

## PROPERTY MANAGEMENT ESSENTIALS - RESIDENTIAL

### Four-Hour Course Outline

Objectives: To establish a better understanding of current NMREC property management rules with emphasis on disclosures required, record keeping and the proper handling of funds. Discuss selected portions of the Uniform Owner-Resident Relations Act. Also discuss discrimination issues, and risk issues including mold, lead-based paint and illegal drug activity.

#### I. Introduction

- a. Introduction of participants
- b. State objectives of session

#### II. New Disclosure Requirements (handouts)

- a. Background
  - i. NMREC deferred to Uniform Owner-Resident Relations Act (UORRA)
  - ii. Discuss disclosure required under UORRA
- b. Broker Duties
  - i. Disclosures required within Form 1401
- c. Must be signed before Management Agreement is signed
- d. Must be signed before Rental Agreement is signed

#### III. The Real Estate Disclosure Act

- a. Stigmatized properties
- b. Fair Housing concerns
- c. Megan's Law [www.nmsexoffender.dps.state.nm.us/](http://www.nmsexoffender.dps.state.nm.us/)

#### IV. Lead-Based Paint Regulations and Other Hazards

- a. Certificate of Occupancy issued prior to 1978
- b. Disclosures required
- c. Mold
- d. Radon

#### V. Illegal Drug Activity

- a. Clandestine labs
- b. Substantial Violation
- c. Albuquerque ordinance

#### VI. Fair Housing Issues

- a. Protected Classes
  - i. Federal
  - ii. New Mexico Human Rights Act
- b. Be fair and consistent

#### VII. NMREC Rules and Issues that pertain to property management

- a. Top five property management issues
  - i. Failure to have a management agreement in place and abide by it
  - ii. Failure to provide monthly reports

- iii. Failure to reconcile and closeout on a timely basis
  - iv. Commingling of funds
  - v. Failure to adequately care for property
- b. Trust Accounts
  - i. Up to five units
  - ii. Six and over

#### VIII. Uniform Owner-Resident Relations Act

- a. Deposits
  - i. Tenancy less than one year
  - ii. Tenancy of one year or greater
- b. Disposition of deposit upon termination
  - i. Uncleanliness does not constitute normal wear and tear
- c. Failure to provide statement of deductions from deposit
- d. Notices to terminate must be in writing
  - i. 3 Day non payment of rent
  - ii. 7 Day non compliance by tenant or owner
  - iii. 30 Day notice to terminate
  - iv. 3 Day notice of substantial violation
  - v. Petition for restitution