

United States Department of the Treasury

Homeowner Assistance Fund Plan Submitted by State of New Mexico

HAF Grantee Plan Name
HAFP-0109

United States Department of the Treasury

Homeowner Assistance Fund Plan For Participants with Allocations \$5 million or Greater

Allocation Amount	\$5 Million or Greater
Submission Date	1/4/2022 4:31 PM
Total Plan Requested Amount	\$55,772,684.00
Record Type	State
Application Record	SLT-0081
HAF Grantee Plan Status (external)	Funded

Homeowner Needs and Community Engagement

What Quantitative Data Has Informed the Participant's Planning?

Treasury will assess the extent to which a Participant has, in the course of its HAF planning process, relied on quantitative data, including from community-based organizations or organizations that serve potentially eligible homeowners.

In its HAF planning process, has the Participant obtained quantitative data from mortgage servicers, private data providers, government entities, community-based organizations, or other sources to inform its planning about how to target and best serve eligible homeowners with mortgage delinquencies, defaults, foreclosures?

Yes

If yes, please list and, briefly describe each source of quantitative data.

Data from the Federal Reserve Bank of Atlanta Mortgage Analytics and Performance Dashboard shows that of April 2021 4.2% of single-family mortgage loans in New Mexico were in forbearance. Treasury-supplied data reveals the forbearance rate in rural New Mexico is 6%. For low-income homeowners and minority homeowners, the rates are 5.6% and 5.4%, respectively. The Treasury-supplied data also shows the forbearance rate for Federal Housing Administration loans is 8.7% and for United States Department of Agriculture and Veteran's Affairs loans the rate is 7.1% and 4.2%, respectively. Treasury-supplied data shows the 90+ day delinquency rate for Federal Housing Administration loans is 10.0% and for United States Department of Agriculture and Veteran's Affairs loans the rate is 9.1% and 5.9%, respectively. Data from CoreLogic Market Trends May 2021 report shows that 3.4% of single-family mortgage loans in New Mexico were more than 90 days delinquent. Treasury data shows the 90+ day delinquency rate for Federal Housing Administration loans is 10.0% and for United States Department of Agriculture and Veteran's Affairs loans the rate is 9.1% and 5.9%, respectively. During Week 34 (July 21-August 2, 2021) of the Housing Pulse Survey, 15% of New Mexico homeowner households reported being very likely or somewhat likely to have to leave their home due to foreclosure in the next two months. This rate was higher for Asian New Mexicans (18%) and non-Hispanic multi-racial New Mexicans (25%). Similarly, this rate was higher for low- and moderate-income New Mexicans: 38% for households earning less than \$25,000 and 20% for households earning between \$25,000 and \$34,999. Neighborhood Watch data shows that as of August 2021 already 4,225 FHA borrowers in New Mexico were involved in foreclosure proceedings.

Refer to pages 2-5 of the Plan

https://housingnm.org/uploads/documents/HAF_Plan_-_9_29_2021.pdf

In its HAF planning process, has the Participant obtained and reviewed quantitative data or studies regarding which demographic segments in its jurisdiction have historically experienced discrimination in the housing or housing finance market?

Yes

If yes, please list and, briefly describe each source of quantitative data.

2020 New Mexico Analysis of Impediments to Fair Housing Choice (which drew on Home Mortgage Disclosure Act data from 2017 of over 72,000 applications within New Mexico for loans for a single-family home) revealed the rate of loan application denials for traditional home purchase loans in New Mexico varies by race/ethnic groups. Whites were least likely to be denied for conventional single family home purchases, being denied at a rate of 8 percent, while Hispanic applicants faced the highest conventional home purchase denial rate at 11 percent. Additionally, home purchase denial rates by race/ethnicity and income group within New Mexico demonstrates that High-Income Black and Hispanic applicants (those earning greater than 120 percent of Area Median Income) were slightly less likely to be denied for a single family home purchase, at 9 percent, than Low-Income White applicants (those earning less than 80 percent of Area Media Income), at 11 percent. Low-Income Black applicants were the group with the highest home purchase denial rate at 17 percent, 1.6 times the rate of Low-Income White applicants. High-Income White and Asian applicants were each denied at a rate of 6 percent, the lowest of all groups examined. White and Hispanic applicants demonstrated similar disparities in denial rates between Low- and High-income applicants, at 6 percent, while the gap between Low- and High-income applicants for Blacks was approximately 9 percent. Characteristics of Mortgage Borrowers During the COVID-19 Pandemic, a CFPB 2021 report reveals that Black and Hispanic borrowers account for a disproportionately high share of borrowers with forborne loans or delinquencies. Inequality in the Time of COVID-19: Evidence from Mortgage Delinquency and Forbearance, a Federal Reserve Bank of Philadelphia report from February 2021 also demonstrates that that Black and Hispanic borrowers account for a disproportionately high share of borrowers with forborne loans or delinquencies. Refer to pages 2-5 of the Plan.

In its HAF planning process, has the Participant obtained quantitative data from utility providers or entities charged with assessing and collecting property taxes or relied on quantitative data or studies to inform its planning about how to target and best serve eligible homeowners at risk of displacement due to utility arrearage or tax foreclosure?

Yes

If yes, please list and, briefly describe each source of quantitative data.

New Mexico's Public Regulation Commission (PRC) Survey of Utility Providers. In a survey of utility providers conducted in April 2021, 33 utility providers responded to the questionnaire that asked about residential accounts in arrears. Respondents reported a total of 21,251 accounts in arrears and a total of \$32,544,381 in delinquencies.

For additional detail refer to page 6 of the Plan

https://housingnm.org/uploads/documents/HAF_Plan_-_9_29_2021.pdf

In the following text box, please list any source not listed above of quantitative information, including sources of data on the performance of any of the Participant's previously implemented programs, that the Participant used to inform its HAF planning process, briefly describe how the data informed the Participant's planning.

Other data sources the Participant incorporated into its plan include the following:

Based on American Community Survey 2015-2019 5-year estimates, more than two-thirds of New Mexico's homeowner population are estimated to meet the HAF income eligibility requirements. There are an estimated 371,648 (70.9%) homeowner households that are at or below 150% Area Median Income (AMI) and 221,920 (42.4%) homeowner households that are at or below 100% AMI. Further, among New Mexico's homeowner households, 313,704 (59.4%) have a head of household who identifies as a person of color, which meets Treasury's definition

of socially disadvantaged.

American Community Survey 2015-2019 5-year estimates also show that before the coronavirus pandemic, already 103,842 (33.7%) homeowner households with a mortgage had an annual household income below \$75,000 and were housing cost burdened.

The Household Pulse Survey (HPS) indicates widespread financial hardship among New Mexico homeowners. On average during Weeks 1 through 28 of the HPS (Week 1 of the HPS covers April 23-May 5, 2020 and Week 28 covered April 14- April 26, 2021), 44.6% of New Mexican homeowner respondents reported experiencing loss of employment income since the on-set of the pandemic. This rate is higher among low- and moderate-income groups: 54.8% for homeowner households with annual income less than \$25,000, 48.8% for homeowner households with annual income between \$25,000 and \$34,999 and 45.4% for homeowner households with annual income between \$35,000 and \$49,999. Similarly, some socially disadvantaged groups reported higher rates for this same financial hardship indicator: 49.5% for Hispanic or Latino homeowner households, 45.9% of Black homeowner households, and 51.6% of multi-racial/other race homeowner households.

For additional detail refer to pages 2-4 of the Plan at https://housingnm.org/uploads/documents/HAF_Plan_-_9_29_2021.pdf

Did the Participant communicate with mortgage servicers regarding the development of its program design?

Yes

Did the Participant communicate with other HAF participants regarding the development of its program design?

Yes

How Has Community Engagement and Public Participation Informed the Participant's Planning?

Treasury will assess the extent to which a Participant's assessment of homeowner needs has been informed by and reflects input from organizations and individuals representing eligible homeowners, including any opportunities for public participation in the development of the Participant's plan. Treasury will pay particular attention to the extent of the Participant's engagement with populations that are the subject of statutory targeting requirements.

Has the Participant requested and received input on its HAF planning process from providers of housing counseling services or providers of legal assistance to homeowners facing foreclosure or displacement?

Yes

Provider information

If yes, please list such providers, including the providers' address and website. Please indicate by checking the appropriate box below if the provider's primary purpose is to serve low- and moderate-income households or to address the impacts of housing discrimination on one or more demographic groups in the Participant's jurisdiction.

Provider Name Provider Address Provider Website	Provider Primarily Serves LMI Households	Provider Addresses Impact of Housing Discrimination
United South Broadway Corp. 1500 Walter Street SE ,Albuquerque,New Mexico 87102 https://www.unitedsouthbroadway.org/	✓	✓
Senior Citizens Law Office 4317 Lead Ave SE Suite A,Albuquerque,New Mexico 87108 http://sclonm.org/	✓	✓
New Mexico Legal Aid 505 Marquette Ave NW ,Albuquerque,New Mexico 87102 https://www.newmexicolegalaid.org/	✓	✓

Has the Participant requested and received input regarding its HAF planning process from community-based organizations or organizations that serve potentially eligible homeowners?

Yes

Community Information

If yes, please list such organizations, including the providers' address and website if available. Please indicate by checking the appropriate box below if the provider's primary purpose is to serve low- and moderate-income households or to address the impacts of housing discrimination on one or more demographic groups in the Participant's jurisdiction.

Organization Name Organization Address Organization Website	Organization Primarily Serves LMI Households	Provider Addresses Impact of Housing Discrimination
Community Action Agency of Southern NM 3880 Foothills Rd. Ste. A, Las Cruces, New Mexico 88011 https://www.caasnm.org/	✓	✓
Help NM Bernalillo County Headquarters5101 COPPER AVE. NE, Albuquerque, New Mexico 87108 https://helpnm.com/	✓	✓
Echo Inc 3880 Foothills Road, Suite A, Las Cruces, New Mexico 88011 https://echoinc.org/	✓	✓
New Mexico Association of Community Partners 5101 Copper Ave NE, Albuquerque, New Mexico 87108 https://nmacp.org/	✓	✓

Eastern Plains CAA 210 W Center St, Tucumcari, New Mexico 88401 http://www.epcaa.org	✓	✓
Homewise 1301 Siler Road, Santa Fe, New Mexico 87507 https://homewise.org/	✓	✓
Tierra Del Sol 210 E. Idaho Ave., Las Cruces, New Mexico 88055 https://tdshc.org/	✓	✓
Habitat for Humanity Santa Fe 2520 Camino Entrada Ste A, Santa Fe, New Mexico 87507 https://santafehabitat.org/	✓	✓
Habitat for Humanity White Sands 1109 E 10th St, Alamogordo, New Mexico 88310 https://www.habitat.org/us-nm/alamogordo/white-...	✓	✓
Habitat for Humanity Las Cruces 720 N Santa Fe St, Las Cruces, New Mexico 88001 https://www.lascruceshabitat.org/	✓	✓
Habitat for Humanity Taos 504 Salazar Road, Taos, New Mexico 87571 https://www.taoshabitat.org/restore	✓	✓
Habitat for Humanity Los Alamos 726 N Riverside Dr, Espanola, New Mexico 87532 https://www.habitat.org/us-nm/espanola/hfh-espa...	✓	✓
Habitat for Humanity Gallup PO Box 1777, Gallup, New Mexico 87305 https://www.habitat.org/us-nm/gallup/hfh-gallup	✓	✓
Habitat for Humanity San Juan 726 N Riverside Dr, Española, New Mexico 87532 https://www.tresrioshabitat.com/	✓	✓
Habitat for Humanity Hobbs 2910 North Gantt Ave., Hobbs, New Mexico 88240 https://www.habitat.org/us-nm/hobbs/habitat-hum...	✓	✓
El Camino Real Housing Authority 301 Otero Ave E, Socorro, New Mexico 87801 http://elcaminorealhousing.org	✓	✓
Southwestern Regional Housing and Community Development Corporation 119 E Pine St, Deming, New Mexico 88030 http://swnm.org	✓	✓

Santa Fe Community Housing Trust 1111 Agua Fria St, Santa Fe, New Mexico 87501 http://housingtrustonline.org	✓	✓
New Mexico Human Services Department P.O. Box 2348, Santa Fe, New Mexico 87504 https://www.hsd.state.nm.us/	✓	✓

Has the Participant consulted with localities or tribal governments (cities, counties, or rural communities) in its jurisdiction regarding the needs of eligible homeowners in its jurisdiction?

Yes

Has the Participant provided an opportunity for public input regarding its HAF Plan through public hearings or published materials?

Yes

If yes, please indicate whether a proposed or draft plan was published, please describe where details about the comment solicitation were posted, for how long, in what languages, and whether any efforts were made to make the posting accessible to persons with disabilities or individuals without reliable internet access.

On May 13, 2021, MFA held two virtual public hearings on the Homeowner Assistance Fund. During each hearing MFA presented information on eligible HAF activities and solicited comments from members of the public. MFA advertised these hearings on its website, in an e-mail blast to nearly 2,500 of MFA’s community partners and in statewide and regional newspapers. In addition to providing information about the public hearings, the advertisements also allowed for submission of comments in writing to MFA.

To solicit input on the draft plan, MFA held an initial 7-day public comment period in July 2021 and two virtual public hearings on May 13, 2021. Plan drafts were posted to the MFA website, with paper copies available upon request. The public comment period, public hearings, and information on how to access the draft plan were advertised on MFA’s website, in e-mail blasts to nearly 2,500 of MFA’s community partners and on social media platforms Facebook, Twitter, Instagram and LinkedIn. MFA held final 7-public comment period from September 14, 2021 to September 21, 2021, the final draft plan was posted for review and MFA sent an email blast to partners.

How Will the Participant Continue to Assess the Needs of Eligible Homeowners?

Treasury anticipates that an ongoing process of assessing the needs of eligible homeowners will help address the needs of potentially eligible homeowners as economic conditions change over time.

Does the Participant plan to update its assessment of community needs within the next year to determine whether its HAF program design should be updated to address changing needs of potentially eligible homeowners?

Yes

What additional data would be helpful to the Participant as it seeks to assess homeowner needs over time?

The Participant would find monthly delinquency and foreclosure data from servicers that disaggregated borrowers delinquent since the pandemic that received HAF awards and borrowers delinquent since the pandemic that did not received HAF awards to evaluate the extent to which the Participant's program mitigates continued delinquency and foreclosure.

Other data the participant would find useful include data on mobile and manufactured home loans and delinquencies and real estate contracts and delinquencies.

Similarly, updated data from utility providers on homeowner delinquencies would be helpful in understanding the need for this program design element over time.

Finally, foreclosure data from courts could be used to assess outreach efforts related to the Foreclosure Prevention and Defense program design element.

Program Design

What are the Program Design Elements Through Which the Participant Will Deliver HAF Assistance to Eligible Homeowners?

A program design element is a specific activity or program, which is consistent with a qualified expense category, under which a Participant will disburse HAF funds in accordance with the HAF Plan. Please note that multiple program design elements may fit under a single qualified expense category; for example, a mortgage assistance program that has different terms for federally backed mortgages and manufactured-home mortgages may constitute two separate program design elements, for which case the Participant provides a separate term sheet or other description for each program design element.

HAF participants must have at least one program design element intended to reduce mortgage delinquency among targeted populations. Treasury encourages HAF participants to consider program design elements that address homeownership preservation for targeted populations in areas where there is a sustained trend of increasing property taxes or utility costs, including for households that do not have mortgages.

Please identify each qualified expense category in which the Participant will offer a program design element by checking the boxes below.

- mortgage payment assistance
- mortgage principal reduction, including with respect to a second mortgage provided by a nonprofit or government entity
- payment assistance for homeowner's utilities, including electric, gas, home energy, and water
- payment assistance for homeowner's insurance, flood insurance, and mortgage insurance
- payment assistance for delinquent property taxes to prevent homeowner tax foreclosures
- payment assistance for down payment assistance loans provided by nonprofit or government entities
- financial assistance to allow a homeowner to reinstate a mortgage or to pay other housing-related costs related to a period of forbearance, delinquency, or default
- facilitating mortgage interest rate reductions
- payment assistance for homeowner's internet service, including broadband internet access service, as defined in 47 CFR 8.1(b)
- payment assistance for homeowner's association fees or liens, condominium association fees, or common charges
- measures to prevent homeowner displacement, such as home repairs to maintain the habitability of a home or assistance to enable households to receive clear title to their properties

For each program design element that the Participant will offer, the Participant is required to upload a term sheet or other description, that, at a minimum, provides the following information regarding that program design element. Term sheets for all of Participant’s HAF programs may be uploaded together as one document.

Title	Upload Date
HAF_Plan_-_9_29_2021	12/6/2021 4:32 PM
HAF-Sample-Term-Sheets adjusted 12 6 2021	12/6/2021 4:32 PM
Homeownership Loan Reinstatement Program Term Sheet	9/20/2021 3:21 PM
Property Charge Default Resolution (Insurance) Term Sheet	9/20/2021 3:21 PM
New Mexico_HAF-0109_Feedback_response 12.6.2021	12/6/2021 4:32 PM
Property Charge Default Resolution (Taxes) Term Sheet	9/20/2021 3:21 PM
Homeownership Loan Payment Assistance Term Sheet	9/20/2021 3:21 PM
Utility Assistance Term Sheet	9/20/2021 3:21 PM
New Mexico_HAF-0109_Feedback_revised 1 4 2021	1/4/2022 3:48 PM

A HAF participant may elect to revise its HAF Plan over time to add or subtract program design elements. Does the Participant anticipate adding additional program design elements to this HAF Plan within one year of this submission?

No

Treasury has provided sample term sheets to assist HAF participants in developing their HAF plans. Participants may use these sample term sheets, in whole or in part, as part of their submission. To the extent the Participant intends to structure the program differently with respect to significant program terms described in the Sample Term Sheets, Treasury will, in the course of its review of the HAF Plan, request a justification for how the alternate approach will further the objectives of the HAF, including targeting and prioritization requirements. In the chart below, the HAF Participant may provide a justification for significant deviations from the terms described in the sample term sheets upon initial submittal. (optional for initial submission)

Program Design Element	Deviation from sample terms	Justification
	The following language is removed from the Participant Reinstatement Program Term sheet: “HAF funds	The Participant seeks supplement the loss mitigation process by allowing funding of homeownership loan reinstatements prior to or during loss mitigation for several reasons. The Participant seeks to avoid stripping equity from eligible homeowners, which may be a consequence of the loss mitigation process. This risk is especially true for low-income families and families of color, whose progress in wealth building through homeownership have been jeopardized by the pandemic. This concern is particularly acute in New Mexico, which has slower growth in home equity and lower incomes compared to

<p>Homeownership Loan Reinstatement Program</p>	<p>will be used only to supplement other loss mitigation options offered by the servicer under investor requirements or where, without HAF funds, the homeowner would not qualify for that loss mitigation option.”</p> <p>The language is replaced as follows:</p> <p>“Where loss mitigation is available, HAF funds may be used to supplement loss mitigation. Assistance will be available for households without access to loss mitigation or that have already exhausted loss mitigation. HAF funds may also be used prior to or during the loss</p>	<p>neighboring states and the nation. During the first quarter of 2021, the national year over year change in home equity for homeowners with a mortgage in New Mexico was \$26,000, which is notably lower than Utah (\$53,000), Arizona (\$51,000), Colorado (\$47,000), and the average American homeowner (\$33,400) (CoreLogic Homeowner Equity Insights). Further, 2% of home loans in New Mexico are in a negative equity position. In some rural counties the rate exceeds 5% (CoreLogic Market Trends). New Mexico is one of the poorest states in the nation. According to American Community Survey data, our poverty rate is 18% (compared to 13% in the U.S.) and our median homeowner household income is \$60,492 (compared to \$79,270 in the U.S.). The loss of this equity will have a significant impact on New Mexican households, who do not have the incomes to build it back.</p> <p>Additionally, the Participant believes it is further supplementing the loss mitigation process by maxing out the cap on housing counseling and legal services, which are the entities best suited to support homeowners for the best loss mitigation outcome.</p> <p>Finally, the administrative burden of forcing applicants into the loss mitigation process will likely result in concerning delays in remitting</p>
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	mitigation process.”	assistance and facilitating uniform coordination with homeownership loan servicers is practically impossible.
Homeownership Loan Payment Assistance Program	<p>The following eligibility criteria is removed from the Participant Loan Payment Assistance Program Term sheet:</p> <p>“Statement of the homeowners’ current ability to resume any required regular payments after account is reinstated (OR) Ability to resume any required regular payments with assistance from Grantee Mortgage Payment Assistance Program.”</p> <p>Instead, the Participant will conduct a cost ratio as described in the corresponding Term Sheet.</p>	<p>The Participant chose to remove this language because the assistance will provide households a measure against displacement while engaging with servicers or arranging a plan to resume regular payments.</p> <p>The Participant included the cost ratio to demonstrate that the applicant is housing cost burdened and therefore in the need of ongoing assistance.</p> <p>Finally, the Participant will offer housing counseling services to applicants through the proposed Foreclosure Prevention and Defense Program intended to assist households achieve affordable and sustainable housing costs.</p>
	The following language is removed from the Participant Monthly	

<p>Homeownership Loan Payment</p>	<p>Assistance Program Term sheet:</p> <p>“HAF funds will only be used to supplement other loss mitigation measures offered by the servicer or where HAF funds are necessary for the homeowner to qualify for other such loss mitigation measures.”</p> <p>The language is replaced as follows:</p> <p>“Where loss mitigation is available, HAF funds may be used to supplement loss mitigation. Assistance will be available for households without access to loss mitigation or that have already exhausted loss mitigation. HAF funds may also be used prior to or during the</p>	<p>As one of the poorest states in the nation (New Mexico’s poverty rate is 18%, and the median household income for homeowners of \$60,492), the Participant seeks to urgently deploy homeownership loan payment assistance to eligible homeowners. The Participant seeks to reduce program barriers and complexities, such as requiring assistance supplement loss mitigation where possible, that could cause delays in funding remittance and consequently result in unnecessary delinquencies, foreclosures, and/or financial stress.</p> <p>National surveys and local partners have evidenced that many households have prioritized housing payments during the pandemic by tapping into savings, borrowing from families, or relying on credit cards (AP-NORC Center for Public Affairs Research. March 9, 2021. “Americans Experiencing Contrasting Financial Impacts of the Pandemic.”). Providing homeownership loan payment assistance will offer immediate relief to eligible households and potentially preserve loss mitigation options in the event of future financial hardship.</p>
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Assistance Program	loss	
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	mitigation process.”	
Homeownership Loan Payment Assistance Program	<p>The following language is removed from the Participant Monthly Assistance Program Term sheet:</p> <p>No additional forbearance available.</p>	<p>The Participant seeks to urgently deploy homeownership loan payment assistance to eligible homeowners. The Participant intends to reduce program barriers and complexities, such as requiring assistance supplement loss mitigation where possible, that could cause delays in funding remittance and consequently result in unnecessary delinquencies, foreclosures, and/or financial stress.</p> <p>Providing homeownership loan payment assistance without verifying that no additional forbearance is available will offer immediate relief to eligible households and potentially preserve loss mitigation options in the event of future financial hardship.</p> <p>Where loss mitigation, including forbearance, is available, HAF funds may be used to supplement loss mitigation. Assistance will be available for households without access to loss mitigation or that have already exhausted loss mitigation. HAF funds may also be used prior to or during the loss mitigation process.</p>

Documentation of Homeowner Income

Homeowners are eligible to receive amounts allocated to a HAF participant under the HAF only if they have incomes equal to or less than 150% of the area median income or 100% of the median income for the United States, whichever is greater. In addition, not less than 60% of amounts made available to each HAF participant must be used for qualified expenses that assist homeowners having incomes equal to or less than 100% of the area median income or equal to or less than 100% of the median income for the United States, whichever is greater. The HAF guidance describes permissible ways for HAF participants to determine homeowner income.

Under the HAF guidance, one permissible approach for determining income is for (1) the household to provide a written attestation as to household income and (2) the HAF participant to use a reasonable fact-specific proxy for household income, such as reliance on data regarding average incomes in the household’s geographic area. Will the Participant allow income to be determined in this way?

No

Under the HAF guidance, HAF participants may provide waivers or exceptions to this documentation requirement as reasonably necessary to accommodate extenuating circumstances, such as disabilities, practical challenges related to the pandemic, or a lack of technological access by homeowners; in these cases, the HAF participant is still responsible for making the required determination regarding household income and documenting that determination. Will the Participant allow applicants to request such waivers or exceptions?

Yes

Eligible Mortgage Types

Please indicate which of the following mortgage types are eligible to be assisted under one or more of the Participant’s program design elements.

- ✓ First Mortgages
- ✓ Reverse Mortgages (Home Equity Conversion Mortgages, Single-Purposes Reverse Mortgages, or Proprietary Reverse Mortgages)
- ✓ Contracts for Deed or Land Contract (if it is a credit transaction secured by a consensual security interest in a dwelling)
- ✓ Second Mortgages
- ✓ Loans Secured by Manufactured Housing (secured by real estate or dwelling)

If the Participant excludes any of the forgoing mortgage types from one or more program design elements, explain the exclusion.

All are allowable.

How Will the Participant Target HAF Resources Consistent with Statutory Requirements?

The Participant must describe how it will target HAF resources in accordance with the HAF guidance. Targeting strategies are affirmative efforts to inform, encourage the participation of, and facilitate access to resources for targeted households, including by offering multiple intake formats, engaging with nonprofit organizations (e.g., housing counselors or legal services organizations) to provide additional pathways into the program, and providing community outreach, partnerships with housing counseling agencies or legal aid organizations, or other educational services that are aligned with the HAF participant’s program design, in a manner that is culturally and linguistically relevant to the targeted communities.

Defining Socially Disadvantaged Individual

Please describe the process the Participant will use to determine whether a homeowner is a “socially disadvantaged individual” as defined in the HAF guidance.

The Participant will determine whether a homeowner is “socially disadvantaged” based on data captured through the program application, including race, ethnicity, and county, in addition to household size and income. These homeowner attributes will allow for prioritization of funding as required by the Treasury.

At its discretion the Participant will rely on a homeowners’ address to determine if the homeowner resides in a persistent poverty county. The Participant will draw on the most recent data reporting persistent poverty counties (https://www.mycdfi.cdfifund.gov/what_we_do/persistentpoverty.asp) and will update persistent poverty county designations once data from the 2020 census is released.

Public Communications

Will the Participant engage in a public communications campaign to raise awareness among targeted populations about the availability of HAF resources, in media such as television, newspapers, online media, or social media?

Yes

If yes, please indicate whether the public communications campaign will include communications that primarily target the following populations:

- Homeowners earning less than 100% of area median income
- member of a group that has been subjected to racial or ethnic prejudice or cultural bias within American society;
- resident of a majority-minority Census tract; (3)
- resident of a U.S. territory, Indian reservation, or Hawaiian Home Land
- homeowners in persistent poverty counties;
- individual with limited English proficiency

Please indicate in which languages, in addition to English, public communications to targeted populations will be undertaken:

Spanish; Vietnamese

Outreach

Will the Participant engage in outreach through partnerships with organizations that focus primarily on serving homeowners earning incomes below 100% of area median income or socially disadvantaged individuals and that have the capacity to engage targeted communities in a culturally and linguistically relevant manner to encourage the submission of applications for HAF resources from targeted populations?

Yes

If yes, please indicate whether the community outreach efforts will include partnerships with organizations that primarily target the following populations:

- member of a group that has been subjected to racial or ethnic prejudice or cultural bias within American society;
- resident of a majority-minority Census tract; (3) individual with limited English proficiency;
- resident of a U.S. territory, Indian reservation, or Hawaiian Home Land;
- homeowners that reside in persistent poverty counties;
- individual with limited English proficiency.

Housing Counseling and Legal Services

Will the Participant facilitate access for eligible households to housing counseling or legal services?

Yes

If yes, please identify below the providers of housing counseling or legal services that have indicated to the Participant that they are willing and able to support homeowners receiving assistance under the Participant's

HAF programs.

Provider Name Provider Address Provider Website	Provider Primarily Serves LMI Households	Provider Addresses Impact of Housing Discrimination
United South Broadway Corp. 1500 Walter Street SE , Albuquerque, New Mexico 87102 https://www.unitedsouthbroadway.org/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Senior Citizens Law Office 4317 Lead Avenue SE Suite A, Albuquerque, New Mexico 87108 http://sclonm.org/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
New Mexico Legal Aid 505 Marquette Ave NW , Albuquerque, New Mexico 87102 https://www.newmexicolegalaid.org/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Targeting specific groups of homeowners

Will the Participant conduct outreach specifically tailored to target potentially eligible households that:

- have mortgages or mortgage assistance contracts held or backed by the Participant?
- have mortgages backed by any of the following agencies: Federal Housing Administration; Department of Veterans Affairs; U.S. Department of Agriculture?
- have privately held mortgages?

What Efforts will be Made to Address Barriers to HAF Program Participation for Potentially Eligible Homeowners, Including Those with Limited English Proficiency or Who are Disabled?

Targeted outreach may be needed to reach homeowners who are likely to experience barriers to access, including persons with limited English proficiency and those with disabilities.

Indicate all of the languages, in addition to English, in which the Participant’s HAF application and other program documents will be made available.

Spanish; Vietnamese

Will the Participant’s HAF applications and other program documents be provided in forms that are accessible to persons with disabilities?

Yes

Performance Goals

Treasury will consider the goals and benchmarks the Participant proposes to use to measure the effectiveness of its programs, including whether those goals address the homeowner needs identified by the Participant, the extent to which the goals are disaggregated by key homeowner characteristics as appropriate for the jurisdiction, and whether they include a goal focused on reducing mortgage delinquency.

Please describe Participant's goals and benchmarks for each of its programs with the following program design elements.

Program Design Element	Metric of Success	Goal
Mortgage Payment Assistance	Number of households that receive at least one month of homeownership loan payment assistance	Assist 700 households with at least one monthly housing cost payment
Mortgage Reinstatement	Number of households that receive assistance to fully or partially reinstate mortgages	Assist 1,300 households to fully or partially reinstate housing cost delinquency
Payment Assistance for Homeowners Utilities	Number of households that receive assistance for utilities (e.g., electric, gas, home energy, and water)	Assist 5,000 households with utility payments
Payment Assistance for Homeowner's Insurance	Number of households that receive assistance for homeowner's insurance, including flood insurance.	Assist 750 households with homeowner's insurance charges
Payment Assistance for Delinquent Property Taxes	Number of households that receive assistance for delinquent property taxes to prevent homeowner tax foreclosures	Assist 175 households with delinquent property tax charges

Readiness

Staffing, Systems and Contractors

Treasury seeks information regarding the Participant's organizational capacity to implement its HAF Plan.

Does the Participant anticipate needing to hire additional staff to implement this HAF Plan?

No

Does the Participant anticipate significant information technology system upgrades to implement this HAF Plan?

Yes

Does the Participant have policies or procedures that govern the implementation of each HAF program design element described in this HAF Plan?

No

If no, is a policy and procedure in development for each HAF program design element described in this HAF Plan?

Yes

Will the Participant use HAF funds to assist eligible households through a program that was operational before the Participant first received HAF funds?

Yes

If yes, has the documentation for that pre-existing program been adapted to HAF requirements (please answer yes if the pre-existing program already complied with HAF program requirements)?

Yes

Will the Participant use any third-party contractor or partner to conduct program administration (such as reviewing applications, determining eligibility, processing payments, conducting reporting, and reviewing compliance) for some or all of the Participant's HAF programs?

No

Use of Initial Payment

If the Participant has already received any HAF funds from Treasury, provide the following information about the use of such funds as of June 30, 2021.

What amount of the HAF funds that the Participant has received been disbursed to eligible homeowners?

\$4,335,393.59

Has the Participant begun accepting applications from homeowners for any HAF-funded programs?

Yes

How much of the HAF funds that the Participant has received been obligated?

\$5,517,268.00

How many households have applied for HAF assistance?

1,620

How many households has the Participant provided with housing counseling or legal services using HAF funds?

0

How many households has the Participant provided with assistance using HAF funds?

866

Provide a brief description of how the Participant has used the HAF funds it has received.

On May 18, 2021, MFA launched a Homeowner Assistance Fund pilot program (HAF Pilot Program) to provide mortgage, real estate contract, mobile home loan, mobile home lot, property tax and homeowner's insurance assistance, to eligible homeowners who are delinquent on their payments. Homeowners must have a household income at or below 100% of the area median income. The program provided a maximum of \$10,000 of housing assistance per household and serves eligible households statewide. The program stopped accepting applications on August 16, 2021 due to the newly issued Treasury Guidance and to ensure the Participant did not oversubscribe the HAF Participant pilot program (10% of total allocation).

Budget

Budgeting of HAF Funds by Program Design Element

Specify the amounts of HAF funds that the Participant proposes to allocate to each of the following program design elements, if offered:

Measure	Amount
Mortgage Payment Assistance	\$12,250,000.00
Mortgage Principal Reduction	\$0.00
Payment Assistance for Homeowner's Internet Service	\$0.00
Payment Assistance for HOA fees or liens	\$0.00
Payment Assistance for Delinquent Property Taxes	\$490,000.00
Mortgage Reinstatement	\$22,155,000.00
Facilitate Mortgage Interest Rate Reduction	\$0.00
Payment Assistance for Homeowner's Insurance	\$105,000.00
Payment Assistance for Down Payment Assist. Loans	\$0.00
Payment Assistance for Homeowners Utilities	\$5,270,296.00

Other measures to prevent homeowner displacement

Measure	Amount
HAF Pilot Program	\$4,671,917.00

Displacement Prevention Sub-Total	\$44,942,213.00
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Counseling or Legal Services

The Participant may allocate up to 5% of its HAF funds for counseling or educational efforts by housing counseling agencies approved by the Department of Housing and Urban Development or a tribal government, or legal services, target to households eligible to be served with funding from the HAF related to foreclosure prevention or displacement.

Specify the Participant's allocations for the following	Amount
Counseling or Educational Services	\$2,091,475.50
Legal Services	\$697,158.50

Services Sub-Total	\$2,788,634.00
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Reimbursement of Funds Expended After January 21, 2020

As described in the HAF guidance, HAF funds may be used for reimbursement of certain expenses between January 21, 2020 and the date when the first HAF funds are disbursed by the HAF participant under the HAF for a qualified expense (with certain limitations, as set forth in the HAF guidance).

Type of Expense	Amount
We do not anticipate this issue at this time.	\$0.00

Reimbursement Sub-Total	\$0.00
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Allocation of Administrative Expenses

Type of Expense	Amount
Salaries for program management and compliance - 5 years	\$3,646,693.00
Legal compliance costs - 5 years	\$25,847.00
Supplies - Utility Assistance Program - 5 years	\$15,650.00
Public Information / Marketing Materials	\$825,000.00
Software	\$460,000.00
Benefits	\$1,739,584.00
Indirect Costs	\$483,712.00
Admin for Pilot Program launched May, 2021	\$845,351.00

Administrative Expenses Sub-Total	\$8,041,837.00
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Total Plan Requested Amount	\$55,772,684.00
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Amount Requested Confirmation:

Yes

Contacts

Please identify up to three contacts for the Participant- a primary contact, a designated point of contact for reporting, and an additional contact.

Primary Contact

Name: **Rebecca Velarde**

Agency/Office: **New Mexico Mortgage Finance Authority**

Email: rvelarde@housingnm.org

Phone Number: **5057672273**

Reporting Contact

Name: **Robyn Powell**

Agency/Office: **New Mexico Mortgage Finance Authority**

Email: rpowell@housingnm.org

Phone Number: **5057672271**

Additional Contact

Name: **Donna Montoya Trujillo**

Agency/Office: **New Mexico Department of Finance and Administration**

Email: donnam.trujillo@state.nm.us

Phone Number: **5053403398**

Proprietary or Otherwise Non-Public Information

Does your plan submission include any information or materials that are proprietary or otherwise non-public?

No

If "Yes," please indicate which information or materials are proprietary or otherwise non-public.

Title VI Assurances

You must provide on behalf of the HAF Participant assurances that the HAF Participant will comply with Title VI of Civil Rights Act of 1964. Please download the assurances, then review, sign, and upload the signed copy to this page before submitting the HAF Plan.

Title	Upload Date
20210924110851	9/24/2021 1:16 PM

Official Certification

I (the undersigned) certify that the information provided in the HAF submission is accurate and complete after reasonable inquiry of people, systems, and other information available to the HAF Participant. The HAF participant and I acknowledge that any materially false, fictitious, or fraudulent statement or representation (or concealment or omission of material fact) in this submission may be the subject of criminal prosecution under the False Statements Accountability Act of 1996, as amended, 18 U.S.C. § 1001 and also may subject me and HAF Participant to civil penalties and/or administrative remedies for false claims or otherwise, (including 31 U.S.C. §3729 et seq.). I am an authorized representative of HAF Participant with authority to make the above certifications and representations on behalf of the HAF Participant.

Name of HAF Participant:

State of New Mexico

Name and Title of Certifying Official

Name: **Deborah Romero**

Title: **NM Dept. of Finance and Administration Cabinet Secretary**

Telephone: **5058274985**

Email: debbie.romero@state.nm.us