

Commission Office Inspections Underway

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Real Estate Commission investigators have begun conducting unannounced office inspections with a focus on property management brokerages.

Because the Commission has been required to share vehicles with other agencies due to budget constraints, office inspections recently have been limited to cases involving formal written complaints.

Although property management has long been the single largest category of complaints received by the Commission, a recent rash of property management company failures has taken the problem to a new level, costing property owners hundreds of thousands of dollars

The Commission has revoked the licenses of several brokers in connection with these company failures and referred the more serious cases to the newly-established Anti-Money Laundering Unit of the state Attorney General's Office for criminal prosecution.

A Property Management Task Force appointed by the Commission has recommended new rules requiring property managers to perform trust account self-audits. The Commission also plans to seek a sponsor for legislation to strengthen its ability to hold property managers accountable and make property owners whole in the event of fraud and theft.

The checklist that investigators will be using for office inspections is posted on the [Commission web site](#) .
