



## GETTING STARTED

Your Initial Meeting is to inspect your property, make recommendations and we have several questions which are part of the property management agreement listed below.

### 1. Number of residential rental units owned in the Commonwealth of Virginia?

In the State of Virginia the laws are different for landlords with more than 4 properties and fall under the VLTA

### 2. Repairs authorized with out owners consent?

**Paragraph 8.** Except as otherwise provided in this Agreement, make or cause to be made all repairs, replacements, alterations, or decorations to the Property. Agent shall enter into agreements in the name of Owner for all necessary repairs, maintenance, (to include changing locks as deemed necessary by Agent), minor alterations, utility services, and other services to and for the Property. Agent shall purchase necessary supplies and pay bills (provided that the expenditure for any one item does not exceed \$\_\_\_\_\_ without Owner's prior consent, unless the Agent considers the repair or services to be an emergency; the repairs are required by the Lease Agreement, federal, state or local laws or regulations; or prior consent of Owner is not readily obtainable.

### 3. Maintenance Account (Optional)

**Paragraph 28.** Maintain in Owner's account with Agent an amount equal to one month's normal disbursements for such things as mortgage payments, condominium/association dues, other monthly or regular obligations of Owner, plus \$\_\_\_\_\_ for maintenance and repairs. Funds are to be accounted for in Agent's escrow account and are to be used for payment of Owner's obligations as otherwise provided in this agreement.

### 4. Property Availability

**Paragraph 30.** Owner will make the Property available for lease and occupancy no later than \_\_\_\_\_, (Move out Date) including removal of all of Owner's personal property with the exception of those items listed on the attached Property Management Information Form that will remain in the dwelling unit or on the premises as part of the rental to tenants. If Owner fails to do so, Agent shall have the right to take all reasonable actions, at Owner's sole cost and expense, to prepare the Property for lease and occupancy as soon thereafter as practicable.

### 5. Lead-based Paint (properties built before 1978)

**Paragraph 31.** If the Property was constructed prior to 1978, the Owner hereby agrees that it will use a certified lead-based paint renovator for any repairs to the Property. With regard to lead-based paint or lead-based paint hazards, Owner certifies that: Property was  or  was not constructed after 1978 or is otherwise exempt from the Federal regulations. Known lead-based paint or lead-based paint hazards are present in the Property (explain)

Owner has Yes  No  knowledge of lead-based paint or lead-based paint hazards in the Property Owner has no reports or records pertaining to lead-based paint or lead-based paint hazards in the Property.

### 6. Chinese Drywall (Built 2001 through 2008) & Home Warranty

47. Agent does  does not  have actual knowledge of the existence of defective drywall in the Property.

48. Owner does  does not  have actual knowledge of the existence of defective drywall in the Property.

49. Owner will  will not  purchase home warranty.

### 7. Duration of the lease (12 – 36 months)

We need to know the maximum and minimum lease term which you will accept?

We will do a one hour inspection taking pictures of the property for marketing and establish a baseline for your property's condition. This is an important for document for potential tenant disputes.



### Condition photos include photographs of the following items

- Under all the sinks
- Bathrooms
- Kitchen
- Utility Room
- Garage

### Marketing Photographs

- Bedrooms
- Living Room
- Dining Room
- Family Room
- Exterior front and rear
- Recommendations for marketing

### Recommendations Maintenance

- Recommendations for repairs
- Identify trouble areas which may require extra maintenance
- Review maintenance schedule
- Identify strategies for future repairs
- Appliance records
- Discuss Vendors
- Home warranty options

### Tenants and Payments

- Tenant Selection Process and landlord approval
- Landlord Electronic Payments (ACH)
- Mortgage Payments
- HOA/Condo Payments

### Conveyance of Personal Item

- Document anything you plan to leave in the property for the tenants use.
- Appliance & Equipment Records storage

**Tax Consideration** (We do not provide tax advice and ask that you seek the advice of a tax professional)

- Overseas assignment and the tax consequences of selling when you return.
- IRS Ownership and use test
- What is your tax basis

**Useful Links and publications**

Publication 523 (2011), Selling Your Home For use in preparing *2011* Returns

[http://www.irs.gov/publications/p523/ar02.html#en\\_US\\_2010\\_publink1000200713](http://www.irs.gov/publications/p523/ar02.html#en_US_2010_publink1000200713)

Publication 925 (2011), Passive Activity and At-Risk Rules

<http://www.irs.gov/publications/p925/index.html>

Publication 3 (2011), Armed Forces' Tax Guide For use in preparing *2011* Returns

<http://www.irs.gov/publications/p3/index.html>

Publication 527 (2011), Residential Rental Property (Including Rental of Vacation Homes)

<http://www.irs.gov/publications/p527/index.html>

Foreign Service (State Department Tax Guide)

<http://www.state.gov/documents/organization/162925.pdf>

Circle Property Management Owner Portal

<http://www.circlepropertymanager.com>

