NORTHERN MARIANAS HOUSING CORPORATION

CITIZEN CENTRIC REPORT FISCAL YEAR 2026

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GOVERNANCE

NMHC MANAGEMENT

Zenie (Jeannie) P. Mafnas,
Corporate Director

Jesse S. Palacios,
Deputy Corporate Director

Michelle Z. Gibson,
Chief Financial Officer

Board of Directors

Merced "Marcie" M. Tomokane,
Chairwoman (Saipan)

Vina Saures-Ayuyu,
Vice Chairwoman (Saipan)

Vinney Atalig-Hocog,
Treasurer (Rota)

Mathew Masga,
Secretary (Tinian)

Janet Maratita,
Director (Saipan)

Mission Statement

NMHC is committed to providing efficient and responsive delivery of housing, mortgage and community development programs to the people of the Commonwealth; affording fair and equal opportunity to housing programs and services for all, with special emphasis to very-low, low and moderate income individuals, elderly and persons with disabilities; increasing and implementing home ownership programs with houses that are safe, decent, sanitary and affordable; encouraging and promoting economic independence, self-sufficiency and upward mobility for families; and implementing programs to address the growing and future needs and economic viability of the communities in the Commonwealth.

Overview

Pursuant to the Governor's Executive Order 2020-21, NMHC is no longer a subsidiary corporation of CDA effective September 24, 2021. Since the separation of CDA, a new set of Board of Directors was established. NMHC was established to develop and administer residential housing for very low, low, and medium income households in the CNMI, and provide subsidized low-interest loans for construction and rehabilitation of such housing. The primary purpose and functions of NMHC are to administer direct loans to qualified individuals for housing construction; participate as guarantor or trustee in housing loan programs; develop and manage rental housing; construct and/or administer other Federal and local residential and housing projects; and participate in programs subsidized by HUD. NMHC serves the low and moderate-income population on Saipan, Tinian, and Rota, by providing safe, decent, sanitary, affordable housing; and, community facilities through its housing and community development programs.

Goals

Expand the supply and improve quality of assisted housing; ensure equal opportunity and improve fair housing; improve family self-sufficiency; expand community development and home ownership opportunities.

Selected Demographics

Low Income Housing Tax Credits: IRS annual tax credits of $3,953,600 (CY 2026), $3,455,000 (CY 2025), $3,360,000 (CY 2024), $3,185,000 (CY 2023), $2,975,000 (CY 2022), $3,245,625 (CY 2021), and $3,217,500 (CY 2020) were made available to developers of affordable rental housing projects in the CNMI.

NMHC provides loans for low-cost housing from both federal and local funding sources. Outstanding loans for all programs totaled $7,505,997 as of FY 2025.

In FY 2026, NMHC provided HUD Housing Rental assistance totaling $6,416,928 which included $1,626,162 for 118 housing rental units for very low-income householders; $3,887,514 distributed in monthly rental supplements to 354 families through the Housing Choice Voucher Program and $903,252 to 92 families for the Emergency Housing Voucher Program.

Lastly, NMHC administers Community Development Block Grant used in improving public facilities. NMHC distributed payments for the related construction projects and other expenses totaling $980,125 (FY 2025), $980,125 (FY 2024), $980,125 (FY 2023), and $970,416 (FY 2022).

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EQUAL HOUSING OPPORTUNITY

PERFORMANCE

Community Development Block Grant - Disaster Recovery (CDBG-DR) Program

The U.S. Department of Housing and Urban Development (HUD) allocated $254,324,000 in CDBG-DR funds to the Commonwealth of the Northern Mariana Islands (CNMI). HUD had approved the CNMI's CDBG-DR Action Plan on October 14, 2020 and has executed the Grant Agreements on November 24, 2020 starting the six-year clock. In March 2026, the CNMI submitted a request for an extension for the CDBG-DR Grant Period of Performance. In May 2026, HUD approved the CNMI's request to extend the Period of Performance from November 24, 2026 to June 30, 2030. No additional funding was received with this extension approval. The CNMI continues to implement approved action plan activities.

CDBG-DR Housing

FY 2026 reflects **continued, measurable progress** across the CNMI CDBG-DR housing portfolio, with construction completions advancing in alignment with established program goals, documented household needs, and long-term recovery priorities. Throughout the fiscal year, both major housing programs sustained steady production despite operational, logistical, and market-driven challenges. **The Homeowner Rehabilitation and Reconstruction (HRR)** program successfully completed **37 units**, while the **New Construction/Homebuyer** program delivered **42 units**, resulting in **79 completed homes during FY 2026**. When combined with prior-year production, the programs have now delivered **a cumulative total of 252 completed homes to- date**, marking a significant milestone in the Commonwealth's long-term disaster recovery strategy and demonstrating the maturity of the CDBG-DR housing delivery pipeline.

The HRR program's **37 completed units** illustrate sustained progress in restoring safe, durable, and code-compliant housing for disaster-impacted homeowners. During the rehabilitation and reconstruction process, the program also ensured housing stability by assisting **55 low- and moderate-income (LMI) families** with temporary housing accommodations during construction, helping households remain safely housed while their homes were being rebuilt or repaired. Production remained focused on mid-sized homes consistent with the pre-disaster housing stock, ensuring that reconstructed units meet both structural and functional needs of typical CNMI households. The program also continued to deliver ADA-compliant units, supporting elderly residents and households with mobility needs. These accomplishments reinforce HRR's commitment to structural resilience, habitability, and equitable access to safe housing.

The Homebuyer/New Construction program completed **42 units during FY 2026**, further expanding the availability of resilient, storm-ready housing stock across the Commonwealth. Production remained concentrated in multi-bedroom units that align with CNMI household demographics, while also delivering smaller units that support first-time homebuyers and single-occupant households. The program's delivery of ADA-compliant units underscores its commitment to **universal design, inclusive homeownership pathways**, and long-term accessibility. Standardized construction practices, improved site development sequencing, and strengthened contractor performance contributed to consistent delivery across subdivisions.

Portfolio-wide, FY 2026 construction activity demonstrates **balanced delivery across unit types,** strong alignment with household needs, and continued advancement toward CDBG-DR performance benchmarks. The cumulative delivery of **252 completed homes** across both programs strengthens community resilience, supports long-term housing stability, and contributes directly to the CNMI's disaster recovery objectives. The program remains on track to meet federal expenditure timelines and continue delivering safe, durable, and accessible housing solutions for families across the Commonwealth.

The **Affordable Rental Housing Development Program** continues to advance the Commonwealth's affordable housing objectives through strategic investments in both multi-family and small-scale rental housing developments. Throughout Fiscal Year 2026, the program maintained a strong pipeline of projects at various stages of development, including completed communities, projects under construction, and developments progressing toward groundbreaking. These efforts reflect the program's ongoing commitment to expanding the inventory of safe, quality, and affordable rental housing for low- and moderate-income households.

Under the **Gap Filler-LIHTC Program**, an additional affordable housing development was approved and commenced development activities in the 2nd Quarter of FY 2026. The project consists of **48 apartment units** and represents the second development supported under the program. Combined with the previously completed **56-unit apartment complex**, these developments will provide a total of **104 affordable rental units**, significantly increasing housing opportunities for residents and reinforcing the Commonwealth's long-term affordable housing strategy.

The **1 to 4 Units Program** continued to demonstrate strong demand for small-scale affordable rental housing development. As of Fiscal Year 2026, **six applications** had received conditional approval. Of these, **four projects** were issued Commitment Letters and have successfully completed the closing process and are currently under construction, including one that was completed in early FY 2026. These developments will expand neighborhood-based affordable housing options while supporting local property owners and small developers in addressing community housing needs.

Likewise, the **5-Plus Units Program** maintained positive momentum with **four multi-unit developments** receiving conditional approval. Three projects are currently finalizing required pre-construction documentation and completing project milestones necessary for financial closing. The fourth development completed all major pre-development requirements and successfully closed during the **second quarter of Fiscal Year 2026**. Construction is currently underway on a **30-unit residential development**, marking a significant milestone for the program and contributing to the expansion of affordable rental housing opportunities within the Commonwealth.

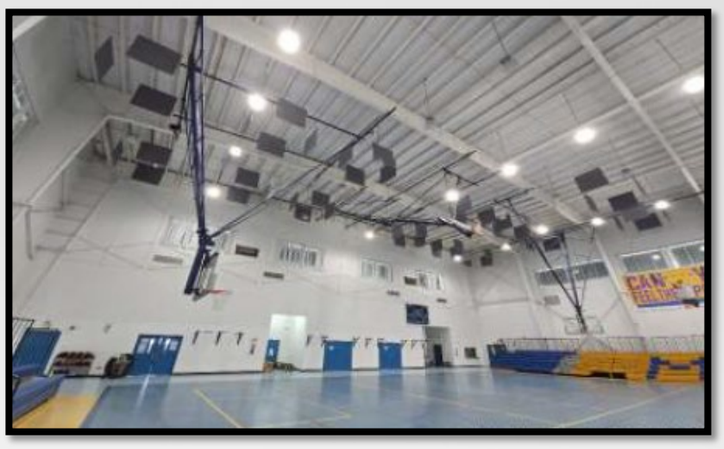
Fiscal Year 2026 proved to be a pivotal year for the Affordable Rental Housing Development Program, as several developments advanced from planning and approval stages into active construction. The combination of completed projects, developments currently under construction, and projects progressing toward closing demonstrates the program's continued success in leveraging available resources to increase the supply of affordable rental housing. As these developments move toward completion, they will provide critical housing opportunities for families and individuals while supporting the Commonwealth's broader economic and community development goals.

CDBG DR Infrastructure

To date and FY 2026, NMHC has completed nine (9) infrastructure projects, two (2) project reimbursements, and is monitoring three (3) on-going projects. There are four (4) projects that are in the Procurement phase.
A breakdown of the completed projects consists of three (3) road projects, five (5) public facilities rehabilitation projects, and three (3) utilities projects.

CDBG-DR Infrastructure Projects Completed:

- Beach Road Phase III & IV road improvement
- Route 206 Road and Drainage Improvement
- Ghilis Street and Apengagh Avenue Road & Drainage Improvement,
- CHCC Substance Abuse and Recovery Center rehabilitation project, and Transitional Living Center rehabilitation projects
- Tinian Elementary School rehabilitation project Phase I & II.
- Francisco M. Sablan Middle School rehabilitation project
- William S. Reyes Elementary School rehabilitation project
- Marianas High School rehabilitation and HVAC project
- Oleai Sewer Line Replacement, Apengahg Ave, Saipan.
- CUC Power Poles *Reimbursement* for Typhoon Yutu, Saipan and Tinian.
- CUC Power Poles *Reimbursement* for Typhoon Mangkhut, Saipan, Tinian and Rota.



PSS Marianas High School (MHS) Rehabilitation and Gym HVAC

CDBG-DR Housing Construction

To date and FY 2026, NMHC CDBG DR Projects Division monitored the construction of 287 total Homes and processed the completion and handover of 252 homes. A total of 35 homes is currently under construction.

Completed homes to date by islands:

- 228 Saipan
- 15 Tinian
- 9 Rota

2 Bedroom ADA Re-Construction

4 Bedroom ADA

250th CDBG-DR Home Completed
3 Bedroom ADA Rehabilitation

Economic Revitalization Program: Workforce Development Training Scholarship Program (WDTSP)

The Workforce Development Training Scholarship Program (WDTSP) invests in CNMI residents by providing access to construction trade training. Developing a skilled local workforce supports employment opportunities for residents while strengthening the workforce needed for the CNMI's long-term disaster recovery and reconstruction efforts.

As of September 30, 2026, the Workforce Development Training Scholarship Program (WDTSP) has provided financial assistance to 155 students pursuing careers in the construction trades. During FY2026, NMTech approved scholarships for 65 low and moderate-income CNMI residents, including 26 students in the Fall 2025 cycle, 18 students in the Spring 2026 cycle, and 21 students in the Fall 2026 cycle. During the fiscal year, NMTech submitted $203,415 in scholarship expenditures to support participant training. The program has set a goal of awarding 300 scholarships by 2030, continuing its investment in a skilled local workforce to support the CNMI's long-term recovery and economic resilience.

Core Construction

Welding: Level 1

Construction- Onsite Training

Economic Revitalization Program: Tourism Marketing Program

Following the economic impacts of Typhoon Mangkhut and Super Typhoon Yutu, the CNMI received a Tourism Waiver allowing CDBG-DR funds to support eligible tourism marketing initiatives. The investment helped promote the CNMI as a visitor destination and support recovery of the tourism industry.

In FY2026, the Marianas Visitors Authority (MVA) submitted more than $3.5 million in eligible marketing expenses for reimbursement, bringing the Tourism Marketing activity into its final closeout phase.

A major initiative funded through the program was the CNMI's global tourism rebrand, "Far from Ordinary," launched in November 2025. The campaign was named Global Tourism Campaign of the Year at the 2026 Brand of the Year Awards in Seoul, Korea, following a voting process involving more than 770,000 participants and nearly 8 million votes.

The recognition highlights the global reach of the CNMI's tourism marketing investment as the activity moves toward closeout before the end of FY2026.

The Marianas "Far from Ordinary" Global Rebranding

Community Development Block Grant - Mitigation (CDBG-MIT)

Dandan Water Tank Replacement Project

In FY 2026 NMHC CDBG DR Projects Division monitored all on-going construction activities. Critical milestones achieved was the completion of the temporary water tank. On-going works included the chlorination building and vault chamber. Subcontractor DN Tanks has completed the tank walls and dome. The water tank and all associated waterlines were tested and disinfected. Samples were taken and were approved by the regulating agencies. Pending works on power connection, access road, and fencing. Project is at 80% completion. Work was delayed by Super Typhoon Sinlaku mid-April 2026.

Dandan Water Tank Project Site

Dandan Temporary Water Tank

PERFORMANCE

Development Grants

In FY 2023, HUD awarded NMHC funds totaling $1,469,058.00 composed of Development Grants - $980,125; HOME Program -$407,723; and Emergency Solutions Grants - $81,210.

Development Grants awarded to grantee in FY 2025 were used for the Super Typhoon Sinlaku Debris Removal Project for the Municipalities of Saipan, Rota, and Tinian, currently ongoing and The Rehabilitation of San Antonio Street Road Project, currently ongoing. Projects completed from previous years include Rehabilitation of the Sinapalo Youth Center (Rota), Rehabilitation of the Sinapalo Basketball Court (Rota), and Construction of Child Care Facility (Rota).

For FY 2024, HUD awarded NMHC funds totaling $1,493,326.89 composed of Development Grants - $980,125; HOME Program - $407,723; Emergency Solutions Grants - $81,210, and HTF - $24,268.89.

Development Grants awarded to grantee in FY 2024 are used for the new construction of a CNMI Health Education and Crisis Response Center (Commonwealth Health Care Corporation) in the amount of $784,100.00.

For FY 2025 HUD had awarded NMHC funds totaling $1,469,058

Cares Act Funding

The CNMI, through the CARES Act, was granted CDBG-COVID and ESG-COVID funding. NMHC, the State Designee, was allocated three separate allocations of Community Development Block Grant (CDBG)-COVID funding and two separate allocations of Emergency Solutions Grant (ESG)-COVID. Total allocation are as follows: CDBG-COVID (first allocation): $549,270; ESG-COVID (first allocation): $275,414; CDBG-COVID (second allocation): $274,635; ESG-COVID (second allocation): $815,225; CDBG-COVID (third allocation): $545,858. These funds assisted qualified households who were impacted by the Coronavirus Pandemic.

NMHC has completed the purchase of a mobile clinic for the Commonwealth Healthcare Corporation using CDBG-CV 1st allocation funds. NMHC completed the ESG-COVID program (first and second allocations) by providing qualified households with financial assistance (rental and/or utility arrears up to 6 months and rental and utility payments up to 12 months). Completion date for the ESG-CV allocation was February 2022. On October 1, 2020, NMHC and the U.S. Department of Housing and Urban Development (HUD) executed grant agreements for the CDBG-COVID and ESG-COVID allocations.

The Third allocation of $545,858 has been administered by the NMHC as a Food Pantry program to supplement and expand ongoing efforts to procure food and infection control supplies to prepare, prevent and respond to the Coronavirus Pandemic. NMHC sub-granted the Food Pantry Program to two non-profit organizations. Karidat Social Services (to assist the entire CNMI, considered Low-Mod Area) in the amount of $403,231.34 and The Center for Living Independently in the CNMI (to assist their Low-Mod Clientele) in the amount of $325,836.20.

Family Self Sufficiency

Guidance, education, training, document preparation, and various assistance given to 21 active participants. 8 participants continued to be employed in 2026. Zero (0) participants successfully graduated from the FSS Program receiving a total of $0.00 of Escrow payment. The balance in Escrow as of 09/30/26 is $20,629.00. FSS total participants is 20 and total paid out is $264,066.50

Housing Choice Voucher Program

Housing	Saipan	Tinian	Rota	Transfer to USA	Total
Vouchers	290	4	4	5	303
Landlords	135	4	4	0	143
Waitlist	139	3	2	0	144
New Admissions	0	0	0	0	0

Emergency Housing Voucher (EHV)

Performance Parameters	Saipan	Tinian	Rota	Port-out	Total	Voucher Availability	
EHV Total Issued (As of 09.2026)	0	0	0	0	0	Total Vouchers	0
EHV Total Unit Searching (As of 09.202566)	0	0	0	0	0	Total Issued	0
EHV Total Housed	71	0	1	3	75	To Be Issued (Oct 2026)	0
Comments						Available	0

Multi-Family Housing Program

Rental Assistance	Saipan	Tinian	Rota	Total
Occupied	81	20	14	115
Occupancy	99%	100%	87%	95%
Wait List	497	5	2	504
New Admissions	14	1	5	20

Homeowner Assistance Fund (HAF)

NMHC received $4 Million in Homeowner Assistance Fund (HAF) Program made possible through the U.S. Department of the Treasury. The program's purpose is to assist income eligible homeowners with mortgage delinquency payments, future mortgage payments, utilities and broadband arrears and future payments, and homeowner related insurance payments. The homeowner must also show proof of financial hardship as a direct result of the COVID 19 pandemic. The program provides residents of the CNMI with the opportunity to maintain homeownership and recover from the economic impact of the pandemic. To-date, NMHC is able to assist a total of 497 qualified homeowners.

Loan Commitments

Total HOME entitlement funds available for commitment as of the end of Fiscal Year 2026 was $404,928.00 Total HOME program income funds available was $247,583.00; for a grand total of $652,511.00 in HOME funds available for commitment.

Housing Trust Fund (HTF)

NMHC received approximately $490K in Housing Trust Fund (HTF) monies for PY 2021, 2022, 2023, and 2024. HTF funds were used to Acquire/Reconstruct 2 – 2 Bedroom units to be used for rental housing for extremely low-income household families for the island of Saipan. The program fulfills one of NMHC's priority goals of sustaining the affordable housing stock in the CNMI. Projects were completed on February 2025 and July 2025.

Wait List - Loans

There are approximately 46 loan applications on the waiting list; totaling over $10 million in project funding.

Loans Portfolio:	No. of Loans (#)	Balance ($)
Active Loans:	228	$7,505,997

Native American Direct Loan (NADL)

NMHC has an agreement with the VA on the Native American Direct Loan (NADL) Program to assist with loan origination and loan closing, as well as, in coordination with its VA clients. The VA is the principal lender and directly lends funds to eligible Native American Veterans or Veterans married to Native American non-Veterans for purchasing, constructing, or improving a home on trust lands. In FY 2025, five (5) NADL projects were approved, totaling over $1.8 million in program funds.

Emergency Solutions Grant

For FY 2025 NMHC assisted one (6) Homeless prevention households and (6) Rapid-Rehousing households in FY2024. From the shelter program's inception, NMHC has assisted 127 households with rentals and utility assistance for up to twelve months allowable.

Low Income Housing Tax Credits (LIHTC)

Isa Villas II DE

1 Bedroom Units	12
2 Bedroom Units	24
3 Bedroom Units	16
4 Bedroom Units	2
Total Units	**56**

Completed

Vista Homes, LLC

Allocated 2024	$4,226,110
3 Bedroom Units	45
Total Units	**45**

Anticipated Place in Service will be 2027

Palm Breeze Homes, LLC

Allocated 2024	$3,574,746
3 Bedroom Units	40
Total Units	**40**

Anticipated Place in Service will be 2028

Lotus Homes, LLC

Allocated 2024	$3,966,422
2 Bedroom Units	9
3 Bedroom Units	39
Total Units	**48**

Currently under construction and Anticipated Place in Service will be summer of 2027

Ladera Homes LLC

Allocated 2024	$3,567,375
2 Bedroom Units	9
3 Bedroom Units	35
4 Bedroom Units	8
Total Units	**52**

Anticipated Place in Service will be 2028

Vista Estates, LLC

Allocated 2025	$4,521,348
3 Bedroom Units	30
Total Units	**30**

2025 Applicant

Ness LIHTC, LLC

To be allocated	$3,210,749
3 Bedroom Units	36
Total Units	**36**

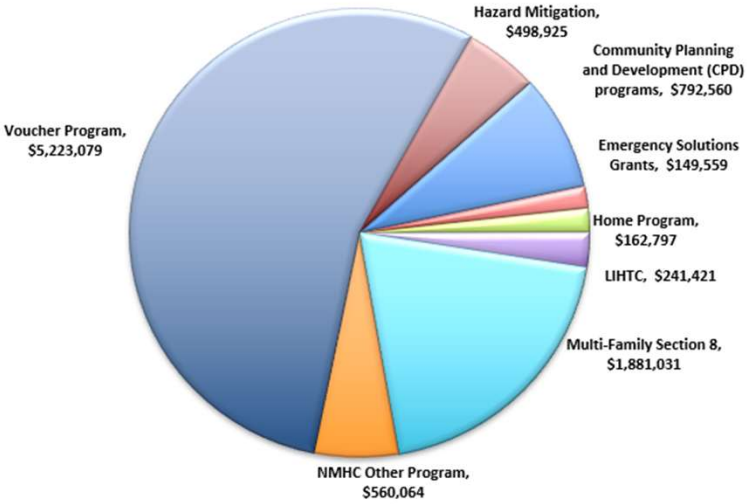
2026 Applicant

Isa Villas II DE

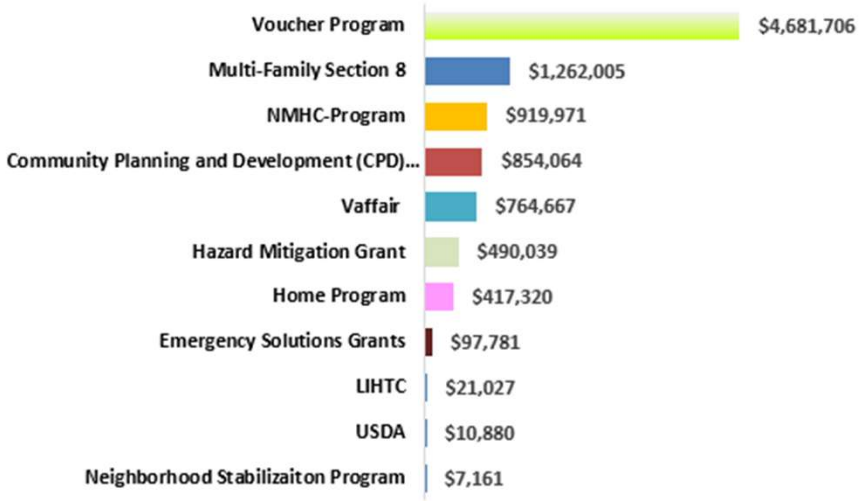
Lotus Homes, LLC 20% Completion

NMHC FINANCE FY 2026

FY 2026 Revenue by Program $9,517,643.00

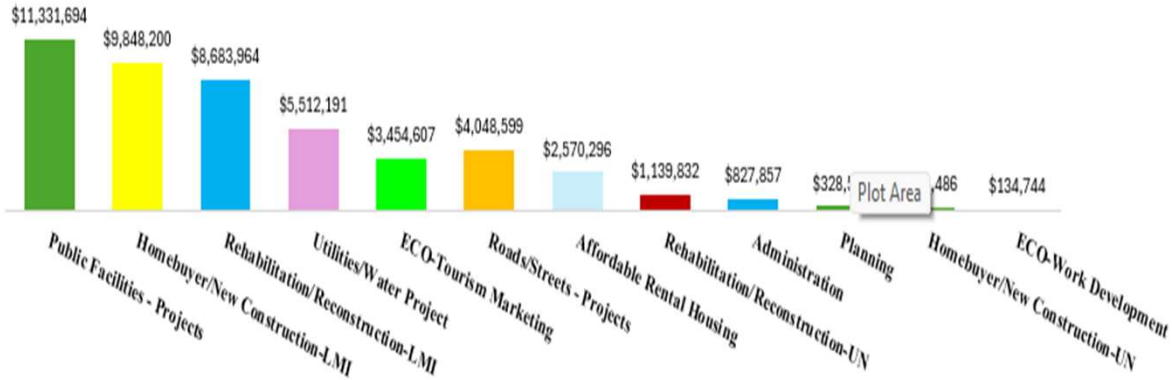


FY 2026 Expense by Program $9,526,621.00



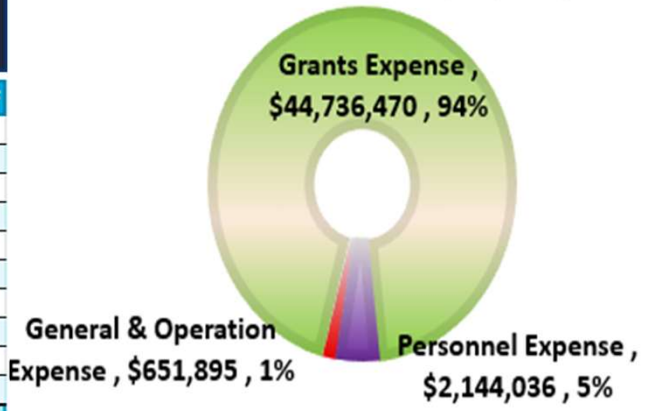
Community Development Block Grant Disaster Recovery Grant

CDBG-DR & CDBG-MIT Programs
FY 2026 Revenue: $48,112,032.00



Staffing Summary	No of Staff
Executive	3
Admin Division	7
Asset Management Division	7
CDBG-DR Division	45
Fiscal Division	6
Mortgage & Credit Division	4
Planning Division	2
Program & Housing Division	11
Rota Field Office	2
Tinian Field Office	2
Grand Total	89

CDBG-DR & CDBG-MIT PROGRAMS FY 2026 EXPENSE $47,532,400



CHALLENGES AND OPPORTUNITIES

The Corporate Director's Desk

Hafa Adai and Tirow. Our Board of Directors, Management, and Staff are pleased to provide the community with updates, through this Citizen Centric Report, on our various housing, infrastructure, and economic development programs that we administer on behalf of the CNMI. Our commitment to fostering a thriving, resilient community is unwavering, and we recognize that our success depends on collaboration, innovation, and a shared vision for the future. I would like to highlight the following:

Housing Programs: Access to affordable and quality housing is fundamental to the well-being of our residents. Through our various housing programs, we are actively working to expand affordable housing options and support our community members in securing stable homes. Our partnerships with local developers, local landlords, and private partnerships have already resulted in the creation of hundreds of new units, ensuring that everyone has a place to call home.

Disaster Recovery Programs: In the face of adversity, we launched the CDBG-DR Program in 2021 aimed at rebuilding and revitalizing our communities. Our efforts prioritize the needs of those affected by Super Typhoon Yutu and Typhoon Mangkhut, providing essential resources and support to help families and individuals rebuild their lives. Together, we are creating a stronger, more resilient community capable of withstanding future challenges.

Community Planning and Development: We believe in the power of thoughtful planning to shape our communities for generations to come. Our community planning and development program is designed to engage residents in the decision-making process, ensuring that their voices are heard and valued. By fostering inclusive development that considers diverse perspectives, we are laying the groundwork for the CNMI community to thrive.

As we move forward, we remain dedicated to transparency, collaboration, and accountability. Together, we can build a community that not only meets the needs of today but also paves the way for a brighter, more sustainable future.

Zenie P. Mafnas
Corporate Director

Challenges

Reduced cash flow due to business interruptions for both government and the private sector from Super Typhoon Yutu, the coronavirus pandemic, and now with the Touchback Provision for CW-1 Workers. Changing regulatory rules are time constricted which may reduce program delivery and response times.

Increased CNMI obligations in recovery efforts for unreserved extraordinary expenditures, and vulnerability from future disasters including related economic impacts.

CNMI's remote location and limited resources. Prior to, and exponentially after the disaster, the CNMI as a whole, had critical shortages in construction services and labor. Labor and material costs have increased and continue to increase thereby reducing the total number of families that can be assisted.

Recovery agencies and other stakeholders in the mainland unfamiliarity with CNMI needs plus the magnitude of the destruction and limitations imposed by the disaster, potentially affecting grant delivery. NMHC management continues to work to educate mainland stakeholders and reduce potential delays.

Current estimates for rentals, new housing and reconstruction are significantly higher than allowed by US guidelines potentially impeding new loans, rentals and other programs.

Opportunities

NMHC was designated as the Program Administrator for CDBG-DR funds by the Office of the Governor. CDBG-DR grants for unmet housing needs, economic recovery, and infrastructure have been approved by US Congress.

CDBG-DR grants, when delivered and construction completed, will reduce the net effect of the next disaster.

NMHC is considered the subject matter expert by community leaders on related programs and ongoing coordination with other entities for related projects adds quality to existing programs.

New projects will have a significantly larger scope of work and higher funding threshold to provide needed services effectively and efficiently.

Strong relationships and ongoing support from US Government entities including HUD, USDA RD, FEMA, SBA, US Treasury, Office of the Governor and related CNMI agencies, non-profit organizations, and private sector.

Creation of new typhoon resistant homes will reduce future economic and safety impacts. More families will be able to shelter-in-place.