the Housing Opportunity Fund Appropriations as presented: Smith. Second: Reyes. Vote: 7-0. (See Attachment F)

**Contracted Services / Credit Committee**

7 **Proposed Selection for Award Under the Housing Development Legal Services RFP (Izzy Hernandez and Michael Scott).** Hernandez began by providing background information stating that under Housing Development Legal Services approximately $30k was spent this year on these services. MFA has counsel in other areas as well, they are; Sutin, Thayer and Brown, current Housing Development; Ballard, Spahr, Bond Counsel; Sheehan & Sheehan, Board Counsel; and Weinstein & Riley, Mortgage Servicing. Hernandez reviewed the background information provided in the memo, which will be made a part of the official board packet. Two proposals were received and scored. Reference was made to the scoring sheet located behind tab seven. Based on the scoring staff proposes that the firm of Sheehan & Sheehan, P.A. be selected for award, pursuant to the provisions of the RFP. Discussion ensued regarding the fee schedule (reviewed by staff member Michael Scott) and any potential conflict of interest there might be between board counsel and housing development counsel. Motion to approve the Proposed Selection for Award Under the Housing Development Legal Services RFP as presented: McMillan. Second: Eichenberg. Vote: 7-0. (See Attachment G). Joshua Allison introduced Sheehan’s newest associate Eleanor C. Werenko who was present in the audience.

**Other**

8 **Year 3 - 2015-2017 MFA Strategic Plan (Monica Abeita).** Abeita made reference to MFA’s current three-year strategic plan for FY 2015-2017. She reminded the Board that the proposed changes to the MFA Strategic Plan for Year 3 were discussed at the MFA Board of Directors Retreat August 2016. She informed the board that MFA will complete the second year of the plan (FY 2016) on September 30, 2016 and will begin the third and final year of the plan (FY 2017) on October 1, 2016. The Strategic Management Committee has drafted 1) changes to benchmarks to reflect work planned for FY 2016/17 and 2) minor language changes to reflect
9 Inducement Resolution – Pasa Tiempo Apartments (Heather Abramowski & Susan Biernacki). Abramowski informed the board that Santa Fe Civic Housing Authority had submitted an application for 4% tax credits along with a request for tax exempt bonds. She made reference to the attached Inducement Resolution in the amount of $11.0 million of tax exempt bonds for Pasa Tiempo Apartments, stating it is an acquisition/rehab - 121 unit senior development project located in Santa Fe, NM. Abramowski stated the primary purpose of the Inducement Resolution is to allow MFA and the developer to incur costs in connection with the acquisition and rehabilitation of this project with the intent to reimburse certain qualified expenditures from bond proceeds. Staff anticipates requesting Volume Cap from SBOF at its October 2016 meeting. Thereafter, staff will return to the MFA Board and present a Bond Resolution which, if approved, will authorize the issuance of tax exempt bonds for this project. Discussion ensued regarding the competitive process vs. noncompetitive process, cost of the project, development fee, public comment period, request for project summary and discussion of the current QAP (Qualified Allocation Plan).

12:31 p.m. Lieutenant Governor Sanchez left the meeting.

Ed Romero, Executive Director – Santa Fe Civic Housing Authority spoke to some of the concerns that were voiced as well as how the HUD subsidy works. He spoke about affordable housing stock and hoping to keep it for 30% AMI renters. He also made reference to the importance of making these apartments energy efficient. Czar clarified a few other issues and informed the board that developers can also go directly through the county and bypass MFA to make a request to State Board of Finance. Allison read portions of the Inducement Resolution to provide clarification to the Board on some of the issues being discussed. A motion was made by Treasurer Eichenberg to defer the Inducement Resolution to the following meeting to allow time for staff and Santa Fe Civic Housing Authority to bring back additional information; second: McMillan. Member Smith called for a restatement of the motion for clarity. Allison restated the motion; as he understood it to be - to defer the Inducement Resolution until the following meeting until such time that staff and Santa Fe Civic Housing Authority can present more detailed information with regards to the underwriting. Further discussion ensued regarding the process. Chair Burt called the question and asked for a vote on the motion that has been made. Vote: 3-3. The motion to defer action on this item failed. Allison stated that the Board could still take up staff’s original request. Motion to approve the Inducement Resolution – Pasa Tiempo Apartments as presented: Malavé. Second: Eichenberg. Additional discussion ensued regarding deferred maintenance, purchase price, the appraisal and fiduciary responsibility. Vote: 4-2. (See Attachment I)

Number 10 was moved to 12 because due to presenters for tabs 11 & 12 needing to catch a flight.

10 HFA Update (David Jones, Vice President, CSG Advisors, Inc.). Jones provided a very comprehensive and informative presentation to the MFA Board of Directors regarding the Financing Trends Among HFAs: Implications for MFA. He discussed Market conditions, HFA trends, MFA Bond Execution, Single Family Revenue Generation, Rating Agency View of MFA and Financing Opportunities and Conclusions. No action required.

11 Single Family Mortgage Program Update (Mike Awadis, Hilltop Securities). Mike Awadis provided a very comprehensive and informative presentation to the MFA Board of Directors regarding Market Rate Ginnie Mae/Fannie Mae TBA Program. He discussed The Current Environment for HFAs, Program Benefits When Compared to MRB, How Are Your Peers Doing – Production Trends, Why Has Production Picked Up, Pricing Sensitivity/Market Volatility and MFA’s TBA Program. No action required.

12 Update on Status of 2017 QAP (Susan Biernacki). Update on Status of 2017 QAP (Susan Biernacki). Biernacki presented the updated Qualified Allocation Plan. It was presented at the August 17-18, 2016 Board Retreat and generated some questions that required staff follow-up. Staff prepared an update on several of the questions to include: Definition of adjusted investor; Equity for Qualified Contracts; Sensitivity analysis; Building cost averages Utah and QAP scoring; Information for Texas. Definition of General Requirements, Copy of 3rd Party comments on QAP proposed changes, Cost containment changes - Total development
cost/Cost per square foot - Developers Fee - Architect and Engineer Fees and the 15 day Comment Period. No action required.

Other Board Items - Information Only
13 No questions were asked of staff.
   • Staff Action Requiring Notice to Board
   • 2016 Series B Bond Pricing Summary

Monthly Reports - No Action Required
14 No questions were asked of staff
   • 7/31/15 Financial Statements
   • Communications Department Report

Announcements and Adjournment - Confirmation of Upcoming Board Meetings.

There being no further business the meeting was adjourned at 2:30 p.m.

Approved: October 19, 2016

__________________________________________  _________________________________
Chair, Dennis Burt                        Secretary, Jay Czar
Tab 1
October 19, 2016

Mr. Dennis Burt, Chairman  
MFA Board of Directors  
New Mexico Mortgage Finance Authority  
344 4th Street SW  
Albuquerque NM 87102

RE: Ventana Fund Update and Performance Goals

Dear Chair Burt and Members of the MFA Board of Directors:

As you know, the first performance deadline of the New Mexico Mortgage Finance Authority (MFA) Primero Grant Agreement with Ventana Fund is September 30, 2016. I am pleased to report that we have exceeded the goal as shown below.

<table>
<thead>
<tr>
<th>Performance Goal, 9/30/16</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Obtain CDFI Certification</td>
<td>• Certification obtained on March 16, 2015</td>
</tr>
</tbody>
</table>
| 2. Obtain at least $700,000 in non-MFA leverage on initial MFA grant of $1,400,000 | • $600,000 Financial Assistance grant award announced by the CDFI Fund, U.S. Treasury on September 28, 2016 (10 percent may be used for operations)  
• $500,000 commitment for a line of credit with First National Rio Grande bank signed on September 30, 2016  
• $2,000 operating grant from Washington Federal received on August 22, 2016 |

Ventana Fund’s grant agreement with MFA terminates in 2019, with 2018 being the last year in which Ventana Fund receives MFA grant money. The Ventana Fund board of directors hopes to continue its partnership with MFA beyond this initial grant agreement, enabling MFA funds to be leveraged to produce more affordable housing statewide.

Thank you for your support of Ventana Fund in these initial years and for your commitment to affordable housing going forward.

Sincerely,

Todd Clarke  
Chair and Executive Director
Tab 2
**NEW MEXICO MORTGAGE FINANCE AUTHORITY**

**Finance/Operations Committee Meeting**

_Tuesday, October 11, 2016 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#

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>COMMITTEE RECOMMENDED</th>
<th>BOARD ACTION REQUIRED</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Compressed Work Week (Dolores Decr)</td>
<td>3 - 0</td>
<td>YES</td>
</tr>
</tbody>
</table>

Committee Members present:

- Steven Smith, Chair
- Dennis Burt
- Lieutenant Governor John Sanchez
- or Proxy Mark Van Dyke or
- Vincent Torres

☐ present  ☐ absent  □ conference call
☐ present  ☐ absent  □ conference call
☐ present  ☐ absent  □ conference call

_Secretary:_ [Signature]
MEMORANDUM

TO: Board of Directors

Through: Finance Committee, October 11, Policy Committee, October 4

FROM: Dolores Deer, HR Manager

DATE: October 19, 2016

SUBJECT: Compressed Work Week Program Adoption

Recommendation:

Staff recommends approval of the attached Compressed Work Week Program.

Background:

MFA’s strategic plan includes an objective: (1.2) Create a fulfilling work environment to attract and retain quality employees. One specific option that was explored under this objective was the implementation of a Compressed Work Week. A compressed work week for a full time employee is defined as an 80-hour biweekly basic work requirement that is scheduled by an agency for less than 10 workdays. Of the several options available MFA management decided to pilot a “9/80 – Alternating Friday’s Off Schedule” Compressed Work Week. In November of 2015, the Compressed Work Week Program was introduced to the Policy Committee and approved as a Pilot Program for a period of six months. The Compress Work Week Pilot Program was introduced to the Compensation Committee on November 18, 2015.

The Compressed Work Week Pilot Program was introduced to all staff members in January 2016 and presented to the board February 2016. We currently have 23 of 68 Employees participating in the program. The attached policies incorporate slight modification from the original version that was presented to staff in January 2016.

Discussion:

The Compressed Work Week Program has been successful with current staff members and has become a great tool for recruiting, and the program supports work/life balance.

Summary:
MFA introduced a “9/80 – Alternating Friday's Off Schedule” Compressed Work Week option on a pilot basis to staff on January 2016. 23 staff members are currently participating in the pilot program. It has been a success and has become a great tool for recruiting and supporting work/life balance. Staff recommends approval of the attached Compressed Work Week Program.
New Mexico Mortgage Finance Authority
Compressed Workweek – Pilot Program

Pilot Program
The duration of the pilot program is six (6) months following its adoption. At the conclusion of the pilot period, leadership will determine if the program will be adopted into policy. The determination will be made on these and other factors:

- If this program works for our organization
- If it does not interfere with production and customer service
- If it benefits the organization to continue the program

Work Hours – Schedule Options
New Mexico Mortgage Finance Authority strives to maintain a work schedule that balances the business needs of the Agency and the personal and family needs of our staff members. To this end, options have been developed to accommodate most staff needs while maintaining or enhancing MFA business performance.

The standard and official hours of business of the Agency are 8 a.m. to 5 p.m. Monday through Friday. These hours may be extended or changed for the benefit of MFA as directed by the Executive Director. During these hours, all business groups are expected to have sufficient employee coverage to ensure that the group is fully functional. The hours of 9 a.m. to 3:30 p.m. are designated as core hours. Unless otherwise approved, all employees must include these core hours within their set schedules. The basic work-week for full time employees is forty (40) hours.

All employees, both exempt and non-exempt, are expected to work the standard schedule unless an alternate schedule is approved by their Supervisor and Deputy Director. Alternative schedule options are outlined below. Alternative schedules cannot be guaranteed and may be discontinued temporarily or permanently by MFA at any time to meet the business needs of the Agency or for performance related issues.

Option One – The Flexible Hours Schedule – Under this option the employee will work eight (8) hours daily, regularly scheduled, Monday through Friday. This regular schedule may begin as early as 7 a.m. and end as late as 6 p.m. A minimum of a one-half hour unpaid lunch break must be included in the schedule. This daily schedule must include the core hours of 9 a.m. to 3:30 p.m.

Option Two – The 9/80 - Alternating Fridays Off Schedule (6-month pilot program period) – Under this option, a schedule will consist of four (4) nine (9)-hour days, Monday through Thursday and an eight (8) hour day on Friday of week one and four (4) nine (9)-hour days, Monday through Thursday with Friday off in the following week. The hours will be regularly scheduled and may begin as early as 7 a.m. and end as late as 6 p.m. A minimum of a one-half hour unpaid lunch break must be included in the daily schedule. This daily schedule also must include the core hours of 9 a.m. until 3:30 p.m. On the Friday worked, non-exempt staff must
work four (4) hours before 12:00 Noon and four (4) hours must be worked after 12:00 Noon. For pay purposes, the work week is seven (7) consecutive days beginning at 12:00 Noon on Friday. This option will require that staff be assigned to one of two groups. Group one will start the two week rotation in week one, the second group will start the two week rotation in week two. Of those employees who elect this option, one half of the group will have the week one Friday off, the other half will have the next Friday off.

If this pilot program is adopted, an employee may request the **Flexible Hours Schedule**, or the **9/80 - Alternating Fridays Off Schedule**, twice per calendar year. Requests will be granted when the schedule request is compatible with the business needs of MFA.

Schedules must allow for adequate staffing to meet business needs. A requested schedule option will be approved only when there is no adverse impact on MFA operations. Supervisors may adjust an approved schedule at any time and assign work as necessary to meet business needs. This may be especially critical before and during times of special MFA events or during periods of heavy workloads. The department director may terminate these adjusted schedules at any time on a temporary basis or may terminate on a permanent basis with the approval from appropriate Deputy Director as required by the business needs of MFA.

Business needs also may limit the opportunities for adjusted schedules for some positions. Consistency, fairness and flexibility will be the guiding principles in determining schedules when two or more staff members’ needs for flexibility conflict. All efforts to reach a positive and equitable solution will be made by the Supervisor.

Whenever possible, team, staff, business or other Agency meetings should be scheduled Monday through Thursday from 9:00am - 3:30pm to accommodate staff schedules.
Implementation Guidelines for Option Two —
The 9/80 - Alternating Fridays Off Schedule

The 9/80 work schedule with alternating Fridays off provides for nine workdays and eighty hours worked within a two week period. Use of this work option is at the discretion of the Department Director and may be changed at any time. If the pilot program is adopted as a policy, requests for this option may be made twice per calendar year, that is, an employee may opt in twice per year.

The 9/80 - Alternating Fridays Off Schedule

The Friday Cycle – This two-week work schedule consists of working nine (9) hours each day, Monday through Thursday and working eight (8) hours on Friday during the first week and working nine (9) hours each day, Monday through Thursday, with Friday off during the second week. Each work day must include the core business hours of 9 a.m. to 3:30 p.m. A minimum one-half hour unpaid lunch break must also be included during each scheduled workday.

The following is an example of a possible 9/80 schedule and represents actual hours worked during a two-week calendar period:

<table>
<thead>
<tr>
<th></th>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
<th>Saturday</th>
<th>Sunday</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Week One</strong></td>
<td>7:30 – 12 Noon</td>
<td>7:30 – 12 Noon</td>
<td>7:30 – 12 Noon</td>
<td>7:30 – 12 Noon</td>
<td>7:30 – 11:30</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>12:30 -5:00</td>
<td>12:30 -5:00</td>
<td>12:30 -5:00</td>
<td>12:30 -5:00</td>
<td>12 Noon –4:00</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>9 Hours</td>
<td>9 Hours</td>
<td>9 Hours</td>
<td>9 Hours</td>
<td>8 hours</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Week Two</strong></td>
<td>7:30 – 12 Noon</td>
<td>7:30 – 12 Noon</td>
<td>7:30 – 12 Noon</td>
<td>7:30 – 12 Noon</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>12:30 -5:00</td>
<td>12:30 -5:00</td>
<td>12:30 -5:00</td>
<td>12:30 -5:00</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>9 Hours</td>
<td>9 Hours</td>
<td>9 Hours</td>
<td>9 Hours</td>
<td>8 hours</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The following represents the above hours worked according to the new payroll period that begins at 12:00 Noon on Friday:

<table>
<thead>
<tr>
<th></th>
<th>Friday PM</th>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday AM</th>
<th>Saturday</th>
<th>Sunday</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Week One</strong></td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td><strong>Week Two</strong></td>
<td>4</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>40</td>
</tr>
</tbody>
</table>

Exception Hours

Holidays – Each Holiday is credited at eight (8) hours of Holiday Pay. If a Holiday falls on a day when an employee is scheduled to work nine (9) hours, one (1) hour of vacation time must be used. If the holiday falls on the day when the employee is scheduled to be off (alternating Friday), Human Resources will identify an alternate day to be off.

Personal Day – Personal days are calculated at eight (8) hours per day. If an employee takes a personal day on a day when he/she is scheduled to work nine (9) hours, one (1) hour of vacation/sick time, as appropriate, must be used.
The availability of the 9/80 compressed work-week as a flexible work arrangement can be discontinued at any time at MFA’s discretion. Every effort will be made to provide a 30 day notice of such a change to accommodate commuting, child care and other concerns that may arise from such a change. There may be instances, however, when no advance notice is possible.

Opt in – Opt Out

Staff who opt into the compressed workweek program may only opt out twice per calendar year and will not be permitted to opt in until the first day of a pay period of the month. New employees are eligible to participate in the Compressed Work Week Program after completing ninety (90) days of employment.

An employee may be required to use up to four (4) hours of vacation prior to opting into or out of the compressed work-week to avoid any payment of overtime. Employees can opt out of the compressed work-week the first day of any pay period. An employee must take 4 hours off the last Friday of the pay period for which the opt out request is effective to finalize their 40 hour week. Overtime will not be permitted to complete the compressed work week unless authorized by the executive director. Employees and are allowed to make changes in their compressed work-week option twice in any calendar year.
Questions and Answers
9/80 Alternating Friday Off

Q: Can our entire work group / department have the same Friday off – that is, can we all be on the same schedule?
A: No. It is the intent of this schedule to have full business coverage daily. If all members of one work group took the same Friday off, the functional coverage would not be available on one Friday every other week and the intent of this schedule would not be met.

Q: When can I start a new schedule option?
A: You have the ability to opt in the first pay period of the month following full execution of this policy. New employees are eligible to participate in the Compressed Work Week Program after completing ninety (90) days of employment. If during the calendar year you choose to opt out, you will not be able to opt in until the first day of a pay period of the month. As stated in the policy for the pilot program, The supervisor may eliminate the 9/80 as an option either temporarily or permanently based on legitimate MFA business needs or for performance related issues.

Q: If an employee is on the 9/80 Schedule and takes vacation on a Monday (a regularly scheduled 9-hour day) can the employee work an additional hour during the week and use only 8 hours of vacation time?
A: No. You must use 9 hours of vacation time.

Q: If an employee is on the 9/80 Schedule and a holiday falls on the Friday off, when does the employee take the Holiday? How many hours are worked that week?
A: When a holiday falls on the Friday you are scheduled to be off, HR will designate an alternate day to be off.

Q: What happens when the Holiday falls on a day an employee is scheduled to work 9 hours?
A: In this situation, the Holiday is equal to 8 hours and the employee must use one hour of vacation time. The employee is not permitted to make up the 1 hour of time during a holiday work week.

Q: What happens if I am asked to work on my Friday off?
A: For exempt employees there would be no change in their pay. For non-exempt employees, they would be paid overtime for the hours worked in excess of 40 hours for that workweek. Both exempt and non-exempt employees may have an alternate scheduled day off if the need to work is foreseen.

Q: Can I change my mind after choosing to work a compressed work week?
A: Yes. Employees can opt out of the compressed work-week on the **first day of any pay period** and are allowed to make changes in their compressed workweek option two times in any calendar year.
New Mexico Mortgage Finance Authority

9/80 Compressed Workweek Opt-In Agreement

Employee Name: ____________________________________  Home Phone: __________________

As a participant in the MFA 9/80 Compressed Workweek Policy, which I understand is being implemented on an initial six month trial basis, I attest that I have reviewed and agree to comply with the terms and conditions listed in the trial 9/80 Compressed Workweek Policy and in this Agreement, and all other terms and conditions of employment. I agree to work the hours identified below:

9/80 Compressed Workweek Schedule:

<table>
<thead>
<tr>
<th></th>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week One</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Week Two</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Scheduled Daily Lunch Period: __________________________________________________________

Circle One: Group A  Group B

Date Compressed Work Week Agreement Begins (must be the first pay period of the month): ________________

Special Conditions or Comments:

___________________________________________________________________________________

___________________________________________________________________________________

I understand that this agreement may be terminated at any time by me, my supervisor, or an authorized official of the organization. I agree to follow all provisions of the 9/80 Compressed Workweek Policy.

Employee's Signature: ____________________________  Date: __________________

Supervisor’s Signature: ____________________________  Date: __________________

Deputy Director’s Signature: _________________________  Date: __________________

The original of this document will be kept on file in the employee’s employment file.
New Mexico Mortgage Finance Authority

9/80 Compressed Workweek Opt-Out Agreement

Employee Name:____________________________________

I am requesting to opt out of the compressed work week schedule effective:____________________

I understand that if I am a non-exempt employee I must take 4 hours off the last Friday of the pay period for which this opt out request is effective to finalize my 40 hour week. Overtime will not be permitted to complete the compressed work week unless authorized by the executive director. I further understand that I may only opt out twice per calendar year and will not be permitted to opt in until the first pay period of the month.

Special Conditions or Comments:

________________________________________________________________________________

________________________________________________________________________________

________________________________________________________________________________

Employee’s Signature: ___________________________ Date: ________________

Supervisor’s Signature: ___________________________ Date: ________________

Deputy Director’s Signature: ______________________ Date: ________________

The original of this document will be kept on file in the employee’s employment file.
Tab 3
NEW MEXICO MORTGAGE FINANCE AUTHORITY
Contracted Services/Credit Committee Meeting
Tuesday, October 11, 2016 @ 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 Western Regional Housing Authority (WRHA) Commissioner Recommendation (Rose Baca-Quesada)</td>
<td>✓</td>
<td>YES</td>
</tr>
</tbody>
</table>

Committee Members present:

Angel Reyes, Chair  ☑ present  □ absent  □ conference call
Attorney General Hector Balderas or Sally Malave  ☑ present  □ absent  □ conference call
Randy McMillan  ☑ present  □ absent  □ conference call
MEMORANDUM

TO: MFA Contracted Services
FROM: Rose Baca-Quesada
DATE: October 11, 2016
SUBJECT: Proposed Appointment to the Western Regional Housing Authority (“WRHA”) Board of Commissioners

Recommendation:
To approve the recommendation of Ms. Joan M. Miller as commissioner for WRHA and to move forward this request to MFA Board of Directors meeting on October 19, 2016.

Background:
As required with the Regional Housing Act, Section 5. 11-3A-6, Powers of Regional Housing Authority in Board of Commissioners, Appointment of Board of Regional Housing Authorities and Term, all recommendations for appointment as commissioners are to be forwarded to and reviewed by MFA prior to recommendation to the Governor. Threshold requirements for a commissioner are specified in the Regional Housing Act, which include having expertise and experience in housing construction, real estate, architecture, law, banking, housing finance, business, property management, accounting, residential development, public housing programs, community development, social services or health care.

Discussion:
Ms. DeMarco, WHRA Executive Director contacted numerous stakeholders and received a letter of interest and resume from Joan M. Miller for the purpose of filling the Luna County commissioner vacancy. Ms. Miller’s experience while working at the NM Human Service Department for 21 years complies with the threshold requirements. She also holds a B.A. in Social Work.

Summary:
WRHA has a vacancy on its Board of Commissioners for Luna County. Ms. Joan M. Miller fulfills all of the requirements and has expressed interest in serving as commissioner. Staff recommends Board approval and submission of this request to Governor Martinez for her approval and appointment.
August 21, 2016

Rose Baca-Quesada

NM Mortgage Finance Authority

344 4th St. SW

Albuquerque, NM 87102

Dear Ms. Baca-Quesada,

I am submitting my letter of intent to apply for the position of the Western Regional Housing Authority Commissioner representing Luna County. I have lived in Luna County since 1991 and retired from the NM Human Services Department, Luna County Income Support Division in 2015 after working 21 years. Please see my attached resume.

Thank you for your time and consideration of me for this position. I look forward to hearing from you.

Sincerely,

Joan M. Miller
Joan M. Miller
(575) 494-0557
1006 West Olive St., Deming NM 88030
Jmwooley@hotmail.com

Taylor University

Tornillo High School
May 1973 | Graduate
• Valedictorian of class

Work Experience:

August 1991 – July 1994 | Accounts Payable / Payroll
Border Foods | J Street, Deming NM 88030

Matched purchase orders to incoming invoices. Entered dates into computer system for payment. Handled any discrepancies of invoice amounts, printing checks, filing, etc. Promoted to Payroll which consisted of processing payroll for 60 year round employees to 900 employees during chile pack season from August to November each year.

July 1994 – February 2006 | State of NM - Luna County Income Support Division
910 E Pear St., Deming NM 88030 | 575-546-0467

Interviewing clients to determine eligibility of Food Stamps, Cash Assistance, Medicaid, and LIHEAP (Heating and Cooling Assistance). Processing and renewing cases within Federal and State guidelines. Assisting clients who have limited communication skills or are emotionally troubled or mentally impaired. Documenting cases. Referring clients to other community and governmental resources and services.
February 2006 – May 2013 | State of NM – Child Support Division
910 E Pear St, Deming NM 88030 | 575-544-2045

Child Support Legal Assistant for the State of NM Child Support attorneys. Established and enforced child support cases interfacing with Income Support Division and from customer’s walk-in applications. Established child support cases to obtain a Child Support Order helping people to no longer be dependent on State and Federal benefits. Enforced and modified existing Child Support Orders.

910 E Pear St, Deming NM 88030 | 575-546-0467

Was hired as a Caseworker Senior. Interviewing clients to determine eligibility of Food Stamps, Cash Assistance, Medicaid, and LIHEAP. Processing and renewing cases within Federal and State guidelines. Assisting clients who have limited communication skills or are emotionally troubled or mentally impaired. Documenting cases. Referring clients to other community and governmental resources and services.

May 2015 - Present | Transforming Luna County
PO Box 2187, Deming NM 88031 | 575-544-2400

Part-time Assistant to the Director of TLC. This is a 501C3 Christian non-profit organization that used to be LOVE INC, but changed its’ name to Transforming Luna County (TLC) in July 2015. Assisting the Director with the Volunteers, making referrals of client’s needs for food, vehicle gas, motel or shelter, utility, rent, furniture, clothing, and any other miscellaneous needs which are considered on a case by case basis. Every need is evaluated of which the Director and I decide with God’s help if we should help the individual or if by helping them it enables or hurts them. We also may refer them to other agencies or churches who already have assistant programs available.

References

  Sue Holdridge          Ph: 575-494-0437
  Lee Bouton             Ph: 575-494-1501
  Leticia Chavez-Flores  Ph: 575-543-8396
  Evelyn Matley          Ph: 575-494-0328
Tab 4
MEMORANDUM

TO: Board of Directors
FROM: Monica Abeita, Senior Policy and Program Advisor
DATE: October 19, 2016
SUBJECT: 2017 State of New Mexico Legislative Agenda

Recommendation:

Staff recommends approval of the following MFA appropriations requests for the 2017 New Mexico Legislative Session:

1. Regional Housing Authority Oversight ($300,000)
2. Affordable Housing Act Oversight ($250,000)

Background and Discussion:

MFA is not a state agency and does not receive operating funds from the State of New Mexico. During the legislative session, MFA typically requests special appropriations to cover state-mandated activities—oversight of the Regional Housing Authorities and the Affordable Housing Act—as well as programs including the New Mexico Housing Trust Fund and NM Energy$mart. In 2017, it is expected that very few appropriations will be approved due to shortfalls in the state budget. As a result, MFA is limiting its special appropriations requests to state mandates. After approval by the board, these requests will be submitted to Legislative Council Services staff for bill drafting. Bills are then presented to MFA’s Legislative Oversight Committee for endorsement in November.

Please note that MFA also submitted two additional requests through the state’s Infrastructure Capital Improvement Plan (ICIP) process. These include $5 million for the New Mexico Housing Trust Fund and $2 million for NM Energy $mart. These requests could potentially appear in the capital outlay bill funded by severance tax bonds. MFA’s ICIP was approved by the board of directors in July 2017.
Summary:

Staff is requesting board approval of the following MFA appropriations requests for the 2017 New Mexico Legislative Session. The requests are limited to state mandates only in recognition of the state’s budget shortfall.

1. Regional Housing Authority Oversight ($300,000)
2. Affordable Housing Act Oversight ($250,000)
MEMORANDUM

TO: MFA Board of Directors

Through: Policy Committee – October 5, 2016

FROM: Heather Abramowski, Program Manager
       Susan Biernacki, Tax Credit Program Manager

DATE: October 19, 2016

SUBJECT: Bond Resolution- Pasa Tiempo

Recommendation:
Staff recommends approval of the attached Bond Resolution.

Background:
MFA received an application for 4 percent low income housing tax credits in an amount not to exceed $11mm of Tax Exempt Bonds for the development of Pasa Tiempo, an existing 121 unit Project located in Santa Fe, NM. The project serves seniors earning at or below 60 percent of Area Median Income. MFA has issued tax exempt bonds for the developer, Santa Fe Civic Housing Authority ("SFCHA"), the most recent transaction occurring in early 2016 and referred to as “Santa Fe Community Living”.

The first “official action” required of MFA as the Issuer is to adopt an Inducement Resolution communicating intent to issue bonds for a specific activity. The Inducement Resolution was adopted by the Board of Directors on September 21, 2016. Next steps include receipt of Private Activity Tax Exempt Bond Volume Cap ("Volume Cap") from the New Mexico State Board of Finance ("SBOF") and approval of this Bond Resolution.

Staff intends on making application for an allocation of Volume Cap to SBOF at their October 18, 2016 meeting. The application was submitted to SBOF on September 27, 2016.

Discussion:
Staff has reviewed the proposed rehabilitation, including the area market study, appraisal, and the developer’s pro-forma spreadsheets, and has determined the project is financially feasible. The property has maintained an occupancy rate between 95%-100% over the 24 months prior to application and currently maintains a waiting list of approximately 120 households. This property is currently part of Santa Fe’s public housing stock with rents established by an Annual Contribution Contract between HUD and SFCHA. SFCHA has received a Rental Assistance Demonstration Program (RAD) commitment to enter into a housing assistance payment contract which will allow the property to maintain rental
assistance covering 100% of the affordable rental units. The existing tenants are all very low income and are expected to qualify under the proposed income restrictions. This acquisition and rehabilitation will preserve affordable housing for at least another 45 years and the renovations will significantly improve the living conditions for the current residents.

Summary:
Staff requests approval of the attached Bond Resolution in order to pursue issuance of up to $11mm in tax exempt bonds that are expected to close in December, 2016. Bond proceeds will fund the acquisition and rehabilitation of 121 units at Pasa Tiempo, located in Santa Fe, NM. Approval of this Resolution will result in these units remaining affordable for an additional 45 years. The developer is Santa Fe Civic Housing Authority.
CERTIFICATE REGARDING THE RESOLUTION
OF THE AUTHORITY

I, the undersigned, Jay Czar, Executive Director and 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 October 19, 2016, 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 ____ day of _______________, 2016.

__________________________________
Jay Czar,
Executive Director and Secretary
New Mexico Mortgage Finance Authority

(SEAL)
BOND RESOLUTION
Pasa Tiempo Apartments

RESOLUTION

A RESOLUTION OF THE NEW MEXICO MORTGAGE FINANCE AUTHORITY (THE "AUTHORITY") AUTHORIZING THE ISSUANCE AND SALE BY THE AUTHORITY OF ITS MULTIFAMILY HOUSING REVENUE TAX-EXEMPT BONDS (PASA TIEMPO APARTMENT PROJECT) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $11,000,000, AUTHORIZING THE EXECUTION BY THE AUTHORITY OF A TRUST INDENTURE, BOND PURCHASE AGREEMENT (IF REQUIRED), LOAN AGREEMENT, TAX REGULATORY AGREEMENTS, INVESTMENT AGREEMENT 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 New Mexico Mortgage Finance Authority (the “Authority”) is authorized by the Constitution and the laws of the State of New Mexico, particularly Chapter 58, Article 18, NMSA 1978, as amended (the “Act”) (a) to issue revenue bonds for the purpose of making project mortgage loans to finance the acquisition, construction or rehabilitation of multifamily housing facilities; (b) to enter into agreements for the purpose of providing revenues to pay such revenue bonds upon such terms and conditions as the Authority may deem advisable; (c) to secure the payment of such revenue bonds; and (d) to otherwise participate fully in federal government housing programs to secure for the people of New Mexico the benefits of such programs; and

WHEREAS, to provide decent, safe and sanitary residential housing facilities for low or moderate income persons within the State of New Mexico (the “State”) who are eligible under the Act, and after having determined that mortgage loans are not otherwise available upon reasonably equivalent terms and conditions from private lenders, the Authority has developed rules and regulations with respect to the issuance by the Authority of multifamily revenue bonds to finance the acquisition, construction or rehabilitation and equipping of multifamily residential facilities intended for rental to eligible persons located in the State; and

WHEREAS, Pasa Tiempo LLC, a New Mexico limited liability company (or another entity to be created by the Santa Fe Civic Housing Authority for purposes of owning and operating the Project) (the “Borrower”) has asked the Authority to issue its
Multifamily Housing Revenue Tax-Exempt Bonds (Pasa Tiempo Apartment Project) Series 2016 (the “Bonds”); and

WHEREAS, in furtherance of the purposes of the Authority, it has been deemed appropriate and necessary that the Authority authorize the issuance and sale of the Bonds and prescribe and establish conditions and other appropriate matters with respect to the issuance thereof; and

WHEREAS, the Bonds shall be special limited obligations of the Authority payable solely from and secured by the proceeds, moneys, revenues, rights, interest and collections pledged therefor under the Indenture, as hereinafter defined; and

WHEREAS, there has been presented to the Authority at this meeting a form of Trust Indenture (the “Indenture”) to be entered into between the Authority and the entity named therein (the “Trustee”), a form of Bond Purchase Agreement (if required) (the “Bond Purchase Agreement”) to be entered into among the Authority, U.S. Bank National Association or any other entity named therein as purchaser of the Bonds (the “Purchaser”) and the Borrower, a form of the Tax Regulatory Agreement (the “Regulatory Agreement”) to be entered into among the Authority, the Trustee and the Borrower and a form of Loan Agreement (the “Loan Agreement”) to be entered into among the Borrower, the Trustee and the Authority under which the Borrower will agree to repay the loan of the proceeds of the Bonds and to use such proceeds to finance or refinance the acquisition, rehabilitation and equipping of the Pasa Tiempo Apartments located at approximately 650-670 Alta Vista Street, in Santa Fe, New Mexico (the “Project”).

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

Section 1. Words used in the foregoing recitals shall have the same meanings when used in the body of this resolution.

Section 2. The Authority hereby finds, determines and declares that the issuance of the Bonds to finance the acquisition, construction or rehabilitation and equipping of the Project is in furtherance of the public purposes set forth in the Act and is in compliance with the provisions of the Act, and that the issuance of the Bonds is therefore in the public interest.

Section 3. The Indenture, the Loan Agreement, and the Regulatory Agreement (collectively, the “Authority Documents”) in substantially the forms presented to this meeting are in all respects authorized, approved and confirmed. The Chair, Vice Chair, Executive Director, Secretary, Deputy Director of Programs, Deputy Director of Finance and Administration or the Assistant Secretary of the Authority are hereby authorized to execute, attest, seal and deliver the Authority Documents in the forms 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 herein.

Section 4. For the purpose of providing decent, safe and sanitary residential housing for low or moderate income persons within the State of New Mexico, all as authorized under the Act, the Authority shall issue the Bonds which shall be designated, unless otherwise provided by an officer of the Authority pursuant to Section 12 hereof, New Mexico Mortgage Finance Authority Multifamily Housing Revenue Bonds (Pasa Tiempo Apartment Project) Series 2016 in an aggregate principal amount not to exceed $11,000,000. The Bonds shall be issued only in fully registered form and shall mature on or before December 31, 2051. The Bonds shall at any time bear interest at either a variable rate based on an index plus a spread, or at a fixed rate, but in no event shall the weighted average interest rate on the Bonds exceed 15% per annum.

Section 5. The form, terms and provisions of the Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, tender and number shall be as set forth in the Indenture. The Chair, Vice Chair, Executive Director, Secretary, Deputy Director of Programs, Deputy Director of Finance and Administration or the 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.

Section 6. 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 7. The Bonds shall be sold to the Purchaser at a price not less than 100% of the principal amount thereof plus accrued interest, if any, in accordance with the provisions of the Bond Purchase Agreement (if required) and the Indenture. The Chair, Vice Chair, Executive Director, Secretary, Deputy Director of Programs, Deputy Director of Finance and Administration or the Assistant Secretary of the Authority are hereby authorized to execute and deliver the Bond Purchase Agreement (if required) in substantially the form presented to the Board at this meeting, for and on behalf of the Authority. The Chair, Vice Chair, Executive Director, Secretary, Deputy Director of Programs, Deputy Director of Finance and Administration or the Assistant Secretary are hereby authorized to specify and agree as to the interest rates and maturities of the Bonds for and on behalf of the Authority by the execution of the Bond Purchase Agreement (if required) and the Indenture, provided such terms are within the parameters set by this resolution.

Section 8. If certain of the Bonds are sold directly to Fannie Mae, the Chair, Vice Chair, Executive Director, Secretary, Deputy Director of Programs, Deputy Director of Finance and Administration or the Assistant Secretary of the Authority are hereby authorized to execute and deliver a bond purchase agreement for and on behalf of the Authority, such bond purchase agreement to be in substantially the same form as the
Bond Purchase Agreement presented at this meeting (if required), or in form and substance satisfactory to such officer.

Section 9. The Chair, Vice Chair, Executive Director, Secretary, Deputy Director of Programs, Deputy Director of Finance and Administration or the Assistant Secretary of the Authority are, and each of them is, hereby authorized to enter into an investment agreement or agreements ("Investment Agreement"), in form and substance satisfactory to such officer or to direct the Trustee to enter into an Investment Agreement. 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 Agreement for the periods, and at the interest rates, specified therein.

Section 10. The appropriate officers of the Authority, including without limitation the Chair, Vice Chair, Executive Director, Secretary, Deputy Director of Programs, Deputy Director of Finance and Administration or the Assistant Secretary, are authorized to take all action necessary or reasonably required by the Bond Purchase Agreement (if required) to carry out, give effect to and consummate the transactions as contemplated thereby.

Section 11. Upon their issuance, the Bonds will constitute special limited 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 or of the Bond Purchase Agreement (if required), the Authority Documents, the Bonds or any other instrument, shall be construed as creating a general obligation of the Authority, or as creating a general obligation of the State of New Mexico or any political subdivision thereof, or as incurring or creating a charge upon the general credit of the Authority.

Section 12. The appropriate officials of the Authority, including without limitation the Chair, Vice Chair, Executive Director, Secretary, Deputy Director of Programs, Deputy Director of Finance and Administration or the Assistant Secretary are authorized to make any alterations, changes or additions in the Authority Documents, the Bonds, the Bond Purchase Agreement (if required) or any other document herein authorized or that may be made pursuant to the Act which may be necessary or desirable. In addition, to the extent that the mortgage loan to be made to the Borrower with proceeds of the Bonds is unable to be closed prior to the expiration of the volume cap allocations for the Bonds, as determined by the appropriate officials of the Authority, including without limitation the Chair, Vice Chair, Executive Director, Secretary, Deputy Director of Programs, Deputy Director of Finance and Administration or the Assistant Secretary, such appropriate officials of the Authority are authorized to make any alterations, changes or additions in the Authority Documents, the Bonds, the Bond Purchase Agreement (if required) or any other document herein as may be necessary or desirable to issue the Bonds prior to expiration of the volume cap allocations and invest the proceeds thereof in permitted investments as provided under the Indentures for a period of no more than a year until such Bonds can be refunded or remarketed and the proceeds thereof be used to make mortgage loans to the Borrower.
Section 13. The appropriate officials of the Authority, including without limitation the Chair, Vice Chair, Executive Director, Secretary, Deputy Director of Programs, Deputy Director of Finance and Administration or the Assistant Secretary, 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 14. After any of the Bonds are delivered by the Trustee to the Purchaser and upon receipt of payment therefore, 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 15. Except as otherwise disclosed to the governing board of the Authority prior to the adoption of this resolution, no member or employee of the Authority has any interest, direct or indirect, in the transactions contemplated by the Authority herein.

Section 16. 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 17. All resolutions of the Authority or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency.

Section 18. This resolution shall become effective immediately upon its adoption.
PASSED AND APPROVED BY THE NEW MEXICO MORTGAGE FINANCE AUTHORITY THIS 19th DAY OF OCTOBER, 2016.

__________________________
Chair

(SEAL)

ATTEST:

__________________________
Executive Director
**PROJECT SUMMARY: PASA TIEMPO 2016**

| Project Name & Addresses | Pasan Tiempo  
| 650-670 Alta Vista Street  
| Santa Fe, NM  
| Santa Fe County |
| --- | --- |
| Volume Cap | Current Request; $11,000,000 |
| Project Type & Size | Rehab of 121 units (58 low-income at 60% AMI + 63 low-income at 50% AMI) |
| Project History & Description | Pasan Tiempo ("PT"), originally constructed in 1973, is a 121 unit community for seniors. The project consists of six courtyard buildings containing 115 one-bedroom units and 6 two-bedroom units. PT is requesting bonds in an amount not to exceed $11 mm dollars to aid in the financing of the substantial rehabilitation including upgraded interiors and exteriors. MFA, at its board meeting on September 21, 2016, approved the Inducement Resolution in an amount not to exceed $11 mm dollars. Once fully approved and awarded (anticipated October 19th) the bonds will be purchased by U.S. Bank and will be outstanding for approximately 26 months. In accordance with Section 42 of the Internal Revenue Code ("IRC"), at least 50 percent of the project’s aggregate basis (land and depreciable assets) must be financed by volume cap tax-exempt bonds for the entire eligible basis of the project to be fully eligible to claim the four percent tax credits. This project, as currently projected, passes the fifty percent test with a cushion of 4.66%. Santa Fe Civic Housing Authority ("SFCHA") owns all 121 units and received HUD approval to convert them from public housing units to Section 8 housing vouchers under the Rental Assistance Development (RAD) pilot program. SFCHA is performing an extensive rehab utilizing 4% Low income Housing Tax Credits (LIHTC) allocated by MFA. The rehabilitation includes upgrades to all unit interiors and enhanced outdoor spaces designed to create a flexible, comfortable environment for residents to age in place with dignity and independence including accessible routes throughout the property and to the adjacent community and special needs facilities. The unit interiors will be reconfigured to meet the needs of aging seniors by improving accessibility and space mobility. PT units will be furnished with new energy efficiency heating and cooling systems, kitchens and bathrooms. Upgrades will also include new fixtures, trim and doors along with new Energy Star LED lighting and appliances. This project will be constructed in accordance with LEED green building standards and will also feature a rooftop photovoltaic system. The project will create 143 jobs, the overwhelming majority of which are NM residents. |
| Borrower | Pasan Tiempo, LLC is owned by two entities: PTRAD, LLC, has a .01 percent interest and its sole and managing member is SFCHA, and U.S. Bankcorp CDC is the equity investor with a 99.99 percent interest. |
| The Development Team | The Developer is SFCHA which was created in 1961 to build and operate housing for low income families in the City of Santa Fe. The mayor, with approval from city council, appoints a voting majority of SFCHA’s governing board. SFCHA has 605 public housing units throughout the city and approximately 514 Section 8 vouchers for rental assistance. The Executive Director, Ed Romero, has held the position since 2003 and is supported by 43 staff members. SFCHA is a component unit of the City of Santa Fe. Internal statements for the FYE 06/31/15 and YTD 05/30/2016 show continued satisfactory financial condition. The property will be managed by Santa Fe Civic Management Properties, Inc., which is a nonprofit corporation chartered in 1961. The Developer and Management Agent are related parties. |
## Development Costs

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Project</th>
<th>Per Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land acquisition</td>
<td>1,145,000</td>
<td>9,463</td>
</tr>
<tr>
<td>Building acquisition</td>
<td>6,940,000</td>
<td>57,355</td>
</tr>
<tr>
<td>Construction &amp; site</td>
<td>9,066,248</td>
<td>74,928</td>
</tr>
<tr>
<td>Professional Fees</td>
<td>462,431</td>
<td>3,822</td>
</tr>
<tr>
<td>Financing Costs/Soft Costs/Syndication</td>
<td>1,153,122</td>
<td>9,530</td>
</tr>
<tr>
<td>Total Construction Cost</td>
<td>$18,766,801</td>
<td>$155,098</td>
</tr>
<tr>
<td>Reserves</td>
<td>483,929</td>
<td>3,999</td>
</tr>
<tr>
<td>Developer Fee</td>
<td>1,800,000</td>
<td>14,876</td>
</tr>
<tr>
<td>Total Development Costs (&quot;TDC&quot;)</td>
<td>$21,050,731</td>
<td>$173,973</td>
</tr>
<tr>
<td>TDC minus land and reserves</td>
<td>$19,421,801</td>
<td>$160,511</td>
</tr>
<tr>
<td>2015 LIHTC new construction cost average (per unit)</td>
<td>$191,211</td>
<td></td>
</tr>
</tbody>
</table>

## Construction Sources

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
<th>Per Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonds – 1st lien</td>
<td>11,000,000</td>
<td>90,909</td>
</tr>
<tr>
<td>SFCHA acquisition loan (cash-flow only)</td>
<td>6,940,000</td>
<td>57,355</td>
</tr>
<tr>
<td>Land Donation</td>
<td>1,202,626</td>
<td>9,939</td>
</tr>
<tr>
<td>Total Construction Sources</td>
<td>$19,142,626</td>
<td>$158,204</td>
</tr>
</tbody>
</table>

## Permanent Sources

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
<th>Per Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonds or bank permanent loan – 1st lien</td>
<td>750,000</td>
<td>6,198</td>
</tr>
<tr>
<td>MFA HOME loan – 2nd lien</td>
<td>600,000</td>
<td>4,959</td>
</tr>
<tr>
<td>Federal Home Loan Bank AHP Grant</td>
<td>500,000</td>
<td>4,132</td>
</tr>
<tr>
<td>SFCHA general partner (cash-flow only)</td>
<td>3,800,000</td>
<td>31,405</td>
</tr>
<tr>
<td>SFCHA acquisition loan (cash-flow only)</td>
<td>6,940,000</td>
<td>57,355</td>
</tr>
<tr>
<td>Land/Permit Donation from City of Santa Fe</td>
<td>1,202,626</td>
<td>9,939</td>
</tr>
<tr>
<td>Deferred Developer Fee</td>
<td>71,915</td>
<td>594</td>
</tr>
<tr>
<td>Managing Member Equity</td>
<td>100</td>
<td>0.8</td>
</tr>
<tr>
<td>Solar Equity</td>
<td>314,969</td>
<td>2,603</td>
</tr>
<tr>
<td>Tax Credit Equity</td>
<td>6,871,121</td>
<td>56,786</td>
</tr>
<tr>
<td>Total Construction Sources</td>
<td>$21,050,731</td>
<td>$173,972</td>
</tr>
</tbody>
</table>

## Affordability & Preservation

The Code requires that owners execute and deliver a land use restriction agreement ("LURA") and that each LURA be recorded in the official land records of the county in which the project is located in order to create covenants running with the land. Each LURA serves to enforce certain requirements of Section 42 of the Code and certain additional undertakings of the owner by regulating and restricting the use and occupancy of the project. SFCHA committed to a 45 year affordability period at the time of their 2016 application. The recorded LURA for the site will require that the residential rental units be occupied by individuals or families whose income is 60 percent or less of area gross median income ("AGMI"). One-hundred percent of the units will be set aside for senior households.

This project will help to preserve and maintain the State’s already short supply of affordable housing, as well as provide additional capital to complete the rehabilitation work. The preservation aspect of this project is significant because, according to the National Housing Trust, approximately 100,000 affordable units are built in the U.S. each year. However, for each new unit, two are lost to deterioration, abandonment or conversion to more expensive housing. The need to preserve affordable units is particularly critical today, as many project are reaching or have reach their initial compliance period (15 years per the Code) and may cease to be affordable.
The project provides approximately $65,000 per door ($7.8M) in direct rehab costs to a contractor. This contract was competitively bid. Please all estimated numbers throughout this presentation should be interpreted as “approximate” as they will fluctuate through closing of the project.

In addition $1.3M in solar panels will be installed on the rooftops. The effect of this is reduction of energy costs of $50,000 per year over the lifecycle of the project.

This project meets all requirements and point totals under the 2016 MFA QAP.

As noted the project is a 4% bond project which creates tax credits from equity providers of approximately 30% of eligible costs. Or roughly $7,000,000 plus solar tax credits of $315,000.

The project currently has maximum rents of $430 for a 1BR and $536 for a 2BR unit which are well below 50 and 60% rents. Most of the renters will be below 30% AMI.

When land, building acquisition and soft costs and developer fee are included this project will have a budget of $21,050,731. Costs for those categories are as follows:

- Land and Building Costs $8,085,000 – based upon appraisal and current restrictions
- Professional fees of architects, surveyors, engineers, real estate attorneys and LEED review team - $492,431 these items are competitive bid
- Construction financing of insurance, MFA bond fees ($104,500) construction and stabilization interest, inspection, title and legal fees - $755,427 all of these amounts with the exception of MFA are competitively bid in some form
- Permanent financing $52,500 for additional legal and title work
- Soft costs $260,195 for market and environmental studies, appraisals, cost certifications, permits and relocation and tax credit fees (MFA) all except for tax credit fees are competitively bid in some form.
- Syndication $55,000
- Reserves $483,929 to ensure adequate protection for rent up, operating and replacement this is not an actual cost but cash set aside in bank accounts to provide further assurance to all parties that the project is adequately capitalized.
- Developer fees $1,800,000 to Santa Fe Civic Housing for services and commitments made to the project as follows:
  - Completion of project and ensuring it operates for compliance period
- Providing capital initially for predevelopment costs and permanently as below market loans
- Meeting HUD, MFA, USBank requirements including but not limited to
  - Davis Bacon
  - Section 3
  - Uniform relocation Act
  - Rental Assistance Demonstration (RAD) requirements
  - Developmental and operational guarantees
  - 40+ years of restriction of the property at project based voucher rent limits
  - Finding, applying and providing gap sources for the project
  - 8609's
  - Leveraging of LIHTC's in this case that leverage is 3:1
- Selecting and contracting for General Contractor, Architects, Lawyers, Equity teams, engineers, lead consultants as well as oversight and direction of their efforts

Total project cost is $21,050,731 of which LIHTC and solar will generate $7,300,000 leaving an approximate "gap" or financing shortfall of $13,700,000. The SFCHA proposes to fill that gap as follows

**Equity conversion/transfer to partnership**

SFCHA will sell into the partnership at appraisal value the buildings for $6,940,000

SFCHA will transfer the value of the land lease of $1,145,000

In return for sale/transfer of these assets the Authority will accept a $6,940,000 cash flow note

The partnership will take on $1,350,000 in long term financing of which $600,000 is an MFA provided HOME loan.

The Housing authority has procured an AHP grant which it will then provide to the partnership for no cost.

**GP note**

SFCHA will provide in the form of cash $3,800,000 to the partnership to cover all other costs of the project with repayment on a cash flow basis

In the end this project will utilize $597,549 in tax credits or approximately $4,938 per unit constructed. Over the past two years the average tax credit per unit costs were:
Futhermore we would like to point out that Villa Hermosa - 9% 2016 rehab project - is projected to deliver 116 units at $9,914 tax credits per unit (the lowest per unit delivery over the past 3 years in the 9% rounds).

In addition we had a project in 2014 which utilized $12.5m in bond financing and approximately $750,000 in annual 4% tax credits – an average of $6,334 per unit in 4% credit for the 118 unit project.

In sum, our Santa Fe projects, despite being in one of the highest cost, highest income areas in New Mexico, will deliver 354 at-risk preservation units (built to a LEED Platinum certification the highest standard) to MFA to create much needed affordable housing for an average of $7,061 per unit in tax credits - which seems to be the most efficient utilization of tax credits for both the 4% & 9% credit developments of any developer within the State over the last 3 years. In addition 97% of those units will be affordable to clients below 30% AMI the highest rate of very low income affordable units of any developer within the State over the same period.

Sadly under the 2017 QAP the 9% application of Villa Hermosa would most likely not be submitted much less awarded and the other two projects would receive extensive criticism over total development cost while its actual usage of LIHTC funds are by far the most efficient. Total Development costs, as I have discussed here, for an at-risk preservation rehab project are misleading due to the addition of below market soft financing provided by seller notes and the addition of public housing restricted cash GP notes in order to solve financing gaps.
Tab 6
MEMORANDUM

TO: MFA Board of Directors
FROM: Shawn Colbert & Susan Biernacki
DATE: October 19, 2016
SUBJECT: Update on Status of 2017 QAP

Background:
During the MFA Board Retreat on August 17-18 staff made presentations to the Board on Qualified Contracts and 2017 Qualified Allocation Plan. The presentations generated some questions and suggestions that required some research and follow up by staff. A summary of the questions along with some of the responses are listed below. Detailed documentation is included as attachments.

Discussion:

<table>
<thead>
<tr>
<th>Board Comment</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member McMillan would like to see the building cost averages provided for in other states such as Texas and Utah;</td>
<td>Information on building cost averages used in Utah was provided in last month’s memo, along with the building cost limits used in the Texas QAP. MFA staff contacted the Texas Department of Housing and Community Affairs but has not received a response from them concerning actual average building costs.</td>
</tr>
<tr>
<td>The board would like copies of the third party comments to the QAP we have received to date;</td>
<td>MFA conducted a public hearing in order to accept verbal comments on the Draft 2017 QAP and Design Standards. Verbal comments made at the public hearing were summarized and compiled in a memo which is attached hereto. Comments are noted in blue type. In addition, MFA’s public comment period began on September 16, 2016 and closed on October 7, 2016 at 5:00 PM. Since staff’s last update, MFA received 71 additional written comments to the Draft 2017 QAP and Design Standards. Staff will prepare a summary of comments received during the public comment period, but in the interim, staff notes the following comments were common:</td>
</tr>
<tr>
<td></td>
<td>• MFA should retain the scoring criterion for</td>
</tr>
</tbody>
</table>
Projects that Benefit the Environment (Green Standards);
- MFA should strive for cost containment in an incremental and iterative manner; in other words, the proposed changes are too drastic;
- Scoring Criterion no. 20- Cost and Credit Efficiency- Given the number of points available in this category (-20 to 50 points), developers will chase these points and quality will be sacrificed, and project longevity and on-going maintenance will be impacted. Many do not like the “one size fits all’ approach and would like to see costs determined according to areas of the State. Commenters also took issue with the idea that MFA may withhold Tax Form 8609 if a project increases costs more than 2.5%.
- New Scoring Criterion no. 21- Reduced Developer Fee- Many comments were made opposing this item citing, most commonly, that this fee often is the only form of revenue available to affordable housing developers and many times the fee is put back into the project to cover change orders or as gap financing.
- Cap on architect and engineering fees- Many comments were made opposing these caps with many stating each project is unique and architects cannot be forced to donate their time.

Copies of the 71 comments received during the comment period are voluminous and have not been included with this memo. The additional comments are available upon request, and will be compiled and distributed to the board.

| The Board would like staff to provide an update on the status of the 2017 QAP at the September and October board meetings; | Staff provided updates at September and October meetings, with QAP approval anticipated for presentation in November. |

**Summary:**
Staff presentations on Qualified Contracts and 2017 Qualified Allocation Plan at the August 17-18, 2016 Board Retreat generated some questions that required staff follow-up. Staff presented an update at the September meeting. The October board updates include:
- Update on building cost averages for Texas;
- Summary of verbal comments made during public hearing (memo included);
• Summary of common comments made during public comment period, including:
  o maintain scoring points for green standards;
  o overall incremental approach needed;
  o cost containment measures such as cost and credit efficiency scoring criterion, reduced developers fee scoring criterion, and architect and engineering fees need to be re-worked.
MEMORANDUM

TO: Public Hearing

FROM: Susan H. Biernacki, Tax Credit Program Manager

DATE: September 28, 2016

SUBJECT: Proposed Changes to 2017 Draft QAP and 2017 Draft Mandatory Design Standards

Background

The Low Income Housing Tax Credit program was established in 1986 under Section 42 of the internal Revenue Code (the “Code.”) The Code sets the general program parameters including the requirement that each state adopt its own Qualified Action Plan (“QAP”) which sets forth specific project selection criteria and delineates other program rules. MFA revises the QAP annually.

While stakeholder feedback is encouraged throughout the year, MFA staff holds a “Developer’s Forum” focus group prior to beginning draft revisions and then presents a list of proposed changes to the Policy Committee and Finance Committee for discussion. A draft QAP is then composed and posted on MFA’s website and published in three newspapers of general circulation. This posting and publication mark the beginning of a 21 day public comment period during which a public hearing is held. After the public comment period is concluded, a final draft QAP is composed and presented to Policy Committee, Finance Committee, and then the Board of Directors for approval. After Board approval, the QAP is sent to the Governor for final approval.

With regard to the Draft Design Standards, MFA’s practice has been to publish and seek public comment in those instances where revisions to design standards are significant. The Draft 2017 Design Standards contain substantial changes to the prior year’s design standards and, as such, were posted and published in three newspapers of general circulation in order to solicit public comment. After the public comment period is concluded, a final 2017 Draft Design Standards will be composed and presented for approval.

Discussion

Multiple changes are being considered for the 2017 Draft QAP involving project selection criteria, application submission requirements, and to clarify various aspects of application processing. In addition, staff is proposing a multi-prong approach to containing costs. A copy of the 2017 QAP is available on the MFA website at: http://www.housingnm.org/low-income-housing-tax-credits-lihtc-allocations. The list below of changes included in the 2017 Draft QAP is not an exhaustive list of all changes. Rather it is a summary of what staff feels are the most significant changes proposed. Interested parties should refer to the 2017 Draft QAP posted on MFA’s website. Both the 2017 Draft QAP and 2017 Draft Design Standards were made available on September 16, 2016 on the MFA website.
2017 Draft QAP: Project Selection Criteria Modifications

Proposed scoring changes or clarifications include the following:

**Scoring Criterion no. 2- Projects that Benefit the Environment-** Scoring criterion deleted but MFA will require an overall Home Energy Rating System (“HERS”) of 65 for new construction projects and 75 for rehabilitation projects.

- Building in NM needs to be held to a higher standard
- Green Building is “healthy living”, good design is for a better quality of life (example given was the Belen Apts)
- A more balanced scoring, not eliminated
- Is a higher cost, excessive approach
- HERS ratings (indoor/outdoor) quality needs to remain at higher standards
- Federal and local incentives are additional benefits
- Sustainability-LEED very achievable
- HERS rating is not an even playing field, by region, not enough

**Scoring Criterion no. 3- Local Efficiency -** Proposed point increase from 2 to 4 points.

**Scoring Criterion no. 4- Rehabilitation Projects -**

- Points not awarded unless rehabilitation is after year 20;
- Base points reduced from 15 to 10 points;
- Up to 5 additional scaled points if 20 to 30 years has passed since last rehabilitation; and
- Scope of Work required at Application;

**Scoring Criterion no. 9- Projects Committed to an Extended Use Period -** Draft QAP eliminates points for 40 and 45 year commitments.

- Not good policy, looking at the federal & public resources in LIHTC projects
- Long term public policy not good

**Scoring Criterion no. 10- Projects in which Units are Reserved for Households with Special Needs -** Language added that in the event funding is cut by the State of NM, Applicant will be responsible for the provision of services originally required to be provided by the Local Lead Agency.

- Want to see more units at 30% AMI-Special Need
- Non-profit needs to have a strong history of working with SN
- Expand definition of non-profit entity to include all non-profits that provide services
Need enforcement mechanism
USDA projects are no longer able to subsidize these projects
Owner will have to pay for SN cost? Have to look for other LLA’s in that area
Removal of 5% set aside in 2015 was a mistake

Scoring Criterion no. 11- Projects Reserved for Senior Households - Enrichment services revised per input from Asset Management and Developer survey.

Scoring Criterion no. 12- Projects in which 25 percent of all Units are Reserved for Households with Children - Enrichment services revised per input from Asset Management and Developer survey.

Scoring Criterion no. 13- Projects Receiving a Local Contribution - Local contribution is expanded to include federal funds and a grant or commitment awarded by a third party private entity, provided the contribution is irrevocable, legally binding, and evidenced by a formal resolution of the private party’s board of directors. New clarifying language concerning exclusions for off-site improvements and property tax abatements, and new language clarifying that construction permit fee waivers are permissible.

- Pass through funds are still allowed (3rd party and federal)
- Allow property tax abatements
- Unintended consequences, cost of off-site improvements cannot be forseen

Scoring Criterion no. 18- Financial Literacy Training - Eliminated as a separate scoring item and incorporated into Seniors and Children enrichment services.

Scoring Criterion no. 21- Projects located in Areas of Statistically Demonstrated Need - Points reduced from 15 to 10 for Tier 1 areas and from 10 to 5 for Tier 2 areas. Tier 1 and Tier 2 counties updated to reflect approval of 2017 ASDN’s at August, 2016 MFA Board meeting.

- Concern with scoring (point reduction)
- Didn’t see the 1 year safe harbor for counties that moved from Tier 1 to Tier 2

Scoring Criterion no. 22- Efficient Use of Tax Credits - Efficient use concept eliminated and new criterion based upon “Building Cost” per square foot and “Total Development Cost” per square foot. Scaled scoring points range from a negative 20 points to a maximum of 50 points for 2017 projects that score at 75 percent or less than the actual 2016 Building Cost average and 2016 Total Development Cost average.

- Do not compromise good policy
- Provide reasonable tax credit cap vs. cost containment
- Direct projects to a lower standard
- Higher cost areas such as colder, rural, disadvantaged, tribal
- Is a national message, if costs continue to rise HUD will come in to oversee
- Build more cheap square footage
- Costs going up not due to materials, cost of labor
- Know of several projects not moving forward with these proposed changes
- Urban, infill, remote, tribal areas have higher costs
• Huge fundamental shift, is more harmful than good
• Such aggressive changes should move toward 2018 QAP
• No subcontractor base in smaller rural areas
• Cost of contractors, longer time to build with a shorter work week
• Dramatic decrease in skilled labor
• Projects will go back to the design of the 70’s and 80’s, which we are rehabbing now
• Cost containment – race to the bottom
• One size does not fit all (repeated statement)
• Quality of housing will be reverted
• Urban projects have more cost built in, include workforce housing
• End up building cheap boxes
• Abrupt, large changes is not business-like, or partnership-like
• Incentivize per unit or per person, instead of square footage
• Quality of life for tenants decrease
• Huge step backwards
• 2017 QAP discriminates against high cost areas

New Scoring Criterion for Reduced Developer Fees - Up to 10 scaled scoring points available for projects with a reduced developer fee. One point will be awarded for every two percent (2 percent) reduction in developer fee, up to a maximum of 10 points for a 20 percent reduction.

• The reduction of developer fee compromises the ability of organizations to do affordable housing
• Creating a “fly over state”
• Developer has a high risk in LIHTC projects
• Cost in pre-development is high to the developer
• Does not feel like a partnership, more as an adversary
• Developer fee is a 3 year process in compensation, harder if the developer is a non-profit
• If fee had been reduced in earlier years The Imperial Building would not have happened
• Developers will reconsider looking at LIHTC/affordable projects
• Only form of profit, will skip NM-should apply reasonable credit caps and not cost containment
• Only compensation, should consider loosening up 20/50 or 40/60 standard and/or LIHTC rents
• Only profit in the deals, is anti-developer climate

Other Proposed Substantive QAP Changes, generally

1. Draft QAP eliminates the set aside for USDA rehabilitation projects but retains the set aside for new construction projects.
2. In order to “equalize” the number of tax credit awards in the 9 percent round, the draft QAP proposes to create two scoring tracks/categories such that new construction projects will be scored against new construction and rehabilitation projects will be scored against rehabilitation projects. Tax credit awards will be equal for each track. If an odd number of project awards are proposed, then the 5th project to receive an award (for purposes of this example) will be a new construction project. For projects involving both new construction and rehabilitation, an applicant may decide which track/category to place their project for scoring purposes; however, rehabilitation points from
scoring criterion no. 3 will not be made available if the applicant chooses to categorize the project as new construction.

- Having separate tracks NC vs. Rehab is not responding to market needs
- Will lose affordable units
- Adaptive reuse should be in a different category
- Does not like separate tracks, rehab projects are needed
- Project costs vary by location, concern that this brings fair housing disparity

3. Submission date moved from February 1st to February 15th. Staff anticipates making recommendations at the June, 2017 MFA Board meeting.

- Tax credit investors have already filled their pots
- Date should be moved up to first week of January
- June approval date is too late, direct investors have already committed funds

4. Applicants will now submit an “omnibus” signature page which will include a certification and representation that the entire application, including all schedules and certificates therein, are accurate and complete.

5. Local jurisdictional support letters are being deleted.

6. Architect and engineering fees are being capped based on a methodology which includes a base fee that varies depending on the type of project (new construction or substantial rehabilitation or moderate rehabilitation) and a per unit fee that is reduced once a project has 80 units or more. This new methodology results in architect and engineering fees that are capped at approximately 80% of the 2016 architect and engineering fees. Legal fees are capped at $48,000.

- Back out 1/3 of GRT?
- Each source funder already asking and confirming if project will be successful
- Projects are high risk, need legal and arch fees to not be capped
- Fees are less than ½ of the GRT charged

7. Builder profit reduced from six percent (6 percent) to four percent (4 percent) where an identity of interest exists between the developer and builder.

8. Project narrative expanded to three (3) pages.

9. Application fee equalized to $1,000.
2017 Draft Design Standards

The Draft 2017 Design Standards were prepared by our outside architect, in consultation with the Deputy Director of Programs and Housing Development staff, with the overall goal of reducing cost. Significant changes include the following:

1. With the proposed elimination of the scoring criterion concerning Projects that Benefit the Environment and references therein to LEED and Enterprise Green standards, MFA proposes projects achieve a Home Energy Rating System (“HERS”) not to exceed 65 for new construction and 75 for rehabilitation projects. In addition to satisfying the applicable HERS requirements, the 2017 Draft Design Standards includes language requiring the development team implement durability measures intended to extend livability and decrease maintenance costs, and provide greater energy efficiency and decreased water usage.

2. In an effort to continue to reduce costs, the 2017 draft includes the following changes:

   - Delete minimum unit sizes (e.g. 1 bedroom unit must be a minimum of 575 gross heated square feet) but retain minimum bedroom sizes;
   - Eliminate requirements for separate pantry, linen and bulk storage closets and require one multi-use storage closet which totals not less than eight (8) square feet.
   - Delete requirement that living areas increase for three (3) bedroom and larger units.
   - Conform design standards to those required by federal law and regulations, including ADA, and delete unnecessary duplication or requirements that are more stringent than required by law; and
   - Continue to refine minimum design standards that will meet the goal of providing quality affordable housing through excellent design.

3. The 2017 Draft Design Standards includes Submission Instructions for Preliminary Architectural Documentation for Multifamily Housing Applications. These Submission Instructions include a description of the requirements for a Rehabilitation Scope of Work.

   - Change requirements on playgrounds in urban areas
   - EPA requirement is unclear

35 attendees, with 12 MFA staff members

The attendees made up of: architects, supportive housing agencies, developers, non-profits, consultants, green agencies, housing authorities, contractors, USDA
Tab 7
## Staff Actions Requiring Notice to Board
### During the Period of September 1 - 30, 2016

<table>
<thead>
<tr>
<th>Department and Program</th>
<th>Project</th>
<th>Action Taken</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Servicing Dept.</td>
<td>7/31/16 Quality Control Review</td>
<td>Approval of report issued by REDW. No findings.</td>
<td>Approved by Policy Committee 9/6/16</td>
</tr>
<tr>
<td>Servicing Dept.</td>
<td>REO Final Settlement</td>
<td>Sale of REO #72127 in Los Lunas for $56,394.</td>
<td>Final claim settlement resulted in loss of ($34,570.30)</td>
</tr>
<tr>
<td>Housing Development – National Housing Trust Fund</td>
<td>National Housing Trust Fund Allocation Plan</td>
<td>National Housing Trust Fund Allocation Plan – Revised Draft in response to HUD’s comments.</td>
<td>Approved by Policy Committee on 9/22/16. (Subsequently disapproved by HUD – in 45 day response period.)</td>
</tr>
</tbody>
</table>
Tab 8
New Mexico Mortgage Finance Authority

Combined Financial Statements
and Schedules

August 31, 2016
NEW MEXICO MORTGAGE FINANCE AUTHORITY
FINANCIAL REVIEW
For the eleven-month period ended August 31, 2016

SUMMARY OF NEW BOND ISSUES:

Single Family Issues:  
$21.2 mm 2015 Series E Bonds-Refunding (December)
$40.0 mm 2016 Series A Bonds-New Money (April)
$22.8 mm 2016 Series A Bonds-Refunding (April)
$24.6 mm 2016 Series B Bonds-Refunding (August)

Multi-family Issues:  
$8.8 mm Dona Ana Apartment Projects (April)
$1.5 mm Santa Fe Community Living Project (June)

COMPARATIVE YEAR-TO-DATE FIGURES:

<table>
<thead>
<tr>
<th></th>
<th>11 months</th>
<th>11 months</th>
<th>% Change</th>
<th>Forecast</th>
<th>Actual to Forecast</th>
<th>Forecast/Target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>8/31/16</td>
<td>8/31/15</td>
<td>Year/Year</td>
<td>8/31/16</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRODUCTION</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 Single family issues (new money):</td>
<td>$40.0</td>
<td>$35.0</td>
<td>14.3%</td>
<td>$40.0</td>
<td>0.0%</td>
<td>$40.0</td>
</tr>
<tr>
<td>2 Single family loans sold (TBA):</td>
<td>$219.6</td>
<td>$100.5</td>
<td>118.5%</td>
<td>$192.5</td>
<td>14.1%</td>
<td>$210.0</td>
</tr>
<tr>
<td>3 Multifamily issues:</td>
<td>$10.3</td>
<td>$11.0</td>
<td>-6.4%</td>
<td>$10.3</td>
<td>0.0%</td>
<td>$10.3</td>
</tr>
<tr>
<td>4 Payoffs:</td>
<td>$65.5</td>
<td>$75.5</td>
<td>-13.2%</td>
<td>$65.9</td>
<td>-0.6%</td>
<td>$71.9</td>
</tr>
<tr>
<td>BALANCE SHEET</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Avg. earning assets:</td>
<td>$959.3</td>
<td>$995.6</td>
<td>-3.6%</td>
<td>$925.0</td>
<td>3.7%</td>
<td>$941.8</td>
</tr>
<tr>
<td>6 General Fund Cash and Securities:</td>
<td>$74.5</td>
<td>$75.0</td>
<td>-0.7%</td>
<td>$73.4</td>
<td>1.5%</td>
<td>$73.4</td>
</tr>
<tr>
<td>7 General Fund SIC FMV Adj.:</td>
<td>$1.4</td>
<td>$0.1</td>
<td>-2700.0%</td>
<td>$0.0</td>
<td>N/A</td>
<td>$0.0</td>
</tr>
<tr>
<td>8 Total bonds outstanding:</td>
<td>$742.8</td>
<td>$759.2</td>
<td>-2.2%</td>
<td>$690.6</td>
<td>7.6%</td>
<td>$691.1</td>
</tr>
<tr>
<td>INCOME STATEMENT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9 General Fund expenses:</td>
<td>$9.3</td>
<td>$8.1</td>
<td>14.8%</td>
<td>$11.1</td>
<td>-16.2%</td>
<td>$12.1</td>
</tr>
<tr>
<td>10 General Fund revenues:</td>
<td>$16.2</td>
<td>$12.9</td>
<td>25.6%</td>
<td>$13.4</td>
<td>20.9%</td>
<td>$14.7</td>
</tr>
<tr>
<td>11 Combined excess revenue over expenses:</td>
<td>$8.3</td>
<td>$6.5</td>
<td>27.7%</td>
<td>$6.0</td>
<td>38.3%</td>
<td>$6.0</td>
</tr>
<tr>
<td>12 Combined net position:</td>
<td>$211.2</td>
<td>$204.6</td>
<td>3.2%</td>
<td>$208.9</td>
<td>1.1%</td>
<td>$209.0</td>
</tr>
<tr>
<td>13 Combined return on avg. earning assets:</td>
<td>0.87%</td>
<td>0.65%</td>
<td>33.8%</td>
<td>0.65%</td>
<td>34.1%</td>
<td>0.64%</td>
</tr>
<tr>
<td>14 Net TBA profitability:</td>
<td>1.72%</td>
<td>2.32%</td>
<td>-25.9%</td>
<td>1.15%</td>
<td>49.6%</td>
<td>1.15%</td>
</tr>
<tr>
<td>15 Combined interest margin:</td>
<td>0.86%</td>
<td>0.68%</td>
<td>26.5%</td>
<td>0.72%</td>
<td>19.4%</td>
<td>0.72%</td>
</tr>
<tr>
<td>MOODY'S BENCHMARKS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16 Net Asset to debt ratio (5-yr avg):</td>
<td>23.40%</td>
<td>20.30%</td>
<td>15%</td>
<td>23.72%</td>
<td>-1%</td>
<td>23.72%</td>
</tr>
<tr>
<td>17 Net rev as a % of total rev (5-yr avg):</td>
<td>7.84%</td>
<td>6.02%</td>
<td>30%</td>
<td>7.43%</td>
<td>6%</td>
<td>7.71%</td>
</tr>
</tbody>
</table>

Legend: Positive Impact, Negative Impact, Caution/Known Trend
NEW MEXICO MORTGAGE FINANCE AUTHORITY  
FINANCIAL REVIEW  
For the eleven-month period ended August 31, 2016

SIGNIFICANT MONTHLY FINANCIAL VARIANCES:
During August MFA closed on the 2016 Series B Single Family refunding transaction and incurred $300k in cost of issuance. In addition, staff conducted the year-end loan loss reserve analysis and the net total change in the reserve for all August reserve reserve was an increase of $246k.

CURRENT YEAR FINANCIAL TRENDS & VARIANCES:
► Still continue to see significant volatility in relation to valuations for interest rate sensitive investments which impact non-operating income (i.e. General Fund State Investment Council (SIC) investments & Mortgage Backed Securities (MBS)). General Fund SIC fair market adjustments have ranged from a YTD ($514k) loss in February to a YTD $1.4 mm gain in August.
► Our initial FY16 estimates anticipated continued improvement in the interest rate environment and economy in general providing higher investment yields and potential for bond issuance for both the single and multifamily programs which will help stabilize the balance sheet. While we have seen improvement in the US economy and housing market, interest rates have stagnated and even recently taken a downturn, staff has had to closely monitor and manage all interest rate sensitive assets and activities taking advantage of market opportunities when appropriate.
► Growth in our portfolio of Single family program loans and mortgage backed securities has shown a decrease of (6.4%) since the beginning of the fiscal year. Year-to-date (11 months) increase in total assets is .6%. Growth in assets is estimated to be a (3.2%) decrease this fiscal year as it is still assumed prepayments will exceed new assets as MFA utilizes the secondary market to fund the Single Family Mortgage Program as needed based on market conditions. In this funding execution, MFA does not issue debt to fund the program but instead the mortgage backed securities are sold to investors.
► Due to unanticipated demand in the Single Family Mortgage Program, TBA transactions fees exceed the YTD budget by approximately $1.3 mm or 71% (net of Servicing Rights Fees).
► Positive expenditure budget variances are primarily related to unspent budget related to the delay in servicing expansion, vacancy savings and timing of expenditures.
► Credit risk remains stable. Year-to- date (11 months) MFA has written off 127 DPA loans totaling approximately $651k. As noted above staff conducted the annual loan loss reserve analysis. The adjustments to the reserve were primarily related to DPA and the DPA reserve now represents approx. 4.7% of the total DPA portfolio. There was also some reallocation between Risk share loan reserves and Fiduciary Trust reserves based on updated financial information, historical loss rates and specific identification of impaired loans.
► Based on Moody’s issuer credit rating scorecard, MFA’s 23.40% 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 7.84% ratio (5-year average) points to a satisfactory profitability with consistent trends (5%-10% range).
MONTHLY FINANCIAL GRAPHS

Assets Under Management as of 9/30/2016
($ in thousands)

YTD Annualized Payoffs as a Percentage of Single Family Mortgage Portfolio as of 9/30/2016

YTD Excess Revenues over Expenses as of 8/31/2016

Yield Targets 9/30/2016

(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
### NEW MEXICO MORTGAGE FINANCE AUTHORITY

#### COMBINED STATEMENT OF NET POSITION

**AUGUST 31, 2016**

**(THOUSANDS OF DOLLARS)**

<table>
<thead>
<tr>
<th></th>
<th>YTD 8/31/16</th>
<th>YTD 8/31/15</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>$23,971</td>
<td>$27,777</td>
</tr>
<tr>
<td>Restricted Cash Held in Escrow</td>
<td>9,832</td>
<td>-</td>
</tr>
<tr>
<td>Short-Term Investments</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Accrued Interest Receivable</td>
<td>3,291</td>
<td>3,720</td>
</tr>
<tr>
<td>Mortgage Payment Clearing</td>
<td>103</td>
<td>218</td>
</tr>
<tr>
<td>Other Current Assets</td>
<td>1,440</td>
<td>1,584</td>
</tr>
<tr>
<td>Administrative Fees Receivable (Payable)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Inter-Fund Receivable (Payable)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td><strong>38,636</strong></td>
<td><strong>33,300</strong></td>
</tr>
<tr>
<td>Cash - Restricted</td>
<td>71,332</td>
<td>51,777</td>
</tr>
<tr>
<td>Long-Term &amp; Restricted Investments</td>
<td>61,899</td>
<td>61,979</td>
</tr>
<tr>
<td>Investments in Reserve Funds</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>FNMA, GNMA, &amp; FHLMC Securitized Mtg. Loans</td>
<td>601,097</td>
<td>648,504</td>
</tr>
<tr>
<td>Mortgage Loans Receivable</td>
<td>206,314</td>
<td>187,576</td>
</tr>
<tr>
<td>Allowance for Loan Losses</td>
<td>(2,738)</td>
<td>(2,364)</td>
</tr>
<tr>
<td>Fixed Assets, Net of Accum. Depn</td>
<td>1,006</td>
<td>1,014</td>
</tr>
<tr>
<td>Other Real Estate Owned, Net</td>
<td>400</td>
<td>490</td>
</tr>
<tr>
<td>Other Non-Current Assets</td>
<td>33</td>
<td>-</td>
</tr>
<tr>
<td>Intangible Assets</td>
<td>100</td>
<td>68</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>1,004,631</strong></td>
<td><strong>982,346</strong></td>
</tr>
<tr>
<td><strong>Deferred Outflows of Resources:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Refundings of Debt</td>
<td>913</td>
<td>1,192</td>
</tr>
<tr>
<td><strong>Total Assets &amp; Deferred Outflows of Resources</strong></td>
<td><strong>1,005,545</strong></td>
<td><strong>983,538</strong></td>
</tr>
</tbody>
</table>

**LIABILITIES AND NET POSITION:**

|                      |             |             |
| **LIABILITIES:**     |             |             |
| **CURRENT LIABILITIES:** |             |             |
| Accrued Interest Payable | 9,882      | 10,689      |
| Accounts Payable and Accrued Expenses | 4,310       | 4,688       |
| Escrow Deposits & Reserves | 9,832       | -           |
| **Total Current Liabilities** | **24,024** | **15,378**  |
| Bonds Payable, Net of Unamortized Discount | 742,803     | 759,207     |
| Mortgage & Notes Payable | 27,180      | 4,012       |
| Accrued Arbitrage Rebate | 51          | 85          |
| Other Liabilities     | 244         | 245         |
| **Total Liabilities** | **794,302** | **778,927** |

**NET POSITION:**

|                      |             |             |
| Invested in Capital Assets, Net of Related Debt | 1,006       | (810)       |
| Unappropriated Net Position (Note 1) | 64,809      | 64,058      |
| Appropriated Net Position (Note 1) | 145,428     | 141,362     |
| **Total Net Position** | **211,243** | **204,611** |
| **Total Liabilities & Net Position** | **1,005,545** | **983,538** |
## New Mexico Mortgage Finance Authority

**Statement of Revenues, Expenses and Changes in Net Position**

For the Eleven Months Ended August, 2016

(Thousands of Dollars)

<table>
<thead>
<tr>
<th>Description</th>
<th>YTD 8/31/16</th>
<th>YTD 8/31/15</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenues:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest on Loans</td>
<td>$31,855</td>
<td>$34,192</td>
</tr>
<tr>
<td>Interest on Investments &amp; Securities</td>
<td>2,405</td>
<td>2,548</td>
</tr>
<tr>
<td>Loan &amp; Commitment Fees</td>
<td>443</td>
<td>348</td>
</tr>
<tr>
<td>Administrative Fee Income (Exp)</td>
<td>6,033</td>
<td>4,762</td>
</tr>
<tr>
<td>RTC, Risk Sharing &amp; Guaranty Income</td>
<td>111</td>
<td>192</td>
</tr>
<tr>
<td>Housing Program Income</td>
<td>1,086</td>
<td>1,048</td>
</tr>
<tr>
<td>Loan Servicing Income</td>
<td>(239)</td>
<td>(25)</td>
</tr>
<tr>
<td>Other Operating Income</td>
<td>267</td>
<td>123</td>
</tr>
<tr>
<td><strong>Subtotal Operating Revenues</strong></td>
<td>41,962</td>
<td>43,189</td>
</tr>
<tr>
<td><strong>Non-Operating Revenues:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arbitrage Rebate Income (Expense)</td>
<td>36</td>
<td>-</td>
</tr>
<tr>
<td>Gain(Loss) Asset Sales/Debt Extinguishment</td>
<td>1,822</td>
<td>(361)</td>
</tr>
<tr>
<td>Other Non-Operating Income</td>
<td>7</td>
<td>31</td>
</tr>
<tr>
<td>Grant Award Income</td>
<td>38,450</td>
<td>41,044</td>
</tr>
<tr>
<td><strong>Subtotal Non-Operating Revenues</strong></td>
<td>40,315</td>
<td>40,713</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>82,277</td>
<td>83,902</td>
</tr>
<tr>
<td><strong>Operating Expenses:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative Expenses</td>
<td>7,366</td>
<td>6,927</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>27,395</td>
<td>31,114</td>
</tr>
<tr>
<td>Amortization of Bond/Note Premium(Discount)</td>
<td>(2,329)</td>
<td>(3,217)</td>
</tr>
<tr>
<td>Provision for Loan Losses</td>
<td>719</td>
<td>305</td>
</tr>
<tr>
<td>Mortgage Loan &amp; Bond Insurance</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trustee Fees</td>
<td>79</td>
<td>82</td>
</tr>
<tr>
<td>Amort. of Serv. Rights &amp; Depreciation</td>
<td>125</td>
<td>134</td>
</tr>
<tr>
<td>Amortization of Bond Issuance Costs</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bond Cost of Issuance</td>
<td>1,153</td>
<td>1,008</td>
</tr>
<tr>
<td><strong>Subtotal Operating Expenses</strong></td>
<td>34,508</td>
<td>36,353</td>
</tr>
<tr>
<td><strong>Non-Operating Expenses:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capacity Building Costs</td>
<td>936</td>
<td>543</td>
</tr>
<tr>
<td>Grant Award Expense</td>
<td>38,529</td>
<td>40,528</td>
</tr>
<tr>
<td><strong>Subtotal Non-Operating Expenses</strong></td>
<td>39,465</td>
<td>41,070</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>73,973</td>
<td>77,423</td>
</tr>
<tr>
<td>Excess Revenues over Expenses</td>
<td>8,304</td>
<td>6,478</td>
</tr>
<tr>
<td>Other Financing Sources (Uses)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Excess (Deficiency) of Revenues over Expenses and Other Financing Sources(Uses)</td>
<td>8,304</td>
<td>6,478</td>
</tr>
<tr>
<td>Net Position at Beginning of Year</td>
<td>202,938</td>
<td>198,133</td>
</tr>
<tr>
<td><strong>Net Position at 8/31/2016</strong></td>
<td>211,243</td>
<td>204,611</td>
</tr>
</tbody>
</table>
(Note 1) MFA Net Position as of August 31, 2016:

**UNAPPROPRIATED NET POSITION:**

<table>
<thead>
<tr>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>$37,466</td>
<td>is held by Bond Program Trustees and is pledged to secure repayment of the Bonds.</td>
</tr>
<tr>
<td>$27,286</td>
<td>is held in Trust for the NM Housing Trust Fund and the NM Land Title Trust Fund.</td>
</tr>
<tr>
<td>$57</td>
<td>held for New Mexico Affordable Housing Charitable Trust.</td>
</tr>
</tbody>
</table>

Total unappropriated Net Position: $64,809

**APPROPRIATED NET POSITION: GENERAL FUND**

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

<table>
<thead>
<tr>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>$92,081</td>
<td>for use in the Housing Opportunity Fund ($71,652 in loans plus $20,429 unfunded, of which $11,337 is committed).</td>
</tr>
<tr>
<td>$28,078</td>
<td>for future use in Single Family &amp; Multi-Family housing programs.</td>
</tr>
<tr>
<td>$10,975</td>
<td>for loss exposure on Risk Sharing loans.</td>
</tr>
<tr>
<td>$1,006</td>
<td>invested in capital assets, net of related debt.</td>
</tr>
<tr>
<td>$2,831</td>
<td>for the future General Fund Operating Budget Y E 9/30/16 ($12,157 total budget less $9,326 expended budget through 08/31/16.)</td>
</tr>
</tbody>
</table>

Subtotal - General Fund: $134,971

**APPROPRIATED NET POSITION: HOUSING**

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

<table>
<thead>
<tr>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>$11,462</td>
<td>for use in the federal and state housing programs administered by MFA.</td>
</tr>
</tbody>
</table>

Subtotal - Housing Program: $11,462

Total appropriated Net Position: $146,433

Total combined Net Position at August 31, 2016: $211,243

Total combined Net Position, or reserves, at August 31, 2016 was $211.2 million, of which $64.8 million was pledged to the bond programs, Affordable Housing Charitable Trust and fiduciary trusts. $146.4 million of available reserves, with $74.5 million primarily liquid in the General Fund and in the federal and state Housing programs and $71.9 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 ELEVEN MONTHS ENDED 8/31/16**

<table>
<thead>
<tr>
<th>REVENUES</th>
<th>ONE MONTH</th>
<th>YEAR TO DATE</th>
<th>UNDER/(OVER)</th>
<th>EXPENDED</th>
<th>UNDER/(OVER)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ACTUAL</td>
<td>ACTUAL</td>
<td>PRO RATA</td>
<td>YTD</td>
<td>ANNUAL</td>
</tr>
<tr>
<td>OPERATING REVENUES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INTEREST INCOME</td>
<td>423,435</td>
<td>5,055,714</td>
<td>5,667,524</td>
<td>611,810</td>
<td>6,182,753</td>
</tr>
<tr>
<td>ADMIN INCOME</td>
<td>774,214</td>
<td>8,484,092</td>
<td>6,824,411</td>
<td>(1,659,681)</td>
<td>7,444,812</td>
</tr>
<tr>
<td>OTHER OPERATING INCOME</td>
<td>98,199</td>
<td>1,268,982</td>
<td>943,009</td>
<td>(325,973)</td>
<td>1,028,737</td>
</tr>
<tr>
<td>SUBTOTAL OPERATING REVENUES</td>
<td>1,295,848</td>
<td>14,808,788</td>
<td>13,434,944</td>
<td>(1,373,844)</td>
<td>14,656,302</td>
</tr>
<tr>
<td>NON-OPERATING REVENUES</td>
<td>480,796</td>
<td>1,405,731</td>
<td>92</td>
<td>(1,405,640)</td>
<td>100</td>
</tr>
<tr>
<td>TOTAL REVENUES</td>
<td>1,776,644</td>
<td>16,214,519</td>
<td>13,435,035</td>
<td>(2,779,484)</td>
<td>14,656,402</td>
</tr>
<tr>
<td>EXPENSES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OPERATING EXPENSES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COMPENSATION</td>
<td>562,229</td>
<td>5,148,472</td>
<td>5,634,935</td>
<td>486,463</td>
<td>6,161,859</td>
</tr>
<tr>
<td>TRAVEL &amp; PUBLIC INFO</td>
<td>29,373</td>
<td>252,214</td>
<td>392,571</td>
<td>140,357</td>
<td>428,259</td>
</tr>
<tr>
<td>OFFICE EXPENSES</td>
<td>53,853</td>
<td>689,716</td>
<td>738,310</td>
<td>48,594</td>
<td>805,429</td>
</tr>
<tr>
<td>OTHER OPERATING EXPENSES</td>
<td>165,561</td>
<td>1,142,404</td>
<td>1,292,979</td>
<td>150,575</td>
<td>1,410,522</td>
</tr>
<tr>
<td>SUBTOTAL OPERATING EXPENSES</td>
<td>811,016</td>
<td>7,232,806</td>
<td>8,058,794</td>
<td>825,988</td>
<td>8,806,069</td>
</tr>
<tr>
<td>NON-OPERATING EXPENSES</td>
<td>102,727</td>
<td>936,299</td>
<td>1,098,969</td>
<td>162,669</td>
<td>1,198,875</td>
</tr>
<tr>
<td>SUBTOTAL OPERATING &amp; NON-OPERATING EXPENSES</td>
<td>913,743</td>
<td>8,169,106</td>
<td>9,157,763</td>
<td>988,657</td>
<td>10,004,944</td>
</tr>
<tr>
<td>SERVICING &amp; CAPITAL OUTLAY</td>
<td>53,683</td>
<td>269,013</td>
<td>1,325,831</td>
<td>1,056,819</td>
<td>1,447,625</td>
</tr>
<tr>
<td>NON-CASH ITEMS</td>
<td>355,688</td>
<td>887,721</td>
<td>645,966</td>
<td>(241,755)</td>
<td>704,969</td>
</tr>
<tr>
<td>TOTAL EXPENSES</td>
<td>1,323,114</td>
<td>9,325,840</td>
<td>11,129,560</td>
<td>1,803,721</td>
<td>12,157,259</td>
</tr>
<tr>
<td>EXCESS REVENUE OVER EXPENSES</td>
<td>453,529</td>
<td>6,888,680</td>
<td>2,305,475</td>
<td>4,583,205</td>
<td>2,499,143</td>
</tr>
<tr>
<td>LESS CAPITALIZED ASSETS</td>
<td>160,181</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL EXCESS REVENUE LESS CAPITALIZED ASSETS</td>
<td>7,048,861</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### MEDIA COVERAGE

<table>
<thead>
<tr>
<th>Date</th>
<th>Source</th>
<th>Article Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>9-9</td>
<td>Ruidoso News</td>
<td>Executive director to leave post Oct. 1</td>
</tr>
<tr>
<td>9-20</td>
<td>Albuquerque Journal</td>
<td>Forecast for state economy: 1% growth</td>
</tr>
<tr>
<td>9-23</td>
<td>Las Cruces Bulletin</td>
<td>Community of Hope seeks support for Tents to Rent program</td>
</tr>
</tbody>
</table>

### PRESS RELEASES, NEWSLETTERS and LENDER MEMOS

<table>
<thead>
<tr>
<th>Date</th>
<th>Format</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>August</td>
<td>E-blast</td>
<td>Helpful Tips for REALTORS</td>
</tr>
<tr>
<td>September</td>
<td>E-blast</td>
<td>Helpful Tips for REALTORS</td>
</tr>
<tr>
<td>9-22</td>
<td>E-blast</td>
<td>Summit presentations are available</td>
</tr>
<tr>
<td>9-26</td>
<td>E-blast</td>
<td>QAP review period begins</td>
</tr>
<tr>
<td>10-4</td>
<td>Lender Memo 16-22</td>
<td>October webinar training schedule</td>
</tr>
</tbody>
</table>
Help End Abuse for Life Inc.

Executive director to leave post Oct. 1

JESSICA MARTINEZ GUEST CONTRIBUTOR

Help End Abuse for Life, Inc. (HEAL) was founded in 2005, when Lincoln County had the highest rate of domestic violence per capita in the state, by citizens whose primary mission was to stop domestic violence and provide refuge for women and children affected by abuse. In 2006, the charter board brought in Coleen Widell from Arizona to serve as its first Executive Director of the Nest domestic violence shelter.

After over 10 years of service to the organization, Widell’s resignation is set for October 1.

“Since the doors of the shelter opened almost 10 years ago, HEAL has provided safety, hope and a new beginning to thousands of survivors and their children,” Widell explained. “HEAL has also been recognized both within and outside of New Mexico for its state-of-the-art facility, innovative programming and our uncompromising commitment to survivor safety and privacy for our clients. The New Mexico Children, Youth and Families Department has identified HEAL as a model program; and elected leaders recognize HEAL for our work in domestic violence policy.”

Widell attributes the success to the HEAL family and multiple partnerships: the charter board and founders, community leaders who have volunteered their time as board members, funders such as New Mexico Children, Youth and Families Department and the Mortgage Finance Authority, many donors whose gifts range from much-needed financial donations to in-kind and volunteer support, the remarkable HEAL staff, other nonprofit organizations that cross-serve HEAL clients and many legislators, including New Mexico Senator Rod Adair who was the legislative champion of funding for The Nest as well as the sponsor for a multitude of victim-friendly bills and New Mexico Representative Zach Cook, who has continued the legislative support necessary for a model program like HEAL to thrive.

“I am proud to have worked side-by-side with some of the most committed and passionate advocates in New Mexico to build HEAL into the safe haven and advocacy organization envisioned by its founders,” Widell said.

The impact Widell has had on this program will not be soon forgotten.

“We, as citizens of Lincoln County and Mescalero, owe Coleen a huge debt of gratitude,” expressed HEAL Board Vice President Pat Shukis-Frazer. “She has played a leading part in helping us build a strong, vibrant network of community support for survivors of domestic violence. The Nest is second to none in the help it gives to its residents, thanks to that support.”

Though Widell will be dearly missed, the program she helped build will live on and continue to serve survivors of domestic violence.

Mescalero, owe Coleen a huge debt of gratitude,” expressed HEAL Board Vice President Pat Shukis-Frazer. “She has played a leading part in helping us build a strong, vibrant network of community support for survivors of domestic violence. The Nest is second to none in the help it gives to its residents, thanks to that support.”

Through Widell will be dearly missed, the program she helped build will live on and continue to serve survivors of domestic violence.

“Most importantly, the services provided by The Nest won’t stop because our community is fully willing and capable of continuing to support the work of HEAL. We understand our community’s response to domestic violence requires a partnership involving all of us, and we have a strong history in Lincoln County of doing exactly that,” said Shukis-Frazer. “We wish Coleen all that is good as she takes on exciting new challenges.”

Widell’s plans include moving to Mississippi, where she will continue work in government relations and advocacy. She will continue to serve as a board member on the Coalition to Stop Violence Against Native Women in Albuquerque.

See HEAL, Page 2B
Forecast for state economy: 1% growth
Economist predicts “nothing terrible, nothing great” ahead

BY STEVE SINOVIC
JOURNAL STAFF WRITER

The outlook for the New Mexico economy is “flat to mildly improving,” according to economist Elliott Eisenberg, who doesn’t expect a recession in the Land of Enchantment — or the U.S. as a whole — in the coming year.

“Nothing terrible, nothing great,” Eisenberg said of the year ahead.

Eisenberg weighed in on the economic and political news of the day on Monday before the opening session of the New Mexico Housing Summit at Hotel Albuquerque. The four-day conference, sponsored by the New Mexico Mortgage Finance Authority, is expected to attract 400 people and several dozen exhibitors.

Even with a decline in oil and gas revenue and a looming state budget shortfall, business activity in New Mexico won’t come to a screeching halt, said Eisenberg, a Washington, D.C.-based economist who once served as senior economist for the National Association of Home Builders.

“Other energy-producing states have a larger percentage of their labor force involved” in oil and gas extraction, he said. “It’s going to hurt you (especially in places like Hobbs), but it won’t be calamitous.”

“New Mexico, which has struggled with high rates of poverty, has underperformed compared to surrounding states like Colorado and Utah,” said Eisenberg, referring to those states’ growth in GDP, labor markets and wages, which are nearly double the U.S. rate.

“They’ve ripped the cover off the ball,” he said. “Meager” job creation and lack of serious population growth are also cause for concern.

Some of Eisenberg’s key points regarding New Mexico’s economy:

- Work on improving the K-12 education system. Without a competent, educated workforce, the state won’t be competitive, even with economic incentives.
- Work from strengths. Ramp up promoting New Mexico as a haven for retirement and recreation.

For the U.S. economy, he offered the following perspectives:

- Consumer confidence is relatively strong. People are going to Las Vegas, Nev., in record numbers, an indicator of increased discretionary spending.
- The labor market is on the mend and so is wage growth. Rising turnover rates indicate that many more people are quitting jobs and seeking opportunities and better pay elsewhere.
- Growth in the housing market is slow. Two challenges are a lack of significant housing stock for entry-level buyers and tight credit for some borrowers. Housing developers who rely on tax credits and other federal assistance programs will need to look for other funding models as the government spends more on Medicare, Medicaid and Social Security and whittles down the budget deficit.
- Student debt is not that big of a problem. Eisenberg said the amount of student debt ($1.3 trillion) is a good indicator of borrowers’ drive to do well professionally, the quality of the educations they are receiving and the future potential to be higher wage earners.

Economist: Lackluster growth ahead

From PAGE B1

are quitting jobs and seeking opportunities and better pay elsewhere.

- Growth in the housing market is slow. Two challenges are a lack of significant housing stock for entry-level buyers and tight credit for some borrowers. Housing developers who rely on tax credits and other federal assistance programs will need to look for other funding models as the government spends more on Medicare, Medicaid and Social Security and whittles down the budget deficit.
- Student debt is not that big of a problem. Eisenberg said the amount of student debt ($1.3 trillion) is a good indicator of borrowers’ drive to do well professionally, the quality of the educations they are receiving and the future potential to be higher wage earners.
Community of Hope seeks support for Tents to Rent program

By MIKE COOK
Las Cruces Bulletin

It’s called Tents to Rent and it’s Mesilla Valley Community of Hope (MVCH) Executive Director Nicole Martinez’s new fundraising idea to help move residents from tents to their own homes.

The goal of the online fundraiser, which continues through the end of October, is to raise $18,000, the equivalent of one year’s rent for three current residents of Camp Hope, MVCH’s tent city for homeless people.

To donate, visit http://tentstorents.org/ and select one of the 10 Las Cruces celebrities participating in the fundraiser.

Click on his or her name to learn more about each and to make a donation. Each one is trying to raise at least $1,500 for the program, and every $100 raised changes a tent to a house. Click on MVCH on the web page to make a donation.

Participating celebrities include Mayor Pro-Tem Greg Smith, Las Cruces Green Chamber of Commerce Executive Director Carrie Hamblen, artist Meg Freyermuth, teachers Kenny and Wanda Stevens, Doña Ana County Sheriff’s Office Public Information Officer Kelly Jameson, Lucretia Jones of the Las Cruces Civic Concert Association, Hett Agency President Pam Hett, financial advisor T. Michael Henderson, Las Cruces Sun-News Publisher Rynn Henderson and exterminators Vinni and Roonie, along with Of the Same Ilk (a local wine club) and MVCH.

If the fundraiser succeeds—it had raised about $2,500 as of Sept. 20, Martinez said—MVCH will continue to run it.

MVCH provided housing to 661 people in 2015, Martinez said, including 142 men, 51 women and 198 children. That total included 205 veterans, she said, as Las Cruces became one of the first cities in the United States to reach “functional zero” homeless veterans.

“We make it as safe and comfortable as we can while there is a crisis situation,” she said. “That’s the human thing to do.”

Tent City is funded entirely through donations, she said, and has been so successful that other communities, including Deming, Roswell, Alamogordo and Albuquerque asked Martinez for help in setting up their own tent cities.

In Las Cruces, across the state and around the country, “underlying obstacles to housing have to do with mental health,” she said.

Even though MVCH saw “more (people) housed than ever before” in 2013, she said, the need is still a huge problem in Las Cruces.

Thanks to a recent fundraiser called Project Dignity, MVCH’S Tent City now includes restrooms and showers for both men and women. There’s also a garden and an outdoor oven Martinez said.

A recent New Mexico Mortgage Finance Authority report said there is a 4,500 housing-unit deficit in Las Cruces, Martinez said. Of that total, “3,000 are needed just to accommodate the homeless population,” she said, noting that the figures don’t include people “on the edge of being homeless.”

In addition to local partnerships with government agencies and local landlords to provide housing, MVCH owns three houses in Las Cruces, Martinez said. Two provide permanent housing for men and one provides housing for four disabled women, she said.

MVCH is also partnering with DACC to build a prototype three-sided structure to be placed over each tent to provide additional protection from inclement weather and wear and tear, Martinez said.

If the structure proves workable, DACC students could produce five to 10 of the structures each semester, using 2-by-4, plywood and shingle roofs. The structures would cost about $750 each, Martinez said.

The community will be invited to MVCH for a building day to help with the project and will also be asked for donations, she said.

For more information, contact Martinez at 575-523-2219 or hope@zianet.com. Visit www.mvcommunityofhope.org.
Community of Hope awarded

The Mesilla Valley Community of Hope received the Outstanding Community Partner of the Year Award from the NM Mortgage Finance Authority on Sept. 21. The Community of Hope partners with NM MFA on four homeless housing programs and is honored to receive this award. It is an inspiration to continue serving others in our community with outstanding services. Pictured is the staff of Community of Hope that works on NM MFA programs.
Helpful Tips for REALTORS

TOPIC:  
Who qualifies for Next Home and what benefits are offered?

MFA’s Next Home program is open to both first-time and non-first-time homebuyers.

The program offers a grant that is equal to 3% of the loan amount. The grant is truly a gift and never has to be repaid!

A buyer must be able to qualify for a mortgage under FHA, VA, USDA or HFA Preferred (conventional) guidelines. Additionally, a buyer must meet MFA program guidelines. For example, MFA requires a minimum credit score of 620 and a minimum borrower investment of $500.

Because the Next Home grant is based on the loan amount rather than the purchase price of the home, the borrower must be prepared to contribute the remainder of any down payment required as well as their closing costs. Seller contributions are allowed if they meet agency guidelines.

Next Home guidelines require that the borrower’s income is $90,000 or below. The limit applies statewide and is not based on

Highlights

Next Home is available to both first-time and non-first-time homebuyers.

MFA gives the buyer a grant equal to 3% of the loan amount.

The grant never has to be repaid!

Next Home can be used in conjunction with FHA, VA, USDA and HFA Preferred loans.

The maximum income limit is $90,000.

The maximum home purchase price is $350,000.

If you have questions or would like more information, please call an MFA Homeownership Representative at 505.843.6881.
the number of people in the household. MFA does not calculate borrower income for Next Home but relies on the MFA-approved lender to determine how much qualifying income a borrower has. If that figure is under $90,000, then the borrower has met our requirement. Only the income of the person(s) signing the note is counted toward the MFA limit.

First-time buyers must take the online eHome America homebuyer education course even if they’re using the Next Home program.

And, finally, Next Home has a home purchase price limit of $350,000. The purchase price is also referred to as acquisition cost.

For more information please visit our website and download a Next Home factsheet: http://www.housingnm.org/homebuyers/fact-sheets

We appreciate and value YOU, our dedicated Realtor partners. Thank you for making sure that your buyers know about MFA programs!
Helpful Tips for REALTORS

**TOPIC:**
Are Realtors able to obtain information from MFA about the status of a file undergoing a pre-closing compliance review?

Yes. MFA recognizes that Realtors, homebuilder representatives and manufactured home dealers, like lenders, are key partners to the success of our homeownership programs. We rely on our Realtor partners to help make homebuyers aware of the availability of our programs and to suggest that buyers choose an MFA-eligible lender.

Accurate and timely communication between all parties to a transaction is essential in order to ensure a smooth process and positive experience for borrowers and their Realtors.

Ideally, the buyer and their Realtor will receive regular communication from the loan officer (or processor) as to the status of their MFA loan. However, it is sometimes necessary for a Realtor to contact MFA directly to inquire about the status of a loan.

If you are party to a transaction, MFA will be able to provide the following information:

- Whether or not a loan reservation has been made and, if so, on what date.

Highlights

- Realtors can call MFA for a status report on a file.
- We will let you know if a loan reservation has been made.
- We will tell you if MFA has received the compliance file from the lender.
- We cannot share personal borrower information or details about any conditions.
- The initial review can take up to three business days.
- Conditions are usually cleared in 24 to 48 hours, depending on the number.
- If you have questions or would like more information, please call an MFA Homeownership Representative at 505.843.6881.
• Whether or not the compliance file has been received from the lender and, if so, on what date.

• The current status whether the file is still pending review or has already been reviewed. We will let you know if the file was suspended because there are some conditions or if it has been approved and on what date.

MFA will not disclose personal borrower information or details with respect to the number or nature of the conditions.

The initial review can take up to three business days. A file is placed in the queue at 8:00 am on the day after receipt and the three-day clock starts. When the review is complete, the lender is notified that the file is approved or that it has been suspended for conditions.

Once the lender has satisfied conditions, they are sent in a single upload to MFA to be cleared. If there are fewer than five conditions, then they should be cleared within 24 business hours; if there are five or more, it will take 48 hours. If the lender fails to completely clear conditions, the file will again be suspended.

Please don’t hesitate to contact an MFA Homeownership Representative for information – we’re here to help!

_We appreciate and value YOU, our dedicated Realtor partners. Thank you for making sure that your buyers know about MFA programs!_
Summit presentations are available
And please be sure to take the summit survey

Thank you so much for attending the 2016 New Mexico Housing Summit. More than 400 attendees attended informative sessions, heard outstanding speakers and enjoyed first-rate networking events.

Many of you have told us you would like to have copies of speaker presentations. We don't have access to all of them, but the ones we do have are posted on the summit website: housingnm.org. Go to the "Presentations" tab and search by session times. We will be adding more as they come in.

Also, it sounds trite, but it is entirely true: we really want your feedback about the summit. Moreover, we need your feedback in order to have an even better event in 2018.

Please take a couple of minutes to fill out the anonymous survey: 2016HousingSummitEval. Upon completion, you will have the opportunity to register for a $100 Home Depot gift card. (Your survey will still remain anonymous even if you register for the gift card.) And if you need one, you can receive a certificate of attendance at the conclusion of the survey.

Thank you again for being a part of this important event!
Interested Parties:

The New Mexico Mortgage Finance Authority (MFA) is pleased to announce that its 2017 Draft Low Income Housing Tax Credit Qualified Allocation Plan (Draft QAP) and 2017 Draft Mandatory Design Standards for Multifamily Rental Housing (Draft Design Standards) are now available for review and download from the MFA website: http://housingnm.org/developers/low-income-housing-tax-credits-lihtc

The 21 day period in which to provide public comment begins September 16, 2016 and continues through 5 p.m. on October 7, 2016. Written comments on the Draft QAP and Draft Design Standards may be delivered by email, mail, courier service, or by hand to MFA to the following address:

MFA
Attn: Susan H. Biernacki
344 4th Street SW
Albuquerque, NM 87102
sbiernacki@housingnm.org

Comments may also be made verbally at the following public hearing:

September 28, 2016 from 10:30 AM to 12:00 PM
MFA board room
344 4th Street SW
Albuquerque, NM 87102

Thank you for your interest and participation.
TO: Participating Lenders

FROM: Anita K. Rehm-Racicot, Homeownership Lead

DATE: October 4, 2016

RE: Memo No. 16-22

- October 2016 Webinar Training Schedule
  MFA Single Family and DPA Programs regular monthly training.

MFA will be offering our regular webinar training for the MFA Single Family and Down Payment Assistance Programs.

The training is designed for all staff originating, processing, closing and shipping MFA loans. The trainings will be more technical in nature and will provide Participating Lenders with the information needed to efficiently originate, fund and deliver loans under the current programs/process.

Single Family and DPA Programs Webinar Training:

MFA will offer two (2) individual webinar trainings on the Single Family and DPA Programs.

Each of the two (2) webinars will cover the same material.
Participating Lenders only need to attend one of the webinars:

- **Wednesday, October 12, 2016 1:30 pm-3:00 pm MDT**
- **Friday, October 14, 2016 1:30 pm-3:00 pm MDT**

**To Participate:**

Register via the MFA Lender Training link [http://www.housingnm.org/lender-training](http://www.housingnm.org/lender-training) no later than 5:00 PM MDT on the business day prior to the training. **Please register for the individual session that will be attended in order for MFA to track attendance.** The materials will be sent to you the evening before the training. Below is the link and call in numbers for all of the sessions.

**Please note that MFA is using new software that will require additional time to set up on the user’s computer.**

Conference Dial-in Number: (415) 655-0002

Participant Access Code: 806 656 355

[https://housingnm.webex.com/join/aracicot](https://housingnm.webex.com/join/aracicot)

When signing in to the webinar please sign in with your name and do not choose an automatic setting that will show as “caller #”. MFA needs to know who is on the training in order to track attendance.

Thank you for participating in MFA’s program. Should you have any questions, please contact an MFA Homeownership Representative.