

RENTAL MANAGEMENT SERVICES, INC.
7111 4TH ST NW
ALBUQUERQUE, NM 87107
(505) 898-1188

MANAGEMENT POLICIES

ASSIGNMENT OF RIGHTS

In order for us to act on an owner's behalf, the owner will be required to give us limited rights. Because of the problems getting documents notarized, we have eliminated the need for a power of attorney in favor of the assignment of rights. It is similar to a power of attorney, but does not require signatures to be notarized.

MANAGEMENT FEES

Our monthly management fee is payable when the rent payment is received. It is automatically deducted from the owner's account at the time the rent payment is posted. However, since one of our jobs is keeping the property occupied, we do not take our management fee as long as a property remains vacant.

We are available for management of vacant properties that are not being held out for rent. Fees for that service are established at a flat rate.

RENT COLLECTIONS

All rent is due on the first of each month and is considered late if received after the third business day of the month. Three-day notices are generally delivered around the sixth of the month. Eviction proceedings are initiated if the tenant does not make immediate arrangements for payment of the rent. Late fees and associated penalties are kept by the broker to cover administrative costs involved in the collection of unpaid rent such as having to attend court hearings on behalf of the owner. The broker also retains charges for NSF checks and late fees on NSF checks.

LEASING

We pride ourselves on the quality of tenants we are able to attract, which is a direct result of our extensive tenant screening procedures. Applicants are required to complete a Rental Application in order to provide credit information and references. A credit check is made on every prospective tenant. We explain to all applicants that prompt rent payment will help maintain their good credit rating. A fee for the credit report and an application deposit is normally taken at the time the Rental Application is filled out. This is an act of good faith by the tenant and covers the cost of the credit report if the applicant proves to be unqualified to lease your property. Once a tenant's Rental Application has been approved, an appointment is made to sign the actual Lease Agreement. We have found that this extra personal attention to the tenant's needs greatly reduces misunderstandings and eliminates many potential problems. This also gives us a chance to answer any questions and to carefully explain the tenant's responsibilities as well as our company policies and procedures. A copy of the Lease Agreement will always be sent to the owner with the next accounting statement. We then conduct a thorough move-in inspection using the Property Condition Report with the tenant. This gives us another opportunity to encourage the tenant(s) to take pride in their leased home.

FAIR HOUSING

State and Federal Housing Laws prohibit discrimination in the sale, rental, appraisal, financing or advertising of housing on the basis of race, religion, color, national origin, ancestry, sex, sexual orientation, gender identity, spousal affiliation or physical or mental handicap, provided that the physical or mental handicap is unrelated to a person's ability to acquire or rent and maintain particular real property or housing accommodation. As licensees we follow these established fair housing guidelines explicitly.

LEASING FEE

A leasing fee of up to 20% of one month's rent is charged for any lease after the first tenant is in place. There is not a leasing fee for annual renewals for current tenants, only when vacancies occur.

DOOR LOCKS

All entry locks will be changed (re-keyed) at the owner's expense prior to the first tenant and will be re-keyed for each subsequent tenant.

DEPOSITS

As additional protection, an appropriate deposit is collected from a prospective tenant upon completion of the Rental Agreement. The amount of the total deposit is based on the monthly rental rate. In most cases, the deposit is equal to one month's rent. Pet deposits are not taken because New Mexico law requires passbook interest to be paid on deposits in excess of one month's rent. If an owner is holding a deposit for tenants who are remaining in the house after we take over management, that deposit must be sent to us for deposit in our trust account. We will notify the tenant in our letter of introduction that we now hold their deposit. We will use the deposit to return the property to its condition prior to the tenant's occupancy with the exception of normal wear and tear. The owner will be charged for the normal wear and tear, deep cleaning, and any deferred maintenance performed while the home is vacant. The owner will also be charged for re-keying the locks on all keyed exterior doors between tenants. Any deposit remaining after cleaning and repairs are made will be applied to back rent if any is owed. **If the tenant's deposit does not cover all cleaning and repairs, those charges will be passed on to the owner.** If we recover those funds at a later date, the owner will be reimbursed.

DEBT COLLECTIONS

A professional collection agency can be used as an agent to collect on all past due accounts. The fee for their service is normally 50% of the amount owed. We do not turn debits over to them until we have exhausted all reasonable attempts to collect the debit. Our lease provides for the cost of collection to be added to the balance due.

ACCOUNTING SERVICES

Every transaction affecting a property accounting balance is recorded and explained in detail. Accounting is done on a single-entry cash basis with a separate income and expense ledger maintained for each property. We open another income and expense ledger in the owner's name (in addition to the property ledger). This enables us to transfer funds to and from a property without intermingling accounting transactions with the owner's other properties that we manage. As a result, each property always has its own complete and separate accounting records.

Copies of all work orders and receipts are kept on file throughout the year. We will provide a copy of invoices if the computer description does not fully explain what was done with the exception of all utilities and winter heater conversions and summer air conditioner conversions.

In addition to the monthly statements described in the next section, we also provide a complete account summary at the end of the year. These year-end statements show each type of accounting transaction posted to the property during the year as well as a summary of all transactions by specific accounting code (total rent received, total mortgage payments made, total plumbing expense, and so on). These statements have been specially designed to simplify the year-end tax preparation job for the owner or owner's accountant.

As required by Internal Revenue Service regulations, we prepare and submit a 1099 MISC Form showing the gross rent income that we collect on the owner's behalf during the year. A copy of this form is sent with the year-end statement. To insure we have the owner's social security number, we require a **Form W-9 - Request for Taxpayer Identification Number and Certification** be completed and returned to our office with the completed management contract.

MONTHLY STATEMENTS

Our software enables us to provide a concise, accurate, and easily understandable statement of account activity each month. Statements and rental proceeds are normally sent between the 10th and 15th of each month. Occasionally, a statement will be held for a few days because of a late rent payment or to allow for a rent check to clear our bank. In most cases, late rent proceeds are paid eight days after we have deposited the tenant's check.

We retain a minimum of \$200.00 (\$100 for owners with multiple properties) in each property account to pay for incidental expenses for each property. The retained funds used during a monthly rental period will be replaced from the monthly rent proceeds received. If the account has a debit balance, the owner will be billed for the amount due. The retained balance will be replaced out of any future rent proceeds received. The monthly statement will also include a check for any rent proceeds above the minimum retained balance unless the payment is sent directly to the owner's bank. Accounts that have a debit balance will be billed for the amount due on the monthly statement. The invoiced amount is due and payable upon receipt. THE NEW MEXICO REAL ESTATE COMMISSION PROHIBITS MANAGERS FROM LOANING OWNERS MONEY. ANY DEBIT LEFT UNPAID AFTER BILLED IS VIEWED AS A LOAN. **Accounts left unpaid after the 1st day of the month following the date of the statement will be charged a late fee of 4% per month of the unpaid balance (APR 48%).**

These statements show every transaction posted to an owner's account since the last statement. Each transaction is described as simply as possible but it is impossible to have a line item description for every eventuality. So occasionally we have to use miscellaneous entry line item codes. Copies of work orders and invoices are kept on file and are not sent with the statement unless the computer description is in our judgment, inadequate. When we bill the tenant for utilities, rent or repairs, these charges are billed through the property ledger and paid from the owner's funds. When the tenant pays the debit, it is credited to the property, reimbursing the owner. When those reimbursements are posted they cancel out the expense/repair as a tax-deductible item. At the broker's discretion, a 1½-% finance charge will be assessed and retained by broker on tenant accounts with unpaid balances, other than rent, over 30 days past due for balance s above \$200.

If a discrepancy is noted on a monthly statement the owner should contact us immediately for clarification or correction.

VACANCIES

Our software enables us to monitor our lease expiration dates carefully. We do not ordinarily allow our leases to lapse into a month-to-month tenancy. There are some circumstances that arise such as, allowing a month-to-month tenancy until a more favorable time of year to negotiate a new lease or the owner may want to put the house on the market for sale. About 60 days before a tenant's Lease Agreement is due to expire, we send a letter to the owner with our recommendation for rent increases,

lease terms, etc. We need to have owner's written reply by the 15th of the following month. If we do not hear back from the owner we will assume the owner has no objections. We will then notify the tenant that they are being offered a lease renewal. Their lease renewal describes any rent increase or any other changes in the terms or conditions of the lease. If the new lease is declined, the tenant is required to give us a 30-Day Written Notice before the present lease expires. This helps prevent unexpected vacancies and gives us adequate time to prepare the property and market it for lease. It also helps prevent the needless loss of revenue due to unexpected vacancies.

If a tenant chooses to vacate, the property must pass a thorough checkout inspection before the tenant is released from the Lease Agreement and their security deposit returned. This minimizes the preparation and turn-around time before a property is re-leased. The inspection will not be made until the tenant has removed all furnishings and other personal belongings. The tenant is not allowed to re-enter the property once the inspection is complete. Vacancies are advertised until rented. We use most available media such as yard signs, flyers to other real estate companies, and classified listings in both the Albuquerque Journal and the Rio Rancho Observer. We also advertise on the Internet at our website, www.rmsi2000.com. We pay a referral fee to licensed agents for tenant referrals. We normally use and pay for generic advertising. If an owner wants a specific newspaper or website ad for their property, we will place the ad and charge the owner's account. We maintain careful control of each vacant property so only licensed employees of RMSI will show the vacant property to prospective tenants. We do not normally issue keys to other agents or to prospective tenants. If the property is occupied, we make an appointment with the current tenant, unless we have received permission to show the property in their absence. **Our main purpose as property managers is to keep an owner's property occupied and to minimize any vacancies. If an owner makes a decision that affects the status of a property the owner must let us know immediately so we can flag the property. We sometimes have homes re-leased within hours after being notified of an upcoming vacancy. Consequently, we might get a new lease in effect that could conflict with the owner's plans to take possession or sell.**

INSURANCE

In addition to Fire and Extended Coverage insurance policy, we require an owner to maintain a policy of comprehensive property liability coverage with Rental Management Services, Inc. named as co-insured on the policy. This coverage protects the owner against a wide range of losses caused by unintentional hazards or unsafe conditions on the property. The coverage the owner had while residing in the house is not the same coverage needed when a house is converted into a rental property. It is a good idea to have insurance to cover property damage while the house is vacant as well as damages in excess of the deposit held for tenant-caused damages. The Owner should also consult with an insurance agent about "Lost Rent Coverage" and "Tenant Damage Exceeding Deposit."

Each insurance provider seems to have a different way of including a property manager on a rental policy. STATE FARM for instance uses the term "Servicing Agent." We do not care how the identification is handled as long as the end result is the same. THERE IS NO COST INVOLVED IN ADDING YOUR RENTAL AGENT TO THE POLICY. As co-insured, the insurance carrier will mail a proof of insurance certificates to us. In the interim the owner is to provide us with the carrier's name, policy number and agent.

MORTGAGE PAYMENTS

At the broker's discretion, we will make the mortgage payment on a property. The owner must supply us with the necessary mortgage payment coupons provided by the mortgage company. **Our main requirement is that a rental property account must have and maintain a positive cash flow. If the property has a consistent negative cash flow each month, we will return the mortgage coupons to the owner to make the mortgage payments.**

The payment will be deducted from your account balance automatically on or about the 5th of each month. Most mortgage companies have a grace period until the 15th of the month. We cannot be held responsible for mail service. To insure an owner is not charged additional charges for late payments, we suggest that the owner be one mortgage payment ahead. This policy also applies to association fees.

RENTAL MANAGEMENT SERVICES, INC
71114TH ST NW
ALBUQUERQUE, NM 87107

REAL ESTATE MANAGEMENT CONTRACT

Revised 09/05/03

PARTIES:

This agreement dated _____ for reference purposes only between _____ hereinafter called Owner(s) and **RENTAL MANAGEMENT SERVICES, INC.** herein-after referred to as **RMSI** or Broker (the Parties), whereby Owner employs Broker as Owner's exclusive agent to manage the real property situated in the City of _____, County of _____, State of **NEW MEXICO**, described as _____. Upon the terms set forth herein beginning _____ and ending _____ and for annual periods thereafter, unless sooner terminated as provided for in the Termination Clause below.

Disclosure of Information on Lead-Based paint and/or Lead-Based Paint Hazards
Lead Warning Statement

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not managed properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, lessors must disclose the presence of known lead-based paint and/or lead-based paint hazards in the dwelling. Lessees must also receive a federally approved pamphlet on lead poisoning prevention.

_____ **I certify that the house was built after 1978.** (Answer the following questions only if home was built in 1978 or prior years)

Lessor's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):

(i) _____ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain) _____

(ii) _____ Lessor has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the lessor (check (i) or (ii) below):

(i) _____ Lessor has provided the lessee with all available records and reports pertaining to lead-based paint and/or lead-based hazards in the housing (list documents below).

(ii) _____ Lessor has no reports or records pertaining to lead-based paint and/or lead-based hazards in the housing.

Agent's Acknowledgment

(e) _____ Agent has informed the lessor of the lessor's obligations under 42 U.S.C. 4852(d) and is aware of his/her responsibility to ensure compliance.

BROKER'S OBLIGATIONS:

Owner hereby confers upon the Broker the following duties, authority and powers:
LEASING. To advertise the availability for rent of the property or any part thereof and at Broker's discretion to display "For Rent" or "For Lease" signs thereon. To execute leases with terms which normally do not exceed **ONE (1)** year and execute renewals or cancellations of leases relating to the property. To terminate tenancies and to sign and serve for the Owner such notices as Broker deems appropriate. To institute legal actions in the name of the Owner, to evict tenants and recover possession of the premises, to recover rents and other sums due under the terms of

the lease, and to settle, compromise and release such actions.

RENTS. To collect rents and to collect and disburse security and other deposits and to deposit all receipts collected for Owner in a trust account with a qualified banking institution. Broker shall not incur any liability for bankruptcy or failure of the depository.

MAINTENANCE. To employ Independent Contractors as required for the operation and maintenance of the property. It is agreed that all employees not classified as Independent Contractors shall be deemed to be Owner's employees.

SERVICE CONTRACTS. To execute contracts for utilities and services for the operation, maintenance and safety of the property, as the Broker shall deem advisable and/or necessary. Broker shall place gas and/or electric service in "Landlord Standby" in the Owners name with service billing to be mailed to the office of **RMSI**. Swimming pools and hot tubs must have service contracts to insure proper maintenance.

BROKER IS NOT RESPONSIBLE FOR LANDSCAPING, POOLS OR HOT TUBS.

REPAIRS. To employ Independent Contractors as required to make repairs and perform decorating and alterations. Broker agrees to obtain Owner's prior authorization for any expense item in excess of **\$200.00**, except monthly or recurring operating charges or emergency repairs. If the Broker deems such expenditures in excess of the above amount necessary to protect the property from damage or to perform services to the tenants as provided for in their lease or required by New Mexico Statutes, the expenditure will be made without owners advance approval.

In the event the Owner is not reasonably available for consultation, the expenditure will be made without owners advance approval.

PERIODIC STATEMENTS. To render periodic itemized statements of receipts, expenses, charges and accruals and to remit to Owner receipts less disbursements and accruals for future expenses. IN THE EVENT DISBURSEMENTS SHALL EXCEED RECEIPTS, OWNER SHALL PROMPTLY REMIT SUCH EXCESS TO THE BROKER. Owner assumes full and complete responsibility for the payment of any and all expenses and obligations incurred in connection with the exercise of Broker's duties set forth herein. SEE "OTHER TERMS" PARAGRAPH 11 FOR LATE PAYMENT PENALTY ON FUNDS PAYABLE TO THE BROKER.

The broker will retain up to **\$200.00** per property managed in the owner's account to pay incidental expenses for the property. The retained balance will be replaced from monthly rent proceeds.

The mailing address for the monthly statement is: _____
The Owner's phone numbers are: Home _____ Work _____
Fax _____ E-mail _____

If the monthly rental proceeds are to be sent to a different address or bank, that information must be provided to the broker in writing.

OWNER'S OBLIGATIONS:

1. BROKERAGE FEES. Owner recognizes Broker as his agent in any negotiations relative to the property or any part thereof. Owner agrees to pay Broker a fee or fees for services rendered at the rates hereinafter set forth. Such compensation is due and payable on demand and may be deducted by the Broker from receipts.

a. Management. 10% of any rents collected. Late payments fees, NSF Check charges, etc., shall be retained by the Broker to offset expenses in delivering notices and court proceedings.

b. Leasing. At the Brokers discretion, a fee not to exceed 20% of one-month's rent may be charged for the leasing of any property to a new tenant.

c. Sale or Exchange. If the Property herein described is sold, transferred or exchanged by any person; to any person, firm or corporation with whom the Broker has negotiated for the purchase of this Property during the term of this agreement, or

who has been a tenant within the past 12 months. **Owner agrees to pay Broker a sales Commission of 3% of the gross sales price or exchange value.**

d. Initial set-up fee. 10% of proposed first month's rent to be paid upon execution of this agreement. This is a one-time fee.

DATA AND RECORDS. Owner agrees to make available to Broker all data, records and documents pertaining to the property, which the Broker may require to properly exercise his duties hereunder.

INSURANCE. Owner shall obtain and keep in force a policy of comprehensive public liability insurance with Rental Management Services, Inc. named as CO-INSURED or ALSO INSURED on the policy. (This action includes RMSI on your policy at no additional expense to you) Coverage of not less than \$300,000 for injury or death to any one person in any one accident or occurrence and \$500,000 for injury or death of more than one person in any one accident or occurrence. Such insurance is in addition to property damage coverage.

OTHER TERMS:

1. All fees for services rendered and any charges for materials provided shall include the applicable New Mexico Gross Receipts Tax.
2. Broker to initiate and pay for normal advertising, which shall be generic in nature. Special advertising requested by the owner, which specifically identifies the property, shall be billed to the owner.
3. Broker to transfer utilities to his accounts or Landlord Standby when property is vacant. Owner agrees to reimburse Broker for any utility payments made on the Owner or Tenants behalf.
4. Property is presently rented at \$_____ per month.
5. Property is to be rented at \$_____ to \$_____ per month. Broker to adjust rents to meet current market conditions.
6. Deposit held is presently \$_____. Owner is to transfer any deposit held to the Broker for deposit in Broker's trust account.
7. At Broker's discretion, Owner may be asked to provide a suitable refrigerator should tenant not have one.
8. All entry lock must be changed, at the owner's expense, before a new tenant takes possession. (A court case in 2000 found manager and owner liable for negligence after someone who used previous tenant's key copy in order to commit a crime.)
9. **Owner to provide proof of liability insurance coverage, including policy number and agent's name and phone number.**

Owner to pay City Services as follows: (select one)

_____ Water/Sewer/Refuse (if applicable)

_____ WATER ONLY for the period 4/1 through 10/1 each season.

_____ None paid.

10. Specific restrictions on the property: _____
11. Owner is obligated to reimburse Broker for any cleaning, repairs, or other legitimate expenses upon receipt of their monthly statement. The Owner is also responsible for unpaid utilities, cleaning and repairs, etc. not paid by tenant after disbursement of tenant's deposit. **Any balance due to the broker, not paid by the 1st day of the month following the mailing of the monthly statement requesting payment will be charged a late fee of 4% per month on the unpaid balance (APR 48%).**
12. Permission is granted to co-mingle funds among owner's properties as long as separate accounting for each of the owner's properties is maintained.
13. The owner acknowledges the Broker is charging late charges on past due tenant accounts and re-letting fees from tenants who break their lease. These receipts are administrative charges for the broker and not receipts to the owner.
14. Owner(s) will accept _____ will not accept _____ HUD Subsidized Housing Allowance.

DISBURSEMENT OF FUNDS:

Broker is hereby directed to pay all expenses, costs and fees promptly as they become due from the rent and revenues received from the Property. The Broker is to disburse the net proceeds from the Property on a MONTHLY basis to the Owner or such person or corporation designated by the Owner.

ASSIGNMENT OF RIGHTS:

Owner hereby assigns and conveys to Broker as his true and lawful agent all the rights, title and interest the owner has in the leased premises to do and perform any and all acts necessary and incidental for the Broker to perform all duties included in the leasing of the property described herein. Owner's assignment to Broker to act as his true and lawful agent includes but is not limited to Broker's rights to prosecute claims and actions in the Courts of New Mexico to enforce the terms and provisions of leases in places when this agreement is acknowledged or leases executed by Broker on the property leased as referenced in this agreement.

TERMINATION CLAUSE:

1. The Owner reserves the right for any reason after the expiration of six (6) months of the original term, to terminate this agreement upon sixty (60)days written notice to the Broker. If the Owner initiates termination, **the Owner shall pay the Broker the management fee computed at the Broker's established rate for the unexpired portion of any and all leases in existence at the time of the termination of the agreement.**
2. The Broker reserves the right for any reason after the expiration of six (6) months of the original term, to terminate this agreement upon sixty (60)days written notice to the Owner. Broker will not be entitled to management fees for the unexpired portion of any and all leases in existence at the time of the termination of the Agreement should the broker unilaterally terminate this Agreement.

INDEMNITY PROVISION:

Rental Management Services, Inc. shall not be liable to Owner for any damage or injury to Lessee or Owner's property caused by or arising from the condition of the Demised Premises or by the act, omission or negligence of occupants of any improvements hereafter located on said premises or by occupants of adjacent or nearby buildings or by the owners of adjacent or nearby property. Nor is Rental Management Services, Inc. liable to Owner for any damage or injury to its property occasioned by any happening to or upon the Demised Premises. Owner will hereby waive all claims against Rental Management Services, Inc., for any such damages or injury. Owner agrees that it will save harmless and indemnify Rental Management Services, Inc. from all losses, cost expense, claims, causes of action and demands of every kind and character of, by or in favor of any person, firm or corporation whether by way of damage or otherwise arising from the omission or failure upon the part of Lessee in said premises to perform and observe any stipulation, condition or provision of the RMSI lease. The legal expenses and attorney's fees incurred by RMSI shall be included in the expenses for which RMSI shall be indemnified. Said expenses shall be payable to Rental Management Services, Inc. regardless of the commencement of a lawsuit.

SAVING CLAUSE:

Should any clause of this instrument be found invalid by a court of law, the remainder of this instrument shall not be affected thereby, and all other provisions of this instrument shall remain valid and enforceable to the fullest extent permitted by law.

FAIR HOUSING:

Owner understands that State and Federal Housing Laws prohibit discrimination in the sale, rental, appraisal, financing or advertising of housing on the basis of race, religion, color, national origin, ancestry, sex, sexual orientation, gender identity, spousal affiliation or physical or mental handicap, provided that the physical or mental handicap is unrelated to a person's ability to acquire or rent and maintain particular real property or housing accommodation.

AGREEMENT:

This agreement shall be binding upon the heirs, successors or assigns, and executors of the Parties. This Contract contains the entire agreement between the Parties and may be changed only by written agreement signed by all Parties. Owner acknowledges receipt of a completed copy of this agreement. This agreement is intended to be a legally binding contract establishing an agency relationship between Rental Management Services, Inc. and you, the owner(s) of the herein-described property. If not understood seek competent advice. Nothing in this Agreement shall be construed as waiving any of the Owner's or Broker's right under the law.

BY AFIXING MY SIGNATURE BELOW, I CERTIFY I HAVE THE AUTHORITY TO ENTER INTO THIS CONTRACT FOR THE STATED PROPERTY.

OWNER NAME: _____ DATE _____

OWNER NAME: _____ DATE _____

RENTAL MANAGEMENT SERVICES, INC. _____ DATE _____

RENTAL MANAGEMENT SERVICES, INC
7111 - 4TH STREET NW
ALBUQUERQUE, NM 87107
898-1188

BASIC LICENSEE DUTIES - DISCLOSURE

Basic Licensee Duties - Disclosure: Prior to the time a licensee generates or presents any written documents that may result in a express written agreement. The licensee shall disclose in writing to a prospective buyer, seller, landlord or tenant, the following list of basic licensee duties that are owed to all customers and clients by all licensees:

- A. Honesty as well as responsible care as set forth in the provisions of the section.
- B. Compliance with local, state and federal fair housing and anti-discrimination laws, New Mexico real estate license law, the real estate commission rules & regulations and any applicable local, state and federal laws and regulations.
- C. Performance of any and all oral or written agreements made with the licensee's customer or client.
- D. Assistance to the licensee's customer or client in completing a transaction unless otherwise agreed to in writing by the customer or client including:
 - (1) Presentation of all offers or counter offers in a timely manner.
 - (2) Assistance in complying with terms and conditions of the contract and with the closing of the transaction. If the licensee in the transaction is not providing the service, advise or assistance described in Paragraphs (1) and (2) of Subsection D of 16.61.19.8 NMAC, the customer or client must agree in writing that the licensee is not expected to provide such service, advise or assistance. The licensee shall disclose such agreement in writing to the other licensees involved in the transaction.
- E. Acknowledgment by the licensee that there may be matters related to the transaction that are outside of the licensee's knowledge or expertise and that the licensee will suggest that the customer or client seek expert advice on these matters.
- F. Prompt accounting for all monies or properties received by the licensee.
- G. Prior to the time the licensee generates or presents any written document that has the potential to become an express written agreement, written disclosure of:
 - (1) Any written brokerage relationship the licensee has with any other parties to the transaction.
 - (2) Any material interest or relationship of a business, personal or family nature that the licensee has in the transaction.
- H. Disclosure of any adverse material facts actually known by the licensee about the property or the transaction, or about the financial ability of the parties to complete the transaction; adverse material facts do not include date from a sex offender registry or the existence of group homes.
- I. Maintenance of any confidential information learned in the course of any prior agency relationship unless the disclosure is with former client's consent or as required by law.
- J. Unless otherwise authorized in writing, a licensee shall not disclose to their customer or client during the transaction that a seller has previously indicated they will except a sales price less then the asking or listing price of the property. That the buyer has previously indicated they will pay a price greater than the price submitted in a written offer. The motivation of any party for selling or buying property. That a seller or buyer will agree to financing terms other than those offered. Or that any other information requested in writing by the licensee's customer or client to remain confidential unless disclosure is required by law.
(16.61.19.8 NMAC-Rp 16.61.19.8 NMAC 1-1-2004)

I(We) the undersigned hereby acknowledge the receipt of **Basic Licensee Duties** document prior to entering into a written rental agreement or management contract with Rental Management Services, Inc..

NAME _____ **DATE** _____

NAME _____ **DATE** _____