

RVAR Standard Forms Changes

Target "Go Live" Date: Wednesday, July 1st

Purchase Agreement

A July 1st law amends the Property Owner's Association Act and the Virginia Condominium Act to allow the parties to agree, in writing, to extend the three-day right of rescission up to an additional four days. The Property Owner's Association Disclosure paragraph and Condominium Disclosure paragraph have been revised accordingly.

The Fair Housing Disclosure paragraph has been revised to include classes protected in the REALTOR® Code of Ethics.

Lot/Land Purchase Agreement

The Property Owner's Association Disclosure and Fair Housing Disclosure paragraphs have been revised (see above).

Inspection Addendum

A July 1st law requires anyone who performs a septic inspection to be an accredited septic system inspector or a licensed onsite sewage system operator, licensed onsite sewage system installer or licensed onsite soil evaluator. The Septic Inspection paragraph has been revised accordingly.

Exclusive Right to Represent Seller Agreement

'Listing Period' has become a defined term, so that all references to 'Listing Period' throughout this document relate to the time frame commencing and expiring as stated in Paragraph 6. The following has also been added to Paragraph 6: "If a sales contract for Property is ratified during Listing Period which provides for a settlement date beyond the Listing Period, this Agreement shall be extended automatically until final disposition of the sales contract."

Another Seller disclosure has been added to Paragraph 8 regarding whether the Property is tenant-occupied. If the Property is currently tenant-occupied, the Seller is required to provide the listing agent "with any current lease documents and contact information for current tenant and shall use best efforts to obtain full cooperation of current tenant(s), in connection with showings and inspections of Property."

The Fair Housing Disclosure in Paragraph 9 has been revised to include classes protected in the REALTOR® Code of Ethics.

The Property Owner Association Disclosure and Condo Disclosure in Paragraph 9 have been revised to reference the ability of the parties to agree, in writing, to extend the three-day right of rescission up to an additional four days.

The Compensation paragraph (Paragraph 10) has been revised to clarify that the compensation paid by Seller to the listing agent ***includes*** the compensation that the listing agent will pay to cooperating agents as referenced in paragraph 11.

The Lockbox Authorization in paragraph 12 (c) has been revised to “allow access to that box by persons who are authorized by the Broker to access the property.” Once RVAR upgrades the Supra lockboxes, listing agents will be able to give out a secure code to allow access to a lockbox by contractors, inspectors, out of area REALTORS® etc.

An Additional Authorization has been added to paragraph 14 whereby the Seller grants authority to the listing agent to disclose or not disclose the Seller-paid financing concessions amount after settlement. Seller authority is advised prior to making such a disclosure. The MLS will add an optional field (target date July 1st) to facilitate sharing this information. This optional field will have three choices: (1) Yes, the Seller paid financing concessions with a blank for the amount; (2) No, the Seller paid no financing concessions; and (3) the Seller chooses not to disclose.

A Wire Fraud Alert paragraph has been added, identical to the paragraph recently added to the Purchase Agreement.

Summary of Rights and Obligations

The following revisions have been made due to changes to the Residential Property Disclosure Act, effective July 1st.

The form has been revised to reflect that the disclosures provided to the buyer shall be current as of the date of delivery and that nothing requires the seller to provide a subsequent form in the event there are changes to the Residential Property Disclosure Act between the form being provided and settlement.

The previous statement that 'the owner makes no representations with respect to the presence of any stormwater detention facilities' has been DELETED. Instead, as of July 1st, if the seller has knowledge of a stormwater detention facility located on the property, the seller is MANDATED to disclose the existence of the stormwater detention facility including maintenance and inspection requirements.

The form has been revised to reference the following additions to the Residential Property Disclosure Act. In each case, the seller makes no representations related to:

- Marine clays
- Radon gas
- Lead pipes
- Defective Drywall
- Dams
- Residential building energy analysis

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