



## **The New Mexico Mortgage Finance Authority (“MFA”)**

### **Introduction**

#### **MFA Mandate**

In 1975 the New Mexico state legislature created the New Mexico Mortgage Finance Authority, a public body politic and corporate, separate and apart from the state, constituting a governmental instrumentality, with the power to raise funds from private investors in order to make such private funds available to finance the acquisition, construction, rehabilitation and improvement of residential housing for persons and families of low or moderate income within the state

#### **Mission Statement**

MFA provides innovative policies, products, education and services in collaboration with strategic partners to ensure that all New Mexicans have access to affordable housing. We engage in self-sustaining practices to strengthen the social and economic development of New Mexico’s communities and families by financing, developing, and preserving homes.

#### **Vision Statement**

All New Mexicans will have quality affordable housing opportunities.



## The New Mexico Mortgage Finance Authority (“MFA”)

### First Mortgage Programs

MFA offers several different interest rates and pricing structures with our first and second mortgage programs. (See current NOFA for interest rates and income limits)

	Programs	Points Discount and Origination	Down Payment Assistance
1)	Mortgage\$aver Is a 30-year fixed-rate loan available at a rate below the 30-year fixed “market” rate. Borrower must be a first-time homebuyer.	(1 + 1)	0.0 %
2)	Mortgage\$aver Xtra Features a deeply discounted interest rate for very low income borrowers (at or below 50% of Area Median Income {AMI}). Borrower must be a first-time homebuyer.	(1 + 1)	0.0 %
3)	Mortgage\$aver Zero Is just about even with the 30-year fixed “market” rate, but has no origination fee or discount fee. Borrower must be a first-time homebuyer.	(0 + 0)	0.0 %
4)	Mortgage\$aver Plus Is at a rate that is slightly higher than the 30-year fixed “market” rate, but has no origination fee or discount fee and features a 3.50% (of total loan amount) down payment assistance grant “built-in” to the loan. Borrower must be a first-time homebuyer.	(0 + 0)	3.5 %
5)	HERO Is a 30-year fixed rate mortgage available for both first-time homebuyers (over the Mortgage\$aver income limits) and non-first-time homebuyers at a below “market” rate.	(1 + 1)	0.0 %



## **The New Mexico Mortgage Finance Authority (“MFA”)**

### **Second Mortgage Programs**

#### Programs

1) Mortgage Booster

Is a second mortgage product that provides down payment and closing cost assistance to borrowers who qualify for MFA’s Mortgage\$aver Program with a maximum loan amount of \$8,000.00. The Mortgage Booster can be used with Mortgage\$aver, Mortgage\$aver Xtra or Mortgage\$aver Zero First Mortgage Programs. The Mortgage Booster interest rate (30-year fixed) is priced at 6.00% The lender may charge a \$100.00 origination fee. (See current NOFA income limits.)

2) HERO DPA

Is a second mortgage product that provides down payment and closing cost assistance to borrowers who qualify for MFA’s HERO First Mortgage Program. The interest rate (30-year fixed) is the same as the HERO First Mortgage Program without any points. The lender may charge a \$100.00 origination fee. (See current NOFA for interest rates and income limits.)

3) Payment\$aver

The Payment\$aver can be used with Mortgage\$aver, Mortgage\$aver Xtra or Mortgage\$aver Zero First Mortgage Programs, however, the income limits for Payment\$aver are much lower. The second mortgage product provides down payment and closing cost assistance (excluding pre-paid items) and cannot be used within the City Limits of Albuquerque.

The Payment\$aver is considered to be a soft second mortgage because the interest rate is zero percent (0.0%). The maximum loan amount is the lesser of 8.0% of the sales price or \$8,000.00. The loan does not need to be paid back until the property is sold, refinanced, or transferred and it is assumable if the buyer meets program eligibility requirements. After 5 years, this loan may be forgiven at a rate of 20% per year. (See current



NOFA for income limits.)

## **The New Mexico Mortgage Finance Authority (“MFA”)**

### **Second Mortgage Programs (Continued)**

#### Programs

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#### 4) Helping Hand

The Helping Hand can be used with Mortgage\$aver, Mortgage\$aver Xtra or Mortgage\$aver Zero First Mortgage Programs, however, the income limits for Helping Hand are much lower. The second mortgage product provides down payment and closing cost assistance (including pre-paid items unlike Payment\$aver) and can be used Statewide because of the special needs borrowers.

At least one member of the family must be disabled and meet the ADA definition of disability. The Helping Hand is considered to be a soft second mortgage because the interest rate is zero percent (0.0%). The loan amount is \$8,000.00 (unlike Payment\$aver the borrower receives \$8,000.00 no matter what the sales price is). The loan does not need to be paid back until the property is sold, refinanced, or transferred and it is assumable if the buyer meets program eligibility requirements. After 5 years, this loan may be forgiven at a rate of 20% per year. (See current NOFA for income limits.)