

**CITY OF HOBBS, NEW MEXICO**

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AUTHORIZING A REAL ESTATE EXCHANGE BETWEEN  
THE CITY OF HOBBS AND THE GEO GROUP, INC., INCLUDING THE  
CONVEYANCE OF CERTAIN CITY-OWNED PROPERTY AND THE  
ACCEPTANCE OF CERTAIN PROPERTY OWNED BY GEO GROUP, INC.**

**WHEREAS**, the City of Hobbs ("City") is the owner of approximately 66.64 acres of real property located in Hobbs, Lea County, New Mexico, as more particularly described in Exhibit 1 in the PSA ("City Property"); and

**WHEREAS**, The GEO Group, Inc. ("GEO") is the owner of approximately 68.15 acres of real property located in Hobbs, Lea County, New Mexico, as more particularly described in Exhibit 2 in the PSA ("GEO Property"); and

**WHEREAS**, the City and GEO have negotiated a Real Estate Purchase and Exchange Agreement ("REPA"), attached as Exhibit 3, setting forth the terms under which the City will convey the City Property to GEO and GEO will convey the GEO Property to the City, including an equalization payment to the City; and

**WHEREAS**, pursuant to NMSA 1978, Section 3-54-1, and applicable provisions of the Hobbs Municipal Code, the sale or exchange of municipal real property must be approved by ordinance adopted by the governing body; and

**WHEREAS**, the governing body finds that the proposed exchange of land is in the best interest of the City and its residents and that the terms negotiated under the REPA are fair, reasonable, and beneficial to the City.

**NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF  
THE CITY OF HOBBS, NEW MEXICO:**

**1. TERM OF SALE.**

The City proposes to convey the 66.64-acre City Property to GEO and to accept the 68.15-acre GEO Property from GEO pursuant to the Real Estate Purchase and Exchange Agreement attached as Exhibit 3. The transaction includes an equalization payment from GEO to the City and shall be completed in accordance with the terms of the REPA.

**2. APPRAISED VALUE OF PROPERTY.**

- a. City Property Appraised Value: \$600,000
  - i. Size: 66.64 acres
  - ii. Value per acre (approx.): \$9,000/ac

- b. GEO Property Appraised Value: \$475,000
- c. Size: 68.15 acres
- d. Value per acre (approx.): \$6,970/ac

These appraised values reflect the fair market value of each parcel as determined by a certified appraiser.

3. **SCHEDULE OF PAYMENTS:**

The equalization payment associated with the exchange shall be paid as follows:

- a. Earnest Money Deposit: \$0 (not required for exchange)
- b. Equalization Payment Due at Closing: \$125,000
- c. Total Amount Paid by GEO to the City: \$125,000

4. **PURCHASE PRICE.** The monetary consideration to be paid to the City as part of the land exchange is \$125,000. This reflects the difference between the appraised values of the two properties.

5. **NAME OF PURCHASER.** The GEO Group, Inc., 4955 Technology Way, Boca Raton, FL 33431

**NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO:**

**Section 1.** Approval of Real Estate Purchase and Exchange Agreement. The Real Estate Purchase and Exchange Agreement between the City of Hobbs and The GEO Group, Inc., attached hereto as Exhibit 3, is hereby approved. The Mayor is authorized to execute the REPA on behalf of the City.

**Section 2.** Upon the effective date of this Ordinance, the Mayor or City Manager is authorized to:

- A. Convey the 66.64-acre City Property to GEO by Special Warranty Deed;
- B. Accept the 68.15-acre GEO Property from GEO by Special Warranty Deed;
- C. Accept a Quitclaim Deed from Lea County relinquishing any interest it holds in the City Property;
- D. Execute closing documents, settlement statements, affidavits, and any other instruments necessary to effectuate the exchange of property.

**Section 3.** No conveyance, acceptance, or payment shall occur unless and until:

- 1. This Ordinance is adopted and published;

2. The 45-day referendum period expires without suspension;
3. The Ordinance becomes effective; and
4. All conditions in the REPA have been satisfied.

**Section 4. Effective Date.** This Ordinance shall become effective forty-five (45) days after publication, unless a referendum petition is properly filed.

**Section 5. Severability.** If any portion of this Ordinance is held invalid, the remainder shall remain in full force and effect.

**PASSED, ADOPTED AND APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

CITY OF HOBBS, NEW MEXICO

\_\_\_\_\_  
SAM D. COBB, Mayor

ATTEST:

\_\_\_\_\_  
JAN FLETCHER, City Clerk

**EXHIBITS**

- Exhibit 1: Legal Description of City (66.64-acre) Property
- Exhibit 2: Legal Description of GEO (68.15-acre) Property
- Exhibit 3: Real Estate Purchase and Exchange Agreement (REPA)