

HOUSE COMMERCE AND ECONOMIC DEVELOPMENT  
COMMITTEE SUBSTITUTE FOR  
HOUSE BILL 426

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

AN ACT

RELATING TO PROPERTY; ENACTING A NEW SECTION OF THE MOBILE HOME  
PARK ACT TO REQUIRE NOTICE BEFORE THE SALE OF A MOBILE HOME  
PARK; CREATING AN OPPORTUNITY TO PURCHASE.

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

SECTION 1. A new section of the Mobile Home Park Act is  
enacted to read:

"[NEW MATERIAL] SALE OF A MOBILE HOME PARK--NOTICE  
REQUIREMENTS--OPPORTUNITY TO PURCHASE.--

A. All notices pursuant to this section shall:

- (1) be in writing;
- (2) be sent by first-class certified mail with  
tracking and return receipt requested;
- (3) be posted on the front door of each  
resident household in the mobile home park;

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1 (4) include the material terms, conditions and  
2 amount of the offer; and

3 (5) include notice of the residents' rights as  
4 provided in this section.

5 B. Before a mobile home park may be sold, the owner  
6 shall notify each resident household of the mobile home park  
7 and the executive director of the New Mexico mortgage finance  
8 authority of any offer for purchase that the owner intends to  
9 accept.

10 C. The residents shall have the opportunity to  
11 purchase the mobile home park before the owner can accept the  
12 third-party offer to purchase if:

13 (1) documentation is submitted to the owner to  
14 verify that at least fifty-one percent of the residents have  
15 approved the purchase of the mobile home park, including a  
16 proposed purchase and sale agreement on substantially  
17 equivalent terms and conditions of the offer that the owner  
18 intends to accept, within seventy-five days of receipt of  
19 notice of the offer sent to residents;

20 (2) residents with the opportunity to purchase  
21 obtain a binding commitment for any necessary financing or  
22 guarantees within an additional ninety days after execution of  
23 the purchase and sale agreement; and

24 (3) residents with the opportunity to purchase  
25 close on the purchase within a commercially reasonable amount

1 of time specified by the purchase and sale agreement.

2 D. An owner shall not refuse to enter into or delay  
 3 the execution or closing on a purchase and sale agreement with  
 4 residents who have made an offer to meet the price and  
 5 substantially equivalent terms and conditions of the third-  
 6 party offer. A failure by the residents to submit a purchase  
 7 and sale agreement within the seventy-five-day period, to  
 8 obtain a binding commitment for financing within the ninety-day  
 9 period or to close on the purchase within the commercially  
 10 reasonable amount of time specified by the purchase and sale  
 11 agreement shall terminate the residents' opportunity to  
 12 purchase. The residents and the owner may extend any of the  
 13 time periods provided in this section by agreement.

14 E. In the event that the residents submit a  
 15 proposed purchase and sale agreement that the owner does not  
 16 consider to be substantially equivalent in price or in the  
 17 terms and conditions of the third-party offer, the owner shall  
 18 negotiate with the residents in good faith to determine if an  
 19 agreement can be made that would allow the residents to  
 20 purchase the mobile home park. The duty of good faith includes  
 21 a duty to make the same information available to residents that  
 22 the owner has provided or would have provided to the  
 23 third-party offeror or another prospective purchaser. If the  
 24 owner rejects the residents' proposed purchase agreement, the  
 25 owner must provide the reason in writing to the residents

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1 within three days of the date of rejection. It shall be  
2 presumptive evidence of bad faith if an owner attempts to, or  
3 does, require the residents to waive any of their rights.

4 F. Nothing in this section shall be construed to  
5 require an owner to provide financing to residents, except to  
6 the extent that financing would be provided to the third-party  
7 offeror. The residents who have the opportunity to purchase  
8 the mobile home park as provided in this section may assign  
9 that opportunity to purchase.

10 G. The opportunity to purchase created in this  
11 section shall inure to the residents beginning on the date that  
12 notice was received by the residents. Any new offer to sell  
13 the mobile home park or any new offer to purchase the mobile  
14 home park that the owner intends to accept shall initiate a new  
15 effective period for the opportunity to purchase.

16 H. An owner may record an affidavit with the county  
17 clerk of any county where the mobile home park is located  
18 certifying compliance with the requirements of this section.  
19 The affidavit shall include copies of the certified mail  
20 receipts for the notice required by this section. A recorded  
21 affidavit shall be presumptive evidence of compliance with this  
22 section. A failure to record an affidavit shall be presumptive  
23 evidence of noncompliance with this section.

24 I. If the residents have submitted a proposed  
25 purchase and sale agreement that is substantially equivalent in

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1 its terms and conditions to an offer made by a third party to  
 2 an owner, the residents may record an affidavit with the county  
 3 clerk of any county where the mobile home park is located  
 4 certifying that an offer has been made to the owner by the  
 5 residents.

6 J. The provisions of this section shall apply to  
 7 all counties and municipalities, including home rule  
 8 municipalities.

9 K. An owner who sells a mobile home park and who  
 10 has not complied with the provisions of this section shall be  
 11 liable to the residents who possessed the opportunity to  
 12 purchase. The liability of the owner shall be in the amount of  
 13 one hundred thousand dollars (\$100,000) or twenty percent of  
 14 the appraised value of the mobile home park, whichever is  
 15 greater. The liability owed to the residents by the owner  
 16 shall be a lien on the property and shall take priority over a  
 17 third-party buyer's interest. For the purposes of this  
 18 subsection, residents who possessed the opportunity to purchase  
 19 shall select a real estate appraiser licensed pursuant to the  
 20 Real Estate Appraisers Act and the owner shall be liable for  
 21 the reasonable cost of the appraisal.

22 L. The owner shall not be required to give notice  
 23 to the residents if:

24 (1) a bank, mortgage company or any other  
 25 mortgagee has foreclosed on the mobile home park and the

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1 mortgagee is selling the mobile home park:

2 (a) at a foreclosure sale; or

3 (b) after having purchased the mobile  
4 home park at a foreclosure sale;

5 (2) the sale or transfer is to a family member  
6 of the owner or to a trust, the beneficiaries of which are  
7 family members of the owner;

8 (3) the sale or transfer is by a partnership  
9 to one or more of its partners;

10 (4) the conveyance of an interest in the  
11 mobile home park is incidental to the financing of the mobile  
12 home park;

13 (5) the sale or transfer is between joint  
14 tenants or tenants in common; or

15 (6) the sale is pursuant to eminent domain.

16 M. An owner may accept a third-party offer to  
17 purchase the mobile home park before providing the required  
18 notice and opportunity to purchase to residents if the purchase  
19 and sale agreement stipulates that the residents shall be  
20 provided with notice and the opportunity to purchase the mobile  
21 home park before the sale can be finalized.

22 N. An action to enforce the provisions of this  
23 section may be brought by:

24 (1) the attorney general;

25 (2) a resident or residents who possess the

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1 opportunity to purchase; or

2 (3) a person who has been assigned the  
3 opportunity to purchase.

4 0. Residents who prevail in an action brought to  
5 enforce this section shall be entitled to receive reasonable  
6 attorney fees and court costs from the owner."

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