



# 2025 New Laws

Impacting Real Estate in New Hampshire



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**Allowing accessory dwelling units by right, including detached units, and increases the maximum square footage.**

**[House Bill 577](#) [Chpt. Law 197](#)**

One accessory dwelling unit, which may be either attached or detached, must be allowed as a matter of right. The municipality must allow one accessory dwelling unit without additional requirements for lot size, setbacks, aesthetic requirements, design review requirements, frontage, space limitations, or other controls beyond what would be required for a single-family dwelling without an accessory dwelling unit.

The applicant for a permit to construct an accessory dwelling unit shall make adequate provisions for water supply and sewage disposal for the accessory dwelling unit in accordance with RSA 485-A:38, but separate systems shall not be required for the principal and accessory dwelling units.

A municipality may require owner occupancy of one of the dwelling units, but it cannot specify which unit the owner must occupy. A municipality may require that the owner demonstrate that one of the units is his or her principal place of residence, and the municipality may establish reasonable regulations to enforce such a requirement.

The total living space of the accessory dwelling unit shall not exceed 950 square feet unless otherwise authorized by the municipality. A municipality may not restrict the total living space to less than 750 square feet.

A municipality cannot require a familial relationship between the occupants of an accessory dwelling unit and the occupants of a principal dwelling unit.

A municipality must allow accessory dwelling units to be converted from existing structures, including but not limited to detached garages, regardless of whether such structures violate current dimensional requirements for setbacks or lot coverage.

A municipality cannot deny the establishment of a separate electrical panel and separate electrical service to the accessory dwelling unit.

The law is effective immediately.

**Prohibiting municipalities from denying building or occupancy permits for property adjacent to class VI roads under certain circumstances.**

**[Senate Bill 281](#) [Chpt Law 256](#)**

The intent behind the bill is to create greater opportunity for the construction of a dwelling on a Class VI road. Such construction is allowed provided the property owner:

(1) Signs a liability waiver acknowledging that the:

(A) Municipality shall not maintain the highway nor provide any services to any lot accessible by the highway;

(B) Municipality shall not accept any responsibility for losses or damages caused by a lack of services; and

(C) Responsibility for such services falls solely on the applicant; and

Prior to the issuance of a building permit, the owner must produce evidence that this waiver has been recorded in the county register of deeds; and prior to the issuance of a building permit, proves the lot and any buildings thereon are insurable.

The new law will not go into effect until July 1, 2026.

**Relative to the termination of tenancy at the expiration of the tenancy or lease term.**

**[House Bill 60](#) [Chpt. Law 263](#)**

The legislation makes the end of a lease term cause for an eviction under [RSA 540:2](#). Currently, the end of the lease is not considered “good cause” to begin an eviction.

This provision only applies to a lease when the original term is 12 months or longer, or for a lease



which has been renewed for a total period of 12 months or longer.

The landlord must provide the tenant with written notice at least 60 days in advance of the termination date of the lease term stating that the lease will not be renewed and that the tenant must vacate the rental property at the end of the lease term.

And the landlord must have filed a possessory action within six months of the lease expiring.

The new law will not go into effect until July 1, 2026.

### **Providing specific curative measures for undischarged mortgages.**

#### **House Bill 437 Chpt. Law 157**

After January 1, 2028, all undischarged mortgages in which the term or maturity date is not stated will be deemed discharged without the necessity of any further action 35 years from the date of recording of the mortgage, unless an extension of the mortgage is recorded before the expiration of the 35-year period.

Similarly, after January 1, 2028, all undischarged mortgages in which the term or maturity date is stated will be deemed discharged without the necessity of any further action five years from the expiration of the term or the maturity date, unless extension has been recorded.

The law goes into effect September 5 but will only impact the discharging of mortgages starting on Jan. 1, 2028. Banks had requested the two-year extension in order to review mortgages and record any required extensions.

### **Expansion of homestead right.**

#### **House Bill 617 Chpt. Law 282**

A property owner's homestead right provides financial protection for a homeowner's primary residence from certain types of creditors. In NH the right does not extend to payment of taxes, domestic support, bail bonds and enforcement of liens of mechanics and

others for debts created in the construction, repair or improvement of the homestead.

Every owner had been entitled to \$120,000 worth of their homestead. This bill increases that amount to \$400,000 for single-person or \$550,000 if owned by more than one person.

In order to claim this exemption, the residence must have been continuously used as a primary residence for the previous 12 months. However, proceeds from the sale of a qualifying residence and such new residence, shall also be protected if reinvested within 6 months in a new primary residence.

This bill goes into effect on January 1, 2026

### **Prohibition on certain foreign principals from purchasing or leasing property.**

#### **House Bill 2 Chpt. Law 141**

This legislation prohibits individuals and entities identified as "foreign principals" from certain "foreign countries of concern" – specifically China, Russia, Iran, Syria, and North Korea – from owning, leasing, or controlling real property in New Hampshire. A "foreign principal" is broadly defined to include foreign governments or officials, companies organized under these countries, and individuals acting as employees or agents of those governments.

NHAR had requested the statute include language which stipulates that, "a real estate or closing agent shall bear no obligation or requirement to instruct, disclose, assist, or authenticate a person or entity who leases or acquires, or seeks to lease or acquire, an ownership or controlling interest in real property. Responsibility for knowledge of and compliance with the provisions of this subdivision shall lie solely with the foreign principal."

The legislature agreed to add the language, which significantly decreases the potential liability on licensees and sellers.

## **Permitting residential buildings in commercial zones.**

### **[House Bill 631 Chpt. Law 201](#)**

Under this new law, municipalities must allow multi-family residential development on commercially zoned land, provided that adequate infrastructure, including roads, water, and sewage systems, are available or provided to support the development.

Municipalities can still restrict residential development in zones where industrial and manufacturing uses are permitted.

A municipality may require all available ground floor space or a percentage to be dedicated to retail or similar uses.

A municipality must provide an exemption to any requirements regarding setbacks, height, or frontage of a building being converted to multi-family or mixed-use through adaptive reuse, provided that the building's floor area, height, and setbacks do not change.

This act takes effect July 1, 2026.

## **Prohibiting number of occupants of any dwelling unit to less than 2 occupants per bedroom.**

### **[House Bill 457 Chpt. Law 188](#)**

Municipalities cannot adopt any ordinance that restricts the number of occupants of any dwelling unit to less than 2 occupants per bedroom, and the governing body thereof cannot enforce any such ordinance. Similarly, a municipality cannot adopt nor enforce any ordinance based on the familial or non-familial relationships or marital status, occupation, employment status, or the educational status, including but not limited to college students.

The new law goes into effect on September 13, 2025.

## **Authorizing licensed third parties to certify documents and inspect buildings.**

### **[Senate Bill 188 Chpt Law 246](#)**

The purpose of this act is to facilitate speedier and more efficient development while ensuring public safety by authorizing licensed or certified third parties, as opposed to municipal officials, to certify documents and inspect buildings in compliance with applicable building and other codes.

An individual or entity that is permitted by this section to perform building code inspection services and construction document reviews as an alternative to those conducted by local government agencies include professionals such as engineers, architects, or ICC-certified building officials.

An approved vendor must provide all information as necessary for the municipal building official to determine that the vendor meets the applicable requirements to conduct inspections and certifications. If the building official does not approve a proposed agency, the reasons shall be stated in writing.

Where an approved vendor is used for the review of either construction documents or inspections in lieu of building official review, permit fees must be reduced by 40 percent. Where both functions are performed, permit fees must be reduced by 80 percent.

The law is effective immediately.

## **Relative to authority for municipalities to regulate mandatory on-site parking requirements.**

### **[Senate Bill 285 Chpt. Law 258](#)**

A municipality may regulate accessory parking for vehicles but cannot require more than one residential parking space per unit.

Previously, state statute allowed municipalities to require 1.5 spaces per unit for multi-family developments of 10 units or more. This new law will go into effect on September 13, 2025.

**Relative to notice required prior to sale of a manufactured housing unit located in a resident-owned community.**

**Senate Bill 166 Chpt. Law 244**

Any prospective unit owner now has the right to obtain from the Resident Owned Community (ROC) owners' association the following:

- (a) Appropriate statements pursuant to non-payment of fees for common expenses by individual unit owners;
- (b) A statement of any capital expenditures and major maintenance expenditures anticipated by the unit owners' association within the current or succeeding 2 fiscal years;
- (c) A statement of the status and amount of any reserve for the major maintenance or replacement fund and any portion of such fund earmarked for any specified project by the board of directors;
- (d) A copy of the income statement and balance sheet of the unit owners' association for the last fiscal year for which such statement is available;
- (e) A statement of the status of any pending suits or judgments in which the unit owners' association is a defendant;
- (f) A statement setting forth what insurance coverage is provided for all unit owners by the unit owners' association and what additional insurance coverage would normally be secured by each individual unit owner;
- (g) A statement that any improvements or alterations made to the unit, or the limited common areas assigned thereto, by the prior unit owner are not known to be in violation of the community instruments;
- (h) A copy of the ROC declaration, by-laws, and any formal rules of the association;
- (i) A statement of the amount of monthly and annual fees, and any special assessments made within the last 3 years.

The ROC has 10 days to provide the material.

The bill will become effective on Jan 1, 2026.

**Relative to subdivision regulations on the completion of improvements and the regulation of building permits.**

**House Bill 413 Chpt. Law 186**

The bill extends the period every approved subdivision plat or site plan is exempt from changes in subdivision regulations, site plan review regulations, impact fee ordinances, and zoning ordinances (except those regulations and ordinances which expressly protect public health standards), for a period of 7 years after the date of approval. Currently, they are exempt for 5 years.

Additionally, the active and substantial development must begin on the site by the owner within is extended to 3 years from the current 2 years.

The 7-year period and 3-year exemption in this section shall apply to any approval granted on or after July 1, 2023.

**Prohibits certain contracts between a provider and an owner which requires a lien.**

**Senate Bill 164 Chpt Law 242**

The intent of the bill is to prohibit a listing agreement which creates a lien on a deed or obligates the owner to pay a fee or commission to the brokerage upon a sale or transfer of the residential real estate when the sale or transfer is not the result of a real estate brokerage service provided by the provider.

In some states, real estate practitioners have owners sign 40-year listing agreements and attach those agreements to the deed so that even if a future owner used a different brokerage, a fee was required to be paid to the original broker. New Hampshire becomes the 31<sup>st</sup> state to prohibit such activity.

The bill is effective on Jan 1, 2026.

## **Relative to stairway requirements in certain residential buildings.**

### **[Senate Bill 282](#) [Chpt. Law 257](#)**

Residential buildings up to 4 floors above grade plane are allowed to have only one stairway under conditions established by the state building code review board.

Previously, most multi-story residential structures required two stairways. The legislation was crafted in conjunction with the state fire marshal's office.

## **Establishing fees for applications for terrain alteration and a permit by notification for projects under a certain square footage.**

### **[Senate Bill 110](#) [Chpt. Law 231](#)**

By January 1, 2026, the Department of Environmental Services (NHDES) must adopt rules to establish a permit by notification for projects with plans encompassing an area less than 150,000 square feet that are not subject to Shoreland Water Quality Protection Act.

For projects that qualify for a permit by notification, the application fee for a permit by notification shall be \$3,125. For projects between 150,000 and 200,000 square feet the fee is now \$6,250.

## **Making electronic rent payments optional.**

### **[House Bill 309](#) [Chpt. Law 176](#)**

A landlord cannot require a tenant or prospective tenant to pay any amount due under a residential lease, renewal, or extension agreement solely via electronic funds transfer, including, but not limited to, any automatic, recurring electronic funds transfers. The landlord must allow at least one other non-electronic form of payment such as a check.

The bill is effective Jan. 1, 2026.

## **Removes the zoning board of adjustment's discretion for determining when to take an appeal and replaces it with a non-discretionary 30-day period.**

### **[House Bill 296](#) [Chpt. Law 175](#)**

Currently, in some communities, appeals to the zoning board of adjustment by the applicant or abutter must be made within a "reasonable time" but that reasonable time is not defined.

This bill requires appeals to be made within 30 days as opposed to "a reasonable time."

This became effective on July 15, 2025.

## **Relative to expedited driveway permitting of major entrances for residential use of 20 units or greater and the time frame for approval or denial of permit applications.**

### **[Senate Bill 153](#) [Chpt. Law 154](#)**

The commissioner of the department of transportation will need to revise the department's policy for the permitting of driveways and other access to the state highway system to implement an optional program for the expedited permitting of major entrances for residential use of 20 units or greater, within 60 business days of approval of the traffic impact study.

An applicant electing to use the expedited permitting process under this paragraph shall pay a \$120 per unit non-refundable permit fee.

In addition to the permit fee, the applicant will need to pay a retainer as formulated by the department for reasonable expenses incurred by for third-party professional engineer review and consultation during the expedited permitting process.

Bill will be effective October 5, 2025 subject to rulemaking.

## **Endangered species and wildlife permit reviews move from Fish & Game to NHDES.**

### **[House Bill 2 Chpt. Law 141](#)**

The NH Department of Environmental Services (NHDES) is now responsible for conducting environmental reviews tied to certain permits (under RSA 482-A, RSA 485-A, and RSA 236) to ensure compliance with species protection rules. The department must adopt rules and a fee schedule within 90 days, and reviews must generally be completed within 60 days unless extended by the applicant or paused for additional information. If deadlines are not met, the project is presumed to not jeopardize endangered species.

Fish and Game had been identified as a major bottleneck in the state permit process. Legislators believe giving NHDES this authority will make the process faster and less costly.

## **Relative to commercial property assessed clean energy and resiliency (C-PACER).**

### **[Senate Bill 4 Chpt. Law 1](#)**

The bill makes several changes to the existing C-PACER (Commercial Property Assessed Clean Energy or Resiliency) statute in order to make such loans more available and easier to access.

C-PACER assessments are designed to repay the financing of the purchase or installation of products or devices not permanently affixed to commercial property.

A “qualifying improvement” means resiliency improvements, energy conservation and efficiency improvements, clean energy improvements, or water conservation improvements.

"Clean energy improvement" means the installation of any system on the property for producing electricity for, or meeting heating, cooling, or water heating needs of the property, using either renewable energy sources, combined heat and power systems, or district energy systems using wood biomass (but

not construction and demolition waste), waste heat, or natural gas. Such improvements include, but are not limited to, solar photovoltaic, solar thermal, wood biomass, wind, and geothermal systems.

The program, supported by the NH Business Finance Authority, is a voluntary agreement of a property owner and a municipality to allow the municipality to place an assessment, which runs with the property, on the owner's property in order to repay through a property tax bill.

The new law is in effect.

## **Requiring recusal of members of zoning boards of adjustment and planning boards in certain circumstances.**

### **[House Bill 92 Chpt. Law 108](#)**

When a member also serves on a planning board, the individual shall recuse herself or himself from voting on matters previously decided by or pending before the planning board in a quasi-judicial capacity in which the member participated as a voting member.

The law goes into effect August 22, 2025.

## **Relative to residential property subject to housing covenants under the low-income housing tax credit program.**

### **[Senate Bill 173 Chpt. Law 120](#)**

The low-income housing tax credit (LIHTC) program incentivizes private investment in affordable rental housing. Under current statute, municipalities may assess properties subject to a housing covenant under LIHTC using either an amount equal to 10% of actual income or, as an alternative, they may use a complex formula. Use of the latter method, however, had led to significant administrative burden, errors, and varying and subjective interpretations of the law.

The new law is intended to eliminate use of this alternative formula, which should improve predictability in budgeting for property owners and municipalities.

The new language is now in effect.

## **New requirements for certain new boathouses.**

### **[House Bill 2 Chpt. Law 141](#)**

Beginning July 1, 2025, new boathouses built over public waters in New Hampshire must not exceed 18 feet in height, may not have a second floor, and must limit storage to items directly related to boating. Existing boathouses as of that date cannot be modified to increase height or add floors.

Violations of these boathouse restrictions – or related wetland structure rules – will require removal of the noncompliant structure and may result in civil or criminal penalties, with any fines going to the municipality where the violation occurred.

## **Changes to Housing Appeals Board.**

### **[House Bill 2 Chpt. Law 141](#)**

The housing appeals board is now administratively attached to the board of tax and land appeals for budgetary and administrative purposes, and instead of three members it will now have two. The members of both the housing appeals board and Bureau of Land & Tax Appeals shall serve at the pleasure of the governor and council, rather than fixed terms.

## **Requires municipalities to exclude below-grade areas from floor-area-ratio (FAR) calculations.**

### **[Senate Bill 283 Chpt. Law 301](#)**

Notwithstanding any provision to the contrary, municipalities with floor-area-ratio (FAR) limitations shall exclude below-grade areas from the calculation of FAR for new construction projects.

Developers may utilize below-grade areas for purposes such as parking, storage, mechanical spaces, and additional facilities, without impacting the calculation of FAR for the building.

The bill goes into effect September 30, 2025.

## **Authorizing the preclosing use of a portion of a deposit held in escrow for the payment of certain construction customizations, upgrades, or change orders.**

### **[Senate Bill 26 Chpt. Law 291](#)**

For deposits being held in escrow under the Land Sales Full Disclosure Act or Condominium Act, the department of justice's consumer protection and antitrust bureau may authorize the preclosing use of a portion of a deposit designated pursuant to a purchase and sales agreement for the payment of any of the following, on such terms as the bureau might reasonably impose such as customizations, upgrades, change orders, or similar items.