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HOUSE BILL 122

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

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, 2025 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, 2025 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. A condominium that is newly constructed,  
15 consists of twelve or more units or that receives a subsidy,  
16 money, land, tax abatement, deferred tax or any other thing of  
17 value from a federal, state or local government source for the  
18 purpose of renovations or any other purpose shall:

19 (1) for the purpose of furthering access to  
20 federal homeowner loans that have an owner-occupancy  
21 requirement, require that at least fifty-five percent of the  
22 units of a condominium created by a declaration recorded on or  
23 after July 1, 2025 be owner-occupied; and

24 (2) require that at least thirty-five percent  
25 of the members of the governing body of an association that

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1 manages a condominium created on or after July 1, 2025 own and  
2 occupy units within that condominium."

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

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

6 A. The declaration for a condominium shall contain:

7 (1) the names of the condominium, which shall  
8 include the word "condominium" or be followed by the words "a  
9 condominium", and the association;

10 (2) the name of every county in which any part  
11 of the condominium is situated;

12 (3) a description, legally sufficient for  
13 conveyance, of the real estate included in the condominium;

14 (4) a statement of the maximum number of units  
15 that the declarant reserves the right to create;

16 (5) a description of the boundaries of each  
17 unit created by the declaration, including the unit's  
18 identifying number;

19 (6) a description of any limited common  
20 elements, other than those specified in Subsections B, D and E  
21 of Section 47-7B-2 NMSA 1978, as provided in Section 47-7B-9  
22 NMSA 1978;

23 (7) a description of any real estate, except  
24 real estate subject to development rights, that may be  
25 allocated subsequently as limited common elements, other than

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1 limited common elements specified in Subsections B, D and E of  
2 Section 47-7B-2 NMSA 1978, together with a statement that they  
3 may be so allocated;

4 (8) a description of any development rights  
5 and other special declarant rights reserved by the declarant,  
6 together with a legally sufficient description of the real  
7 estate to which each of those rights applies, and a time limit  
8 within which each of those rights must be exercised;

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

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

23 (11) an allocation to each unit of the  
24 allocated interests in the manner described in Section 47-7B-7  
25 NMSA 1978;

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1 (12) any restrictions on use, occupancy and  
2 alienation of the units;

3 (13) if required by local ordinance, written  
4 confirmation from the local zoning official that the  
5 condominium complies with the zoning density requirements of  
6 local zoning and subdivision ordinances or regulations as  
7 required in Section 47-7A-6 NMSA 1978; ~~and~~

8 (14) on or after July 1, 2025, a statement  
9 that reads: "At least fifty-five percent of the total units of  
10 this condominium shall be owner-occupied. At least thirty-five  
11 percent of the members of the governing body of the association  
12 that manages this condominium shall own and occupy a unit  
13 within this condominium."; and

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

17 B. The declaration may contain any other matters  
18 that the declarant deems appropriate."

19 SECTION 3. EFFECTIVE DATE.--The effective date of the  
20 provisions of this act is July 1, 2025.