

HOUSE BILL 440

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

INTRODUCED BY

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AN ACT

RELATING TO PROPERTY; RESTRICTING HOMEOWNERS ASSOCIATIONS FROM FORECLOSING ON LIENS THAT ARE LESS THAN TWELVE MONTHS DELINQUENT, LESS THAN FIVE THOUSAND DOLLARS (\$5,000) OR FOR ASSESSMENTS CONSISTING SOLELY OF FINES.

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

SECTION 1. Section 47-16-6 NMSA 1978 (being Laws 2013, Chapter 122, Section 6) is amended to read:

"47-16-6. DUTIES OF A HOMEOWNER ASSOCIATION.--

A. The association shall exercise any powers conferred to the association in the community documents.

B. The association shall have a lien on a lot for [any] an assessment levied against that lot or for fines imposed against that lot's owner from the time the assessment or fine becomes due. If an assessment is payable in

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1 installments, the full amount of the assessment shall be a lien
2 from the time the first installment becomes due. The
3 association's lien may be foreclosed in like manner as a
4 mortgage on real estate; provided that an association may not
5 foreclose on a lien that is:

6 (1) less than twelve months delinquent;

7 (2) in an amount of less than five thousand
8 dollars (\$5,000); or

9 (3) for assessments consisting solely of
10 finer.

11 C. Recording the declaration constitutes notice
12 recorded in the office of the county clerk in the county or
13 counties in which any part of the real property is located and
14 perfection of the lien.

15 D. Upon written request by a lot owner, the
16 association shall furnish a recordable statement setting forth
17 the amount of unpaid assessments against the lot owner's lot.
18 The statement shall be furnished within ten business days after
19 receipt of the request and is binding on the association and
20 the board."