

OWNER DEPARTURE CHECKLIST

In order to assist you, McGrath Real Estate Services has prepared the following checklist to help you organize all of the vital information that will be needed to manage your property. It also outlines some of the things that can be done to prepare the property for the rental market and for a smooth transition into management. Please review the tasks, and contact us if you have any questions.

I. PRIOR TO YOUR DEPARTURE

- UTILITIES:** Please contact the utility companies and have the bills sent to our office. You should **leave the accounts in your name, but change the billing address to: “in care of McGrath Real Estate” at our address** so there is no interruption of service. If you pay online, please cancel the online payment and have bills mailed directly to our office. This is important to allow McGrath Real Estate permission to control turning your utilities on or off around Tenants lease start and termination dates. The tenant(s) will be responsible for most utilities during the lease term, but before you move out, transferring the utilities per the above instructions is very important, and should be performed ***even if you pay electronically or have an on-line account***. It is normally best to contact the utility companies **15-20 days prior to your move-out**. Phone, cable, and trash removal should be terminated as of your move-out date, but the below utility-services (if applicable) should be transferred:
- Electric
 - Gas
 - Water
- INSURANCE:** Arrange for your insurance agent to change your homeowner’s policy to a “Landlord Liability” policy (a.k.a “Fire & Liability” or “Hazard & Liability” policies) and have a copy of the policy **declaration page** faxed or mailed to us (your insurer will do this for you if you ask). Please refer to the management agreement for the recommended amounts of coverage and also remember to name McGrath Real Estate Services on the policy (there should be no charge for this). If the house will be vacant more than thirty days, a vacancy/vandalism rider is probably required, please consult your insurance agent for details. You are welcome to use whomever you wish, but you must get a minimum of \$500,000 in coverage. Contact your insurance provider about **20-30 days prior to your move-out** to initiate this process.
- CHANGE OF ADDRESS:** Please notify your change of address to:
- Post Office (www.usps.com) *The post office sometimes needs several weeks advance notice!*
 - Mortgage Company*
 - Homeowner/Condominium Association*
 - Any additional services you think may need this information
- Inform them of your new address and provide them with our address and phone number as necessary.*
- *Remember: you are responsible for both your mortgage payment and your HOA/Condo association dues and should pay them directly. McGrath Real Estate Services does not handle these payments on your behalf nor can we pay them through your escrow account.**
- MARKETING YOUR PROPERTY:** Host a consultation with McGrath Real Estate and discuss the marketing strategies that are right for you and your property. Let us know if we can put a sign and a lockbox on your property to try and find suitable tenants before you leave! **Send us as many good digital pictures of your home as you can.** Showing your property off in all seasons is helpful too – the more pictures the better! We can also arrange an appointment to take digital pictures of your home for you, but we will need several days notice. We suggest having McGrath Real Estate advertise and market your property about 45-60 days in advance of the availability date of your property. If you intend to try to advertise yourself, please consult with a McGrath Real Estate representative – we can guide you and advise you on effective advertising medium and methods as well as how we can cooperate on a smooth transition for you into property management.

II. STEPS TO TAKE WHEN HIRING McGRATH REAL ESTATE

Once you are comfortable and committed to hiring McGrath Real Estate as your property manager, please adhere to the following steps to make your initial experience with us a smooth transition:

Property Management and Exclusive Rental Agreement

This must be fully executed before we can market or begin to manage the property. This form is crucial for effective and efficient management of your property. Please read through this agreement carefully, and go over some of your questions with a property manager. The “What Conveys” section should be completed with a McGrath Real Estate representative. *Don’t forget to initial each page and sign where required!*

Keys and Checks!

- Provide four **(4) complete sets of keys** to the property, (we can make copies for you at your expense, but we need at least one of each key!) Don’t forget mailbox keys if applicable (2 of these)! Please test the keys to make sure they work properly before and after making copies. ***Garage door remotes should be left in the kitchen drawer closest to the fridge.*** If you have FOB keys, please provide us with at least three (3) FOB access keys.
- Your management agreement requires a minimum beginning escrow account balance of \$500 **plus** the amount you plan to spend on initial improvements and repairs. Please make the check payable to “McGrath Real Estate” to start your escrow account and initiate our services. We also need a “Voided” check for the bank account you wish us to deposit the rent proceeds into since we will be paying you electronically.

Property Management Information Form (“The Full Scoop” form”)

The “Full Scoop” addition to this form is very helpful for your own records, and can allow your property manager to be more effective and efficient in marketing and managing your home. Make these forms work for you, add any additional information that you think might be useful. We have made this form available online to complete once you sign into your online McGrath Real Estate account for the first time. It does take some time to complete – and the more information, the better, so please prepare to set aside some time to do this “Homework” before leaving your home! Try to complete this form **45-60 days prior to vacating your home.**

Residential Deed of Lease

Once McGrath Real Estate has helped you select suitable tenants for your property, the tenant(s) will sign the lease. We will then forward the lease and a copy to you. Review the lease carefully in advance of finding tenants! Ask a property manager if you have any questions, when you get a lease with tenant signatures you should be comfortable with the terms already and be ready to sign and return the lease quickly. McGrath Real Estate has the ability to sign the lease on your behalf per the management agreement, but in most instances, you should expect to get the lease in the mail/email within a few days of tenant signature. *Please keep a copy for your records.*

Website Review: www.McGrathRealEstate.com

Review our website! There is lots of helpful information and good tips for new and experienced Landlords! Once you have signed the property management agreement, please allow for a few days for us to initiate your account. We will provide you an on-line account name and password and basic instructions on how to review the lease in advance, see your rental listing, and have McGrath Real Estate coordinate your pre-departure repairs! Its all there! Separately, you will also be receiving an online account invitation from ListingBook which is the powerful market-monitoring tool discussed during your marketing and leasing consultation.

III. THINGS TO DO TO THE PROPERTY -- “Presentation sets Expectation!”

If you properly present your home, you’ll reduce vacancy time, and help your rental price. Set the expectation of how the Tenants should care for the property. Many of these items should be addressed prior to marketing your property.

Check Painting! Is the paint in good condition? Have nail holes been filled? Not sure? Ask us, we can recommend reliable, affordable, painting contractors. It is not always easy to tell if your home needs to be painted, or even if minor touch-up will be required while your belongings and furnishings are still in the house – we suggest reviewing the condition of the paint with a McGrath Real Estate rep after you have moved everything out of the property. It is a great idea to record a “Paint Code Map” before you leave (which walls are painted what brand and color), for example: “*Living Room is Duron Desert Brown*”, or, “*Dining Room is Behr Shiraz Red*”. By doing this, it is easier to do touch-up inexpensively, instead of repainting an entire wall because the painter has a hard time matching colors.

General Repairs: Please make sure that all of the appliances, plumbing and electrical fixtures are in working order. Any other minor miscellaneous repairs should also be attended to at this time. If you have Quest or Polybutylene plumbing lines, please inform us and discuss remedies with a McGrath Representative.

○ **Preferred Vendors:** You are not obligated to use contractors from McGrath Real Estate’s list of “Tried and True Vendors”. However, it is very important that proper, and clear expectations are set with any vendors you may want us to schedule with for your property. If you have contractors that you wish to enlist for your property they MUST first establish the following criteria:

- ***Any/All vendors must be Licensed AND Insured (and must provide McGrath Real Estate with a copy/evidence of such)***
- We ask that if we are to work with vendors we are unfamiliar with, they must first read, review, sign, and return to McGrath Real Estate our “Vendor Policy and Good Practices Form”.

○ **Service Contracts:** If you are electing to include HVAC service contracts, yard-care/landscaping contracts, maid-service, etc for your tenant then it is important that we are clear on what services are/aren’t provided and included for the tenants (*for example: if yard care is included, does this mean just grass cutting or does it also include weeding, leaf removal and more*). This is what we need from you to ensure reasonable coordination of the services you are providing:

- ***The vendor/contractor providing the service must meet all the criteria of “Preferred Vendors” above.***
- ***A copy of the written service agreement contract outlining contractor responsibilities and what is included must be provided to McGrath Real Estate.***

Carpet Cleaning and General Cleaning: A clean, well-maintained home will have the best chance of renting quickly on the open market. It will also attract the type of tenant that will keep it in the same condition. Carpet cleaning and a final general cleaning should be done when all of the furniture has been removed and you are ready to leave. The Lease will require the tenants to professionally clean the carpets at the end of the Lease term, and it should be done prior to their occupancy as well. Please ask if McGrath Real Estate can coordinate handling this task for you – it will remove some of the stress of your move, and allows us to ensure it is done to specifications for a smooth tenant move-in.

Tagging: Please tag or mark:

- Main Water Shut Off Valve
- Hose Bib Shut Off Valve
- Main Gas Shut Off Valve
- Fuse Boxes or Circuit Breakers

Any unusual quirks to the property should be communicated to your property manager, a written report or instructions is very helpful and necessary. If you need hose-bib tags, McGrath Real Estate has them for your use.

IV. FINAL CHECKOUT

- Two to three weeks in advance of your departure, please schedule an “owner move-out inspection” so we can go over final instructions and review the condition of your property with you after you move out and home is vacant and ready for occupancy.
- Provide funds for escrow balance, utility bills, and any repair work in progress.
- Filters:** Please leave a supply of filters to encourage tenants to change the filters on a monthly basis (or recommended replacement time frame based on the filters you purchase). If changing the filter involves removing the front furnace panels, you may want to consider having a filter slot installed. We have found that the more difficult it is for tenants to access furnace filters, the less likely they are to change them regularly.
- Smoke Detectors:** Please make sure that all smoke detectors are working and that there is at least one detector per level of your home. Leaving behind fire extinguishers is a good idea as long as they are newer and fully charged.
- Double-check that you are not leaving behind any personal property or other non-fixtures. You are now running a rental business! It would be a shame to start your business with a poor impression on your first customer (the Tenant), and/or to have to pay someone to remove miscellaneous items left behind because you didn't have time to get to it. **No personal property should be left behind!** *This includes furniture, grills, lawn mowers, ladders and more – you may think you are being helpful to the tenants, but you are creating major liabilities for yourself and frustrations when you get a bill to remove these items. Personal property is considered “Items of Non-Value” and if they are missing or damaged when you return to your property, you cannot deduct the Tenant’s security deposit!* Don’t even leave behind cleaning supplies unless they are specific to the floors, granite, or stainless steel appliances. The only things you should leave behind for your new tenants are:
 - Filters for the furnace and air returns (if applicable).
 - Already stocked light bulbs specific to the light fixtures you have at the property.
 - **Home Owners Association documents** (so we can require the Tenant to abide by the association regulations) and appliance manuals (leave in kitchen drawer).
 - Garage door remotes should be left in the kitchen drawer closest to the fridge.
 - ***Do not leave your new contact information in the house or anywhere for the tenant***, it may seem like a good or friendly idea, but many Landlords have regretted this, and, if you are interested in further discussion on the pitfalls of direct communication with your Tenant(s) – consult your property manager.
 - The best thing to leave behind for your Tenant(s) is a clean house in good repair with all appliances working and a property manager to call if they are in need! Sometimes, a small “Welcome” gift basket is also a nice touch!

We hope that this check-list will make your move a little easier during this very busy and often stressful time. Since 1976, McGrath Real Estate Services has handled many situations just like yours. We will do all we can to make sure that this is a smooth transition. We wish you much success in your endeavors and look forward to working with you and managing your property.