

1 HOUSE BILL 374

2 **53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017**

3 INTRODUCED BY

4 Monica Youngblood

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10 AN ACT

11 RELATING TO PROPERTY; AMENDING THE HOMEOWNER ASSOCIATION ACT;
12 PROVIDING A CAP ON FEES CHARGED FOR A DISCLOSURE CERTIFICATE.

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

15 SECTION 1. Section 47-16-12 NMSA 1978 (being Laws 2013,
16 Chapter 122, Section 12) is amended to read:

17 "47-16-12. SALE OF LOTS--DISCLOSURE CERTIFICATE.--

18 A. Unless exempt pursuant to Subsection F of this
19 section, prior to closing, a lot owner shall furnish to a
20 purchaser copies of:

21 (1) the declaration of the association, other
22 than the plats and plans;

23 (2) the bylaws of the association;

24 (3) any covenants, conditions and restrictions
25 applicable to the lot;

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underscored material = new
[bracketed material] = delete

underscoring material = new
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1 (4) the rules of the association; and

2 (5) a disclosure certificate from the
3 association.

4 B. Within ten business days after receipt of a
5 written request from a lot owner, the association shall furnish
6 a disclosure certificate containing the information necessary
7 to enable the lot owner to comply with the provisions of this
8 section. A lot owner providing a disclosure certificate
9 pursuant to Subsection A of this section shall not be liable to
10 the purchaser for any erroneous information provided by the
11 association and included in the disclosure certificate.

12 C. A purchaser shall not be liable for any unpaid
13 assessment or fee greater than the amount, prorated to the date
14 of closing, set forth in the disclosure certificate prepared by
15 the association.

16 D. A lot owner shall not be liable to a purchaser
17 for the failure or delay of the association to provide the
18 disclosure certificate in a timely manner.

19 E. The information contained in the disclosure
20 certificate shall be current as of the date on which the
21 disclosure certificate is furnished to the lot owner by the
22 association.

23 F. A disclosure certificate shall not be required
24 in the case of a disposition:

25 (1) pursuant to court order;

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~~[bracketed material] = delete~~

1 (2) by a government or governmental agency;

2 (3) by foreclosure or deed in lieu of

3 foreclosure; or

4 (4) that may be canceled at any time and for
5 any reason by the purchaser without penalty.

6 G. An association may impose [~~reasonable charges~~] a
7 charge not to exceed one hundred fifty dollars (\$150) for
8 preparation of a disclosure certificate as required by the
9 Homeowner Association Act."

10 SECTION 2. EFFECTIVE DATE.--The effective date of the
11 provisions of this act is July 1, 2017.