



# LOWER RIO GRANDE

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## Public Water Works Authority

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[www.LRGauthority.org](http://www.LRGauthority.org)

### **Real Estate Contract Policy**

The Lower Rio Grande Public Water Works Authority is a member-owned community water system, and “Member” is defined in its Governance Document (Sec. 2.01 A. – G.) as a person who “1. Owns real property within the Authority’s recorded designated service area; and 2. Receives services provided by the Authority to that property”. In the case of property which is served by the Authority and is involved in a real estate sale transaction, this policy shall govern membership in the Authority unless the real estate contract contains provisions which would preempt it.

It is the responsibility of the seller and purchaser to comply with the Authority’s Governance Document and Member/Customer Policies, Member Application for Water &/or Sewer Service, and USDA Rural Development User Agreement. Furthermore, it is the responsibility of buyer and seller to inform and provide the Authority with documentation of such sales transaction.

In compliance with New Mexico statutes, the Authority is obligated to offer and assign membership to a purchaser of property within the Authority’s service area provided that the real estate contract is executed and recorded in the public records of Doña Ana County. Upon execution and recording, the Authority shall close out the seller’s account and establish an account for the purchaser. The seller and purchaser respectively shall be responsible for charges, fees and balances of their account(s). Failure to comply will result in the service to that property being disconnected until account(s) issues are resolved.

In the event the real estate contract is terminated, the seller shall provide proof of the termination to the Authority immediately to reestablish membership if membership was terminated. Upon notification of such contract termination, the Authority shall close out the purchaser’s account and reestablish an account for the seller. The seller and purchaser respectively shall be responsible for charges, fees and balances of their account(s). Failure to comply will result in the service to that property being disconnected until account issues are resolved.