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HOUSE BILL 24

56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024

INTRODUCED BY

Kathleen Gates

AN ACT

RELATING TO PROPERTY; REQUIRING THAT AT LEAST FIFTY-FIVE PERCENT OF UNITS OF CONDOMINIUMS CREATED ON OR AFTER JULY 1, 2024 ARE OWNER-OCCUPIED; REQUIRING THAT AT LEAST THIRTY-FIVE PERCENT OF THE MEMBERS OF THE GOVERNING BODY OF ASSOCIATIONS THAT MANAGE A CONDOMINIUM CREATED ON OR AFTER JULY 1, 2024 OWN AND OCCUPY UNITS WITHIN THAT CONDOMINIUM.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 47-7B-1 NMSA 1978 (being Laws 1982, Chapter 27, Section 13) is amended to read:

"47-7B-1. CREATION OF CONDOMINIUM.--

A. A condominium may be created pursuant to the Condominium Act only by recording a declaration executed in the same manner as a deed. The declaration shall be recorded in each county in which any portion of the condominium is located

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1 and shall be indexed in the grantee's index in the name of the
2 condominium and the association and in the grantor's index in
3 the name of each person executing the declaration.

4 B. A declaration or an amendment to a declaration
5 adding units to a condominium shall not be recorded unless all
6 structural components and mechanical systems of all buildings
7 containing or comprising any units created are substantially
8 completed in accordance with the plans, as evidenced by a
9 recorded certificate of completion executed by a licensed
10 engineer, an architect or the appropriate building inspection
11 authority or by the declarant. This section does not apply to
12 a conversion building restricted in its entirety to uses other
13 than for residential purposes.

14 C. For the purpose of furthering access to federal
15 homeowner loans that have an owner occupancy requirement, at
16 least fifty-five percent of the units of a condominium created
17 by recording a declaration on or after July 1, 2024 pursuant to
18 the Condominium Act shall be owner-occupied.

19 D. At least thirty-five percent of the members of
20 the governing body of an association that manages a condominium
21 created on or after July 1, 2024 pursuant to the Condominium
22 Act shall own and occupy units within that condominium."

23 SECTION 2. Section 47-7B-5 NMSA 1978 (being Laws 1982,
24 Chapter 27, Section 17, as amended) is amended to read:

25 "47-7B-5. CONTENTS OF DECLARATION.--

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- 1 A. The declaration for a condominium shall contain:
- 2 (1) the names of the condominium, which shall
- 3 include the word "condominium" or be followed by the words "a
- 4 condominium", and the association;
- 5 (2) the name of every county in which any part
- 6 of the condominium is situated;
- 7 (3) a description, legally sufficient for
- 8 conveyance, of the real estate included in the condominium;
- 9 (4) a statement of the maximum number of units
- 10 that the declarant reserves the right to create;
- 11 (5) a description of the boundaries of each
- 12 unit created by the declaration, including the unit's
- 13 identifying number;
- 14 (6) a description of any limited common
- 15 elements, other than those specified in Subsections B, D and E
- 16 of Section 47-7B-2 NMSA 1978, as provided in Section 47-7B-9
- 17 NMSA 1978;
- 18 (7) a description of any real estate, except
- 19 real estate subject to development rights, that may be
- 20 allocated subsequently as limited common elements, other than
- 21 limited common elements specified in Subsections B, D and E of
- 22 Section 47-7B-2 NMSA 1978, together with a statement that they
- 23 may be so allocated;
- 24 (8) a description of any development rights
- 25 and other special declarant rights reserved by the declarant,

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1 together with a legally sufficient description of the real
2 estate to which each of those rights applies, and a time limit
3 within which each of those rights must be exercised;

4 (9) if any development right may be exercised
5 with respect to different parcels of real estate at different
6 times, a statement to that effect together with either a
7 statement fixing the boundaries of those portions and
8 regulating the order in which those portions may be subjected
9 to the exercise of each development right, or a statement that
10 no assurances are made in those regards, and a statement as to
11 whether, if any development right is exercised in any portion
12 of the real estate subject to that development right, that
13 development right must be exercised in all or in any other
14 portion of the remainder of that real estate;

15 (10) any other conditions or limitations under
16 which the rights described in Paragraph (8) of this subsection
17 shall be exercised or they shall lapse;

18 (11) an allocation to each unit of the
19 allocated interests in the manner described in Section
20 47-7B-7 NMSA 1978;

21 (12) any restrictions on use, occupancy and
22 alienation of the units;

23 (13) if required by local ordinance, written
24 confirmation from the local zoning official that the
25 condominium complies with the zoning density requirements of

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1 local zoning and subdivision ordinances or regulations as
2 required in Section 47-7A-6 NMSA 1978; ~~[and]~~

3 (14) on or after July 1, 2024, a statement
4 that reads: "At least fifty-five percent of the total units of
5 this condominium shall be owner-occupied. At least thirty-five
6 percent of the members of the governing body of the association
7 that manages this condominium shall own and occupy a unit
8 within this condominium."; and

9 [~~(14)~~] (15) all matters required by Sections
10 47-7B-6 through 47-7B-9, 47-7B-15, 47-7B-16 and Subsection D of
11 Section 47-7C-3 NMSA 1978.

12 B. The declaration may contain any other matters
13 that the declarant deems appropriate."

14 SECTION 3. EFFECTIVE DATE.--The effective date of the
15 provisions of this act is July 1, 2024.

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