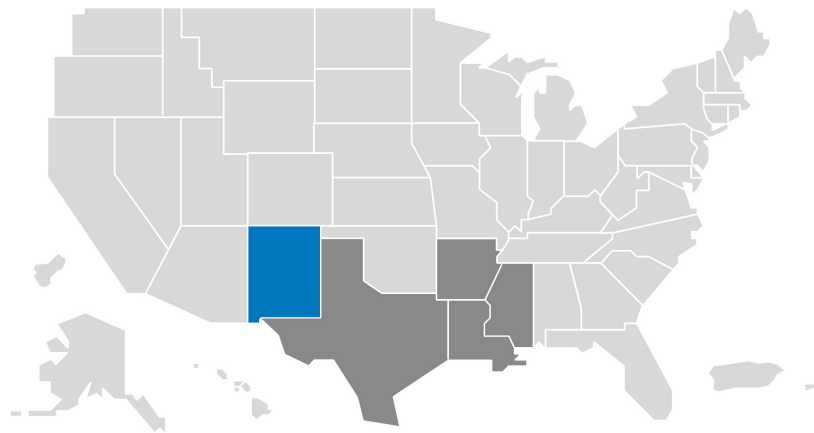


ENHANCING LIVES, IMPACTING COMMUNITIES: THE FEDERAL HOME LOAN BANK SYSTEM



Member driven.
Community focused.

NEW MEXICO
STATE REPORT

NEW MEXICO STATE REPORT

Table of Contents



Rental, Home Construction and Rehabilitation Activities Economic Basis	2
Home Purchase Activities Economic Basis.....	3
Rental, Home Construction and Rehabilitation Activities Economic Impact	4
Home Purchase Activities Economic Impact.....	5
Story Narrative.....	6
Project Profile: Rental Activity	7
Story Narrative.....	8

Since its creation in 1989, the Federal Home Loan Bank System’s Affordable Housing Program (AHP) has been a substantial and valuable source of real estate equity for the financing of affordable housing in the United States. From 1990 through 2016, the 11 Federal Home Loan Banks (FHLBanks) collectively contributed more than \$4.1 billion (\$5.4 billion in inflation-adjusted dollars) in AHP real estate finance equity for rental, home construction and rehabilitation activities. This equity was combined with \$65.7 billion (\$83.9 billion in inflation-adjusted dollars) in leveraged dollars from other private and public sources, enabling \$69.9 billion (\$89.3 billion in inflation-adjusted dollars) in total development funding for more than 601,000 housing units. From 1995 through 2016, the FHLBanks also collectively contributed approximately \$1.0 billion (\$1.2 billion in inflation-adjusted dollars) in AHP equity for down payment assistance and mortgage principal reduction, assisting more than 183,000 home purchase activities. Each FHLBank allocates at least 10 percent of its annual net earnings to fund its AHP. As such, the continued operating and mission success of the FHLBanks has directly enhanced the development and purchase of affordable housing throughout the country and has had a positive impact on local and state economies and on the national economy. The state of New Mexico is in the Dallas district. This report details the economic impact of housing within New Mexico that has been enhanced by AHP funding from 1990 through 2016.*

* Note: some projects within New Mexico may have received AHP funding from a Federal Home Loan Bank other than FHLBank Dallas. For further detail on the economic impact study methodology, please see: Study Methodology and Appendices Report.

NEW MEXICO Rental, Home Construction and Rehabilitation Activities

Economic Basis



\$24.75 MILLION

TOTAL AHP SUBSIDY

AHP provides real estate finance equity for both rental and for-sale housing. AHP is more often referred to as a subsidy or grant and is delivered to FHLBank-member financial institutions to assist in the funding for construction, rehabilitation and purchase of affordable housing.

\$34.67 MILLION

TOTAL AHP SUBSIDY INFLATION-ADJUSTED



\$338.09 MILLION

DEVELOPMENT COST

Development Cost refers to the cost of acquiring land or pre-existing housing units, demolition and/or relocation costs and any costs incurred while constructing, rehabilitating or redeveloping housing.

\$444.27 MILLION

DEVELOPMENT COST INFLATION-ADJUSTED

 **170**

PROJECTS

Projects refers to the distinct use of AHP funding for a specific acquisition, construction or rehabilitation of building(s) or housing unit(s).

 **4,057**

TOTAL UNITS

Total Units refers to the total number of single-family and multifamily units constructed using AHP funding, where each individual dwelling unit in a multifamily building is counted separately.

Inflation-Adjusted refers to the measure of return that takes into account the time period's inflation rate. For example, \$100 in 1990 is worth \$192 in 2018. This study reports all economic impacts in inflation-adjusted dollars.

NEW MEXICO Home Purchase Activities

Economic Basis



\$3.70 MILLION

TOTAL AHP SUBSIDY

AHP provides real estate finance equity for both rental and for-sale housing. AHP is more often referred to as a subsidy or grant and is delivered to FHLBank-member financial institutions to assist in the funding for construction, rehabilitation and purchase of affordable housing.

\$4.66 MILLION

TOTAL AHP SUBSIDY INFLATION-ADJUSTED



\$17.74 MILLION

FIRST MORTGAGES

First Mortgages refers to the volume and value of first-lien position mortgages financed by lenders in a home purchase activity.

\$20.26 MILLION

FIRST MORTGAGES INFLATION-ADJUSTED

 **589**

TOTAL UNITS

Total Units refers to the total number of single-family and multifamily units constructed using AHP funding, where each individual dwelling unit in a multifamily building is counted separately.

Inflation-Adjusted refers to the measure of return that takes into account the time period's inflation rate. For example, \$100 in 1990 is worth \$192 in 2018. This study reports all economic impacts in inflation-adjusted dollars.

NEW MEXICO Rental, Home Construction and Rehabilitation Activities

Economic Impact



\$823.90 MILLION

TOTAL ECONOMIC BENEFITS

Total Economic Benefits measure the economic activities associated with rental, home construction and rehabilitation enhanced by AHP funding.



6,748 JOBS

JOB CREATION

Job Creation includes new full-time, part-time, temporary, permanent, salary-based and fee-based jobs generated by the addition of AHP-enhanced rental, home construction and rehabilitation activities.



\$261.68 MILLION

LABOR INCOME

Labor Income refers to all forms of income that stem from employment, such as salaries and hourly wages and profits made by developers, builders and contractors.

1.85

MULTIPLIER (IMPLAN Factor)

Multiplier is a term used for the economic ripple effect measured by an economic impact model. In this case, the multiplier effect accounts for how each additional job or dollar of output enhanced by AHP funding impacts the home construction and rehabilitation of affordable rental and housing units.

\$23.47 MILLION

TAX REVENUE

Tax Revenue includes the revenue generated by local and state taxes related to rental, home construction and rehabilitation.

All dollars are in inflation-adjusted dollars.

NEW MEXICO Home Purchase Activities

Economic Impact



\$211.78 MILLION

TOTAL ECONOMIC BENEFITS

Total Economic Benefits measure the economic activities associated with home purchases, enhanced by AHP funding.



1,369 JOBS

JOB CREATION

Job Creation includes new full-time, part-time, temporary, permanent, salary-based and fee-based jobs generated by the addition of AHP-enhanced home purchase activities.



\$44.59 MILLION

LABOR INCOME

Labor Income refers to all forms of income that stem from employment, such as salaries and hourly wages and profits made by developers, builders and contractors.

2.05

MULTIPLIER (IMPLAN Factor)

Multiplier is a term used for the economic ripple effect measured by an economic impact model. In this case, the multiplier effect accounts for how each additional job or dollar of output enhanced by AHP funding impacts the home purchases of affordable housing units.

\$4.35 MILLION

TAX REVENUE

Tax Revenue includes the revenue generated by local and state taxes related to rental, home construction and rehabilitation.

HELP Grant Gives New Mexico Single Parent the Boost Needed to Buy Her Home



Maria Pereira and her 12-year-old son were living in a rental home when she heard about a Homebuyer Education program offered through Homewise, Inc., a Santa Fe, New Mexico-based nonprofit and Community Development Financial Institution that helps New Mexicans become successful homeowners.

At the class, Pereira learned of an added benefit. She applied and qualified for a \$4,000 Homebuyer Equity Leverage Partnership (HELP) grant through New Mexico Bank and Trust and the Federal Home Loan Bank of Dallas (FHLB Dallas).

HELP grants are offered through FHLB Dallas members, such as New Mexico Bank and Trust, to assist income-qualified, first-time homebuyers with down payments and closing costs on newly constructed or existing homes.

Homewise helps its local residents with credit building, establishing savings accounts and other aspects of homebuyer education.

Pereira worked with Homewise's lending department to obtain a fixed-rate loan with which to purchase her first home. Pereira, a 40-year-old food -service worker, said she would not have been able to buy the home without the grant.

"When you rent, you are giving your money to somebody else and the home is not yours," she says. "Buying my own home was the most responsible thing to do. I feel more independent and I'm providing stability for my son."

**Santa Fe
New Mexico**

NEW MEXICO

Project Profile: Rental Activity



The Imperial Building

The Imperial Building, a 74-unit, five-level mixed-use apartment community in the heart of downtown Albuquerque, New Mexico, opened in 2016, thanks in part to a \$378,000 Affordable Housing Program (AHP) grant from Wells Fargo and FHLB Dallas. The grant was awarded to YES Housing in 2014, and provided gap funding to aid in the construction of the apartment community. Featuring underground parking for residents and a rooftop garden, the Imperial Building is anchored by a 10,000-square-foot grocery store, the area’s first grocery store in decades.

SOURCES		
Low-Income-Housing Tax Credit	\$	11,845,939
City of Albuquerque	\$	3,375,000
Chase Bank	\$	1,320,000
New Mexico Housing Trust Fund	\$	500,000
AHP Grant—FHLB Dallas	\$	378,000
Deferred Developer Fee	\$	120,136
YES Housing	\$	114,061
New Mexico Mortgage Finance Authority Primero	\$	105,000
City Land Donation	\$	100,000
New Mexico State Environment Department	\$	50,125
Bernalillo County	\$	5,000
Total	\$	17,913,261

\$378,000 Grant Helped Redefine Affordable Housing in Downtown Albuquerque



The Imperial Building

Once a thriving mecca of commerce and activity, downtown Albuquerque mirrored the economic growth of many American cities in the mid- to late-20th century. However, as Albuquerque residents began moving to the suburbs, the once-thriving downtown core struggled to keep residents, and commercial development slowed almost to a halt.

Today, downtown Albuquerque appears to be reclaiming some of its former glory as a community-wide effort to revitalize the area is under way.

Part of that revitalization effort is the Imperial Building, a 74-unit, five-level, mixed-use apartment community in the heart of downtown Albuquerque. Thanks in part to a \$378,000 Affordable Housing Program (AHP) grant from Wells Fargo and FHLB Dallas, the Imperial Building opened its doors to Albuquerque families in May 2016. The grant was awarded to YES Housing in 2014 and provided gap funding to aid in the construction of the apartment community. Featuring underground parking for residents and a rooftop garden, the Imperial Building is anchored by a 10,000-square-foot grocery store, the area's first grocery store in decades.

"It's going to improve the lives of New Mexicans in so many ways," says U.S. Representative Michelle Lujan Grisham (D-NM). "This is what happens when everyone comes together, including our banking partners."

In addition to bringing affordable housing and a grocery store to an area considered a "food desert," the Imperial Building project also brought 350 full-time and part-time jobs to the area.

"We are proud to support this community in any way we can," says Pat Nie, vice president of community development at Wells Fargo. "Wells Fargo is honored to play a role in seeing this project come to fruition."

**Albuquerque
New Mexico**

