



Gus Martinez, NMCA
County Assessor

ASSESSOR'S UPDATE

Thank you!

FAREWELL MESSAGE FROM THE ASSESSOR

Greetings,

Approximately eight years ago you granted me the extraordinary privilege to serve as your County Assessor. Throughout my term, I have been overwhelmed by the support and gratitude that you have shown me for this service. With that, I have strived to honor the trust that you placed in me and live up to the promises that I made to you while campaigning for this Office. Not only did we accomplish the goals set before us, but we were able to move this Office forward into the 21st century. This was achieved by integrating technology into our operations, including aerial and oblique imagery, live chat/chatbot services, and work flow systems to enable staff to be more efficient. We developed our first user-friendly website that includes a map tool that allows you to do your business anywhere in the world. In addition, we were the first, in our Offices' history, to develop a policy and procedures manual that can be accessed and utilized by all staff who are a part of our team. We enhanced awareness of benefits and exemption for Veterans and the elderly by utilizing all marketing, advertising and public relations platforms. We have created a **Quality Assurance Department** that is responsible for protecting the integrity of data produced by my Office, and to ensure a quality and official Notice of Value (NOV). We have moved from a 5-year reappraisal plan to a 3-year plan, which ensures that all parcels are reviewed and current in terms of assessed values and through this time, we have reorganized my Office in a variety of ways, including the implementation of a **Customer Service Department** to better serve you.

Through my tenure, my goals were to provide the following:

- 5-star customer service
- Advocate for property tax benefits for seniors
- Keep the public informed and increase awareness on assessments and benefits
- Conduct educational outreach seminars
- Increase value of the employees of my Office
- Remain committed to unwavering County government transparency
- Ensure courteous, professional and responsive customer service
- Open door policy

With the help of my great staff, we have accomplished a lot of "first's" in my Office. We have built relationships throughout Santa Fe County and the United States. We have received two international awards: the **2019 Certificate of Excellence in Assessment Administration** which acknowledges that we are using best practice standards in meeting all statutory requirements, and the **2016 Public Information Program Award**, and one national award: the **2017 Public Sector Champion Jurisdiction of the Year Award**. As a result, we have raised the bar for local government. This would not have been possible without the support of my staff and the community I serve. When I was elected Santa Fe County Assessor we started with a taxable tax base of \$6.5 billion, it is now at over \$9 billion. The Office of the Santa Fe County Assessor is operating at the highest level imaginable, which wouldn't have been possible without the dedication, passion and hard work of my staff. My hope is that the foundation that has been laid, will continue for years to come.

Sincerely,

Gus Martinez
Santa Fe County Assessor

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REAL ESTATE MARKET CONDITIONS

According to the Santa Fe Association of Realtors, the Santa Fe County median home prices increased by 23% from \$606,500 in 2020 to \$746,00 in 2021. During the same period, City of Santa Fe median home prices grew by 11.5% from \$480,000 in the 4th Quarter of 2020 to \$535,000 this quarter. The overall volume of home sales rose from \$406.3M in 2020 to \$427M in the 4th Quarter of 2021 or by 5.2%.

Although condo and townhome sales fell, the median price of condo/townhomes increased by 5.5% or from \$377,500 in the 4th Quarter of 2020 to \$398,296 in 2021. Overall land sales decreased by 18.5% from 108 in the 4th Quarter of 2020 to 88 this quarter. Overall land prices rose by 21.5%. The volume of land sales grew from 16.7M in 2020 to \$20.1M in the 4th Quarter of 2021.

The Association reports that the inventory of single family homes for sale in the City and County of Santa Fe decreased about 50% from a total of 297 in the 4th Quarter of 2020 to 150 this quarter with only a single month's supply of inventory.

President of the Santa Fe Association of Realtors, Andrea Dobyms, stated that "Record-breaking low inventory of housing as well as forecast increases in mortgage interest rates will continue to impact the market moving into 2022 affecting housing affordability."

The Residential Section of the Office of the Santa Fe County Assessor re-assessed approximately 24,000 parcels in 2021. The appraisers covered over 38 neighborhoods from Española to the north, Las Campanas to the west, Tesuque to the east, and Tierra Contenta to the south. Additions, new construction and corrections were addressed during the reassessment.

With a focus on vacant land influences and sales in 2022, the Residential Section of the Office of the Santa Fe County Assessor is excited for the new year and to serve the taxpayers of Santa Fe County.

*Santa Fe Association of Realtors. (Santa Fe 4th Quarter 2021 Housing & Land Prices Rise)
Retrieved from <https://sfar.com>*

2021 VALUE PROJECT

For 2021, our Value Protest season looked different than in years past. Due to Covid-19, all Value Protests handled by our office were conducted in a hybrid virtual/in-person fashion using WebEx and Zoom. In total, our office received **1,092** Value Protests, down from **1,280** protests received in 2020. For our Residential team, we had **678** Value Protests come into the office. Of these **678** protests, only **20** went to the formal hearing with the Valuation Protest Board. This means we were able to successfully resolve **658** of these protests internally through informal conferences. On the Commercial side, we received **339** protests and only **14** went to the formal hearing. Finally, for our Appraisal Data Management, we received **77** protests and **4** of these went to the formal hearing. It is our goal to minimize the number of Value Protests we receive each year by using best-practice methods for valuation and being available to communicate directly with you.

BUILDING PERMITS

In 2021, our office received **2,965** building permits. Of these permits, our team of appraisers reviewed **2,499**. The team reviews these permits for the percentage completed so we can update our system and send out correct Notices of Value each April. If a permit is over 50% completed, it will be added to the tax roll to be taxed based on the percentage completed. As a result of Covid-19, we saw a sharp decrease in permits received at the beginning of this year. In the month of April, the most significant difference from 2020, we received **265** building permits compared to over **349** the year prior. Despite the significant drop during the initial wave of Covid-19, we saw a sharp increase of permits in June at **342** received. The remainder of the year saw some minor decreases from 2020, but has remained comparable to last year. These building permits, which include permits for new construction and home additions, are estimated to contribute to **\$457,333,035** in new value for the county.



Recently the New Mexico Court of Appeals issued an order holding that a transfer of residential property between an LLC's members and the LLC itself constitutes a "change of ownership" for purposes of NMSA 1978, Section 7-36-21-2(A)(3)(a) (2010). *Giddings v. Sky Mountain Vista, LLC A-1-CA-35643*. Once the residential property is transferred it is no longer subject to the 3% annual limitation increase and will be assessed at market value.

This rule applies even when property is transferred out of an LLC for purposes of refinancing and then re-deeded to the LLC.

The Santa Fe Assessor's Office will adhere to the ruling of the Court of Appeals.

