

# PITFALLS OF PROPERTY MANAGEMENT

What residential agents need to know to increase their revenue and stay out of trouble.

# Do you need a license?

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## ● 73-35-3 (1)

- All persons who for a fee, commission or other valuable consideration, or with the intention of receiving same list, sell, purchase, exchange, rent, lease, manage, or auction any real estate.

## ● 73-35-3 (2)

- The term “real estate” shall include leaseholds and every interest in land.

# Who pays you?

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- ◎ **73-35-21 (1)** (Grounds for suspension/revocation of license)
  - **Accepting a commission or valuable consideration as a real estate salesperson for any of the acts specified in this chapter from any person , except his employer who must be a licensed real estate broker.**

# What duties apply?

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- Fiduciary Duties:

Care

Obedience

Loyalty

Disclosure

Accounting

Confidentiality

# Working with a real estate broker

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- ◉ MREC IV (E)
  - Consumers shall be fully informed of the agency relationships in real estate transactions identified in Section 73-35-3.
- ◉ First substantive meeting
- ◉ MREC WWAREB form

# Professional Requirements

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- Agreements in Writing:
  - management agreements
  - lease agreements
- Credit Reports
- Check with Previous Landlord
- Clear/Full Accounting of all Monies
- Escrow/Trust Accounts for Other's Money