



**REALTORS® ASSOCIATION OF NEW MEXICO**  
**PROPERTY MANAGEMENT AGREEMENT - RESIDENTIAL - 2017**  
**PART I - BROKER DUTIES**



As required by New Mexico law, before the time a broker generates or presents any written document that has the potential to become an express written agreement, the broker shall disclose in writing to their prospective customer or client, and obtain a written acknowledgement from their prospective customer or client, showing the delivery of the disclosure of the following broker duties:

- A.** Honesty and reasonable care as set forth in the provisions of this section;
- B.** Compliance with local, state, and federal fair housing and anti-discrimination laws, the New Mexico Real Estate License Law and the Real Estate Commission rules and other applicable local, state, and federal laws and regulations;
- C.** Performance of any and all written agreements made with the customer or client;
- D.** Assistance to the broker's customer or client in completing the transaction, unless otherwise agreed to in writing by the customer or client, including
  - 1.** Presentation of all offers or counteroffers in a timely manner, and
  - 2.** Assistance in complying with the terms and conditions of the contract and with the closing of the transaction; if the broker in a transaction is not providing the service, advice or assistance described in paragraphs D(1) and D(2) above, the customer or client must agree in writing that the broker is not expected to provide such service, advice or assistance, and the broker shall disclose the existence of such agreement in writing to the other brokers involved in the transaction;
- E.** Acknowledgment by the broker that there may be matters related to the transaction that are outside the associate broker's or qualifying broker's knowledge or expertise and that the associate broker or qualifying broker will suggest that the customer or client seek expert advice on these matters;
- F.** Prompt accounting for all money or property received by the broker;
- G.** Written disclosure to their client or customer and to other brokers involved in the transaction of any potential conflict of interest that the broker has in the transaction including but not limited to:
  - 1.** Any written brokerage relationship the broker has with any other parties to the transaction or;
  - 2.** Any material interest or relationship of a business, personal, or family nature that the broker has in the transaction;
  - 3.** Other brokerage relationship options available in New Mexico;
- H.** Written disclosure of any adverse material facts actually known by the associate broker or qualifying broker about the property or the transaction, or about the financial ability of the parties to the transaction to complete the transaction; adverse material facts requiring disclosure do not include any information covered by federal fair housing laws or the New Mexico Human Rights Act;
- I.** Maintenance of any confidential information learned in the course of any prior agency relationship unless the disclosure is with the former client's consent or is required by law;
- J.** Unless otherwise authorized in writing, an associate broker or qualifying broker shall not disclose to their customer or client during the transaction that their seller client or customer has previously indicated they will accept a sales price less than the asking or listed price of a property; that their buyer client or customer has previously indicated they will pay a price greater than the price submitted in a written offer; the motivation of their client or customer for selling or buying property; that their seller client or customer or their buyer client or customer will agree to financing terms other than those offered; or any other information requested in writing by the associate broker's or qualifying broker's customer or client to remain confidential, unless disclosure is required by law.

TENANT AND LANDLORD SHOULD ACKNOWLEDGE RECEIPT OF THIS INFORMATION BY INITIALING BELOW.



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PART II - COVER PAGE**



1. Broker  does  does not have a material interest or relationship of a business, personal, or family nature in the transaction, including compensation from more than one party;

If the Brokerage or Qualifying Broker has a material interest or relationship of a business, personal, or family nature in the transaction, that interest or relationship must also be disclosed separately.

2. Property Owner  is  is not a New Mexico real estate Broker.

\_\_\_\_\_  
Owner Signature

\_\_\_\_\_  
Date      Time

\_\_\_\_\_  
Owner Signature

\_\_\_\_\_  
Date      Time

**BROKER**

\_\_\_\_\_  
Firm

\_\_\_\_\_  
Broker

Broker  is  is not a REALTOR®

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Time



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1. PARTIES.

(“Owner”) and (“Brokerage”) do hereby agree that Broker shall have the exclusive right to rent and manage for Owner the Property described in Paragraph 3, subject to the terms and conditions of this Agreement. Owner understands and agrees that Broker’s services may be performed through one or more authorized agents and any reference to Broker in this Agreement includes such authorized agents.

2. RELATIONSHIP. By way of this Agreement, it is the intention of the parties to create an agency agreement/ relationship by and between Owner and Broker. All duties and obligations under this Agreement will be taken on behalf of the Owner and for Owner’s account. In taking any action under this Agreement, Broker shall be acting only as agent for the Owner. Nothing in this Agreement shall be construed as creating a direct employer-employee relationship, partnership, joint venture or any other relationship between the parties. Neither party shall have the authority to bind or obligate the other except as provided for in this Agreement or as necessary to carry out the intent of this Agreement.

3. PROPERTY.

Address City Zip Code

Legal Description
Or metes and bounds description attached as Exhibit \_\_\_\_\_, \_\_\_\_\_ County, New Mexico.

PER NEW MEXICO LAW, THERE MUST BE A SEPARATE PROPERTY MANAGEMENT AGREEMENT FOR EACH PROPERTY MANAGED.

4. TERM. The Term of this Agreement will begin on \_\_\_\_\_, \_\_\_\_\_, and will terminate at 11:59 pm Mountain Time on \_\_\_\_\_, \_\_\_\_\_ (Term). Unless written notice of termination is given no later than \_\_\_\_\_ days prior to the end of the Term, as set forth above, this Agreement shall become month-to-month. This agreement may be terminated with \_\_\_\_\_ days written notice by either Party.

5. BROKER OBLIGATIONS AND OWNER’S GRANT OF AUTHORITY. Owner grants to Broker the authority to manage the Property and Broker agrees to accept the management responsibilities for the Property which shall include the following:

- A. Advertising the Property for rent/lease and displaying signs thereon, if permitted by law, ordinances, covenants, rules, etc. The cost of advertisements is Owner’s responsibility. Owner authorizes Broker to incur advertising costs up to \$ \_\_\_\_\_ per month. Any additional advertising costs must be approved by Owner prior to incurring said costs. The method of advertising is in Broker’s sole discretion;
B. Interviewing and conducting any necessary due diligence as determined by Broker to identify potential tenants. If in conducting such due diligence, such as obtaining a criminal background check or credit report, Broker must enter into a contract with the third-party providing such report which requires the Broker to maintain the confidentiality of the information obtained or if Broker is otherwise prohibited by law from disclosing the information obtained, Owner understands and agrees that Broker will not provide such information to Owner.

(Owner’s Initials)

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- C. Entering into rental/lease agreements in the Owner's name and/or in the name of Broker as Owner's agent under terms and conditions as set forth in this Agreement and in Exhibit "A" attached hereto;
- D. Terminating rental/lease agreements as provided by the Rental/Lease Agreement and applicable law;
- E. Addressing tenant issues and negotiating tenant disputes;
- F. Collecting all rents, fees and deposits from tenants and disbursing them as provided herein.
- G. Maintaining the Property in its present condition as required to comply with the rental agreement and/or law. This includes performing any and all necessary repairs, maintenance, minor alterations and improvements and/or negotiating with and entering into agreements with third-parties on behalf of Owner for the same. Broker may negotiate contracts for non-recurring items not exceeding \$\_\_\_\_\_per item.
- H. While tenants are in possession of Property, instituting and prosecuting actions to the extent permitted by law to remove tenants and to recover possession of the Property and/or rent due and when expedient, settling, compromising and releasing such action. Broker is not obligated but may, with owner's consent, institute or prosecute a civil action against a tenant for damages after tenant has vacated the property;
- I. Contracting for electricity, gas or water and such other services as necessary or prudent for the operation of the Property. All utility charges and deposits shall be the Owner's responsibility. Broker shall pay all bills from the trust account provided funds are available. Broker shall in no way be liable for any damage to the Property that results from the establishment of any such service;
- J. In regards to Short-Term Rentals, collecting New Mexico Gross Receipts Tax and Lodger's Tax due on all receipts derived from reservations in accordance with New Mexico law. "Short-Term Rental" is defined by New Mexico law as a rental of 29 days or less.

**6. ADDITIONAL BROKER RESPONSIBILITIES.**

- A. Maintain records of owner and tenants;
- B. Upon request by Owner, provide all rental agreements to Owner.
- C. Provide  all requested  the following documents to Owner or Owner's designee after termination of this Agreement:  Residential Rental Application;  Residential Rental Agreements;  Credit and/or Background documents on tenants;  Other \_\_\_\_\_
- D. Deposit all collected receipts in Broker's trust account. No money may be disbursed to Owner until sufficient funds have cleared to cover the disbursement to Owner from the trust account. Nothing in this Agreement shall obligate Broker to advance funds on behalf of Owner. Trust account  will  will not be interest-bearing. If interest-bearing,  Broker  Owner will receive interest accrued.
- E. Provide Owner with a monthly accounting and to the extent net funds are available after maintaining cash reserve amounts as provided herein, any proceeds due to Owner on or before the \_\_\_\_\_ day of each month as provided below.
  - i. For Rentals of 30-Days or longer: Broker's accounting shall include the following: a) the previous month's balance; b) funds deposited by category; c) funds disbursed by category; d) ending balance, and; e) other: \_\_\_\_\_
  - ii. For Short-Term Rentals (29 days or less): in addition to the accounting requirements as set forth above (Paragraph 6(E)(i)), Broker's accounting shall also include the following: a) rental income for the month; b) credit card fees; c) maintenance charges; and d) amount paid in commission to Broker.

- 7. EXIGENT CIRCUMSTANCES.** In the event of an emergency where repairs are immediately necessary for preservation and safety of Property, to avoid the suspension of any essential service to the Property or to comply with federal state or local law, Broker is authorized by Owner, but is not required, to make such emergency repairs in excess of the amount provided for in Paragraph 5(G) above at Owner's expense and without Owner's prior approval. Broker shall pay all bills from the trust account provided funds are available. In the event Owner's reserve account is insufficient to cover such disbursements, nothing herein obligates Broker to use his/her/its own funds to pay for such emergency repairs. Broker shall pass on to Owner any rebate or discount that Broker shall obtain.



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- 8. OWNER REPRESENTATION. Owner represents and warrants the following:
A. Owner has full power and authority to enter into this Agreement;
B. There are no written or oral agreements affecting the Property other than disclosed tenant leases, copies of which have been furnished to Broker;
C. There are no recorded easements, restrictions, reservations or rights of way which adversely affect the use of the property for the purposes intended under this Agreement;
D. The Property is zoned for the intended use;
E. Buildings and the construction and operation thereof and wells and/or septic systems on the Property, if applicable, are in compliance with all applicable statutes, laws, ordinances, regulations and/or orders;
F. Owner [ ] is [ ] is not current on any financial obligations for which the Property is used as collateral or for which a security lien has been filed against the Property (i.e. mortgages, deeds of trust, real estate contracts, etc.). If checked not current OR if any other financial situation exists that could affect a tenant's residency, please explain:
G. If this is a Common Interest Community (CIC), the CIC's Declaration of Covenants, Conditions and Restrictions [ ] do [ ] do not restrict the leasing of the Property. Any leasing restrictions are outlined in an addendum to this Agreement and attached hereto as Exhibit B. Owner shall notify Broker of any changes to the CICs affecting the leasing or management of the Property. Broker assumes no liability for fines or assessments incurred as a result of Owner's failure to inform Broker of any restrictions on leasing or requirements of management set forth in the CICs. Owner agrees to reimburse Broker for any such assessments, fines or fees which Broker may pay on Owner's behalf;
H. That the information supplied by Owner is accurate and correct.

9. COMPENSATION/FEES.

- A. In return for renting and managing the Property, Owner agrees to pay Broker plus applicable gross receipts taxes in the following manner:

Compensation due Broker for periods less than the scheduled rental period shall be prorated.

- B. In the event Owner requests Broker to negotiate or supervise major repairs, improvements and/or remodels or renovations, the Parties will negotiate terms and compensation for such services in a separate agreement. This does not include normal, customary, or recurring maintenance and repairs which are covered by this Agreement.
C. In the event of termination of this Agreement by Owner for any reason prior to the end of the Term, Owner will pay Broker (plus applicable gross receipts taxes).
i. With respect to existing lease:
ii. With respect to renewals:
iii. Other:
D. All other fees charged to Owner:
E. Owner authorizes Broker to reimburse him/her/itself out of any rental proceeds for all expenses and costs of operating the Property under this Agreement, including Broker compensation and applicable fees.

10. FEES RETAINED BY BROKER. The following fees will be charged to Tenant and retained by Broker unless otherwise noted below:

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