# LEASE OF REAL PROPERTY

This checklist is intended to assist public entities in complying with 1.5.23.10 NMAC and providing standard information and documentation needed for consideration. Please reference the rule in its entirety along with this checklist to ensure you are following all requirements.

**Click here for the full rule.**

<table>
<thead>
<tr>
<th><strong>REQUIRED ITEMS</strong></th>
<th><strong>REQUIRED COPIES/FORMAT</strong></th>
<th><strong>SEND REQUIRED ITEMS TO:</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) This checklist once completed</td>
<td>One (1) original hard copy One (1) identical bookmarked PDF file</td>
<td>Director, State Board of Finance 181 Bataan Memorial Building 407 Galisteo Street Santa Fe, NM 87501 <a href="mailto:bof.administrator@state.nm.us">bof.administrator@state.nm.us</a></td>
</tr>
<tr>
<td>(2) All items and necessary attachments listed below</td>
<td><em>Both hard and electronic copies must be received for consideration.</em></td>
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</tbody>
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Complete items below, as applicable, and prepare documents as needed.

## ENTITY CONTACT INFORMATION

Submitted by ______________________________ Date ______________________________

Public Entity ______________________________ Email address ______________________________ Phone Number ______________________________

Presenters ______________________________ Title ______________________________ Email ______________________________

______________________________ ______________________________ ______________________________

______________________________ ______________________________ ______________________________

**GENERAL PROPERTY INFORMATION**

Location of the property ______________________________

Square footage/acreage of property ______________________________ How long has the entity owned the property? ______________________________

Detailed description of the property ______________________________ ______________________________ ______________________________

Has the entity made improvements to the property? □ Yes □ No

If yes:

When were the improvements made? □ Within last 10 years □ More than 10 years ago □ Both

Describe the improvements ______________________________ ______________________________ ______________________________

Were state capital appropriations used to fund any improvements? □ Yes □ No

What was the amount of capital appropriations received and expended on the property, and when were the appropriations received? ______________________________

## LEASING INFORMATION

Lessee/tenant ______________________________

Is the lessee a current tenant? □ Y □ N If yes, how long has the lessee leased the property? ______________________________

Reason the property is being leased ______________________________
How will the lessee use the property?

Property/ Appraised Value  Appraisal Date

*Appraised value if purchaser is private entity. Otherwise, general value of property if known.

Lease Rate  Lease Term  Options to Extend?  □ Y  □ N

If yes, number of options & extension terms

How was the lessee selected?  □ Competitive sealed bid  □ Public auction  □ Negotiation  □ Other (describe)

Will the lessee provide services, tangible property, or construction (i.e., services in lieu of rent)?  □ Y  □ N

If yes:
Describe the services

Did the entity seek bids for services?  □ Y  □ N  When was the request for bids issued?

REQUIRED DOCUMENTS

All leases
COVER LETTER addressed to the Director of the BOF describing the property, nature of the request, and other pertinent and detailed information that will provide staff a full picture of the request and proposed transaction.

UNSIGNED COPY OF LEASE, including all exhibits and attachments, if any.

• The lease must expressly state that any amendments thereto are subject to and shall not be effective prior to BOF approval.
• The lease must contain provisions contemplating sufficient appropriations for any lessor obligations.
• Any lease with a term greater than 5 years must include a rent escalation or periodic review of the appraised value.
• Any holdover period must be limited to 6 months

SIGNED RESOLUTION or SIGNED MINUTES of the governing body authorizing the lease, containing a provision making the lease subject to approval by the BOF. It is recommended that the governing body/bodies delegate authority to revise the lease agreement as may be required by the BOF.

If lessee is NOT another public body
CURRENT APPRAISAL by a certified appraiser. Lease or other consideration for less than fair market value from a private entity is not permitted, except as authorized by law (see 1.5.23.10(C) NMAC). All appraisals must:

• Have an effective date within one year of the date the application is submitted to the BOF for approval.
• List the BOF as an intended user of the appraisal.

REPORT OF TECHNICAL REVIEW from the Taxation and Revenue Department, Property Tax Division, on the appraised value (Property Tax Division Contact: NMTRD.Apraisals@state.nm.us).

Date of TRD Review ____________________________

Note: For Appraisal guidelines, please click here.

If lessee will provide services, tangible personal property, or construction (i.e., services in lieu of rent)
EVIDENCE OF PROCUREMENT CODE COMPLIANCE to include (1) evidence that selection of the lessee as vendor complied with the procurement code or is expressly exempt and that (2) the term of the lease complies with Section 13-1-150 NMSA 1978.

DETAILED LIST OF SERVICES OR DETAILED DESCRIPTION OF PROPERTY OR CONSTRUCTION to include monetary value of services and how the values were determined (for services), and a detailed valuation of property and/or construction (for provided personal property/construction).

COPY OF REPORTING FORM to be provided by the lessee to the entity to report valuation of services.

If entity is a school district
EVIDENCE THAT ALL CHARTER SCHOOLS IN THE DISTRICT HAVE DECLINED THE USE OF THE BUILDING pursuant to 22-8B-4(F) NMSA 1978 or that the building does not meet Public School Capital Outlay Council occupancy standards.