



PROPERTY MANAGEMENT AGREEMENT (PMA) SINGLE PROPERTY

TERMS

PARTIES, PROPERTY AND PURPOSE

Kellogg Agency, Inc. ("Broker")

Owner _____ ("Owner")

Property _____ ("Property")

1. The purpose of this Agreement is for Owner to allow Broker to manage the Property, including but not limited to leasing, tenant management, maintenance coordination, accounting, renewals, and evictions.
2. Owner holds title to the Property and has full power and authority to enter into this Agreement.
3. Owner has a single property managed by Broker.

START DATE AND RENEWALS

1. Agreement starts on _____.
2. Agreement will automatically roll over for another year upon Lease Agreement expiration date.

AGENCY RELATIONSHIP

1. This Agreement creates an agency relationship between the parties.
 - a. All actions taken under this Agreement by Broker shall be as agent for the Owner.
 - b. Owner gives authority to Broker to execute contracts for Owner, at Owner's expense, regarding services provided for by this Agreement.
 - c. Nothing in this Agreement shall be construed as creating a direct employer-employee relationship, partnership, joint venture, or any other relationship between the parties.



BROKER OBLIGATIONS

1. **COMPLIANCE WITH LAWS** Broker shall have reasonable knowledge or understanding of local, state and federal laws regarding property management, including but not limited to: Fair Housing and anti-discrimination laws; NM State Owner-Resident Relations Act; NM Real Estate Commission law, rules, and regulations; and Lead Based Paint regulations.
2. **DUE DILIGENCE** Broker shall use due diligence in all aspects of managing Property for Owner, including but not limited to: screening and approving applicants; leasing; rent collection, accounting, and distribution of all funds to Owner and Tenant; contracting with vendors; and coordinating maintenance.
3. **TRUST ACCOUNT** Broker maintains a non-interest bearing Property Management Trust Account for all Owner and Tenant funds. Broker collects, holds, and disburses funds as directed by the NM Real Estate Commission and the NM Owner-Resident Relations Act. Broker will issue statement to Owner each month and disburse collected proceeds to Owner via direct deposit. Broker will issue IRS form 1099 and a year-end statement at the beginning of each year.
4. **EDUCATION** Broker shall pursue education and other opportunities concerning property management.
5. **LICENSE** Broker shall maintain active NM State Real Estate License.
6. **PROHIBITED ACTIVITIES**
 - a. Broker cannot provide legal, tax, or other advice outside the scope of Broker's knowledge, ability, and licensing.
 - b. Broker cannot share applicant screening information or documentation with Owner.

OWNER OBLIGATIONS

1. **COMPLIANCE WITH LAWS** Owner shall follow all local, state and federal laws regarding property management, including but not limited to: Fair housing and anti-discrimination laws; NM State Owner-Resident Relations Act; NM Real Estate Commission law, rules, and regulations; and Lead Based Paint regulations.
2. **HABITABILITY** Owner agrees to maintain Property in habitable condition in accordance with local, state, and federal property codes and regulations. Owner further certifies to Broker that Owner is unaware of any environmental contamination, or hazardous, toxic, dangerous, or unsafe conditions or products on or in Property.
3. **FINANCIAL OBLIGATIONS** Owner agrees to keep current all financial obligations pertaining to the Property, which include but are not limited to: mortgage; property insurance; property taxes; clear any and all Property liens; and Homeowner Association dues or fines, if applicable.
4. **MANDATORY INSURANCE REQUIREMENT** Owner shall obtain and keep current an appropriate insurance policy for the Property.
 - a. Policy must be a Landlord policy.

- b. Policy must include minimum of \$100,000 liability coverage.
 - c. Policy must include Broker as ADDITIONAL INSURED.
 - d. In the event that a lawsuit is filed against Broker, Owner agrees to indemnify Broker against all suits regardless of whether or not Broker is listed as an additional insured on the policy.
- 5. FORECLOSURE If Broker becomes aware of foreclose, default, or cancellation of mortgage for the Property, then Broker has the right to take action as follows:
 - a. Inform the Tenant of the default;
 - b. At Broker's sole discretion - or as required by law - modify a Tenant's Lease Agreement; or
 - c. Broker may immediately terminate this Agreement with written notice to the Owner.
- 6. PROHIBITED ACTIVITIES
 - a. Owner is prohibited from advertising Property for rent;
 - b. Owner is prohibited from communicating with Tenants; and
 - c. Owner is prohibited from disturbing the Tenants or visiting the Property without prior approval of Broker.
 - d. Owner is prohibited from performing repairs and maintenance at the Property.

COMMISSION AND FEES

- 1. MANAGEMENT COMMISSION is 10% of scheduled monthly rent.
- 2. ADMINISTRATION FEE is \$25.00 per year.
- 3. All commission and fees owed Broker must be paid by Owner in the same month they are incurred.
- 4. All commission and fees are subject to New Mexico Gross Receipts Tax (NMGRT).
- 5. The parties hereby expressly agree that Broker may amend or modify any term of this Agreement by providing a 60-day written notice to Owner to the email address or mailing address on file with Broker. Upon receipt of such an Amendment, Owner may elect to terminate agreement with a 30-day written notice to Broker. If Owner fails to give 30 days written notice, then Owner agrees to the provisions of the Amendment.
- 5. Owner acknowledges that Broker may collect and retain fees or other charges from Tenant. These fees include, but are not limited to: application fees; pet fees; late fees; dishonored payment fees; and lease change fees.

ENHANCED ACCOUNTING

- 1. ENHANCED ACCOUNTING may include, but is not limited to paying: utilities when the Property is vacant; Homeowner Association dues; Waste Management. It also includes monitoring Albuquerque Bernalillo County Water Utility Authority for Albuquerque homes.
- 2. Owner may request Broker to enter expenses incurred outside the scope of this Agreement into Owner's Property account with Broker.

3. Owner accepts responsibility for all bills and expenses related to the Property whether they are in the Broker's name or the Owner's name.
4. Owner agrees Broker may make enhanced accounting payments from Owner's account.
5. Broker is not responsible for late payments or missed payments due to Owner not submitting bills to Broker in a timely manner or Owner not having sufficient funds in their account to pay the bill.
6. Broker will not pay mortgage, insurance, or taxes for Owner.

REQUEST FOR ADDITIONAL SERVICES

1. Owner may request service or work be done that is not part of Agreement or is outside the normal policies and procedures Broker has in place for managing Property.
2. Owner agrees to pay Broker \$95.00 per hour for any work performed by Broker at the request of Owner.
3. Requests subject to this fee may include, but are not limited to: ownership or entity changes; appraisals; property or land surveys; homeowners association architectural approvals or appeals; meeting other Brokers at the Property; other trips to or activities at the Property as directed by Owner.

TERMINATION

1. WRITTEN NOTICE Agreement may be terminated upon 60 days written notice by either party.
2. TERMINATION BY OWNER
 - a. MID-LEASE Owner agrees to pay Broker the amount equal to the remainder of commission and fees due until the expiration date of the current lease.
 - b. DURING VACANCY No additional fees or commission are due to Broker.
3. TERMINATION BY BROKER No fees or commission are due to Broker.
4. Any management commission and fees due Broker must be paid before management termination date.
5. Broker shall disperse funds belonging to Tenant on or before termination date. Funds may include, but are not limited to: security deposit; last month's rent; or pre-paid rent.
6. RELEASE Termination of this agreement shall simultaneously release both Owner and Broker from future responsibilities hereunder as of the effective date of such termination.
7. Termination of this Agreement shall not be deemed a waiver of any pre-existing right of either party nor of pre-existing breach and shall not terminate or release any liability of Owner or any indemnity based upon any fact existing prior to termination, whether or not asserted by Broker prior to termination.

COMMUNICATIONS AND NOTICES

1. Written notices to Broker can be sent to info@kelloggagency.com or 1380 Rio Rancho Blvd, #312, Rio Rancho, NM 87124.
2. Written notices will be sent to Owner using email and/or US Postal address on file.
3. Owner agrees to notify Broker of changes to contact information.
4. Owner agrees to respond to urgent inquiries sent via email from Broker within 24-48 hours.

TENANT MANAGEMENT

LEASING AND RENEWALS

1. LEASING Broker agrees to procure a Tenant for the Property. The activities involved in procuring a tenant include, but are not limited to: provide sign and smart lockbox; take advertising photos; prepare and implement advertising campaign; respond to inquiries; screen applicants; make offer to approved applicant; provide custom lease agreement; secure lease; and collect move in funds.
2. LEASE PLACEMENT FEE Owner agrees to pay Broker a Leasing Fee when Broker procures a qualified Tenant. Leasing fee is a percentage of one scheduled rent, due at the time of procurement.
3. LEASE PLACEMENT GUARANTEE Broker shall not charge a Leasing Fee to place a new tenant if the prior tenant was placed by Broker and did not serve out the full term of their original lease agreement. This does not apply if Tenant terminates in accordance with state or federal laws regarding military service or victims of domestic violence.
4. LEASE RENEWALS
 1. Broker will renew leases without Owner's prior approval.
 2. Broker, at Broker's sole discretion, will determine if a Tenant's lease will or will not be renewed.
 3. LEASE RENEWAL FEE Owner agrees to pay a Lease Renewal fee of \$75.00 to Broker when an existing tenant signs a new lease; a month-to-month agreement; or an amendment extending the length of the lease.

SECURITY DEPOSIT

1. Broker will collect and hold for Tenant, a security deposit for the Property upon the lease start date. Security deposits will be held in Broker's Property Management Trust account. Security deposit will not be released to Owner.

2. Owner acknowledges that security deposit deductions, like repairs and refunds are governed by the NM Uniform Owner-Resident Relations Act. Broker, at Broker's sole discretion, will decide what, if any, deductions will be made from Tenant's security deposit.
3. Owner agrees, without prior approval, to allow Broker to make repairs up to the amount of security deposit.
4. Owner cannot request repairs not be completed. Broker will not deduct any expense from Tenant's security deposit if work was not done.

PET DAMAGE GUARANTEE

1. Broker agrees to cover pet damage up to \$3,000.
2. There is no fee to owner for the Pet Damage Guarantee.
3. Owner agrees to allow pets in the property.
4. Owner acknowledges that Broker collects pet fees from Tenant.
5. Broker, at Broker's sole discretion, determines what constitutes damage from a pet.
6. Tenant's security deposit will first be applied to any charges for pet damage prior to Broker covering any damage under this guarantee.
7. Pet Damage Guarantee is not valid if Property is no longer under management at the time the Tenant moves out.
8. Owner agrees to use Broker's approved vendors for all rent-ready repairs.
9. According to federal law, service and emotional support animals are not pets. Damage from these animals are not covered by the Pet Damage Guarantee.
10. Broker will not provide Pet Damage Guarantee if pet is not listed on the lease.
11. Pet Damage Guarantee has no cash value.

EVICCTIONS AND COURT APPEARANCES

1. EVICTION
 - a. Broker will begin eviction procedures for non-payment of rent per the NM Uniform Owner-Resident Relations Act.
 - b. EVICTION COORDINATION FEE Owner agrees to pay Broker an Eviction Coordination Fee equal to \$350.00, due when Broker files a Petition By Owner for Restitution or any action that could end in an eviction with the appropriate court.
 - c. Owner is responsible for the cost of all court fees, including but not limited to: filing fees and law enforcement fees.
2. EVICTION APPEAL BY TENANT By law, Tenant may appeal an eviction decision to NM District Court. In the case of an appeal, Owner agrees to pay all Broker's attorney's fees and associated expenses to prepare for trial. If Tenant wins the appeal, then Owner is responsible for any judgment awarded Tenant.
3. NON-EVICTION COURT APPEARANCE FEE Owner agrees to pay Broker \$95.00 per hour (door to door) for appearing in court.

4. There are other legal costs associated with an eviction. Owner will be responsible for all legal fees and costs, including, but not limited to filing fees, service of process fees, Sheriff's lockout fees and attorney's fees and costs.

COLLECTIONS

1. Broker agrees to send Tenants with a significant outstanding balance after move out and security deposit disposition to collections.
2. Owner acknowledges that collecting funds after a tenant has vacated is unlikely.
3. Owner acknowledges that collection fees will be deducted from amount collected from Tenant.
4. Owner agrees to pay all Broker's chosen collection company commission and expenses should Owner pursue and win collection outside of Broker's chosen collection company.

SALE OF PROPERTY TO TENANT

1. When Owner sells Property to a Tenant (or to a spouse, relative, or roommate of such Tenant, or to any other entity controlled by any of these parties) procured by Broker, either during the term of the lease or thereafter, Owner shall pay Broker 4% commission of Property's sale price.
2. Owner shall immediately give notice to Broker when Owner enters into a contract to sell Property; or Owner closes on the sale of Property.
3. This obligation shall survive the expiration or termination of this Agreement.
4. This provision expires one year after management termination.

PROPERTY MAINTENANCE

MAINTENANCE COORDINATION

1. Broker agrees to coordinate all maintenance at Property. Broker will respond to all Tenant maintenance requests and coordinate repairs.
2. Owner is prohibited from hiring vendors or doing maintenance themselves at Property.
3. Owner agrees to maintain Property in rent-ready and habitable condition, as determined by Broker, when the Property is vacant.
4. MAINTENANCE COORDINATION FEE Owner agrees to pay Broker a 5% maintenance coordination fee based on a percentage of the invoiced amount for any repair, modernization, renovation, and maintenance work. Fee is capped at \$250 per invoice.

RESERVE, MAINTENANCE LIMIT, AND EMERGENCY REPAIRS

1. RESERVE Owner agrees to maintain a reserve account with a minimum of a \$500.00 balance on account with Broker.
2. MAINTENANCE LIMIT Owner grants permission for Broker to spend up to \$350.00 per repair without prior approval.
3. EMERGENCY Owner authorizes Broker, without prior approval, to make repairs that are immediately necessary for preservation or safety of Property and Tenants; to avoid the suspension of any essential services to the Property; or to comply with federal state or local law. In the event Owner's reserve account is insufficient to cover such dispersants nothing herein obligates Broker to use Broker's own funds to pay for such emergency repairs. Broker is not required to make emergency repairs.

ROUTINE AND PREVENTATIVE MAINTENANCE

1. Owner authorizes Broker, at Owner's expense, to perform the following maintenance including, but not limited to:
 - a. Placement or replacement of carbon monoxide and smoke detectors;
 - b. Converting evaporated coolers and inspecting refrigerated air (AC) units and furnaces;
 - c. Fireplace inspection and cleaning;
 - d. Dryer vent/duct cleaning;
 - e. Re-keying all doors before tenant moves in;
 - f. Yard service when Property is vacant;
 - g. Execute contracts with water, electric, gas utilities, and other utilities; and
 - h. Request roof and termite inspections as needed.
2. MULTIPLE ESTIMATES, QUOTES, BIDS
 - a. Owner acknowledges that Broker has extensive experience in vendor selection and has a trusted network of preferred vendors that provide quality work at reasonable prices.
 - b. Owner may request quotes or estimates from up to three vendors for a repair that is expected to cost more than \$1,000. Broker will not get quotes or estimates for any repair less than \$1,000.
 - c. Owner acknowledges that some vendors may charge for providing quotes and does hereby agree to pay those fees.
 - d. In addition to any vendor quote or estimate charges, Owner agrees to pay Broker \$95.00 per quote or estimate requested.
3. VANDALISM Owner agrees to pay all expenses to repair damage caused by vandalism at the Property reported to the police on a case by case basis.
4. MOLD Owner agrees to pay for testing and mitigation of mold growth using restoration specialists on a case by case basis.

5. LANDSCAPING

- a. Owner agrees to cover all costs of maintaining lawn/grass at Property, during occupancy and during vacancy.
- b. Broker, at Broker's sole discretion, will determine whether Owner or Tenant will pay for removal or replacement of damaged or dead grass, bushes, trees or other plants at the Property.

HOME AND APPLIANCE WARRANTY

1. Owner has a home and/or appliance warranty ____ YES ____ NO.
2. In the event Owner has a home or appliance warranty and Owner wants Broker to use the warranty for repairs, then Owner must provide company contact information and a copy of warranty policy.
3. Repair response time is governed by the NM Uniform Owner-Resident Relations Act. Broker, at Broker's sole discretion, will use Broker's vendors to perform a repair or service if using the warranty company will be outside of the required maintenance response window or any other criteria Broker deems relevant.
4. Owner agrees to keep a credit card on file with the warranty company to pay for service call-out or other fees.
5. All home warranty repairs must be coordinated by Broker. Owner may not coordinate warranty work.
6. Owner agrees to pay Broker a \$95.00 home warranty coordination fee per warranty service call-out.

HOMEOWNER'S ASSOCIATION

1. Homeowner's Association ("HOA") is: _____.
2. If Property is located in an HOA, then
 - a. Owner will provide all governing documents, CC&Rs, Architectural Approval documents and other relevant documents and forms to Broker.
 - b. Owner agrees to keep HOA dues current.
 - c. Owner will provide any and all notices to Broker within five business days of receiving the notice.

LEAD BASED PAINT DISCLOSURE

1. Owner certifies Property was built in the year _____.
2. A lead-bed paint disclosure is required if Property was built in or before 1978.
3. Properties built in or before 1978 are subject to the following:

- a. DISCLOSURE AND INFORMATION REQUIREMENTS: Owner shall provide to Broker any and all information known and copies of reports and records of lead-based paint hazards at the Property.
- b. RENOVATION, REPAIR, AND PAINTING The Lead-Based Paint Program has requirements and guidelines regarding renovation, repair, and painting at Property. Broker will provide lead-based paint documents upon request.

LEGAL NOTICES

HOLD HARMLESS

1. To the fullest extent permitted by law, Owner hereby agrees that Broker will be held free and harmless from any and all losses, claim or damage by reason of any accident, injury, or damage to any person or property occurring on or about the managed premises, unless such accident, injury, or damage shall be caused by the negligence of Broker, its agents, vendors and/or employees.
2. If Broker or Broker's employee/vendor is requested to render services not contemplated in the Agreement, Owner agrees to hold Broker harmless from all liability regarding the same.

COURT COSTS AND ATTORNEY'S FEES

1. In the event of a court action to legally enforce any provision of this Agreement or obligation under law, including the collection of rent or other charges due hereunder, both Owner and Broker agree that, to the fullest extent permissible by law, if any, attorney's fees may be awarded to the prevailing party.
2. In the event that the Tenant sues the Broker, Owner agrees to indemnify Broker and to pay for any attorneys' fees incurred in the defense of that suit.

PARAGRAPH HEADINGS

The headings of particular paragraphs and subparagraphs are inserted only for convenience and are not part of this Agreement and are not to act as a limitation on the scope of the particular paragraph to which the heading refers.

ENTIRE AGREEMENT

This document and any Attachments constitute the final and entire Agreement between the parties hereto, and no promises or representations, other than those contained here and those implied by law, have been made by Owner or Broker.

GOVERNING LAW

This Agreement shall be governed by the laws of the state of New Mexico.

SEVERABILITY

The provisions of this Agreement are severable and in the event any provision, clause, sentence, section, or part thereof is held to be invalid, illegal, unconstitutional, inapplicable or unenforceable to any person or circumstances, such invalidity, illegality, unconstitutionality, inapplicability or unenforceability shall not affect or impair any of the remaining provisions, sentences, clauses, sections, parts of the Agreement or their application to Owner or other persons or circumstances. It is understood and agreed that the terms, conditions and covenants of this Agreement would have been made by both parties if such invalid, illegal, unconstitutional, inapplicable or unenforceable provision, sentence, clause, section or part had not been included therein to the extent that portion of this Agreement may be invalid by striking of certain words or phrases, such words or phrases shall be deemed to be stricken and the remainder of the provisions and the remainder of the other portions of this Agreement shall remain in full force and effect. It is further agreed that this Agreement may be executed in counterparts, each of which when considered together shall constitute the original contract.

8. ACKNOWLEDGEMENT

Owner Signature	Name	Date	Email
Owner Signature	Name	Date	Email
Broker Signature	Name	Date	Email