VIRGINIA RESIDENTIAL AGENCY

2018

DAAR Dulles Area Association of REALTORS®

The Association of Choice for Real Estate Professionals℠

REALTOR®

Virginia REALTORS®

VIRGINIA AGENCY LAW

COURSE OBJECTIVES:

Participants completing this seminar will be able to do the following:

1. Learn and utilize Virginia agency law terminology as a real estate licensee;
2. Review the different types of brokerage relationships available to real estate licensees so a participant can select the most suitable brokerage relationship;
3. Understand the duties of a standard agent, limited service agent and independent contractor so that a participant can apply those duties to all clients and customers;
4. Recognize potential liability issues with an eye to avoiding Virginia Real Estate Board ("VREB") violations; and
5. Review new dual agency and designated agency requirements.

I. HISTORY OF AGENCY IN VIRGINIA.

A. Evolution of Agency.

1. Initially, all cooperating agents in a transaction worked for the seller/listing agent. This was called sub-agency. Thus, an agent working with a buyer was an agent of seller/listing agent. This particularity caused problems regarding the confidentiality of a buyer's information. Though still permitted, sub-agency is not recommended and is rarely used as a form of agency.

2. Real estate licensees and the general public demanded meaningful and separate agency in a real estate transaction. Buyer agency was created in Virginia which permitted one agent to represent the seller and one agent to represent the buyer.

3. Other forms of representation were created in Virginia, such as dual and designated agency. Independent contractor status was created to provide representation in a non-agency capacity.

4. Most recently, limited service agent was created for those agents who do not provide one or more of the duties of a standard agent.

B. History of Disclosure of Agency Relationships.

1. Disclosure of agency relationships in Virginia has been required by law since 1995. Various forms of agency disclosure have been required after 1995 due to changes in the law.

2. New disclosure forms used for dual agency and designated agency went into effect in 2012.

II. THE BASICS-WHAT AGENCY MEANS

A. In a real estate context, "agency" means every relationship in which a real estate licensee acts for or represents a person by such person's express authority in a real estate transaction, unless a different legal relationship is intended and is agreed to as part of the brokerage relationship, such as an independent contractor. (§ 54.1-2130). Any real estate licensee who acts for or represents a client in an agency relationship shall either represent such client as a standard agent or a limited service agent.

B. A client and a real estate licensee may agree in writing to a brokerage relationship under which imposes on a licensee obligations in addition to those provided in §§ 54.1-2130 et seq. The licensee shall be responsible for the additional obligations agreed to with the client in the brokerage agreement.

C. Agency is consensual between the agent and the client. In other words, agency cannot be forced upon a client. A client must agree to the agency.

D. A "standard agent" means a licensee who acts for or represents a client in an agency relationship. A standard agent shall have the obligations as provided in §§ 54.1-2130 et seq. and any additional obligations agreed to by the parties in the brokerage agreement.

E. A *"limited service agent"* **(formerly a limited service representative)** means a licensee who acts for or represents a client with respect to real property containing from one to four residential units, pursuant to a brokerage agreement that provides that the limited service agent will not provide one or more of the duties set forth in subdivision A 2 of§§ 54.1-2131, 54.1-2132, 54.1-2133 and 54.1-2134.

1. A limited service agent shall have the obligations set out in the brokerage agreement, except that a limited service agent shall provide the client, at the time of entering the brokerage agreement, copies of any and all disclosures required by federal or state law, or local disclosures expressly authorized by state law; and

2. A limited service agent shall disclose to the client the following in writing: (i) the rights and obligations of the client under the Virginia Residential Property Disclosure Act(§ 55-517 et seq.);

(ii) if the client is selling a condominium, the rights and obligations of the client to deliver to the purchasers, or to receive as purchaser, the condominium resale certificate required by§ 55-79.97; and

(iii) if the client is selling a property subject to the Property Owners'

Association Act (§ 55-508 et seq.), the rights and obligations of the client to deliver to the purchasers, or to receive as purchaser, the association disclosure packet required by § 55-509.5.

F. "Independent contractor" means a real estate licensee who (i) enters into a

Brokerage relationship based upon a brokerage agreement that specifically states that the real estate licensee is acting as an independent contractor and not as an agent; (ii) has the obligations agreed to by the parties in the brokerage agreement; and (iii) must comply with the provisions of § 54.1-2131 A 3 through 7, B, and E; § 54.1-2132 A 3 through 7, B, and E; § 54.1-2133 A 3 through 7, B, and E; § 54.1-2134 A 3 through 7, B, and E; and § 54.1-2135 A 2 through 6, C, and D but otherwise shall 110 obligations under §§ 54.1-2131 thru 54.1-2135.

The above definition of independent contractor has numerous Virginia Code references, so the following is a more user-friendly definition:

Independent contractor means a real estate licensee who:

(i) enters into a brokerage relationship based upon a brokerage agreement that specifically states that the real estate licensee is acting as an independent contractor and not as an agent;

(ii) has the obligations agreed to by the parties in the brokerage agreement;

(iii) is required to:

a. maintain client confidentiality;
b. exercise ordinary care;
c. account for a client's money and property;
d. disclose material facts to the client regarding the property and/or the transaction, and disclose material adverse facts/defective drywall to prospective purchasers or tenants;
e. treat all parties honestly; and
f. disclose the brokerage relationship to all parties; but

(iv) does not have any other duties of a standard agent under Sections 54.1-2131 thru 54.1-2135.

G. "Client" means a person who has entered into a brokerage relationship with a licensee.

H. "Customer" means a person who has not entered into a brokerage relationship with a licensee but for whom a licensee performs ministerial acts in a real estate transaction. Unless a licensee enters into a brokerage relationship with such person, it shall be presumed that such person is a customer of the licensee rather than a client.

III. BROKERAGE RELATIONSHIPS

A. "Brokerage relationship" means the contractual relationship between a client and a real estate licensee who has been engaged by such client for the purpose of procuring a seller, buyer, option, tenant, or landlord ready, able, and willing to sell, buy, option, exchange or rent real estate on behalf of a client(§ 54.1-2130).

1. A brokerage relationship must be an agency relationship or a non-agency relationship.

   (i) The only recognized forms of agency in Virginia (defined in Section III above) are standard agent and limited service agent.

   (ii) The only type of non-agency relationship in Virginia is independent contractor (see subparagraph 3 below).

2. **Thus, a Virginia real estate licensee in a brokerage relationship must act as a standard agent, a limited service agent or independent contractor.**

3. Some states utilize non-agency relationships known as "facilitators" and "transaction brokers", which are really just deviations of an independent contractor relationship. Facilitators typically assist both buyer and seller as a dual representative, but act under an independent contractor relationship. A transaction broker is more commonly used in commercial transactions to assist one party, but again, acting under an independent contractor relationship. A Virginia real estate licensee is permitted to enter into a non-agency brokerage relationship as an independent contractor facilitator or transaction broker, but advice of experienced legal counsel is strongly suggested to prepare the appropriate brokerage agreement since they are not commonly used in Virginia.

4. The duties of a standard agent are set forth in Section VI of this Outline, and the disclosure regarding a limited service agent is set forth in Paragraph E of this Section IV (pages 7-8).

B. Representing a Client as an Independent Contractor.

1. An independent contractor is not an agent (i.e. no agency relationship is created), it is merely a contractual relationship defined by the terms of the agreement.

2. To act as an independent contractor, a real estate licensee enters into a written independent contractor agreement with a client to perform only those services and obligations set forth in the agreement.

   (i) The independent contractor agreement is the brokerage agreement, and must clearly state that the real estate licensee is:

      (a) Acting solely as an independent contractor and not as an agent; and

      (b) Only performing such services as set forth m the agreement.

3. Example of services: If a real estate licensee is acting as an independent contractor to assist an owner with the sale of real estate, the following illustrates the types of services that could be offered in the brokerage agreement (the list below is not meant to be an exhaustive list):

(i) List an owner's property for sale in a MLS (see Risk Management note below);

(ii) Accept and discuss inquires with real estate agents regarding a property listing, provide property information, and schedule showing appointments;

(iii) Assist an owner with the use of the residential property disclosure form, lead-based paint disclosure and property owners' association/condominium resale packets, as applicable;

(iv) Review with an owner any offers and counteroffers of purchase contracts received by the owner, and provide advice to the owner regarding the negotiation of any such offers or counteroffers; and/or

(v) Prepare a comparable market analysis (CMA) of the owner's property.

RISK MANAGEMENT: In addition to describing the services to be performed by a real estate licensee, a brokerage agreement whereby the real estate license is acting as an independent contractor must contain all other MLS/REALTOR® Association requirements.

For example, if the brokerage agreement is for services to assist the seller of real estate and states the licensee will list the property for sale in an MLS, the agreement must also contain an Opt-Out of Internet, and other local MLS/REALTOR® Association provisions for listing a property.

A licensee seeking to use an independent contractor agreement to list property or to act as a buyer's representative should seek professional assistance to develop such a form.

C. A brokerage relationship commences at the time a client engages a licensee and continues until:

1. Completion of performance in accordance with the terms of the brokerage agreement; or

2. The earlier of:

(i) the expiration date agreed upon by the parties;

(ii) any mutually agreed upon termination of the brokerage agreement;
(iii) a default by any party under the terms of the brokerage agreement; or
(iv) a termination pursuant to § 54.1-2139 (termination due to dual agency/representation).

RISK MANAGEMENT: Avoid disciplinary action. It is a violation of VREB Regulation 18 VAC 135-20-290 to enter into a brokerage agreement that does not (i) specify a definite termination date; (ii) provide a mechanism for determining the termination date; or (iii) is not terminable by the client.

D. Disclosure of Brokerage Relationships(§ 54.1-2138).

1. Virginia law requires disclosure of a brokerage relationship in sales and lease transactions (see **Appendix A-1 for disclosure form).**

2. Sales Transactions: Upon having a substantive discussion about a specific property or properties with an actual or prospective buyer or seller who is not the client of the licensee and who is not represented by another licensee, a licensee shall disclose any broker relationship the licensee has with another party to the transaction. Further, except as provided in § 54.1-2139, such disclosure shall be made in writing at the earliest practical time, but in no event later than the time when specific real estate assistance is first provided. Such disclosure may be given in combination with other disclosures or provided with other information, but if so, the disclosure must be conspicuous, printed in bold lettering, all capitals, underlined, or within a separate box.

3. Lease Transactions: A licensee shall disclose to an actual or prospective landlord or tenant, who is not the client pf the licensee and who is not represented by another licensee, that the licensee has a brokerage relationship with another party or parties to the transaction. Such disclosure shall be in writing and included in all applications for lease or in the lease itself, whichever occurs first. If the terms of the lease do not provide for such disclosure, disclosure shall be made in writing no later than the signing of the lease. Such disclosure requirement shall not apply to lessors or lessees in single or multifamily residential units for lease terms of less than two months.

4. Change in Relationship: If a licensee's relationship to a client or customer changes, the licensee shall disclose that fact in writing to all clients and customers already involved in the specific contemplated transaction.

5. Recordkeeping Requirement. Copies of any disclosures relative to fully executed purchase contracts shall be kept by the licensee for a period of three years as proof of having made such disclosure, whether or not such disclosure is acknowledged in writing by the party to whom such disclosure was shown or given.

E. Additional Disclosure Requirements of Limited Service Agents.

1. In addition to the disclosure requirements of§ 54.1-2138, a limited service agent may act as a limited service agent only pursuant to a written brokerage agreement in which the limited service agent (i) discloses that the licensee is acting as a limited service agent; (ii) provides a list of the specific services that the licensee will provide to the client; and (iii) provides a list of the specific duties of a standard agent set out in subdivision A 2 of § 54.1-2131, subdivision A 2 of § 54.1-2132, subdivision A 2 of§ 54.1-2133, or subdivision A 2 of§ 54.1-2134, as applicable, that the limited service agent will not provide to the client. Such disclosure shall be conspicuous and printed either in bold lettering or all capitals, and shall be underlined or in a separate box.

2. Additionally, a disclosure that contains language that complies substantially with the following shall be deemed in compliance with this disclosure requirement:

"By entering into this brokerage agreement, the undersigned do hereby acknowledge their informed consent to the limited service representation by the licensee and do further acknowledge that neither the other party to the transaction nor any real estate licensee representing the other party is under any legal obligation to assist the undersigned with the performance of any duties and responsibilities of the undersigned not performed by the limited service agent."

RISK MANAGEMENT: A REALTOR® Association's forms library contains the specific limited service agent form for the necessary disclosure statement, along with a myriad of other standard forms. Using up-to-date standard forms provides assurance that you are in compliance with the latest disclosure requirements, thereby substantially minimizing liability risks and/or disciplinary action for using outdated forms.

IV. BROKERAGE AGREEMENTS

A. "Brokerage Agreement" means the *written* agreement creating a brokerage relationship between a client and a licensee, and must state whether the licensee represents the client as an agent or an independent contractor.

B. Brokerage Agreements must also state:

1. A definite termination date; however, if a brokerage agreement does not specify a definite termination date, the brokerage agreement shall terminate 90 days after the date of the *brokerage agreement;*

2. The amount of brokerage fees and how and wizen such fees are to be paid;

3. The services to be rendered by the licensee;

4. Include such other terms of the brokerage relationship as have been agreed to by the client and the licensee; and

5. In the case of brokerage agreements entered into in conjunction with the client's consent to a dual representation, the disclosures set out in subsection A of§ 54.1-2139 (see **Appendix** A-2).

C. Except as otherwise agreed to in writing, a licensee owes no further duties to a client after termination, expiration, or completion of performance of the brokerage relationship, except to (i) account for all moneys and property relating to the brokerage relationship and (ii) keep confidential all personal and financial information received from the client during the course of the brokerage relationship and any other information that the client requests during the brokerage relationship be maintained confidential, unless otherwise provided by law or the client consents in writing to the release of such information.

V. DUTIES OF STANDARD AGENTS

A. Virginia law sets forth specific duties that a standard agent must follow (see **Appendix B).** These laws are set forth in the Code of Virginia as follows:

1. Licensees engaged by sellers -- § 54.1-131;

2. Licensees engaged by buyers--§ 54.1-132;

3. Licensees engaged by landlord-- § 54.1-133;

4. Licensees engaged by tenants -- § 54.1-2134; and

5. Licensees engaged to manage real estate--§ 54.1-135.

B. Many of these provisions are uniform whether representing a seller, buyer, landlord or tenant. For instance, every licensee (salesperson or broker) representing a client must:

1. Perform in accordance with the terms of the brokerage agreement;

2. Assist in the drafting and negotiation of contracts or leases (whichever is applicable);

3. Maintain the confidentiality of all personal and financial information received from the client during the brokerage relationship and any other information that the client requests during the brokerage relationship to be maintained confidential unless the client consents in writing to its release or it is required by law;

4. Exercise ordinary care;

5. Account in a timely manner for all money and property received by the

licensee in which the client has an interest;

6. Disclose to the client material facts related to the property or concerning the transaction of which the licensee has actual knowledge;

B. Comply with fair housing law;

C. Treat all prospective clients honestly and not knowingly give them false information;

D. Disclose the existence of defective drywall to the prospective buyer or tenant (whichever is applicable); and

E. Disclose the brokerage relationship as provided by law.

C. In addition to the duties set forth in paragraph **B** above, Licensees engaged by sellers must also:

1. Conduct marketing activities and seek contract terms agreed upon in the brokerage agreement or otherwise acceptable to the seller;

2. Receive and present written offers and counteroffers, even if the property is already under contract;

3. Provide reasonable assistance to the seller to satisfy the seller's contractual obligation and to facilitate the closing; and

4. Disclose to prospective buyers all material adverse facts pertaining to the physical condition of the property which are actually known by the licensee.

RISK MANAGEMENT: Document the disclosure of any material adverse fact to a prospective purchaser by making a note of the disclosure in your file (who, what, when, where) or confirm the disclosure in writing (such as in an email) to the prospective purchaser, and keep the record to prove you properly disclosed the adverse fact(s).

D. In addition to the duties set forth in paragraph **B** above, Licensees engaged by buyers must also:

1. Seek property of a type and on terms acceptable to the buyer;

2. Receive and present written offers and counteroffers, even if the buyer is already a party to a contract to purchase property; and

3. Provide reasonable assistance to the buyer to satisfy the buyer's contractual obligation and to facilitate the closing.

E. In addition to the duties set forth in paragraph **B** above, Licensees engaged by the

landlord must also:

1. Conduct marketing activities and seek a tenant and lease terms agreed upon in the brokerage agreement or otherwise acceptable to the landlord;

2. Provide reasonable assistance to the landlord to finalize the lease agreement; and

3. Disclose to prospective tenants all material adverse facts pertaining to the physical condition of the property which are actually known by the licensee.

RISK MANAGEMENT: Document the disclosure of any material adverse fact to a prospective tenant by making a note of the disclosure in your file (who, what, when, where) or confirm the disclosure in writing (such as in an email) to the prospective tenant, and keep the record to prove you properly disclosed the adverse fact(s).

F. In addition to the duties set forth in paragraph B above, Licensees engaged by tenants must also:

1. Seek a lease on terms acceptable to the tenant; and

2. Provide reasonable assistance to the tenant to finalize the lease agreement.

G. Licensees engaged to manage real estate must:

1. Perform in accordance with the terms of the property management agreement;

2. Exercise ordinary care;

3. Disclose to the client material facts of which the licensee has actual knowledge;

4. Maintain the confidentiality of all personal and financial information received from the client during the brokerage relationship and any other information that the client requests during the brokerage relationship to be maintained confidential unless the client consents in writing to it release or it is required by law;

5. Account in a timely manner for all money and property received by the licensee in which the client has an interest;

6. Comply with fair housing law;

7. Disclose the existence of defective drywall to the owner; and

8. Enter into a written property management agreement with an owner containing the following terms:

a. A definite termination date or duration (fa property management agreement does not specify a definite termination date or duration, the agreement shall terminate 90 days after the date of the agreement);

b. Amount of the management fees and how and wizen such fees are to be paid;

c. Services to be rendered by the licensee; and

d. Such other terms as have been agreed to by the owner and the property manager.

RISK MANAGEMENT: Be sure to include a termination date or duration of the property. management agreement. Failure to do so will result in the agreement terminating in 90 days which could result in noncompliance with the law and VREB Regulations. It could also negate payment of your real estate commission!

VI. DUAL AGENCY

A. "Dual agent" or "dual representative" means a licensee who has a brokerage relationship with both seller and buyer, or both landlord and tenant, in the same real estate transaction. The terms are not interchangeable. The difference between the terms is:

1. Dual agent is the term used for a real estate licensee acting in an agency relationship (e.g. standard agent or limited service agent) and representing both seller and buyer, or both landlord and tenant, in the same real estate transaction.

2. Dual representative is the term used for a real estate licensee acting as an independent contractor representing both seller and buyer, or both landlord and tenant, in the same real estate transaction.

HELPFUL HINT: Appendix A contains a helpful chart summarizing all agency disclosure forms.

B. Disclosed dual agency (formerly known as dual standard agency) I specifically authorized by law (§ 54.1-2139). A licensee may not act as a dual agent unless the licensee has first obtained the written consent of all parties to the transaction given after written disclosure of the consequences of such dual agency. Such disclosure shall be in writing and given to both parties prior to the commencement of dual agency.

C. The new dual agency/representation disclosure form contains two sections regarding clients (see Appendix A-2):

1. Select "One Existing Client One New Client" to represent one existing client and one new client in a dual agency/representation transaction.

2. Select "Both Clients Are Existing Clients" to represent two existing clients (it's a short-form of disclosure) in a dual agency/representation transaction. "Existing client" is not defined, but you must be currently representing a party as a licensee and that party desires to engage in a real estate transaction with another current client represented by you.

D. If representing one existing client and one new client in a dual agency/representation transaction, the disclosure shall contain the following provisions (see Appendix A-2):

1. That following the commencement of dual agency/representation, the licensee cannot advise either party as to the terms to offer or accept in any offer or counteroffer; however, the licensee may have advised one party as to such terms prior to the commencement of dual agency/representation;

2. That the licensee cannot advise the buyer client as to the suitability of the property, its condition (other than to make any disclosures as required by law of any licensee representing a seller), and cannot advise either party as to what repairs of the property to make or request;

3. That the licensee cannot advise either party in any dispute that arises relating to the transaction;

4. That licensee may be acting without knowledge of the client's needs, client's knowledge of the market, or client's capabilities in dealing with the intricacies of real estate transactions; and

5. That either party may engage another licensee at additional cost to represent their respective interests.

E. A disclosure is deemed not to comply with the requirements set out in this section if (i) not signed by the client or (ii) given in a purchase agreement, lease or any other document related to a transaction.

F. If a licensee represents one party as an independent contractor and another party as an agent, the licensee may engage in dual representation only if the disclosure in **Appendix** A-2 is used.

G. Disclosed "dual representative" is specifically permitted by law(§ 54.1-2139.2). A licensee may not act as a dual representative unless the licensee has first obtained the written consent of all clients to the transaction given after written

disclosure as set forth in Appendix A-2.

H. Even if the disclosure is executed by the clients, a separate written brokerage agreement still must be signed by the clients.

I. A licensee may withdraw, without liability, from representing a client who refuses to consent to a disclosed dual agency or dual representation thereby terminating the brokerage relationship with such client. Such withdrawal shall not prejudice the ability of the licensee to continue to represent the other client in the transaction nor to limit the licensee from representing the client who refused the dual agency/dual representation in other transactions not involving dual agency/dual representation..

VII. DESIGNATED AGENCY

A. "Designated agent" or "designated representative" means a licensee who has been assigned by a principal or supervising broker to represent a client when a different client is also represented by such principal or broker in the same transaction. The terms are not interchangeable. The difference between the terms is:

1. Designated agent is the term used for a real estate licensee acting as a standard agent or a limited service agent who has been assigned to represent a client.

2. Designated representative is the term used for a real estate licensee acting as an independent contractor who has been assigned to represent a client.

B. Disclosed *designated agency* **(formerly designated standard agency)** is specifically authorized by law in§ 54.1-2139.1 and designated representatives are authorized by law in § 54.1-2139.3 A principal or supervising broker may assign different licensees affiliated with the broker as a designated agent to represent different clients in the same transaction to the exclusion of all other licensees in the firm.

C. Use of such designated agents/representatives shall not constitute dual agency if a designated agent/representative is not representing more than one client in a particular real estate transaction.

D. The principal or broker who is supervising the transaction is considered a dual agent (if agency) or dual representative (if independent contractor).

E. Designated agents and designated representatives may not disclose, except to the affiliated licensee's broker, personal or financial information received from the clients during the brokerage relationship and any other information that the client requests during the brokerage relationship be kept confidential, unless otherwise provided for by law or the client consents in writing to the release of such information.

F. Designated agents and designated representatives must be disclosed m a real estate transaction using **Appendix** A-3.

APPENDIX A

SELECT THE CORRECT DISCLOSURE FORM TO USE:

TYPE OF SITUATION	USE THIS FORM:
Real estate licensee* has substantive discussion about a specific property with a prospective buyer, seller, landlord or tenant who is <u>not</u> the client of the licensee and <u>not</u> represented by another licensee	**VAR Form 100 – Disclosure of Brokerage Relationship (See Appendix A-1)**
Dual agency/dual representation: Dual Agency or dual representation of clients by a real estate license*	**VAR Form 101 – Disclosure of Dual Agency or Dual Representation (Residential) VAR Form 102 – Disclosure of Dual Agency or Representation (Commercial) (See Appendix A-2)**
Designated Agency/designated representation Designated agency or designated representation of clients by a real estate licensee*.	**VAR Form 103 – Disclosure of Designated Agency or Representation (See Appendix A-3)**

*(*Applicable to standard agents, limited service agents and independent contractors).*

REALTOR®

EQUAL HOUSING OPPORTUNITY

DISCLOSURE OF BROKERAGE RELATIONSHIP EXPLANATION TO CONSUMERS

Real estate licensees in Virginia are required by law to make prompt written disclosure of any brokerage relationship to members of the public who are unrepresented. Licensees must also make written disclosures and obtain timely written consents from their clients before entering into other brokerage relationships. The attached form is provided to you to satisfy these requirements and to help you understand the nature of the brokerage relationship of the licensee.

THE LICENSEE'S DUTIES

A licensee must have a written brokerage agreement to represent a client and a licensee owes his client certain duties. A licensee who is not representing you in a transaction can nonetheless provide you other valuable information and assistance. However, you should always keep in mind whom the licensee represents in your transaction, and thus to whom that licensee owes the duties described below.

WHOM DOES THE LICENSEE REPRESENT?

In any real estate transaction, a licensee may represent the seller, the buyer, or, under certain circumstances, both seller and buyer.

The Seller	A licensee represents a seller via a written brokerage agreement called a listing agreement, in which case the licensee owes his primary responsibilities to the seller. The licensee must disclose his relationship with the seller whenever dealing with an unrepresented buyer. The licensee is also allowed to assist an unrepresented buyer with ministerial duties – such as filling in the blanks of a contract and holding the escrow deposit.
The Buyer	If a buyer desires to be represented by a licensee, then the buyer and the licensee must enter into a written brokerage agreement by which the licensee agrees to represent the interests of the buyer. The licensee must disclose his relationship with the buyer whenever dealing with an unrepresented seller. Furthermore, the licensee may perform ministerial duties for an unrepresented seller – such as delivering offers and counteroffers.
The Buyer and The Seller	A licensee and his firm may represent both the buyer and the seller in a particular transaction, but only with the informed written consent of both the buyer and the seller. A licensee representing both the buyer and seller in a dual capacity is necessarily limited in his ability to represent either the buyer or seller fully and exclusively. The licensee must safeguard the confidentiality of any information obtained within the confidentiality and trust of the brokerage relationship, unless disclosure of such information is required by law. Specifically, the licensee must not tell the buyer that the seller will accept a price lower than the listing price, nor tell the seller that the buyer will pay a price higher than the price offered.
Designated Licensees	Virginia law also permits a principal or supervising broker to designate different licensees affiliated with the broker to represent different clients in the same transaction. Designated agency/representation requires informed written consent from both parties. Unlike the dual relationship discussed in the previous paragraph, these designated licensees represent only the interest of their respective clients, and may therefore represent those interests fully. The principal or supervising broker who is supervising the transaction will be considered dual broker of both seller and buyer. Designated licensees may not disclose, except to their broker, personal or financial information received from the clients during the brokerage relationship and any other information a client requests to be kept confidential, unless required by law to be disclosed or the client consents to its disclosure in writing.

SAMPLE

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REALTOR®

EQUAL HOUSING OPPORTUNITY

VIRGINIA ASSOCIATION OF REALTORS®
DISCLOSURE OF BROKERAGE RELATIONSHIP
IN A RESIDENTIAL REAL ESTATE TRANSACTION
FOR UNREPRESENTED PARTY(IES)

Property Address (if applicable): _____

_____

The undersigned unrepresented party(ies) do hereby acknowledge disclosure that the licensee _____ (Broker or Salesperson) associated with _____ (Brokerage Firm) represents only the following party in a residential real estate transaction:

☐ Seller(s) **OR** ☐ Landlord(s)

☐ Buyer(s) **OR** ☐ Tenant(s)

SIGNATURE OF UNREPRESENTED PARTY

_____
Print Name

_____/_____
Date Signature

SIGNATURE OF UNREPRESENTED PARTY

_____
Print Name

_____/_____
Date Signature

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REALTOR®

EQUAL HOUSING OPPORTUNITY

VIRGINIA ASSOCIATION OF REALTORS®
DISCLOSURE OF DUAL AGENCY OR DUAL REPRESENTATION*
IN A RESIDENTIAL REAL ESTATE TRANSACTION

The undersigned do hereby acknowledge disclosure that the licensee _____ (Broker or Salesperson) associated with _____ (Brokerage Firm) represents more than one party in this residential real estate transaction as follows:

A. The Licensee represents the ☐ Seller OR ☐ Landlord as a (select one below):

☐ Standard Agent **OR** ☐ Limited Service Agent **OR** ☐ Independent Contractor

B. The Licensee represents the ☐ Buyer OR ☐ Tenant as a (select one below):

☐ Standard Agent **OR** ☐ Limited Service Agent **OR** ☐ Independent Contractor

*"Dual Agency" means representing a client as a standard agent or as a limited service agent. "Dual Representation" means representing a client as an independent contractor.

C. Brokerage Firm disclosure and client acknowledgement of the following (select one):

BOTH CLIENTS ARE EXISTING CLIENTS

☐ Brokerage Firm represents two existing clients in the transaction and the undersigned acknowledge the following:

The undersigned understand that the foregoing dual agent or dual representative may not disclose to either client any information that has been given to the dual agent or representative by the other client within the confidence and trust of the brokerage relationship except for that information which is otherwise required or permitted by § 54.1-2130 et seq. of the Code of Virginia to be disclosed.

OR

ONE EXISTING CLIENT ONE NEW CLIENT

☐ Brokerage Firm represents one existing client and one new client in the transaction and the undersigned acknowledge the following:

The undersigned understand:

1. That following the commencement of dual agency or representation, the licensee cannot advise either party as to the terms to offer or accept in any offer or counteroffer; however, the licensee may have advised one party as to such terms prior to the commencement of dual agency or representation;

2. That the licensee cannot advise the buyer client as to the suitability of the property, its condition (other than to make any disclosures as required by law of any licensee representing a seller), and cannot advise either party as to what repairs of the property to make or request;

SAMPLE

3. That the licensee cannot advise either party in any dispute that arises relating to the transaction;

4. That licensee may be acting without knowledge of the client's needs, client's knowledge of the market, or client's capabilities in dealing with the intricacies of real estate transactions; and

5. That either party may engage another licensee at additional cost to represent their respective interests.

The undersigned by signing this notice do hereby acknowledge their consent to the disclosed dual representation by the licensee.

SELLER/LANDLORD

_____ /_____
Date Signature

BUYER/TENANT

_____ /_____
Date Signature

SELLER/LANDLORD

_____ /_____
Date Signature

BUYER/TENANT

_____ /_____
Date Signature

SAMPLE

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EQUAL HOUSING OPPORTUNITY

VIRGINIA ASSOCIATION OF REALTORS®
DISCLOSURE OF DUAL AGENCY OR DUAL REPRESENTATION*
IN A COMMERCIAL REAL ESTATE TRANSACTION

The undersigned do hereby acknowledge disclosure that the licensee _____ (Broker or Salesperson) associated with _____ (Brokerage Firm) represents more than one party in this commercial real estate transaction as follows:

A. **The Licensee represents the ☐ Seller OR ☐ Landlord as a (select one below):**

☐ Standard Agent **OR** ☐ Independent Contractor

B. **The Licensee represents the ☐ Buyer OR ☐ Tenant as a (select one below):**

☐ Standard Agent **OR** ☐ Independent Contractor

The undersigned understand that the foregoing dual agent or dual representative may not disclose to either client any information that has been given to the dual agent or representative by the other client within the confidence and trust of the brokerage relationship except for that information which is otherwise required or permitted by § 54.1-2130 et seq. of the Code of Virginia to be disclosed.

The undersigned by signing this notice do hereby acknowledge their consent to the disclosed dual representation by the licensee.

SELLER/LANDLORD

_____/_____
Date Signature

BUYER/TENANT

_____/_____
Date Signature

SELLER/LANDLORD

_____/_____
Date Signature

BUYER/TENANT

_____/_____
Date Signature

*"Dual Agency" means representing a client as a standard agent. "Dual Representation" means representing a client as an independent contractor.

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REALTOR®

EQUAL HOUSING OPPORTUNITY

VIRGINIA ASSOCIATION OF REALTORS®
DISCLOSURE OF DESIGNATED AGENCY OR REPRESENTATION*

The undersigned do hereby acknowledge disclosure that _____ (Brokerage Firm) represents more than one party in this real estate transaction:

☐ Seller(s) and Buyer(s) ☐ Landlord(s) and Tenant(s)

The undersigned understand that the foregoing dual agent *or* representative (Broker) may not disclose to either client or such client's designated agent or representative any information that has been given to the dual agent or representative by the other client within the confidence and trust of the brokerage relationship except for that information which is otherwise required or permitted by Article 3 (§ 54.1-2130 et seq.) of Chapter 21 of Title 54.1 of the Code of Virginia to be disclosed.

The principal or supervising broker has assigned _____ (Broker or Salesperson) to act as Designated Agent or Representative for the ☐ Seller OR ☐ Landlord as a (select one below):

☐ Standard Agent **OR** ☐ Limited Service Agent **OR** ☐ Independent Contractor

The principal or supervising broker has assigned _____ (Broker or Salesperson) to act as Designated Agent or Representative for the ☐ Buyer OR ☐ Tenant as a (select one below):

☐ Standard Agent **OR** ☐ Limited Service Agent **OR** ☐ Independent Contractor

The undersigned by signing this notice do hereby acknowledge their consent to the disclosed designated representation by the licensee.

SELLER/LANDLORD

_____/_____
Date Signature

BUYER/TENANT

_____/_____
Date Signature

SELLER/LANDLORD

_____/_____
Date Signature

BUYER/TENANT

_____/_____
Date Signature

*"Designated Agency" means representing a client as a standard agent or as a limited service agent. "Designated Representation" means representing a client as an independent contractor.

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Guidance Document on necessity for brokerage agreements

As a means of providing information or guidance of general applicability to the public, the Real Estate Board is issuing this guidance document in order to assist its licensees in understanding the requirements of § 54.1-2137 of the *Code of Virginia*.

To ensure that the Real Estate Board's broker and salesperson licensees comply with **§ 54.1-2137. Commencement and termination of brokerage relationships**, the Board directs licensees to review the following information.

The following are relevant excerpts from the *Code of Virginia*:

> **§ 54.1-2137. Commencement and termination of brokerage relationships.**
>
> ....
>
> B. Brokerage agreements shall be in writing and shall:
> 1. Have a definite termination date; however, if a brokerage agreement does not specify a definite termination date, the brokerage agreement shall terminate 90 days after the date of the brokerage agreement;
> 2. State the amount of the brokerage fees and how and when such fees are to be paid;
> 3. State the services to be rendered by the licensee;
> 4. Include such other terms of the brokerage relationship as have been agreed to by the client and the licensee; and
> 5. In the case of brokerage agreements entered into in conjunction with the client's consent to a dual representation, the disclosures set out in subsection A of § 54.1-2139.
>
> ....
>
> **§ 54.1-2137. Commencement and termination of brokerage relationships.**
> A. The brokerage relationships set forth in this article shall commence at the time that a client engages a licensee and shall continue until (i) completion of performance in accordance with the brokerage agreement or (ii) the earlier of (a) any date of expiration agreed upon by the parties as part of the brokerage agreement or in any amendments thereto, (b) any mutually agreed upon termination of the brokerage agreement, (c) a default by any party under the terms of the brokerage agreement, or (d) a termination as set forth in subsection F of § 54.1-2139.
>
> ....
>
> **§ 54.1-2130. Definitions.**
> As used in this article: ...
> "Brokerage agreement" means the written agreement creating a brokerage relationship between a client and a licensee. The brokerage agreement shall state whether the real estate licensee will represent the client as an agent or an independent contractor.
> "Brokerage relationship" means the contractual relationship between a client and a real estate licensee who has been engaged by such client for the purpose of procuring a seller, buyer, option, tenant, or landlord ready, able, and willing to sell, buy, option, exchange or rent real estate on behalf of a client.

"Client" means a person who has entered into a brokerage relationship with a licensee.

....

"Customer" means a person who has not entered into a brokerage relationship with a licensee but for whom a licensee performs ministerial acts in a real estate transaction. Unless a licensee enters into a brokerage relationship with such person, it shall be presumed that such person is a customer of the licensee rather than a client.

....

"Ministerial acts" means those routine acts which a licensee can perform for a person which do not involve discretion or the exercise of the licensee's own judgment.

....

The Code of Virginia requires a written brokerage agreement when a brokerage relationship, as defined in § 54.1-2130, is created. When a customer becomes a client is based upon the party's intent. A licensee needs to use his judgment based upon a customer's words and actions to make a determination as to when the intent to enter into a brokerage relationship is established and therefore, requires a brokerage agreement. Is the party looking for the licensee to provide advice and counsel requiring the licensee to exercise his judgment or discretion for the purpose of procuring a seller, buyer, option, tenant, or landlord ready, able, and willing to sell, buy, option, exchange or rent real estate? If so, this would require a written brokerage agreement as these acts don't fall within the definition of ministerial acts. Has the party engaged the licensee for the purpose of procuring a seller, buyer, option, tenant or landlord ready, able and willing to sell, buy, option, exchange, or rent real estate? If yes, then a brokerage relationship is established and this requires a written brokerage agreement.

Below are some examples of situations which require the licensee to use his judgment to determine the party's intent:

- Many acts may be ministerial or could require a written brokerage agreement depending on the party making the request and his intent. For example, showing a house may be ministerial if the licensee takes the party to see what the typical features are in homes in the market area or to gather information on the market or area. However, if the party asks the licensee to show him real estate because his intent is to have the licensee procure someone who is ready, able and willing to sell, buy, option, exchange, or rent real estate then a brokerage relationship exists requiring a written brokerage agreement.

    - Another example relates to a request for a multiple listing service (MLS) search. If a party requests a licensee to provide MLS search results without the intent to engage the licensee for the purpose of procuring a seller, buyer, option, tenant or landlord ready, able and willing to sell, buy, option, exchange, or rent real estate then a written brokerage agreement is not necessary. However, if a party requests MLS search results having the intent to engage the licensee for the purpose of procuring a seller, buyer, option, tenant or landlord ready, able and willing to sell, buy, option,

exchange, or rent real estate then a written brokerage agreement is necessary.

- If a party asks the licensee for general information about items such as tax rates, HOA dues, schools or typical features of property in the area, these acts appear to be ministerial. However, if the party asks these questions about specific property because his intent is to have the licensee procure someone who is ready, able and willing to sell, buy, option, exchange, or rent real estate, or if he asks the licensee to provide the licensee's opinion as to those features or properties that have those features, then a brokerage relationship exists requiring a written brokerage agreement.

- Many licensees may perform marketing activities in order to induce a party to engage them for the purpose of procuring a seller, buyer, option, tenant, or landlord ready, able, and willing to sell, buy, option, exchange or rent real estate. For instance, if a party asks the licensee to provide him with a valuation or analysis of real estate or an MLS search for informational purposes and does not yet intend to engage the licensee to procure a buyer or seller for the real estate, a written brokerage agreement is not necessary. However, if at the time the party asks the licensee to provide the valuation and the party intends to use the valuation or analysis of the real estate for the purpose of having that licensee procure a buyer for the real estate, then a written brokerage agreement is needed.

    - As a further example, a licensee may provide marketing materials and a competitive market analysis to a prospective seller who is interviewing for the purpose of retaining a licensee to sell their property, without the necessity of a written brokerage agreement.

The party's intent can change during the performance of ministerial acts by the licensee. The licensee needs to be aware of when the intent of the party changes from that of customer to client, and get the party to sign a written brokerage agreement before performing any non-ministerial acts for that party. It is important for brokers to have policies in place to guide their licensees, based upon the firm's business practices, in determining when a written brokerage agreement is required and procedures for obtaining such agreements.

APPENDIX B

Specific Duties of a Standard Agent

§ 54.1-2131. Licensees engaged by sellers.

A. A licensee engaged by a seller shall:

1. Perform in accordance with the terms of the brokerage agreement;

2. Promote the interests of the seller by:

a. Conducting marketing activities on behalf of the seller in accordance with the brokerage agreement. In so doing, the licensee shall seek a sale at the price and terms agreed upon in the brokerage agreement or at a price and terms acceptable to the seller; however, the licensee shall not be obligated to seek additional offers to purchase the property while the property is subject to a contract of sale, unless agreed to as part of the brokerage agreement or as the contract of sale so provides;

b. Assisting in the drafting and negotiating of offers and counteroffers, amendments, and addenda to the real estate contract pursuant to § 54.1-2101.1 and in establishing strategies for accomplishing the seller's objectives;

c. Receiving and presenting in a timely manner written offers and counteroffers to and from the seller and purchasers, even when the property is already subject to a contract of sale; and

d. Providing reasonable assistance to the seller to satisfy the seller's contract obligations and to facilitate settlement of the purchase contract;

3. Maintain confidentiality of all personal and financial information received from the client during the brokerage relationship and any other information that the client requests during the brokerage relationship be maintained confidential, unless otherwise provided by law or the seller consents in writing to the release of such information;

4. Exercise ordinary care;

5. Account in a timely manner for all money and property received by the licensee in which the seller has or may have an interest;

6. Disclose to the seller material facts related to the property or concerning the transaction of which the licensee has actual knowledge; and

7. Comply with all requirements of this article, all fair housing statutes and regulations for residential real estate transactions as applicable, and all other applicable statutes and regulations which are not in conflict with this article.

B. Licensees shall treat all prospective buyers honestly and shall not knowingly give them false information. A licensee engaged by a seller shall disclose to prospective buyers all material adverse facts pertaining to the physical condition of the property which are actually known by the licensee. If a licensee has actual knowledge of the existence of defective drywall in a residential property, the licensee shall disclose the same to the prospective buyer. For purposes of this

section, "defective drywall" means all defective drywall as defined in § 36-156.1. As used in this section, the term "physical condition of the property" shall refer to the physical condition of the land and any improvements thereon, and shall not refer to (i) matters outside the boundaries of the land or relating to adjacent or other properties in proximity thereto, (ii) matters relating to governmental land use regulations, or (iii) matters relating to highways or public streets. Such disclosure shall be made in writing. No cause of action shall arise against any licensee for revealing information as required by this article or applicable law. Nothing in this article shall limit in any way the provisions of the Virginia Residential Property Disclosure Act (§ 55-517 et seq.) applicable to residential real estate transactions.

C. A licensee engaged by a seller in a real estate transaction may, unless prohibited by law or the brokerage agreement, provide assistance to a buyer or potential buyer by performing ministerial acts. Performing such ministerial acts that are not inconsistent with subsection A shall not be construed to violate the licensee's brokerage agreement with the seller unless expressly prohibited by the terms of the brokerage agreement, nor shall performing such ministerial acts be construed to form a brokerage relationship with such buyer or potential buyer.

D. A licensee engaged by a seller does not breach any duty or obligation owed to the seller by showing alternative properties to prospective buyers, whether as clients or customers, or by representing other sellers who have other properties for sale.

E. Licensees in residential real estate transactions shall disclose brokerage relationships pursuant to the provisions of this article.

F. Nothing in this section shall be construed to require a licensee to disclose whether settlement services under Chapter 27.3 (§ 55-525.16 et seq.) of Title 55 will be provided by an attorney or a non-attorney settlement agent.

§ 54.1-2132. Licensees engaged by buyers.

A. A licensee engaged by a buyer shall:

1. Perform in accordance with the terms of the brokerage agreement;

2. Promote the interests of the buyer by:

a. Seeking a property of a type acceptable to the buyer and at a price and on terms acceptable to the buyer; however, the licensee shall not be obligated to seek other properties for the buyer while the buyer is a party to a contract to purchase property unless agreed to as part of the brokerage relationship;

b. Assisting in the drafting and negotiating of offers and counteroffers, amendments, and addenda to the real estate contract pursuant to § 54.1-2101.1 and in establishing strategies for accomplishing the buyer's objectives;

c. Receiving and presenting in a timely manner all written offers or counteroffers to and from the buyer and seller, even when the buyer is already a party to a contract to purchase property; and

d. Providing reasonable assistance to the buyer to satisfy the buyer's contract obligations and to facilitate settlement of the purchase contract;

3. Maintain confidentiality of all personal and financial information received from the client during the brokerage relationship and any other information that the client requests during the brokerage relationship be maintained confidential unless otherwise provided by law or the buyer consents in writing to the release of such information;

4. Exercise ordinary care;

5. Account in a timely manner for all money and property received by the licensee in which the buyer has or may have an interest;

6. Disclose to the buyer material facts related to the property or concerning the transaction of which the licensee has actual knowledge; and

7. Comply with all requirements of this article, all fair housing statutes and regulations for residential real estate transactions as applicable, and all other applicable statutes and regulations which are not in conflict with this article.

B. Licensees shall treat all prospective sellers honestly and shall not knowingly give them false information. If a licensee has actual knowledge of the existence of defective drywall in a residential property, the licensee shall disclose the same to the buyer. For purposes of this section, "defective drywall" means all defective drywall as defined in § 36-156.1. No cause of action shall arise against any licensee for revealing information as required by this article or applicable law. In the case of a residential transaction, a licensee engaged by a buyer shall disclose to a seller whether or not the buyer intends to occupy the property as a principal residence. The buyer's expressions of such intent in the contract of sale shall satisfy this requirement and no cause of action shall arise against any licensee for the disclosure or any inaccuracy in such disclosure, or the nondisclosure of the buyer in this regard.

C. A licensee engaged by a buyer in a real estate transaction may, unless prohibited by law or the brokerage agreement, provide assistance to the seller, or prospective seller, by performing ministerial acts. Performing such ministerial acts that are not inconsistent with subsection A shall not be construed to violate the licensee's brokerage agreement with the buyer unless expressly prohibited by the terms of the brokerage agreement, nor shall performing such ministerial acts be construed to form a brokerage relationship with such seller.

D. A licensee engaged by a buyer does not breach any duty or obligation to the buyer by showing properties in which the buyer is interested to other prospective buyers, whether as clients or customers, by representing other buyers looking at the same or other properties, or by representing sellers relative to other properties.

E. Licensees in residential real estate transactions shall disclose brokerage relationships pursuant to the provisions of this article.

F. Nothing in this section shall be construed to require a licensee to disclose whether settlement services under Chapter 27.3 (§ 55-525.16 et seq.) of Title 55 will be provided by an attorney or a nonattorney settlement agent.

G. Notwithstanding any other provision of law requiring written brokerage agreements or governing the duties of licensees, nothing in this chapter shall be construed to require that a written agreement between a licensee and a prospective buyer be executed prior to the licensee's showing properties to the prospective buyer.

§ 54.1-2133. Licensees engaged by landlords to lease property.

A. A licensee engaged by a landlord shall:

1. Perform in accordance with the terms of the brokerage agreement;

2. Promote the interests of the landlord by:

a. Conducting marketing activities on behalf of the landlord pursuant to the brokerage agreement with the landlord. In so doing, the licensee shall seek a tenant at the rent and terms agreed in the brokerage agreement or at a rent and terms acceptable to the landlord; however, the licensee shall not be obligated to seek additional offers to lease the property while the property is subject to a lease or a letter of intent to lease under which the tenant has not yet taken possession, unless agreed as part of the brokerage agreement, or unless the lease or the letter of intent to lease so provides;

b. Assisting the landlord in drafting and negotiating leases and letters of intent to lease, and presenting in a timely manner all written leasing offers or counteroffers to and from the landlord and tenant pursuant to § 54.1-2101.1, even when the property is already subject to a lease or a letter of intent to lease; and

c. Providing reasonable assistance to the landlord to finalize the lease agreement;

3. Maintain confidentiality of all personal and financial information received from the client during the brokerage relationship and any other information that the client requests during the brokerage relationship be maintained confidential, unless otherwise provided by law or the landlord consents in writing to the release of such information;

4. Exercise ordinary care;

5. Account in a timely manner for all money and property received by the licensee in which the landlord has or may have an interest;

6. Disclose to the landlord material facts related to the property or concerning the transaction of which the licensee has actual knowledge; and

7. Comply with all requirements of this article, fair housing statutes and regulations for residential real estate transactions as applicable, and all other applicable statutes and regulations which are not in conflict with this article.

B. Licensees shall treat all prospective tenants honestly and shall not knowingly give them false information. A licensee engaged by a landlord shall disclose to prospective tenants all material adverse facts pertaining to the physical condition of the property which are actually known by the licensee. If a licensee has actual knowledge of the existence of defective drywall in a residential property, the licensee shall disclose the same to the prospective tenant. For purposes of this section, "defective drywall" means all defective drywall as defined in § 36-156.1. As used in this section, the term "physical condition of the property" shall refer to the physical condition of the land and any improvements thereon, and shall not refer to: (i) matters outside the boundaries of the land or relating to adjacent or other properties in proximity thereto, (ii) matters relating to governmental land use regulations, and (iii) matters relating to highways or public streets. Such disclosure shall be made in writing. No cause of action shall arise against

any licensee for revealing information as required by this article or applicable law. Nothing in this subsection shall limit the right of a prospective tenant to inspect the physical condition of the property.

C. A licensee engaged by a landlord in a real estate transaction may, unless prohibited by law or the brokerage agreement, provide assistance to a tenant, or potential tenant, by performing ministerial acts. Performing such ministerial acts that are not inconsistent with subsection A shall not be construed to violate the licensee's brokerage relationship with the landlord unless expressly prohibited by the terms of the brokerage agreement, nor shall performing such ministerial acts be construed to form a brokerage relationship with such tenant or potential tenant.

D. A licensee engaged by a landlord does not breach any duty or obligation owed to the landlord by showing alternative properties to prospective tenants, whether as clients or customers, or by representing other landlords who have other properties for lease.

E. Licensees in residential real estate transactions shall disclose brokerage relationships pursuant to the provisions of this article.

§ 54.1-2134. Licensees engaged by tenants.

A. A licensee engaged by a tenant shall:

1. Perform in accordance with the terms of the brokerage agreement;

2. Promote the interests of the tenant by:

a. Seeking a lease at a rent and with terms acceptable to the tenant; however, the licensee shall not be obligated to seek other properties for the tenant while the tenant is a party to a lease or a letter of intent to lease exists under which the tenant has not yet taken possession, unless agreed to as part of the brokerage agreement, or unless the lease or the letter of intent to lease so provides;

b. Assisting in the drafting and negotiating of leases, letters of intent to lease, and rental applications, and presenting, in a timely fashion, all written offers or counteroffers to and from the tenant and landlord pursuant to § 54.1-2101.1, even when the tenant is already a party to a lease or a letter of intent to lease; and

c. Providing reasonable assistance to the tenant to finalize the lease agreement;

3. Maintain confidentiality of all personal and financial information received from the client during the brokerage relationship and any other information that the client requests during the brokerage relationship be maintained confidential unless otherwise provided by law or the tenant consents in writing to the release of such information;

4. Exercise ordinary care;

5. Account in a timely manner for all money and property received by the licensee in which the tenant has or may have an interest;

6. Disclose to the tenant material facts related to the property or concerning the transaction of which the licensee has actual knowledge; and

7. Comply with all requirements of this article, fair housing statutes and regulations for residential real estate transactions as applicable, and all other applicable statutes and regulations which are not in conflict with this article.

B. Licensees shall treat all prospective landlords honestly and shall not knowingly give them false information. If a licensee has actual knowledge of the existence of defective drywall in a residential property, the licensee shall disclose the same to the prospective tenant. For purposes of this section, "defective drywall" means all defective drywall as defined in § 36-156.1. No cause of action shall arise against any licensee for revealing information as required by this article or applicable law.

C. A licensee engaged by a tenant in a real estate transaction may provide assistance to the landlord or prospective landlord by performing ministerial acts. Performing such ministerial acts that are not inconsistent with subsection A shall not be construed to violate the licensee's brokerage relationship with the tenant unless expressly prohibited by the terms of the brokerage agreement, nor shall performing such ministerial acts be construed to form a brokerage relationship with the landlord or prospective landlord.

D. A licensee engaged by a tenant does not breach any duty or obligation to the tenant by showing properties in which the tenant is interested to other prospective tenants, whether as clients or customers, by representing other tenants looking for the same or other properties to lease, or by representing landlords relative to other properties.

E. Licensees in residential real estate transactions shall disclose brokerage relationships pursuant to the provisions of this article.

F. Notwithstanding any other provision of law requiring written brokerage agreements or governing the duties of licensees, nothing in this chapter shall be construed to require that a written agreement between a licensee and a prospective tenant be executed prior to the licensee's showing properties to the prospective tenant.

§ 54.1-2135. Licensees engaged to manage real estate.

A. A licensee engaged to manage real estate shall:

1. Perform in accordance with the terms of the property management agreement;

2. Exercise ordinary care;

3. Disclose in a timely manner to the owner material facts of which the licensee has actual knowledge concerning the property;

4. Maintain confidentiality of all personal and financial information received from the client during the brokerage relationship and any other information that the client requests during the brokerage relationship be maintained confidential unless otherwise provided by law or the owner consents in writing to the release of such information;

5. Account for, in a timely manner, all money and property received in which the owner has or may have an interest; and

6. Comply with all requirements of this article, fair housing statutes and regulations for residential real estate transactions as applicable, and all other applicable statutes and regulations which are not in conflict with this article.

B. Except as provided in the property management agreement, a licensee engaged to manage real estate does not breach any duty or obligation to the owner by representing other owners in the management of other properties.

C. A licensee may also represent the owner as seller or landlord if they enter into a brokerage relationship that so provides; in which case, the licensee shall disclose such brokerage relationships pursuant to the provisions of this article.

D. If a licensee has actual knowledge of the existence of defective drywall in a residential property, the licensee shall disclose the same to the owner. For purposes of this section, "defective drywall" means all defective drywall as defined in § 36-156.1.

E. Property management agreements in residential real estate transactions shall be in writing and shall:

1. Have a definite termination date or duration; however, if a property management agreement does not specify a definite termination date or duration, the agreement shall terminate 90 days after the date of the agreement;

2. State the amount of the management fees and how and when such fees are to be paid;

3. State the services to be rendered by the licensee; and

4. Include such other terms as have been agreed to by the owner and the property manager.

TEST YOUR AGENCY KNOWLEDGE

True or False:

1. ___ A standard agent acts for or represents customers in an agency relationship.

2. ___ A standard agent owes the same statutory duties to a customer as she does to her client.

3. ___ A limited service agent may act as the agent of the client only by a written brokerage agreement.

4. ___ Independent contractor is a form of agency, but an independent contractor has no obligations under Sections 54.1-2131 through 54.1-2135.

5. ___ Brokerage agreements must be in writing and must contain a termination date or term of duration or other mechanism for determining a termination date.

6. ___ Upon having a substantive conversation about a property with an actual or prospective buyer who is not the client of the licensee and who is not represented by another licensee, a licensee shall disclose any broker relationship the licensee has with another party to the transaction.

7. ___ Copies of any disclosures relative to a fully executed purchase agreement shall be kept by the licensee for a period of three years.

8. ___ Brokerage agreements must state the amount of brokerage fees and how and when such fees are to be paid, along with the services to be rendered by the licensee.

9. ___ A standard agent acting as a buyer's agent is not required to disclose to the buyer materials facts related to the property.

10. ___ Designated agency requires a principal or supervising broker to assign one agent to represent the seller and one agent to represent the buyer (both from the same firm).

11 ___ Licensees engaged by sellers must disclose to prospective buyers all material adverse facts pertaining to the physical condition of the property which are actually known by the licensee.

12. ___ Licensees engaged by a buyer are not required to receive and present offers and counteroffers to the buyer after the buyer is already a party to another contract to property.

13. ___ Property management agreements do not need to be in writing if the duration of the agreement is less than one year.

14. ___ Dual agent means a licensee who has a brokerage relationship with both the seller and landlord.

15. ___ Following the commencement of a dual agency, the licensee will be unable to advise either party as to the terms, offers or counteroffers relating to a contract.

16. ___ Your firm, Incredible Agents Realty Company, chooses not to practice dual agency. You are a listing agent working for a seller and an unrepresented buyer asks you to represent them as a buyer's agent on your seller's property. You may refuse because you cannot be forced into dual agency.

17. ___ Even if a disclosure of dual agency is executed by the clients, a separate written brokerage agreement still must be signed by the clients.

18. ___ The principal broker or the supervising broker who is supervising the transaction is considered a dual agent.

19. ___ The obligation to maintain client confidentiality ceases after one year following settlement or termination of the transaction, whichever occurs first.

20. ___ Only brokers are required to timely account for all money received by a salesperson.

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VIRGINIA ASSOCIATION OF REALTORS®
EXCLUSIVE AUTHORIZATION TO SELL

OWNER AUTHORIZATION REGARDING INTERNET

Internet advertising is one of the ways information concerning real property offered for sale is disseminated to real estate agents and brokers as well as the general public. The property owner has the right to determine whether or not their property information is displayed on the Internet and if so the manner in which it is presented.

Section 7(f) of the Virginia Association of Realtors® Exclusive Authorization to Sell allows the property owner to authorize or prohibit the display of the property on the Internet. If authorized, it also permits the property owner to limit the display of property reviews and automated estimates of market value on the Internet.

Owners must initial beside the appropriate response in Section 7(f). The OPT OUT OF THE INTERNET section should **only** be completed if the Owner does not wish to have their property address displayed on the Internet or does not wish to have ANY information concerning the property and it's availability for sale published on the Internet. **Otherwise Option A and B should be left blank.**

Terms and Definitions:

Property Reviews/Blogging – Some web sites allow third parties to publish public commentary or feedback related to a particular property. This type of public online journaling is sometimes referred to as a blog.

Automated Estimate of Market Value – Also known as AVM or Automated Valuation Model. An AVM is a computer generated estimate of residential property value that is calculated using computer software models and recent sales of similar homes.

January 1, 2017 Release - Redline

VIRGINIA ASSOCIATION OF REALTORS®
EXCLUSIVE AUTHORIZATION TO SELL

REALTOR®

EQUAL HOUSING OPPORTUNITY

(This is a legally binding contract, if not understood, seek competent advice before signing)

January 1, 2017 Release - Redline

This AGREEMENT made as of _____, by and between _____ _____ ("Owner"); and _____ ("Broker"), provides:

1. In consideration of services rendered by Broker to Owner, Owner grants to Broker the EXCLUSIVE and irrevocable right to sell certain real estate, and all improvements thereon which is owned by Owner and which is hereafter described (all herein called the "Property"), during the period commencing on _____ and expiring at midnight on _____ (the "initial period of time"), for the price of _____ _____ Dollars ($_____) ("Listing Price"), payable in cash, or at such price and/or on such terms as may be agreed by the parties.

2. **REAL PROPERTY:** The Property is located in the City or County of _____ _____ and is described as follows: _____ _____ and more commonly known as _____ (i.e., street, town, village, etc.).

3. **BROKER FEE:**
   (a) If the Property is sold or exchanged by Broker, or by Owner with or without the assistance of Broker, within the initial period of time or any extension thereof, Owner agrees to pay Broker a fee of _____ _____ (the "Fee"). If, within _____ days after the expiration of the initial period of time or any extension thereof, the Property is sold or exchanged by Broker, by Owner, or by any other person, to a purchaser or purchasers to whom the Property was shown, offered, or introduced by Broker, or by any licensed broker or salesperson employed by or affiliated with Broker, Owner agrees to pay Broker the Fee. Notwithstanding the foregoing, Owner shall not be obligated to pay the Fee to Broker if, after the expiration of the initial period of time or any extension thereof, Owner enters into an exclusive authorization to sell or exchange the Property with a licensed broker or salesperson, other than Broker or a licensed broker or salesperson employed or affiliated with Broker, and the Property is sold or exchanged pursuant to such exclusive authorization. For purposes of the Agreement, if an offer is presented to Owner within the initial period of time or any extension thereof, but (i) is accepted by Owner after expiration of the initial period of time or any extension thereof, or (ii) Owner make a counteroffer which is accepted by the purchaser after the expiration of the initial period of time or any extension thereof, the Owner shall pay Broker the Fee as if the Property had been sold during the initial period of time or any extension thereof.
   (b) Broker has advised Owner of Broker's firm policy regarding cooperating with and compensating other real estate licensees. Owner authorizes Broker to cooperate with and compensate other brokers via the following **[select one]:** ☐ _____% of the gross sales price OR ☐ the sum of $ _____. Such compensation shall be paid by Owner at settlement. Owner acknowledges that the cooperating fee set forth in this paragraph represents an obligation of Broker to a selling broker per MLS rules, and agrees that Owner is responsible to pay this amount to Broker as part of the Fee, which will then be paid to the cooperating broker. Owner understands the responsibility for the payment of a cooperating broker's compensation may be determined as a result of civil action or arbitration, or in a separate agreement between Broker and a cooperating broker claiming such fee; provided however, such fee shall not exceed the amount set forth in this paragraph 3(b) without consent of Owner. Owner agrees to participate fully, at Owner's sole expense, in any legal action or arbitration proceedings that may arise with respect to the compensation due to a cooperating broker. Owner shall indemnify and hold Broker harmless from any monetary loss suffered by Broker due to any award against Broker arising from Owner's nonpayment of compensation that is due to a cooperating broker as a result of the sale of the Property. Owner agrees not to negotiate Broker's Fee or any purchaser agent/representative's compensation in a real estate sales contract for the Property. This obligation shall survive expiration or earlier termination of this Agreement and settlement of the sale of the Property.

(c) If Owner should withdraw the Property from the market during the initial period of time or any extension thereof, without written agreement from Broker, or otherwise prevents Broker from selling the Property during the initial period of time or any extension thereof, such action shall constitute a breach of this Agreement, and Owner agrees to pay Broker the Fee set forth in paragraph 3(a) as liquidated damages, and not as a penalty. If the Fee is expressed as a percentage of the purchase price of the Property, the gross sales price, for the purposes of computing the Fee, shall be the Listing Price.

(d) If, after a valid contract for the purchase of the Property is executed by Owner and a purchaser or purchasers, there is a default by such purchaser or purchasers which prevents performance of such contract through no fault of the Owner, Broker agrees that Owner will not be liable for the Fee of Broker and that Broker shall look to such defaulting purchaser or purchasers for compensation relating to such contract. Owner agrees if such a default occurs, this Agreement shall remain in effect until its expiration and that payment of the Fee by such defaulting purchaser or purchasers shall not satisfy any obligation that may arise if, after to such default, another valid contract for the purchase of the Property is brought about by Broker.

(e) If after a valid contract for the purchase of the Property is executed by Owner and a purchaser or purchasers, there is a default by Owner which prevents performance of such contract through no fault of Broker, or if Owner fails to fully perform the obligations of Owner set forth herein, the Owner shall be liable to Broker for the Fee, as compensation for its services hereunder, and the reasonable attorney's fees and expenses incurred by Broker, if any, in enforcing the terms and conditions hereof. In any action brought by Broker or Owner under this Agreement, the prevailing party or parties in such action shall be entitled to receive from the non-prevailing party or parties, jointly and severally, in addition to any other damages or awards, reasonable attorneys fees and costs expended or incurred in prosecuting or defending such action.

4. AGENCY RELATIONSHIP:

(a) In accordance with the Virginia Real Estate Board ("VREB") regulations, Broker hereby discloses to Owner that Broker and Broker's salespeople are representing Owner as a standard agent in connection with marketing the Property under this Agreement and owe Owner the duties set out in this Agreement and under Section 54.1-2131 of the Code of Virginia. At the same time, brokers and their salespeople are required to treat all parties to a transaction honestly. Without breaching their duties to Owner, Broker and its salespeople may provide prospective purchasers with information about the Property and may assist a prospective purchaser in preparing an offer to purchase the Property. Broker and its salespeople have a duty to respond accurately to a prospective purchaser's questions and to submit to Owner all offers to purchase the Property.

(b) If the Property is shown to a prospective purchaser who is represented by Broker and such purchaser client of Broker wishes to make an offer on the Property, and Broker has not designated representatives to represent Owner and purchaser, the Broker will be acting as a representative for both Owner and purchaser in the transaction. In such a transaction, Broker will remain impartial to Owner and purchaser. Owner understands that Broker shall not be liable to either party for refusing or failing to disclose information which, in the sole discretion of Broker, would harm one party's bargaining position and would benefit the other party. However, Broker shall not be prevented from disclosing to the purchaser any known material defects in the Property or any other matter that must be disclosed by law and/or regulation. Broker will not disclose (i) to the purchaser information about what price Owner will accept other than the Listing Price, or (ii) to Owner information about what price the purchaser will pay other than the written offered price. If Owner and purchaser do not enter into an agreement for the purchase of the Property such dual representation shall terminate.

(c) Because of such dual representation, Owner understands that Owner and purchaser have the responsibility of making their own decisions as to what terms are to be included in any purchase agreement. Owner should be aware of the implications of Broker's dual representation including the limitation on Broker's ability to represent Owner or the purchaser fully and exclusively. Owner understands that Owner may seek independent legal counsel in order to assist with any matter relating to a purchase agreement or to the transaction that is the subject matter of a purchase agreement. Provided Broker has acted in accordance with its obligations under this Agreement, Broker shall not be liable for any claims, damages, losses, expenses or liabilities arising from Broker's role as a dual representative. Owner shall have the duty to protect its own interests and should read any purchase agreement carefully to insure that it accurately sets forth the terms Owner wants included in the purchase agreement.

January 1, 2017 Release - Recline

(d) When acting as a dual representative, Broker: will treat Owner and purchaser honestly; will disclose material facts about the Property that are known to Broker as required by law and/or regulation; may help the purchaser to arrange for property inspections; may explain closing costs and procedures; may help the purchaser compare financing alternatives; may provide information about comparable properties so Owner and the purchaser may make an educated decision about the price to be contained in the purchase agreement; and will work diligently to facilitate the sale and will work with Owner's and the purchaser's lawyers, tax accountants, inspectors and other advisors in order to expedite the closing.

(e) When acting as a dual representative, Broker may not: disclose confidential information that Broker may know about either Owner or the purchaser (including but not necessarily limited to motivation to sell or buy, price, terms and/or conditions of sale which are acceptable, and negotiating strategy) without written permission of the relevant party; disclose the price Owner will accept other than Listing Price without written permission of Owner; disclose the price the purchaser is willing to pay other than contained in any offer without written permission of the purchaser; recommend or give advice regarding the price the purchaser should offer or pay for the Property; recommend or give advice regarding the terms and conditions of sale the purchaser should offer for the Property; recommend or give advice regarding the price Owner should accept or that should form the basis of a counteroffer; or recommend or give advice regarding the terms and conditions of sale Owner should accept or that should form the basis of a counteroffer.

5. **OWNER'S DUTIES:** Owner shall: work exclusively with Broker during the term of this Agreement; comply with the reasonable requests of Broker to supply any pertinent information or personal data needed to fulfill the terms of this Agreement; pay Broker the compensation set forth in this Agreement; make the Property available during reasonable hours for potential purchasers to view properties; and inform all purchasers and licensees whom Owner contacts of Owner's brokerage relationship with Broker.

6. **BROKER DUTIES:** Broker agrees to make commercially reasonable efforts to obtain a purchaser for the Property during the initial period of time and any extension thereof. Owner acknowledges that Broker shall disclose to potential purchasers of the Property all material adverse facts pertaining to the physical condition of the Property actually known by Broker.

7. **ADVERTISING:**

(a) Owner agrees that during the initial period of time or any extension thereof Broker is authorized to place "FOR SALE" signs on the Property, to remove any other "FOR SALE" signs and to take all appropriate action to bring about a sale of the Property. Owner agrees to make the Property available to Broker and real estate brokers and salespersons employed or affiliated with Broker at all reasonable hours for showing to prospective purchasers. Owner also agrees to refer to Broker all inquiries or offers which Owner may receive regarding the Property.

(b) Unless otherwise provided herein, Broker agrees to submit pertinent information concerning the listing of the Property (including information which may be provided on a separate form or document) to any Multiple Listing Service ("MLS") serving the geographic area in which the Property is located of which Broker is a member to distribute such information to other brokers, and to solicit the cooperation of other brokers in securing a purchaser or purchasers for the Property. Owner understands that the listing data may get disseminated to third party websites through means other than the MLS. Owner acknowledges that the accuracy of the listing data is controlled by the third party websites and is outside of Broker's control.

(c) Unless the Property is not being submitted to the MLS, Broker is authorized to make access available to cooperating brokers and their clients or customers.

(d) Broker shall have the right and sole discretion to advertise the Property in commercially reasonable ways, and unless otherwise provided herein, shall have the right to place advertisements of the Property on the Internet communications network and in any Internet Data Exchange program in which Broker participates.

(e) Owner authorizes the dissemination of Property/sales information to MLS participants, including electronic format, magazines and other media.

(f) If authorized below, Broker's website may also allow third-parties to (i) write comments or reviews about the Property or display a hyperlink to comments or reviews in immediate conjunction with particular listings, or (ii) display an automated estimate of the market value of the Property (or hyperlink to such estimate) or other listings in immediate conjunction with the Property.

January 2017 Release - Redline

If Owner does not want the Property listing or address displayed on the Internet, Owner must complete the "OPT-OUT OF INTERNET" section below.

OPT-OUT OF INTERNET
Complete this section only if Owner desires to opt-out of Internet display

Owner may opt-out of having the Property listing or property address displayed on the Internet by selecting Option A or B below.

Option A: [ ] Owner has advised Broker that Owner does not want the Property displayed on the Internet.

OR

Option B: [ ] Owner has advised Broker that Owner does not want the address of the Property displayed on the Internet. In the event Owner does not authorize the display of the Property address, only the street address will not be displayed, other data such as zip code, county, etc. may be displayed.

Owner understands and acknowledges that if **Option A** has been selected, consumers who conduct searches for listings on the Internet will not see information about the Property in response to their search. _____/____ **(Owner's Initials)**

_____/____ Owner (**select one**) ☐ authorizes OR ☐ does not authorize third-parties to write comments or reviews about the Property or provide hyperlinks to comments or reviews to any property in immediate conjunction with the Property. In the event Owner does not authorize the display of the Property address, only the street address will not be displayed, other data such as zip code, county, etc. may be displayed.

_____/____ Owner (**select one**) ☐ authorizes OR ☐ does not authorize an automated estimate of the market value of the Property (or any hyperlink to such estimate) or any property in immediate conjunction with the listing. This provision does not control the display of such estimated value of the Property on third party websites such as syndicated websites.

_____/____ Owner (**select one**) ☐ authorizes OR ☐ does not authorize Broker to advertise on social media, understanding that there may be third-parties comments or reviews about the Property. In the event Owner does not authorize the display of the Property address, only the street address will not be displayed, other data such as zip code, county, etc. may be displayed.

8. **LOCKBOX:** Owner hereby ☐ does OR ☐ does not authorize Broker to place a lock box on the Property.

9. **PROPERTY OWNERS' ASSOCIATION ACT:**
   (a) Owner represents to Broker that the Property ☐ is OR ☐ is not located within a development that is subject to the Virginia Property Owners' Association Act (Section 55-508 et seq. of the Code of Virginia) (the "POA Act"). If the Property is within such a development, the POA Act requires Seller to obtain from the Property Owners' Association an association disclosure packet and provide it to the purchaser.
   (b) The purchaser may cancel the purchase agreement within three or six days (depending on the manner of delivery) after receiving the association disclosure packet or being notified that the association disclosure packet will not be available. The right to receive the association disclosure packet and the right to cancel the contract are waived conclusively if not exercised before settlement.

10. **CONDOMINIUM ACT:**
   (a) Owner represents to Broker that the Property ☐ is OR ☐ is not located within a development that is subject to the Virginia Condominium Act (Section 55-79.39 et seq. of the Code of Virginia) (the "Condominium Act"). If the Property is within such a development, the Condominium Act requires Seller to obtain from the unit owners' association a condominium resale certificate and provide it to the purchaser.

January 1, 2017 Release - Redline

(b) The purchaser may cancel the purchase agreement within three or six days (depending on the manner of delivery) after receiving the condominium resale certificate. The right to receive the condominium resale certificate and the right to cancel the contract are waived conclusively if not exercised before settlement.

11. **SEWAGE SYSTEM DISCLOSURE:** Pursuant to Section 32.1-164.1:1 of the Code of Virginia, Owner must disclose to the purchaser if the onsite sewage system serving the Property fails to meet the Board of Health's current regulatory requirements and Owner has applied for or obtained a waiver from the Board of Health for the system. Disclosure ☐ is OR ☐ is not applicable to the Property.

12. **VIRGINIA RESIDENTIAL PROPERTY DISCLOSURE ACT:** Virginia Residential Property Disclosure Act (Section 55-517 et seq. of the Code of Virginia) requires the owner of residential real property to furnish the purchaser of such property a disclosure statement in a form provided by the VREB containing certain information and disclosures for the benefit of purchasers and stating that the owner makes no representations or warranties as to the condition of such property and that the property is being sold "as is" with all defects that may exist, if any, except as otherwise provided in the purchase contract. Failure to make such disclosure in a timely manner or any misrepresentation contained in the disclosure may result in termination of the purchase contract or an award of damages to the purchaser. Broker will furnish Owner with the appropriate disclosure form for completion by Owner.

13. **OTHER OFFERS:** Owner ☐ does OR ☐ does not authorize Broker to use Broker's best judgment in determining how and when to divulge the existence of an offer or offers on the Property of which Broker is aware to other brokers or purchasers, if asked. Owner shall inform Broker if Owner is unwilling to permit Broker to divulge the existence of any particular offer(s) on the Property. Broker and its licensees shall not disclose to prospective purchasers (or their real estate licensees) the terms of any other offers to purchase the Property received by Broker without Owner's prior written consent.

14. **INDEMNIFICATION:**
(a) Owner acknowledges and agrees that in consideration of the use of the services and facilities of Broker or the MLS identified in paragraph 7, neither Broker, its officers, directors and employees, nor any real estate broker or salesperson employed by or affiliated with Broker showing the Property to purchaser or prospective purchasers, nor the MLS, nor the directors, officers and employees thereof, including officials of any parent association of REALTORS®, shall be liable for any vandalism, theft or damage of any nature whatsoever to the Property or its contents during the initial period of time and any extension thereof, and Owner waives any and all rights, claims, and causes of action against any of them and hold them harmless for any property damage or personal injury arising from the use of or access to the Property by any person during the initial period of time and any extension thereof, but excluding property damage or personal injury arising out of the negligence of Broker or its officers, directors and employees or any real estate broker or salesperson employed by or affiliated with Broker.
(b) If Owner has provided to Broker relevant information about the Property, Owner represents and warrants that to the best of Owner's knowledge and belief such information or the information contained in the disclosure form completed in compliance with the Virginia Residential Property Disclosure Act is true and correct as of the date given, and that Owner will update such information promptly in the event of a material change in such information. The parties agree that such information is incorporated into and constitutes a part of this Agreement.

15. **RECORDINGS WITHIN THE PROPERTY:**
(a) Owner ☐ does OR ☐ does not have a recording system in the Property. In the event Owner has a recording system in the Property which records or transmits audio, Owner understands that recording or transmitting of audio may result in violation of state and/or federal wiretapping laws. Owner hereby releases and indemnifies Broker, Broker's designated agents, sub-agents, sales associates and employees from any liability which may result from any recording or transmitting in the Property.
(b) Seller understands that while potential purchasers viewing the Property should not engage in photography, videography or videotelephony in the Property without prior written permission, such recordings or transmissions may occur. Seller should remove any items of a personal nature Seller does not wish to have recorded or transmitted. Owner hereby releases Broker, listing sales associates and employees from any liability which may result from any recording or transmission in the Property.

January 2017 Release Redline

~~15.~~16. **MISCELLANEOUS:**

(a) Owner is advised that because some purchasers may employ the services of purchaser agents or representatives, Owner should not disclose any confidential information to prospective purchasers or to real estate licensees other than Broker.

(b) This Agreement is intended solely to define the relationship between Owner and Broker. It is not intended to be an offer to sell to a third party, nor may any third party rely upon it as such an offer. Further, this Agreement does not confer upon Broker the power or authority to either make or accept an offer or counteroffer to sell the Property. The Property may be sold only by a written agreement executed by Owner, or by an attorney-in-fact for Owner under a written power of attorney. Broker's authority hereunder shall be limited to marketing the Property for sale and such activities as are necessary or incidental thereto, including without limitation accepting and holding an earnest money deposit in accordance with the VREB regulations.

(c) In the event of a sale of the Property, Owner agrees to convey the Property to any purchaser or purchasers by general warranty deed with the usual English covenants of title and free and clear from all encumbrances, tenancies, and liens (for taxes or otherwise), but subject to applicable easements and restrictive covenants of record not adversely affecting the use of the Property, and subject in all events, to the specific terms and conditions contained in the contract of sale.

(d) This Agreement may not be modified or changed except by written instrument executed by the parties, and it shall be construed, interpreted, and applied according to the laws of the Commonwealth of Virginia. It shall be binding upon and shall inure to the benefits of the heirs, personal representatives, successors, and/or assigns of the parties.

(e) Owner understands that Owner has the right to choose an attorney to prepare the deed conveying title to the Property or otherwise to represent Owner in connection with the sale of the Property.

(f) In the sale, purchase, exchange, rental or lease of real property, Broker has the responsibility to offer equal service to all clients and prospects and shall not discriminate on the basis of any protected class under Federal, state or local law or the REALTOR® Code of Ethics.

~~16.~~17. **ELECTRONIC SIGNATURES.** _____ / _____ **If this paragraph is initialed by both parties, then in accordance with the Uniform Electronic Transactions Act (UETA) and the Electronic Signatures in Global and National Commerce Act, or E-Sign, regarding electronic signatures and transactions, the parties do hereby expressly authorize and agree to the use of electronic signatures as an additional method of signing and/or initialing this Agreement. The parties hereby agree that either party may sign electronically by utilizing an electronic signature service.**

~~17.~~18. **OTHER TERMS:** (Use this space for additional terms not dealt with elsewhere in this Agreement.) _____

Witness the following duly authorized signatures:

OWNER

_____ / _____
Date Owner

_____ / _____
Date Owner

_____ / _____
Date Owner

BROKER

_____

_____

By: _____
Name: _____
Date: _____

January 1, 2017 Release - Reserve

_____ /_____
Date Owner

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January 1, 2017 Release - Redline

REALTOR®

EQUAL HOUSING OPPORTUNITY

VIRGINIA ASSOCIATION OF REALTORS® EXCLUSIVE AUTHORIZATION TO SELL – LIMITED SERVICE REPRESENTATION

OWNER AUTHORIZATION REGARDING INTERNET

Internet advertising is one of the ways information concerning real property offered for sale is disseminated to real estate agents and brokers as well as the general public. The property owner has the right to determine whether or not their property information is displayed on the Internet and if so the manner in which it is presented.

Section 7(f) of the Virginia Association of Realtors® Exclusive Authorization to Sell – Limited Service Representation allows the property owner to authorize or prohibit the display of the property on the Internet. If authorized, it also permits the property owner to limit the display of property reviews and automated estimates of market value on the Internet.

Owners must initial beside the appropriate responses in Section 7(f). The OPT OUT OF THE INTERNET section should **only** be completed if the Owner does not wish to have their property address displayed on the Internet or does not wish to have ANY information concerning the property and it's availability for sale published on the Internet. **Otherwise Option A and B should be left blank.**

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Automated Estimate of Market Value – Also known as AVM or Automated Valuation Model. An AVM is a computer generated estimate of residential property value that is calculated using computer software models and recent sales of similar homes.

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REALTOR®

VIRGINIA ASSOCIATION OF REALTORS®
EXCLUSIVE AUTHORIZATION TO SELL – LIMITED SERVICE REPRESENTATION
(This is a legally binding contract, if not understood, seek competent advice before signing)

EQUAL HOUSING OPPORTUNITY

This AGREEMENT made as of _____, by and between _____ _____ ("Owner"); and _____ ("Broker"), provides:

1. In consideration of services rendered by Broker to Owner, Owner grants to Broker the EXCLUSIVE and irrevocable right to sell certain real estate, and all improvements thereon which is owned by Owner and which is hereafter described (the "Property"), during the period commencing on _____, and expiring at midnight on _____, (the "initial period of time"), for the price of _____ Dollars ($_____) ("Listing Price"), payable in cash, or at such price and/or on such terms as may be agreed by the parties.

2. **REAL PROPERTY:** The Property is located in the City or County of _____ and is described as follows: _____ and more commonly known as _____ _____ (i.e., street, town, village, etc.).

3. **BROKER FEE:**
   (a) If the Property is sold or exchanged by Broker, or by Owner with or without the assistance of Broker, within the initial period of time or any extension thereof, Owner agrees to pay Broker a fee of _____ _____ (the "Fee"). If, within _____ days after the expiration of the initial period of time or any extension thereof, the Property is sold or exchanged by Broker, by Owner, or by any other person, to a purchaser or purchasers to whom the Property was shown, offered, or introduced by Broker, or by any licensed broker or salesperson employed by or affiliated with Broker, Owner agrees to pay Broker the Fee. Notwithstanding the foregoing, Owner shall not be obligated to pay the Fee to Broker if, after the expiration of the initial period of time or any extension thereof, Owner enters into an exclusive authorization to sell or exchange the Property with a licensed broker or salesperson, other than Broker or a licensed broker or salesperson employed or affiliated with Broker, and the Property is sold or exchanged pursuant to such exclusive authorization. For purposes of the Agreement, if an offer is presented to Owner within the initial period of time or any extension thereof, but (i) is accepted by Owner after expiration of the initial period of time or any extension thereof, or (ii) Owner make a counteroffer which is accepted by the purchaser after the expiration of the initial period of time or any extension thereof, the Owner shall pay Broker the Fee as if the Property had been sold during the initial period of time or any extension thereof.
   (b) Broker has advised Owner of Broker's firm policy regarding cooperating with and compensating other real estate licensees. Unless the property is not being submitted to the MLS, Owner authorizes Broker to cooperate with and compensate other brokers via the following **[select one]:** ☐ _____% of the gross sales price OR ☐ the sum of $_____. Such compensation shall be paid by Owner at settlement. Owner acknowledges that the cooperating fee set forth in this paragraph represents an obligation of Broker to a selling broker per MLS rules, and agrees that Owner is responsible to pay this amount to Broker as part of the Fee, which will then be paid to the cooperating broker. Owner understands the responsibility for the payment of a cooperating broker's compensation may be determined as a result of civil action or arbitration, or in a separate agreement between Broker and a cooperating broker claiming such fee; provided however, such fee shall not exceed the amount set forth in this paragraph 3(b) without consent of Owner. Owner agrees to participate fully, at Owner's sole expense, in any legal action or arbitration proceedings that may arise with respect to the compensation due to a cooperating broker. Owner shall indemnify and hold Broker harmless from any monetary loss suffered by Broker due to any award against Broker arising from Owner's nonpayment of compensation that is due to a cooperating broker as a result of the sale of the Property. Owner agrees not to negotiate Broker's Fee or any purchaser agent/representative's compensation in a real estate sales contract for the Property. This obligation shall survive expiration or earlier termination of this Agreement and settlement of the sale of the Property.

January 1, 2017 Release - Redline

(c) If Owner should withdraw the Property from the market during the initial period of time or any extension thereof, without written agreement from Broker, or otherwise prevents Broker from selling the Property during the initial period of time or any extension thereof, such action shall constitute a breach of this Agreement, and Owner agrees to pay Broker the Fee set forth in paragraph 3(a) as liquidated damages, and not as a penalty. If the Fee is expressed as a percentage of the gross sales price of the Property, the price, for the purposes of computing the Fee, shall be the Listing Price.

(d) If, after a valid contract for the purchase of the Property is executed by Owner and a purchaser or purchasers, there is a default by such purchaser or purchasers which prevents performance of such contract through no fault of the Owner, Broker agrees that Owner will not be liable for the Fee of Broker and that Broker shall look to such defaulting purchaser or purchasers for compensation relating to such contract. Owner agrees if such a default occurs, this Agreement shall remain in effect until its expiration and that payment of the Fee by such defaulting purchaser or purchasers shall not satisfy any obligation that may arise if, after to such default, another valid contract for the purchase of the Property is brought about by Broker.

(e) If after a valid contract for the purchase of the Property is executed by Owner and a purchaser or purchasers, there is a default by Owner which prevents performance of such contract through no fault of Broker, or if Owner fails to fully perform the obligations of Owner set forth herein, the Owner shall be liable to Broker for the Fee, as compensation for its services hereunder, and the reasonable attorney's fees and expenses incurred by Broker, if any, in enforcing the terms and conditions hereof. In any action brought by Broker or Owner under this Agreement, the prevailing party or parties in such action shall be entitled to receive from the non-prevailing party or parties, jointly and severally, in addition to any other damages or awards, reasonable attorneys fees and costs expended or incurred in prosecuting or defending such action.

4. AGENCY RELATIONSHIP:

(a) Owner and Broker agree that Broker will be acting as an independent contractor and will be representing Owner in the capacity of a limited service representative as defined in Section 54.1-2130 of the Code of Virginia, and will not be acting as a standard agent as defined in Section 54.1-2130 of the Code of Virginia nor provide the services of a standard agent outlined in Section 54.1-2131 except as provided for in this Agreement.

(b) At the same time, brokers and their salespeople are required to treat all parties to a transaction honestly. Without breaching their duties to Owner, Broker and its salespeople may provide prospective purchasers with information about the Property and may assist a prospective purchaser in preparing an offer to purchase the Property. Broker and its salespeople have a duty to respond accurately to a prospective purchaser's questions and to submit to Owner all offers to purchase the Property.

(c) If the Property is shown to a prospective purchaser who is represented by Broker and such purchaser client of Broker wishes to make an offer on the Property, and Broker has not designated representatives to represent Owner and purchaser, Broker will be acting as a representative for both Owner and purchaser in the transaction. In such a transaction, Broker will remain impartial to Owner and purchaser. Owner understands that Broker shall not be liable to either party for refusing or failing to disclose information which, in the sole discretion of Broker, would harm one party's bargaining position and would benefit the other party. However, Broker shall not be prevented from disclosing to the purchaser any known material defects in the Property or any other matter that must be disclosed by law and/or regulation. Broker will not disclose (i) to the purchaser information about what price Owner will accept other than the Listing Price, or (ii) to Owner information about what price the purchaser will pay other than the written offered price. If Owner and purchaser do not enter into an agreement for the purchase of the Property such dual representation shall terminate.

(d) Because of such dual representation, Owner understands that Owner and purchaser have the responsibility of making their own decisions as to what terms are to be included in any purchase agreement. Owner should be aware of the implications of Broker's dual representation including the limitation on Broker's ability to represent Owner or the purchaser fully and exclusively. Owner understands that Owner may seek independent legal counsel in order to assist with any matter relating to a purchase agreement or to the transaction that is the subject matter of a purchase agreement. Provided Broker has acted in accordance with its obligations under this Agreement, Broker shall not be liable for any claims, damages, losses, expenses or liabilities arising from Broker's role as a dual representative. Owner shall have the duty to protect its own interests and should read any purchase agreement carefully to insure that it accurately sets forth the terms Owner wants included in the purchase agreement.

January 1, 2017 Release Realtime

(e) When acting as a dual representative, Broker: will treat Owner and purchaser honestly; will disclose material facts about the Property that are known to Broker as required by law and/or regulation; may help the purchaser to arrange for property inspections; may explain closing costs and procedures; may help the purchaser compare financing alternatives; may provide information about comparable properties so Owner and the purchaser may make an educated decision about the price to be contained in the purchase agreement; and will work diligently to facilitate the sale and will work with Owner's and the purchaser's lawyers, tax accountants, inspectors and other advisors in order to expedite the closing.

(f) When acting as a dual representative, Broker may not: disclose confidential information that Broker may know about either Owner or the purchaser (including but not necessarily limited to motivation to sell or buy, price, terms and/or conditions of sale which are acceptable, and negotiating strategy) without written permission of the relevant party; disclose the price Owner will accept other than Listing Price without written permission of Owner; disclose the price the purchaser is willing to pay other than contained in any offer without written permission of the purchaser; recommend or give advice regarding the price the purchaser should offer or pay for the Property; recommend or give advice regarding the terms and conditions of sale the purchaser should offer for the Property; recommend or give advice regarding the price Owner should accept or that should form the basis of a counteroffer; or recommend or give advice regarding the terms and conditions of sale Owner should accept or that should form the basis of a counteroffer.

5. **OWNER'S DUTIES:** Owner shall: work exclusively with Broker during the term of this Agreement; comply with the reasonable requests of Broker to supply any pertinent information or personal data needed to fulfill the terms of this Agreement; pay Broker the compensation set forth in this Agreement; make the Property available during reasonable hours for potential purchasers to view properties; and inform all purchasers and licensees whom Owner contacts of Owner's brokerage relationship with Broker.

6. **BROKER DUTIES:** Broker agrees to make commercially reasonable efforts to obtain a purchaser for the Property during the initial period of time and any extension thereof. Owner acknowledges that Broker shall disclose to potential purchasers of the Property all material adverse facts pertaining to the physical condition of the Property actually known by Broker. Broker will not provide one or more of the following services to Owner (check all services that will not be provided):

☐ Broker will not conduct marketing activities on behalf of Owner except as set forth in paragraph 7(b) and except as follows: _____

☐ Broker will not assist in drafting and negotiating offers and counteroffers, contracts or amendments and addenda to contracts, or in establishing strategies for accomplishing Owner's objectives except as follows: _____

☐ Broker will not receive or present offers, counteroffers and notices from Owner and prospective purchasers, whether or not the Property is subject to a contract of sale, except as follows: _____

☐ Broker will not assist Owner in satisfying Owner's contract obligations and facilitating settlement, except as follows: _____

☐ Owner and Broker have reached the following additional agreements as to the services to be provided by Broker under this Agreement: _____

7. **ADVERTISING:**

(a) Owner agrees that during the initial period of time or any extension thereof Broker is authorized to place "FOR SALE" signs on the Property, to remove any other "FOR SALE" signs and to take all appropriate action to bring about a sale of the Property. Owner agrees to make the Property available to Broker and real estate brokers and salespersons employed or affiliated with Broker at all reasonable hours for showing to prospective purchasers. Owner also agrees to refer to Broker all inquiries or offers which Owner may receive regarding the Property.

(b) Unless otherwise provided herein, Broker agrees to submit pertinent information concerning the listing of the Property (including information which may be provided on a separate form or document) to any Multiple Listing Service ("MLS") serving the geographic area in which the Property is located of which

January 1, 2017 Release Redline

Broker is a member to distribute such information to other brokers, and to solicit the cooperation of other brokers in securing a purchaser or purchasers for the Property. Owner understands that the listing data may get disseminated to third party websites through means other than the MLS. Owner acknowledges that the accuracy of the listing data is controlled by the third party websites and is outside of Broker's control.

(c) Unless the Property is not being submitted to the MLS, Broker is authorized to make access available to cooperating brokers and their clients.

(d) Broker shall have the right to advertise the Property in commercially reasonable ways, and unless otherwise provided herein, shall have the right to place advertisements of the Property on the Internet communications network and in any Internet Data Exchange program in which Broker participates.

(e) Owner authorizes the dissemination of Property/sales information to MLS participants, including electronic format, magazines and other media.

(f) If authorized below, Broker's website may also allow third-parties to (i) write comments or reviews about the Property or display a hyperlink to comments or reviews in immediate conjunction with particular listings, or (ii) display an automated estimate of the market value of the Property (or hyperlink to such estimate) or other listings in immediate conjunction with the Property.

If Owner does not want the Property listing or address displayed on the Internet, Owner must complete the "OPT-OUT OF INTERNET" section below.

OPT-OUT OF INTERNET
Complete this section only if Owner desires to opt-out of Internet display

Owner may opt-out of having the Property listing or property address displayed on the Internet by selecting Option A or B below.

Option A: ☐ Owner has advised Broker that Owner does not want the Property displayed on the Internet.

OR

Option B: ☐ Owner has advised Broker that Owner does not want the address of the Property displayed on the Internet. In the event Owner does not authorize the display of the Property address, only the street address will not be displayed, other data such as zip code, county, etc. may be displayed.

Owner understands and acknowledges that if **Option A** has been selected, consumers who conduct searches for listings on the Internet will not see information about the Property in response to their search. _____/____ **(Owner's Initials)**

_____/____ Owner (**select one**) ☐ authorizes OR ☐ does not authorize third-parties to write comments or reviews about the Property or provide hyperlinks to comments or reviews to any property in immediate conjunction with the Property. In the event Owner does not authorize the display of the Property address, only the street address will not be displayed, other data such as zip code, county, etc. may be displayed.

_____/____ Owner (**select one**) ☐ authorizes OR ☐ does not authorize an automated estimate of the market value of the Property (or any hyperlink to such estimate) or any property in immediate conjunction with the listing. This provision does not control the display of such estimated value of the Property on third party websites such as syndicated websites.

_____/____ Owner (**select one**) ☐ authorizes OR ☐ does not authorize Broker to advertise on social media, understanding that there may be third-parties comments or reviews about the Property. In the event Owner does not authorize the display of the Property address, only the street address will not be displayed, other data such as zip code, county, etc. may be displayed.

8. **LOCKBOX:** Owner hereby ☐ does OR ☐ does not authorize Broker to place a lock box on the Property.

9. **PROPERTY OWNERS' ASSOCIATION ACT:**

January 1, 2017 Release - Redline

(a) Owner represents to Broker that the Property ☐ is OR ☐ is not located within a development that is subject to the Virginia Property Owners' Association Act (Section 55-508 et seq. of the Code of Virginia) (the "POA Act"). If the Property is within such a development, the POA Act requires Seller to obtain from the Property Owners' Association an association disclosure packet and provide it to the purchaser.

(b) The purchaser may cancel the purchase agreement within three or six days (depending on the manner of delivery) after receiving the association disclosure packet or being notified that the association disclosure packet will not be available. The right to receive the association disclosure packet and the right to cancel the contract are waived conclusively if not exercised before settlement.

10. CONDOMINIUM ACT:

(a) Owner represents to Broker that the Property ☐ is OR ☐ is not located within a development that is subject to the Virginia Condominium Act (Section 55-79.39 et seq. of the Code of Virginia) (the "Condominium Act"). If the Property is within such a development, the Condominium Act requires Seller to obtain from the unit owners' association a condominium resale certificate and provide it to the purchaser.

(b) The purchaser may cancel the purchase agreement within three or six days (depending on the manner of delivery) after receiving the condominium resale certificate. The right to receive the condominium resale certificate and the right to cancel the contract are waived conclusively if not exercised before settlement.

11. SEWAGE SYSTEM DISCLOSURE: Pursuant to Section 32.1-164.1:1 of the Code of Virginia, Owner must disclose to the purchaser if the onsite sewage system serving the Property fails to meet the Board of Health's current regulatory requirements and Owner has applied for or obtained a waiver from the Board of Health for the system. Disclosure ☐ is OR ☐ is not applicable to the Property.

12. VIRGINIA RESIDENTIAL PROPERTY DISCLOSURE ACT: Virginia Residential Property Disclosure Act (Section 55-517 et seq. of the Code of Virginia) requires the owner of residential real property to furnish the purchaser of such property a disclosure statement in a form provided by the Virginia Real Estate Board containing certain information and disclosures for the benefit of purchasers and stating that the owner makes no representations or warranties as to the condition of such property and that the property is being sold "as is" with all defects that may exist, if any, except as otherwise provided in the purchase contract. Failure to make such disclosure in a timely manner or any misrepresentation contained in the disclosure may result in termination of the purchase contract or an award of damages to the purchaser. Broker will furnish Owner with the appropriate disclosure form for completion by Owner.

13. OTHER OFFERS: Owner ☐ does OR ☐ does not authorize Broker to use Broker's best judgment in determining how and when to divulge the existence of an offer or offers on the Property of which Broker is aware to other brokers or purchasers, if asked. Owner shall inform Broker if Owner is unwilling to permit Broker to divulge the existence of any particular offer(s) on the Property. Broker and its licensees shall not disclose to prospective purchasers (or their real estate licensees) the terms of any other offers to purchase the Property received by Broker without Owner's prior written consent.

14. INDEMNIFICATION:

(a) Owner acknowledges and agrees that in consideration of the use of the services and facilities of Broker or the MLS identified in paragraph 7(b), neither Broker, its officers, directors and employees, nor any real estate broker or salesperson employed by or affiliated with Broker showing the Property to purchaser or prospective purchasers, nor the MLS, nor the directors, officers and employees thereof, including officials of any parent association of REALTORS®, shall be liable for any vandalism, theft or damage of any nature whatsoever to the Property or its contents during the initial period of time and any extension thereof, and Owner waives any and all rights, claims, and causes of action against any of them and hold them harmless for any property damage or personal injury arising from the use of or access to the Property by any person during the initial period of time and any extension thereof, but excluding property damage or personal injury arising out of the negligence of Broker or its officers, directors and employees or any real estate broker or salesperson employed by or affiliated with Broker.

(b) If Owner has provided to Broker relevant information about the Property, Owner represents and warrants that to the best of Owner's knowledge and belief such information or the information contained in the disclosure form completed in compliance with the Virginia Residential Property Disclosure Act is true and correct as of the date given, and that Owner will update such information promptly in the event of a

January 1, 2017 Release Redline

material change in such information. The parties agree that such information is incorporated into and constitutes a part of this Agreement.

15. RECORDINGS WITHIN THE PROPERTY:

(a) Owner ☐ does OR ☐ does not have a recording system in the Property. In the event Owner has a recording system in the Property which records or transmits audio, Owner understands that recording or transmitting of audio may result in violation of state and/or federal wiretapping laws. Owner hereby releases and indemnifies Broker, Broker's designated agents, sub-agents, sales associates and employees from any liability which may result from any recording or transmitting in the Property.

(b) Seller understands that while potential purchasers viewing the Property should not engage in photography, videography or videotelephony in the Property without prior written permission, such recordings or transmissions may occur. Seller should remove any items of a personal nature Seller does not wish to have recorded or transmitted. Owner hereby releases Broker, listing sales associates and employees from any liability which may result from any recording or transmission in the Property.

~~15.~~16. **MISCELLANEOUS:**

(a) Owner is advised that because some purchasers may employ the services of purchaser agents or representatives, Owner should not disclose any confidential information to prospective purchasers or to real estate licensees other than Broker.

(b) This Agreement is intended solely to define the relationship between Owner and Broker. It is not intended to be an offer to sell to a third party, nor may any third party rely upon it as such an offer. Further, this Agreement does not confer upon Broker the power or authority to either make or accept an offer or counteroffer to sell the Property. The Property may be sold only by a written agreement executed by Owner, or by an attorney-in-fact for Owner under a written power of attorney. Broker's authority hereunder shall be limited to the activities defined in this Agreement.

(c) In the event of a sale of the Property, Owner agrees to convey the Property to any purchaser or purchasers by general warranty deed with the usual English covenants of title and free and clear from all encumbrances, tenancies, and liens (for taxes or otherwise), but subject to applicable easements and restrictive covenants of record not adversely affecting the use of the Property, and subject in all events, to the specific terms and conditions contained in the contract of sale.

(d) This Agreement may not be modified or changed except by written instrument executed by the parties, and it shall be construed, interpreted, and applied according to the laws of the Commonwealth of Virginia. It shall be binding upon and shall inure to the benefits of the heirs, personal representatives, successors, and/or assigns of the parties.

(e) Owner understands that Owner has the right to choose an attorney to prepare the deed conveying title to the Property or otherwise to represent Owner in connection with the sale of the Property.

(f) In the sale, purchase, exchange, rental or lease of real property, Broker has the responsibility to offer equal service to all clients and prospects and shall not discriminate on the basis of any protected class under Federal, state or local law or the REALTOR® Code of Ethics.

~~16.~~17. **ELECTRONIC SIGNATURES: _____ /_____ If this paragraph is initialed by both parties, then in accordance with the Uniform Electronic Transactions Act (UETA) and the Electronic Signatures in Global and National Commerce Act, or E-Sign, regarding electronic signatures and transactions, the parties do hereby expressly authorize and agree to the use of electronic signatures as an additional method of signing and/or initialing this Agreement. The parties hereby agree that either party may sign electronically by utilizing an electronic signature service.**

~~17.~~18. **OTHER TERMS:** (Use this space for additional terms not dealt with elsewhere in this Agreement.) _____

_____

_____

_____

_____

_____

_____

By entering into this brokerage agreement, the undersigned do hereby acknowledge their informed consent to the limited service agent in a residential real estate transaction by the licensee and do further

January 1, 2017 Release - Redline

acknowledge that neither the other party to the transaction nor any real estate licensee representing the other party is under any legal obligation to assist the undersigned with the performance of any duties and responsibilities of the undersigned not performed by the limited service agent.

Witness the following duly authorized signatures:

OWNER

_____ /_____
Date Owner

_____ /_____
Date Owner

_____ /_____
Date Owner

_____ /_____
Date Owner

BROKER

_____

By: _____
Name: _____
Date: _____

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January 1, 2017 Release - Redline

EXCLUSIVE RIGHT TO REPRESENT BUYER AGREEMENT

This Exclusive Right to Represent Buyer Agreement ("Agreement") is made on_____ _____ (Date) by and between _____ ("Buyer") and (Insert Firm Name) _____("Broker").

1. **APPOINTMENT OF BROKER.** In consideration of services and facilities, Broker is hereby granted the right to represent Buyer in the acquisition of real property.

2. **BUYER'S REPRESENTATIONS.** Buyer represents that as of the commencement date of this Agreement, Buyer is not a party to a buyer representation agreement with any other brokerage firm. Buyer further represents that Buyer has disclosed to Broker information about any properties that Buyer has previously visited at any new homes communities or resale open houses, or that Buyer has been shown by any other real estate sales associate(s) in any area where Buyer seeks to acquire property under this Agreement.

3. **NOTICES.** All notifications and amendments under this Agreement shall be in writing and shall be delivered using the contact information below.

   Buyer
   Mailing Address:_____
   City, State, and Zip Code:_____
   Phone: (H)_____ (W) _____ (Cell)_____
   Email: _____ Fax: _____
   Broker (Firm)
   Mailing Address:_____
   City, State, and Zip Code:_____
   Phone: (W) _____(Cell)_____
   Email: _____ Fax: _____

4. **TERM AND TERMINATION.** This Agreement commences when signed and, subject to the COMPENSATION paragraph, expires at 11:59 p.m. on _____ ___ ("Expiration Date"). Either party may terminate this Agreement prior to the Expiration Date by delivering _____days advance notice to the other. In the event Buyer wishes to terminate this Agreement prior to the Expiration Date, Buyer shall compensate Broker $ _____ ("Early Termination Fee").

5. **BROKER'S DUTIES.** Broker shall promote the interests of Buyer by: (a) performing the terms of the brokerage agreement; (b) seeking a property at a price and terms acceptable to Buyer; (c) presenting in a timely manner all written offers or counteroffers to and from Buyer; (d) disclosing to Buyer all material facts related to the property or concerning the transaction of which they have actual knowledge; (e) accounting for in a timely manner all money and property received in which Buyer has or may have an interest. Unless otherwise provided by law or Buyer consents in writing to the release of the information, Broker shall maintain the confidentiality of all personal and financial information and other matters identified as confidential by Buyer, if that information is received from Buyer during the brokerage relationship. In satisfying these duties, Broker shall exercise ordinary care, comply with all applicable laws and regulations, treat all prospective sellers honestly and not knowingly give them false information. In addition, Broker may: show the same property to other buyers; represent other buyers on the same or different properties; represent sellers relative to other properties; or provide assistance to a seller or prospective seller by

EDUCATIONAL PURPOSES ONLY

performing ministerial acts that are not inconsistent with Broker's duties under this Agreement.

6. **BUYER'S DUTIES**. Buyer shall: (a) work exclusively with Broker during the term of this Agreement; (b) pay Broker, directly or indirectly, the compensation set forth below; (c) comply with the reasonable requests of Broker to supply any pertinent financial or personal data needed to fulfill the terms of this Agreement; (d) be available during Broker's regular working hours to view properties.

7. **PURPOSE**. Buyer is retaining Broker to acquire the following type of property: _____
_____

8. **COMPENSATION**.

   A. **Retainer Fee**. Broker acknowledges receipt of a retainer fee in the amount of $_____ which ☐ shall **OR** ☐ shall not be subtracted from any compensation due Broker under this Agreement. The retainer fee is non-refundable and is earned when paid.

   B. **Payment.** Buyer shall pay compensation in the amount of _____ ("Broker's Fee") to Broker if Buyer enters into a contract to acquire real property during the term of this Agreement and goes to settlement on that contract any time thereafter. In most cases, the seller pays Broker's Fee, but in the event seller does not pay any or all of this amount due, the Buyer hereby agrees to pay any and all remaining Broker's Fee due to the Buyer's Broker. Broker may retain any additional compensation offered by the seller or seller's representative, even if this causes the compensation paid to Broker to exceed the fees specified above.

   Broker's Fee shall also be earned, due and payable under either of the following circumstances whether the transaction is consummated through the services of Broker or otherwise:

   1. If, within _____ days after expiration or termination of this Agreement, Buyer enters into a contract to acquire real property, unless Buyer has entered into a subsequent Buyer Broker Agreement with another real estate broker; **OR**

   2. If, having entered into an enforceable contract to acquire real property during the term of this Agreement, Buyer defaults under the terms of that contract.

Any obligation incurred under this Agreement on the part of Buyer to pay Broker's Fee shall survive the term of this Agreement.

9. **RELOCATION PROGRAM.** Buyer is participating in any type of relocation program ☐ Yes **OR** ☐ No.

If "Yes": (a) the program is named: _____,
Contact Name: _____ Contact Information: _____
and (b) terms of the program are: _____
_____

If "No" or Buyer has failed to list a specific relocation program, then Broker shall have no obligation to cooperate with or compensate any undisclosed program.

10. **TYPES OF REAL ESTATE REPRESENTATION - DISCLOSURE AND INFORMED CONSENT.**

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Seller representation occurs when sellers contract to use the services of their own broker (known as a listing agent) to act on their behalf.

Buyer representation occurs by virtue of this Agreement. (Note: Broker may assist a seller or prospective seller by performing ministerial acts that are not inconsistent with Broker's duties as Buyer's agent under this Agreement.)

Designated representation occurs when a buyer and seller in one transaction are represented by different sales associate(s) affiliated with the same broker. Each of these sales associates, known as a designated representative, represents fully the interests of a different client in the same transaction. Designated representatives are not dual representatives if each represents only the buyer or only the seller in a specific real estate transaction. In the event of designated representatives, each representative shall be bound by client confidentiality requirements, set forth in the BROKER'S DUTIES paragraph. The broker remains a dual representative.

☐ Buyer does not consent to designated representation thus Buyer does not allow Broker to show properties owned by a seller represented by this Broker through another designated representative associated with the firm **OR**

☐ Buyer consents to designated representation and the Buyer allows Broker to show properties owned by a seller represented by this Broker through another designated representative associated with the firm.

Dual representation occurs when the same Broker and the same sales associate represent both the buyer and seller in one transaction. In the event of dual representation, Broker shall be bound by confidentiality requirements for each client, set forth in the BROKER'S DUTIES paragraph.

☐ Buyer does not consent to dual representation thus Buyer does not allow Broker to show properties owned by a seller represented by this Broker through the same representative **OR**

☐ Buyer consents to dual representation and thus Buyer allows Broker to show properties owned by a seller represented by this Broker through the same representative.

An additional disclosure is required before designated or dual representation is to occur for a specific transaction.

11. **COMPLIANCE WITH FAIR HOUSING LAWS.** Property shall be shown and made available without regard to race, color, religion, sex, handicap, familial status or national origin as well as all classes protected by the laws of the United States, the Commonwealth of Virginia and applicable local jurisdictions, or by the REALTOR® Code of Ethics.

12. **ATTORNEY'S FEES.** If any Party breaches this Agreement and a non-breaching Party retains legal counsel to enforce its rights hereunder, the non-breaching Party shall be entitled to recover against the breaching Party, in addition to any other damages recoverable against any breaching Party, all of its reasonable Legal Expenses incurred in enforcing its right under this Agreement, whether or not suit is filed, and in obtaining, enforcing and/or defending any judgment related thereto. Should any tribunal of competent jurisdiction determine that more than one Party to the dispute has breached this Agreement, then all such breaching Parties shall bear their own costs, unless the tribunal determines that one or more of the Parties is a "Substantially Prevailing Party", in which case any such Substantially Prevailing Party shall be entitled to recover from any of the breaching Parties, in addition to any other damages recoverable against any breaching Party, all of its reasonable Legal Expenses incurred in enforcing its rights under this Agreement, whether or not suit is filed, and in obtaining, enforcing and/or defending any judgment related thereto. "Party" as used in this paragraph

EDUCATIONAL PURPOSES ONLY

includes any third party beneficiary identified herein. "Legal Expenses" as used in this paragraph includes attorney fees, court costs, and litigation expenses, if any, including, but not limited to, expert witness fees and court reporter fees.

13. The Buyer ☐ does **OR** ☐ does not hold an active or inactive real estate license.
14. **DISCLAIMER.** Buyer acknowledges that Broker is being retained solely as a real estate agent and not as an attorney, tax advisor, lender, appraiser, surveyor, structural engineer, mold or air quality expert, home inspector or other professional service provider. Buyer is advised to seek professional advice concerning the condition of the property or concerning legal and tax matters. Buyer should exercise whatever due diligence Buyer deems necessary with respect to information on any sexual offenders registered under Chapter 9 of Title 9.1 of the Code of Virginia. Such information may be obtained by contacting your local police department or the Department of State Police, Central Criminal Records Exchange, at (804)674-2000 or http://sex-offender.vsp.virginia.gov/sor/.
15. **Service Provider Referrals.** Broker or one of Broker's sales associates may refer a service provider to assist Buyer in this transaction. This referral is not an endorsement, guarantee or warranty as to the quality, cost and/or timeliness of the services to be provided. Buyer is advised to independently investigate all options for service providers and consider whether any service provider will work effectively with Buyer. Buyer is free to reject any referred service provider for any or no reason.
16. **MISCELLANEOUS.** This Agreement, any exhibits and any addenda signed by the parties constitute the entire agreement between the parties and supersede any other written or oral agreements between the parties. This Agreement can only be modified in writing when signed by both parties. The laws of Virginia shall govern the validity, interpretation and enforcement of the Agreement.
17. **OTHER PROVISIONS.** _____
_____
_____
_____

(NOTE: Buyer should consult with Buyer Agent before visiting any resale or new homes or contacting any other Real Estate Agents representing sellers, to avoid the possibility of confusion over the brokerage relationship and misunderstandings about liability for compensation.)

_____/_____ _____/_____

Date Buyer Date Broker/Sales Manager

_____/_____

Date Buyer

_____/_____

Date Buyer

_____/_____

Date Buyer

****

Buyer Agent Contact Information

Buyer's Agent: _____

Phone: (W) _____ (Cell) _____

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Email: _____ Fax: _____

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VIRGINIA ASSOCIATION OF REALTORS®
EXCLUSIVE RIGHT TO REPRESENT TENANT

REALTOR®

EQUAL HOUSING OPPORTUNITY

(This is a legally binding contract, if not understood, seek competent advice before signing)

This AGREEMENT made as of _____, by and between _____ _____ ("Tenant"); and _____ ("Broker"), provides:

1. In consideration of the mutual covenants contained in this Agreement, Tenant hereby appoints Broker to represent Tenant in the rental of real property. Tenant is retaining Broker to acquire the following specific property or type of property: _____.

2. **TERM:** This Agreement shall commence on _____ and terminate at midnight on _____.

3. **COMPENSATION:** In consideration of the time and effort expended by Broker on behalf of Tenant, and in further consideration of the advice and counsel provided to Tenant, Tenant shall pay compensation (the "Fee") to Broker as described below. The Fee, less the retainer fee, if any, shall be earned, due and payable under any of these circumstances whether the transaction is consummated through the services of Broker or otherwise:
   (a) If Tenant enters into a contract to lease real property during the term of this Agreement; OR
   (b) If, within _____ days after expiration or termination of this Agreement, Tenant enters into a lease for real property that has been described to or shown to Tenant by Broker during the term of this Agreement, unless Tenant has entered into a subsequent exclusive right to represent tenant agreement with another real estate broker; OR
   (c) If, having entered into a lease for real property during the term of this Agreement, Tenant defaults under the terms of that lease.

   The Fee shall be _____. If the landlord or the landlord's representative offers compensation to Broker, then Tenant authorizes Broker to receive such compensation and the amount of such compensation shall be credited against Tenant's obligation to pay the Fee. Any amount paid by a listing firm or landlord that exceeds the Fee shall be earned as additional compensation to Broker.

   Any obligation incurred under this Agreement on the part of Tenant to pay the Fee shall survive the term of this Agreement.

4. **RETAINER FEE:** Broker acknowledges receipt of a retainer fee in the amount of $_____ which ☐ shall OR ☐ shall not be subtracted from any compensation due to Broker under this Agreement. The retainer is non-refundable and is earned when paid.

5. **TENANT'S DUTIES:** Tenant shall: work exclusively with Broker during the term of this Agreement; pay Broker, directly or indirectly, the compensation set forth above; comply with the reasonable requests of Broker to supply any pertinent financial or personal data needed to fulfill the terms of this Agreement; be available during Broker's regular working hours to view properties; disclose to Broker information about any properties that Tenant has previously visited at any rental properties.

January 1, 2017 Release - Redline

6. **BROKER'S DUTIES:** Broker is representing Tenant as a standard agent. Broker shall promote the interests of Tenant by: performing the terms of the brokerage agreement; seeking a lease at a price and terms acceptable to Tenant; presenting in a timely manner all written offers or counteroffers to and from Tenant; disclosing to Tenant all material facts related to the property or concerning the transaction of which they have actual knowledge; accounting for, in a timely manner, all money and property received in which Tenant has or may have an interest. Unless otherwise provided by law or Tenant consents in writing to the release of the information, Broker shall maintain the confidentiality of all personal and financial information and other matters identified as confidential by Tenant, if that information is received from Tenant during the brokerage relationship. In satisfying these duties, Broker shall exercise ordinary care, comply with all applicable laws and regulations, treat all prospective landlords honestly and not knowingly give them false information. In addition, Broker may: show the same property to other tenants; represent other tenants on the same or different properties; represent landlords relative to other properties; or provide assistance to a landlord or prospective landlord by performing ministerial acts that are not inconsistent with the Broker's duties under this Agreement.

7. **RELOCATION PROGRAM:** Tenant ☐ is OR ☐ is not participating in any type of employee relocation program.
If participating, the program is named: _____
Contact # _____
and terms of the program are: _____

If not participating, or Tenant has failed to list a specific employee relocation program, then Broker shall have no obligation to cooperate with or compensate any undisclosed program.

8. **DUAL/DESIGNATED AGENTS:** Tenant acknowledges that Broker may represent landlords of property as a listing agent, and certain properties listed by Broker may be of interest to Tenant. Tenant authorizes Broker to bring to Tenant's attention any properties listed by Broker which may suit Tenant's needs and hereby instructs Broker to inform Tenant at the time of its representation of the landlord. If Tenant elects to view or consider property listed by Broker and to make an offer to lease such property, then dual agency by the Broker will exist, and Broker must either obtain the written consent of Tenant and Broker's landlord client to: (i) assign different licensees of Broker as designated agents to represent Tenant and landlord; or (ii) act as a dual agent for Tenant and landlord in the same transaction. Under Virginia law, designated agents shall not be considered dual agents and shall not be limited in their ability to represent the client to whom they are designated in the transaction. The principal or supervising broker who is supervising the transaction is considered a dual agent of both Tenant and landlord, and such broker's ability to represent both clients will be limited. Broker shall not disclose to either client or such client's designated agent any information that has been given to Broker by the other client within the confidence and trust of the brokerage relationship, unless the disclosure is required by law or consented to in writing by the affected party. In dual agency, there is a limitation on Broker's ability to represent either Tenant or landlord fully and exclusively. Paragraph 9 of this Agreement contains a disclosure explaining more fully the roles and responsibilities of Tenant, a landlord and the agent in a dual agency. Broker shall request Tenant's consent to act as a dual agent if Tenant desires to make an offer to lease on a property listed by Broker and Tenant agrees that before making an offer to lease on any property listed by Broker, Tenant will enter into a written consent to a dual agency on the part of Broker.

January 1, 2017 Release - Redline

9. **DISCLOSURE REGARDING DUAL AGENCY:** If Tenant is shown a property listed by Broker and/or makes an offer on such property, and Broker has not designated agents to represent Tenant and the landlord, Broker and all of Broker's licensees will be acting as the agent for both the landlord and Tenant in the transaction. In such a transaction, Broker will remain impartial to the landlord and Tenant. Tenant agrees that Broker shall not be liable to either party for refusing or failing to disclose information which, in the sole discretion of Broker, would harm one party's bargaining position and would benefit the other party. Broker cannot disclose or advise either Tenant or landlord as to (i) the terms to offer or accept in any offer or counteroffer, (ii) the suitability of the property, its condition (other than to make any disclosures as required by law of any licensee representing a landlord), or (iii) any dispute that arises relating to the transaction. If the landlord and Tenant do not enter into an agreement for the lease of the landlord's property, such dual agency shall terminate. Tenant acknowledges the implications of Broker's dual agency, including the limitation on Broker's ability to represent the landlord or Tenant fully and exclusively. Tenant understands that Tenant may seek independent legal counsel or engage another real estate licensee at Tenant's sole expense in order to assist with any matter relating to a lease agreement or to the transaction that is the subject matter of a lease agreement. If Tenant engages legal counsel and/or another real estate licensee, Broker shall: (i) continue to act as a dual agent with the consent of Tenant; or (ii) terminate Broker's representation of Tenant by written notice to Tenant only with respect to the property listed by Broker in which Tenant has made an offer, but in either choice of (i) or (ii) above, Broker shall be entitled to the Fee set forth in Paragraph 3 unless otherwise agreed to by Broker. Provided Broker has acted in accordance with its obligations under this Agreement, Broker shall not be liable for any claims, damages, losses, expenses or liabilities arising from Broker's role as dual agent. Tenant shall have a duty to protect its own interests and should read any lease agreement carefully to insure that it accurately sets forth terms Tenant wants included in the lease agreement. If acting as a dual agent, Broker will: treat the landlord and Tenant honestly; disclose material facts about the property that are known to Broker as required by law; assist in the preparation of the lease agreement; and work diligently to facilitate the rental.

10. **DISCLAIMER:** Tenant acknowledges that Broker is being retained solely as a real estate agent and not as an attorney, tax advisor, lender, appraiser, surveyor, structural engineer, mold or air quality expert, home inspector or other professional service provider. Tenant is advised to seek professional advice concerning the condition of the property or concerning legal and tax matters. Tenant should exercise whatever due diligence Tenant deems necessary with respect to information on any sexual offenders registered under Chapter 23 (§19.2-387 et. seq.) of Title 19.2. Such information may be obtained by contacting your local police department or the Department of State Police Central Criminal Records Exchange, at (804)674-2000 or www.vsp.state.va.us.

11. **RECORDINGS WITHIN THE PROPERTY:** Prior to photographing, videographing or videotelephoning the property without prior written permission of the landlord, Tenant should speak with an attorney. Tenant should be aware that the landlord may have a security system that records or allows for remote monitoring of the property, including recording or broadcasting audio. Landlords may be able to listen to conversations in their properties and Tenant should be aware that any discussions of negotiation strategies held in the property may not be confidential. Tenant hereby releases Broker, buyer agent and employees from any liability which may result from any recording in the property.

~~11.~~12. **MISCELLANEOUS:**

January 2017 Package Preview

(a) Tenant is advised that because some tenants may employ the services of landlord agents or representatives, Tenant should not disclose any confidential information to prospective landlords or to real estate licensees other than Broker.

(b) This Agreement is intended solely to define the relationship between Tenant and Broker. This Agreement does not confer upon Broker the power or authority to either make or accept an offer or counteroffer to lease property. Property may be leased only by a written agreement executed by Tenant, or by an attorney-in-fact for Tenant under a written power of attorney.

(c) This Agreement may not be modified or changed except by written instrument executed by the parties, and it shall be construed, interpreted, and applied according to the laws of the Commonwealth of Virginia. It shall be binding upon and shall inure to the benefits of the heirs, personal representatives, successors, and/or assigns of the parties.

(d) Tenant understands that Tenant has the right to choose an attorney to prepare the lease for the property or otherwise to represent Tenant in connection with the rental of the property.

(e) In the sale, purchase, exchange, rental or lease of real property, Broker has the responsibility to offer equal service to all clients and prospects and shall not discriminate on the basis of any protected class under Federal, state or local law or the REALTOR® Code of Ethics.

~~12.~~13. **OTHER TERMS:** _____

_____

_____

_____

_____

_____

(NOTE: Tenant should consult with Broker before visiting any rental properties or contacting any landlords or other licensees representing landlords, to avoid the possibility of confusion over the brokerage relationship and misunderstandings about liability for compensation.)

TENANT	**BROKER**
___/_____	_____
Date Tenant	_____
___/_____	By: _____
Date Tenant	Name: _____
	Date: _____
___/_____	
Date Tenant	
___/_____	
Date Tenant	

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January 1, 2017 Release / Redline

REALTOR®

EQUAL HOUSING OPPORTUNITY

VIRGINIA ASSOCIATION OF REALTORS®
RESIDENTIAL LISTING AGREEMENT
[Non-Agency – Independent Contractor Relationship]

OWNER AUTHORIZATION REGARDING INTERNET

Internet advertising is one of the ways information concerning real property offered for sale is disseminated to real estate agents and brokers as well as the general public. The property owner has the right to determine whether or not their property information is displayed on the Internet and if so the manner in which it is presented.

Section 7(d) of the Virginia Association of Realtors® Residential Listing Agreement allows the property owner to authorize or prohibit the display of the property on the Internet. If authorized, it also permits the property owner to limit the display of property reviews and automated estimates of market value on the Internet.

Owners must initial beside the appropriate responses in Section 7(d). The OPT OUT OF THE INTERNET section should **only** be completed if the Owner does not wish to have their property address displayed on the Internet or does not wish to have ANY information concerning the property and it's availability for sale published on the Internet. **Otherwise Option A and B should be left blank.**

Terms and Definitions:

Property Reviews/Blogging – Some web sites allow third parties to publish public commentary or feedback related to a particular property. This type of public online journaling is sometimes referred to as a blog.

Automated Estimate of Market Value – Also known as AVM or Automated Valuation Model. An AVM is a computer generated estimate of residential property value that is calculated using computer software models and recent sales of similar homes.

January 1, 2017 Release Redline

REALTOR®

VIRGINIA ASSOCIATION OF REALTORS®
RESIDENTIAL LISTING AGREEMENT – INDEPENDENT CONTRACTOR
(This is a legally binding contract, if not understood, seek competent advice before signing)

EQUAL HOUSING OPPORTUNITY

This AGREEMENT made as of _____, by and between _____
_____ ("Owner"); and
_____ ("Broker"), provides:

1. In consideration of services rendered by Broker to Owner, Owner grants to Broker the EXCLUSIVE and irrevocable right to sell certain real estate, and all improvements thereon which is owned by Owner and which is hereafter described (the "Property"), during the period commencing on _____, and expiring at midnight on _____, (the "initial period of time"), for the price of _____ Dollars ($_____)
("Listing Price"), payable in cash, or at such price and/or on such terms as may be agreed by the parties.

2. **REAL PROPERTY:** The Property is located in the City or County of _____
and is described as follows: _____ and
more commonly known as _____
_____ (i.e., street, town, village, etc.).

3. **BROKER FEE:**
   (a) If the property is sold or exchanged by Broker, or by Owner with or without the assistance of Broker, within the initial period of time or any extension thereof, Owner agrees to pay Broker a fee of _____
   _____ (the "Fee"). If within _____ days after the expiration of the initial period of time or any extension thereof, the Property is sold or exchanged by Broker, by Owner, or by any other person, to a purchaser or purchasers to whom the Property was shown, offered, or introduced by Broker, or by any licensed broker or salesperson employed by or affiliated with Broker, Owner agrees to pay Broker the Fee. Notwithstanding the foregoing, Owner shall not be obligated to pay the Fee to Broker if, after the expiration of the initial period of time or any extension thereof, Owner enters into an exclusive authorization to sell or exchange the Property with a licensed broker or salesperson, other than Broker or a licensed broker or salesperson employed or affiliated with Broker, and the Property is sold or exchanged pursuant to such exclusive authorization. For purposes of the Agreement, if an offer is presented to Owner within the initial period of time or any extension thereof, but (i) is accepted by Owner after expiration of the initial period of time or any extension thereof, or (ii) Owner make a counteroffer which is accepted by the purchaser after the expiration of the initial period of time or any extension thereof, Owner shall pay Broker the Fee as if the Property had been sold during the initial period of time or any extension thereof.
   (b) If Owner should withdraw the Property from the market during the initial period of time or any extension thereof, without written agreement from Broker, or otherwise prevents Broker from selling the Property during the initial period of time or any extension thereof, such action shall constitute a breach of this Agreement, and Owner agrees to pay Broker the Fee set forth in paragraph 3(a) as liquidated damages, and not as a penalty. If the Fee is expressed as a percentage of the purchase price of the Property, the gross sales price for the purposes of computing the Fee, shall be the Listing Price.
   (c) If, after a valid contract for the purchase of the Property is executed by Owner and a purchaser or purchasers, there is a default by such purchaser or purchasers which prevents performance of such contract through no fault of Owner, Broker agrees that Owner will not be liable for the Fee of Broker and that Broker shall look to such defaulting purchaser or purchasers for compensation relating to such contract. Owner agrees if such a default occurs, this Agreement shall remain in effect until its expiration and that payment of the Fee by such defaulting purchaser or purchasers shall not satisfy any obligation that may arise if, after to such default, another valid contract for the purchase of the Property is brought about by Broker.
   (d) If after a valid contract for the purchase of the Property is executed by Owner and a purchaser or purchasers, there is a default by Owner which prevents performance of such contract through no fault of Broker, or if Owner fails to fully perform the obligations of Owner set forth herein, Owner shall be liable to Broker for the Fee, as compensation for its services hereunder, and the reasonable attorney's fees and expenses incurred by Broker, if any, in enforcing the terms and conditions hereof. In any action brought

January 1, 2017 Release - Redline

by Broker or Owner under this Agreement, the prevailing party or parties in such action shall be entitled to receive from the non-prevailing party or parties, jointly and severally, in addition to any other damages or awards, reasonable attorneys fees and costs expended or incurred in prosecuting or defending such action.

4. AGENCY RELATIONSHIP:

(a) Owner and Broker agree that Broker will be acting as an independent contractor and will be representing Owner in the capacity of a limited service representative as defined in Section 54.1-2130 of the Code of Virginia, and will not be acting as a standard agent as defined in Section 54.1-2130 of the Code of Virginia. Broker will not provide any services, except as stated in this Agreement, or as may be required by law.

(b) At the same time, brokers and their salespeople are required to treat all parties to a transaction honestly. Without breaching their duties to Owner, Broker and its salespeople may provide prospective purchasers with information about the Property and may assist a prospective purchaser in preparing an offer to purchase the Property. Broker and its salespeople have a duty to respond accurately to a prospective purchaser's questions and to submit to Owner all offers to purchase the Property.

(c) If the Property is shown to a prospective purchaser who is represented by Broker and such purchaser client of Broker wishes to make an offer on the Property, and Broker has not designated representatives to represent Owner and purchaser, Broker will be acting as a representative for both Owner and purchaser in the transaction. In such a transaction, Broker will remain impartial to Owner and purchaser. Owner understands that Broker shall not be liable to either party for refusing or failing to disclose information which, in the sole discretion of Broker, would harm one party's bargaining position and would benefit the other party. However, Broker shall not be prevented from disclosing to the purchaser any known material defects in the Property or any other matter that must be disclosed by law and/or regulation. Broker will not disclose (i) to the purchaser information about what price Owner will accept other than the Listing Price, or (ii) to Owner information about what price the purchaser will pay other than the written offered price. If Owner and purchaser do not enter into an agreement for the purchase of the Property such dual representation shall terminate.

(d) Because of such dual representation, Owner understands that Owner and purchaser have the responsibility of making their own decisions as to what terms are to be included in any purchase agreement. Owner should be aware of the implications of Broker's dual representation including the limitation on Broker's ability to represent Owner or the purchaser fully and exclusively. Owner understands that Owner may seek independent legal counsel in order to assist with any matter relating to a purchase agreement or to the transaction that is the subject matter of a purchase agreement. Provided Broker has acted in accordance with its obligations under this Agreement, Broker shall not be liable for any claims, damages, losses, expenses or liabilities arising from Broker's role as a dual representative. Owner shall have the duty to protect its own interests and should read any purchase agreement carefully to insure that it accurately sets forth the terms Owner wants included in the purchase agreement.

(e) When acting as a dual representative, Broker: will treat Owner and purchaser honestly; will disclose material facts about the Property that are known to Broker as required by law and/or regulation; may help the purchaser to arrange for property inspections; may explain closing costs and procedures; may help the purchaser compare financing alternatives; may provide information about comparable properties so Owner and the purchaser may make an educated decision about the price to be contained in the purchase agreement; and will work diligently to facilitate the sale and will work with Owner's and the purchaser's lawyers, tax accountants, inspectors and other advisors in order to expedite the closing.

(f) When acting as a dual representative, Broker may not: disclose confidential information that Broker may know about either Owner or the purchaser (including but not necessarily limited to motivation to sell or buy, price, terms and/or conditions of sale which are acceptable, and negotiating strategy) without written permission of the relevant party; disclose the price Owner will accept other than Listing Price without written permission of Owner; disclose the price the purchaser is willing to pay other than contained in any offer without written permission of the purchaser; recommend or give advice regarding the price the purchaser should offer or pay for the Property; recommend or give advice regarding the terms and conditions of sale the purchaser should offer for the Property; recommend or give advice regarding the price Owner should accept or that should form the basis of a counteroffer; or recommend or give advice regarding the terms and conditions of sale Owner should accept or that should form the basis of a counteroffer.

January 2017 Release - Redline

5. **OWNER'S DUTIES:** Owner shall: work exclusively with Broker during the term of this Agreement; comply with the reasonable requests of Broker to supply any pertinent information or personal data needed to fulfill the terms of this Agreement; pay Broker the compensation set forth in this Agreement; make the Property available during reasonable hours for potential purchasers to view properties; and inform all buyers and licensees whom Owner contacts of Owner's brokerage relationship with Broker.

6. **BROKER DUTIES:** Owner acknowledges that Broker has the following mandatory obligations according to Virginia law: Broker must maintain client confidentiality, exercise ordinary care, account for a client's money and property, and treat all parties honestly. Owner acknowledges that Broker shall disclose to potential purchasers of the Property all material adverse facts pertaining to the physical condition of the Property actually known by Broker. Broker will provide one or more of the following services to Owner (check all services that will be provided):
   - ☐ List Owner's property for sale in the Multiple Listing Service ("MLS").
   - ☐ Prepare a comparable Market Analysis (CMA) of the Property summarizing current listing prices and recent sales.
   - ☐ Prepare a fact sheet describing the Property (copies made by Owner) to present to prospective purchasers. Owner must provide information to be used in the fact sheet.
   - ☐ Provide the following signs:
   - ☐ Broker's "For Sale" yard sign (if Broker is accepting inquires)
   - ☐ Fact sheet holder to attach to "For Sale" yard sign
   - ☐ Other sign(s) (describe): _____
   - ☐ Conduct the following marketing activities on behalf of Owner with respect to the Property: _____
   - ☐ Install a lockbox on the Property.
   - ☐ Accept and discuss inquiries from real estate licensees regarding the Property listing; provide Property information to licensees or prospective purchasers, and schedule showing appointments.
   - ☐ Provide Owner with the residential property disclosure form and lead-based paint disclosure form.
   - ☐ Request property owner's association and/or condominium resale packets, as applicable.
   - ☐ Review with Owner any offers and counteroffers or purchase contracts received by Owner; provide advice to Owner regarding the negotiation of any such offers or counteroffers.
   - ☐ Assist Owner in satisfying Owner's contractual obligations and facilitating settlement.
   - ☐ Other services (describe): _____

7. **ADVERTISING:** If appropriate option selected in paragraph 6:
   (a) Broker agrees to submit pertinent information concerning the listing of the Property (including information which may be provided on a separate form or document) to any MLS serving the geographic area in which the Property is located of which Broker is a member to distribute such information to other brokers, and to solicit the cooperation of other brokers in securing a purchaser or purchasers for the Property. Owner understands that the listing data may get disseminated to third party websites through means other than the MLS. Owner acknowledges that the accuracy of the listing data is controlled by the third party websites and is outside of Broker's control.
   (b) Unless the Property is not being submitted to the MLS, Broker is authorized to make an offer of compensation to all participants of the MLS. Broker is authorized to make access available to cooperating brokers and their clients whether such brokers are acting as purchaser representatives, or as subagents of Broker, or in some other capacity. Unless otherwise set forth in paragraph ~~16~~17 herein, Broker will offer to all cooperating brokers compensation in the amount of _____.
   (c) If selected in paragraph 6, Broker shall have the right to advertise the Property in commercially reasonable ways, and unless otherwise provided herein, shall have the right to place advertisements of the Property on the Internet communications network and in any Internet Data Exchange program in which Broker participates.
   (d) If selected in paragraph 6, Owner authorizes the dissemination of Property/sales information to MLS participants, including electronic format, magazines and other media. If authorized below, Broker's website may also allow third-parties to (i) write comments or reviews about the Property or display a

January 1, 2017 Release - Redline

hyperlink to comments or reviews in immediate conjunction with particular listings, or (ii) display an automated estimate of the market value of the Property (or hyperlink to such estimate) or other listings in immediate conjunction with the Property.

If Owner does not want the Property listing or address displayed on the Internet, Owner must complete the "OPT-OUT OF INTERNET" section below.

OPT-OUT OF INTERNET
Complete this section only if Owner desires to opt-out of Internet display

Owner may opt-out of having the Property listing or property address displayed on the Internet by selecting Option A or B below.

Option A: [ ] Owner has advised Broker that Owner does not want the Property displayed on the Internet.
OR
Option B: [ ] Owner has advised Broker that Owner does not want the address of the Property displayed on the Internet. In the event Owner does not authorize the display of the Property address, only the street address will not be displayed, other data such as zip code, county, etc. may be displayed.

Owner understands and acknowledges that if **Option A** has been selected, consumers who conduct searches for listings on the Internet will not see information about the Property in response to their search. _____/____ **(Owner's Initials)**

_____/____ Owner (**select one**) ☐ authorizes OR ☐ does not authorize third-parties to write comments or reviews about the Property or provide hyperlinks to comments or reviews to any property in immediate conjunction with the Property. In the event Owner does not authorize the display of the Property address, only the street address will not be displayed, other data such as zip code, county, etc. may be displayed.

_____/____ Owner (**select one**) ☐ authorizes OR ☐ does not authorize an automated estimate of the market value of the Property (or any hyperlink to such estimate) or any property in immediate conjunction with the listing. This provision does not control the display of such estimated value of the Property on third party websites such as syndicated websites.

_____/____ Owner (**select one**) ☐ authorizes OR ☐ does not authorize Broker to advertise on social media, understanding that there may be third-parties comments or reviews about the Property. In the event Owner does not authorize the display of the Property address, only the street address will not be displayed, other data such as zip code, county, etc. may be displayed.

8. **PROPERTY OWNERS' ASSOCIATION ACT:**
   (a) Owner represents to Broker that the Property ☐ is OR ☐ is not located within a development that is subject to the Virginia Property Owners' Association Act (Section 55-508 et seq. of the Code of Virginia) (the "POA Act"). If the Property is within such a development, the POA Act requires Seller to obtain from the Property Owners' Association an association disclosure packet and provide it to the purchaser.
   (b) The purchaser may cancel the purchase agreement within three or six days (depending on the manner of delivery) after receiving the association disclosure packet or being notified that the association disclosure packet will not be available. The right to receive the association disclosure packet and the right to cancel the contract are waived conclusively if not exercised before settlement.

9. **CONDOMINIUM ACT:**
   (a) Owner represents to Broker that the Property ☐ is OR ☐ is not located within a development that is subject to the Virginia Condominium Act (Section 55-79.39 et seq. of the Code of Virginia) (the "Condominium Act"). If the Property is within such a development, the Condominium Act requires Seller to obtain from the unit owners' association a condominium resale certificate and provide it to the purchaser.

January 2017 Release Redline

(b) The purchaser may cancel the purchase agreement within three or six days (depending on the manner of delivery) after receiving the condominium resale certificate. The right to receive the condominium resale certificate and the right to cancel the contract are waived conclusively if not exercised before settlement.

10. **SEWAGE SYSTEM DISCLOSURE:** Pursuant to Section 32.1-164.1:1 of the Code of Virginia, Owner must disclose to the purchaser if the onsite sewage system serving the Property fails to meet the Board of Health's current regulatory requirements and Owner has applied for or obtained a waiver from the Board of Health for the system. Disclosure ☐ is OR ☐ is not applicable to the Property.

11. **VIRGINIA RESIDENTIAL PROPERTY DISCLOSURE ACT:** Virginia Residential Property Disclosure Act (Section 55-517 et seq. of the Code of Virginia) requires the owner of residential real property to furnish the purchaser of such property a disclosure statement in a form provided by the Virginia Real Estate Board containing certain information and disclosures for the benefit of purchasers and stating that the owner makes no representations or warranties as to the condition of such property and that the property is being sold "as is" with all defects that may exist, if any, except as otherwise provided in the purchase contract. Failure to make such disclosure in a timely manner or any misrepresentation contained in the disclosure may result in termination of the purchase contract or an award of damages to the purchaser. Broker will furnish Owner with the appropriate disclosure form for completion by Owner.

12. **OTHER OFFERS:** Owner ☐ does OR ☐ does not authorize Broker to use Broker's best judgment in determining how and when to divulge the existence of an offer or offers on the Property of which Broker is aware to other brokers or purchasers, if asked. Owner shall inform Broker if Owner is unwilling to permit Broker to divulge the existence of any particular offer(s) on the Property. Broker and its licensees shall not disclose to prospective purchasers (or their real estate licensees) the terms of any other offers to purchase the Property received by Broker without Owner's prior written consent.

13. **INDEMNIFICATION:**
(a) Owner acknowledges and agrees that in consideration of the use of the services and facilities of Broker or the MLS identified in paragraph 7(a), neither Broker, its officers, directors and employees, nor any real estate broker or salesperson employed by or affiliated with Broker showing the Property to purchaser or prospective purchasers, nor the MLS, nor the directors, officers and employees thereof, including officials of any parent association of REALTORS®, shall be liable for any vandalism, theft or damage of any nature whatsoever to the Property or its contents during the initial period of time and any extension thereof, and Owner waives any and all rights, claims, and causes of action against any of them and hold them harmless for any property damage or personal injury arising from the use of or access to the Property by any person during the initial period of time and any extension thereof, but excluding property damage or personal injury arising out of the negligence of Broker or its officers, directors and employees or any real estate broker or salesperson employed by or affiliated with Broker.
(b) If Owner has provided to Broker relevant information about the Property, Owner represents and warrants that to the best of Owner's knowledge and belief such information or the information contained in the disclosure form completed in compliance with the Virginia Residential Property Disclosure Act is true and correct as of the date given, and that Owner will update such information promptly in the event of a material change in such information. The parties agree that such information is incorporated into and constitutes a part of this Agreement.

14. **RECORDINGS WITHIN THE PROPERTY:**
(a) Owner ☐ does OR ☐ does not have a recording system in the Property. In the event Owner has a recording system in the Property which records or transmits audio, Owner understands that recording or transmitting of audio may result in violation of state and/or federal wiretapping laws. Owner hereby releases and indemnifies Broker, Broker's designated agents, sub-agents, sales associates and employees from any liability which may result from any recording or transmitting in the Property.
(b) Seller understands that while potential purchasers viewing the Property should not engage in photography, videography or videotelephony in the Property without prior written permission, such recordings or transmissions may occur. Seller should remove any items of a personal nature Seller does not wish to have recorded or transmitted. Owner hereby releases Broker, listing sales associates and employees from any liability which may result from any recording or transmission in the Property.

January 2017 Pre-Release Redline

14.15. **MISCELLANEOUS:**

(a) Owner is advised that because some purchasers may employ the services of purchaser agents or representatives, Owner should not disclose any confidential information to prospective purchasers or to real estate licensees other than Broker.

(b) This Agreement is intended solely to define the relationship between Owner and Broker. It is not intended to be an offer to sell to a third party, nor may any third party rely upon it as such an offer. Further, this Agreement does not confer upon Broker the power or authority to either make or accept an offer or counteroffer to sell the Property. The Property may be sold only by a written agreement executed by Owner, or by an attorney-in-fact for Owner under a written power of attorney. Broker's authority hereunder shall be limited to the activities defined in this Agreement.

(c) In the event of a sale of the Property, Owner agrees to convey the Property to any purchaser or purchasers by general warranty deed with the usual English covenants of title and free and clear from all encumbrances, tenancies, and liens (for taxes or otherwise), but subject to applicable easements and restrictive covenants of record not adversely affecting the use of the Property, and subject in all events, to the specific terms and conditions contained in the contract of sale.

(d) This Agreement may not be modified or changed except by written instrument executed by the parties, and it shall be construed, interpreted, and applied according to the laws of the Commonwealth of Virginia. It shall be binding upon and shall inure to the benefits of the heirs, personal representatives, successors, and/or assigns of the parties.

(e) Owner understands that Owner has the right to choose an attorney to prepare the deed conveying title to the Property or otherwise to represent Owner in connection with the sale of the Property.

(f) In the sale, purchase, exchange, rental or lease of real property, Broker has the responsibility to offer equal service to all clients and prospects and shall not discriminate on the basis of any protected class under Federal, state or local law or the REALTOR® Code of Ethics.

15.16. **ELECTRONIC SIGNATURES.:** _____ /_____ **If this paragraph is initialed by both parties, then in accordance with the Uniform Electronic Transactions Act (UETA) and the Electronic Signatures in Global and National Commerce Act, or E-Sign, regarding electronic signatures and transactions, the parties do hereby expressly authorize and agree to the use of electronic signatures as an additional method of signing and/or initialing this Agreement. The parties hereby agree that either party may sign electronically by utilizing an electronic signature service.**

16.17. **OTHER TERMS:** (Use this space for additional terms not dealt with elsewhere in this Agreement.) _____

Witness the following duly authorized signatures:

OWNER

_____ /_____
Date Owner

_____ /_____
Date Owner

_____ /_____
Date Owner

BROKER

_____

_____

By: _____
Name: _____
Date: _____

January 1, 2017 Release Redline

_____ /_____
Date Owner

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January 1, 2017 Release - Redline

REALTOR®

EQUAL HOUSING OPPORTUNITY

VIRGINIA ASSOCIATION OF REALTORS®
EXCLUSIVE AUTHORIZATION TO LEASE

OWNER AUTHORIZATION REGARDING INTERNET

Internet advertising is one of the ways information concerning real property offered for rent is disseminated to real estate agents and brokers as well as the general public. The property owner has the right to determine whether or not their property information is displayed on the Internet and if so the manner in which it is presented.

Section 9(e) of the Virginia Association of Realtors® Exclusive Authorization to Lease allows the property owner to authorize or prohibit the display of the property on the Internet. If authorized, it also permits the property owner to limit the display of property reviews and automated estimates of market value on the Internet.

Owners must initial beside the appropriate responses in Section 9(e). The OPT OUT OF THE INTERNET section should **only** be completed if the Owner does not wish to have their property address displayed on the Internet or does not wish to have ANY information concerning the property and it's availability for lease published on the Internet. **Otherwise Option A and B should be left blank.**

Terms and Definitions:

Property Reviews/Blogging – Some web sites allow third parties to publish public commentary or feedback related to a particular property. This type of public online journaling is sometimes referred to as a blog.

Automated Estimate of Market Value – Also known as AVM or Automated Valuation Model. An AVM is a computer generated estimate of residential property value that is calculated using computer software models and recent sales of similar homes.

January 1, 2017 Release - Redline

VIRGINIA ASSOCIATION OF REALTORS®
EXCLUSIVE AUTHORIZATION TO LEASE

(This is a legally binding contract, if not understood, seek competent advice before signing)

This AGREEMENT made as of _____, by and between _____ ("Owner"); and _____ ("Broker"), provides:

1. In consideration of services rendered by Broker to Owner, Owner grants to Broker the EXCLUSIVE and irrevocable right to lease or rent certain real estate, and all improvements thereon which is owned by Owner and which is hereafter described (the "Property"), during the period commencing on _____, and expiring at midnight on _____, (the "initial period of time").

2. **REAL PROPERTY:** The Property is located in the City or County of _____ and is described as follows: _____ and more commonly known as _____ (i.e., street, town, village, etc.).

3. **UTILITIES:** (Check all that apply)

					Included in Rent?
Water Supply:	☐ Public	☐ Private Well	☐ Community Well		☐ Yes ☐ No
Sewage Disposal:	☐ Public	☐ Septic # BR:			☐ Yes ☐ No
Hot Water:	☐ Oil ☐ Gas	☐ Elec ☐ Other _____	Number of Gallons _____		☐ Yes ☐ No
Air Conditioning:	☐ Oil ☐ Gas	☐ Elec ☐ Heat Pump	☐ Other _____	☐ Zones ___	☐ Yes ☐ No
Heating:	☐ Oil ☐ Gas	☐ Elec ☐ Heat Pump	☐ Other _____	☐ Zones ___	☐ Yes ☐ No

4. **LEASE TERMS:**
   (a) Owner offers to lease the Property to a qualified tenant for a term of not less than _____ months, nor more than ____ months (i) at a monthly rental of not less than $_____, or (ii) where applicable, at an annual rental of not less than $_____ per square foot based on ☐ gross OR ☐ net leasable square footage, payable in equal monthly payments, and on such other terms and conditions as may be set forth herein or in the form of a lease agreement approved by Owner prior to the execution of this Agreement ("Listing Price").
   (b) The Property shall be available for occupancy by a tenant on _____
   (c) The following deposits shall be required from a tenant: _____

5. **BROKER FEE:**
   (a) If Broker, or Owner with or without the assistance of Broker, produces a tenant willing and able to lease the Property on terms and conditions set forth in this Agreement, within the initial period of time or any extension thereof, Owner agrees to pay Broker: ☐ _____ % of the gross monthly rent OR ☐ _____ % of the first year's rent OR ☐ the flat sum of $_____ OR ☐ other _____, paid in cash at the time of lease execution (the "Fee"). If within _____ days after the expiration of the initial period of time or any extension thereof, the Property is rented or leased by Broker, by Owner, or by any other person, to a tenant or tenants to whom the Property was shown, offered, or introduced by Broker, or by any licensed broker or salesperson employed by or affiliated with Broker, Owner agrees to pay Broker the Fee. Broker will pay cooperating brokers a leasing fee of _____ when a tenant has been procured and the lease agreement is executed, or as otherwise agreed by the parties. Notwithstanding the foregoing, Owner shall not be obligated to pay the Fee to Broker if, after the expiration of the initial period of time or any extension thereof, Owner enters into an exclusive authorization to rent or lease the Property with a licensed broker or salesperson, other than Broker or a licensed broker or salesperson employed or affiliated with Broker, and the Property is rented or leased pursuant to such exclusive authorization. For purposes of the Agreements, if an application is presented to Owner within the initial period of time or any extension thereof, but (i) is accepted by Owner after expiration of the initial period of time or any extension thereof, or (ii) Owner make a counteroffer which is accepted by the tenant after the expiration of the initial period of time or any extension thereof, the Owner

January 2017 Release - Redline

shall pay Broker the Fee as if the Property had been leased or rented during the initial period of time or any extension thereof.

(b) Broker has advised Owner of Broker's firm policy regarding cooperating with and compensating other real estate licensees. Owner authorizes Broker to cooperate with and compensate other brokers via the following **[select one]:** ☐ _____% of the gross monthly rent OR ☐ the sum of $_____. Such compensation shall be paid at lease signing. Owner acknowledges that the cooperating fee set forth in this paragraph represents an obligation of Broker to a leasing broker per MLS rules, and agrees that Owner is responsible to pay this amount to Broker as part of the Fee, which will then be paid to the cooperating broker. Owner understands the responsibility for the payment of a cooperating broker's compensation may be determined as a result of civil action or arbitration, or in a separate agreement between Broker and a cooperating broker claiming such fee; provided however, such fee shall not exceed the amount set forth in this paragraph 3(b) without consent of Owner. Owner agrees to participate fully, at Owner's sole expense, in any legal action or arbitration proceedings that may arise with respect to the compensation due to a cooperating broker. Owner shall indemnify and hold Broker harmless from any monetary loss suffered by Broker due to any award against Broker arising from Owner's nonpayment of compensation that is due to a cooperating broker as a result of the sale of the Property. Owner agrees not to negotiate Broker's Fee or any tenant agent/representative's compensation in a real estate sales contract for the Property. This obligation shall survive expiration or earlier termination of this Agreement and lease of the Property.

(c) If Owner should withdraw the Property from the market during the initial period of time or any extension thereof, without written agreement from Broker, or otherwise prevents Broker from renting or leasing the Property during the initial period of time or any extension thereof, such action shall constitute a breach of this Agreement, and Owner agrees to pay Broker the Fee set forth in paragraph 5 as liquidated damages, and not as a penalty. If the Fee is expressed as a percentage of the rental amount of the Property, the price, for the purposes of computing the Fee, shall be Listing Price.

(d) If, after a valid contract for the rental of the Property is executed by Owner and a tenant or tenants, there is a default by such tenant or tenants which prevents performance of such contract through no fault of the Owner, Broker agrees that Owner will not be liable for the Fee of Broker and that Broker shall look to such defaulting tenant or tenants for compensation relating to such contract. Owner agrees if such a default occurs, this Agreement shall remain in effect until its expiration and that payment of the Fee by such defaulting tenant or tenants shall not satisfy any obligation that may arise if, after to such default, another valid contract for the lease of the Property is brought about by Broker.

(e) If after a valid lease is executed by Owner and a tenant or tenants, there is a default by Owner which prevents performance of such contract through no fault of Broker, or if Owner fails to fully perform the obligations of Owner set forth herein, Owner shall be liable to Broker for the Fee, as compensation for its services hereunder, and the reasonable attorney's fees and expenses incurred by Broker, if any, in enforcing the terms and conditions hereof. In any action brought by Broker or Owner under this Agreement, the prevailing party or parties in such action shall be entitled to receive from the non-prevailing party or parties, jointly and severally, in addition to any other damages or awards, reasonable attorneys fees and costs expended or incurred in prosecuting or defending such action.

6. AGENCY RELATIONSHIP:

(a) In accordance with the Virginia Real Estate Board ("VREB") regulations, Broker hereby discloses to Owner that Broker and Broker's salespeople are representing Owner as a standard agent in connection with marketing the Property under this Agreement and owe Owner the duties set out in this Agreement and under Section 54.1-2133 of the Code of Virginia. At the same time, brokers and their salespeople are required to treat all parties to a transaction honestly. Without breaching their duties to Owner, Broker and its salespeople may provide prospective tenants with information about the Property and may assist a prospective tenant in preparing an offer to lease the Property. Broker and its salespeople have a duty to respond accurately to a prospective tenant's questions and to submit Owner all offers to lease the Property.

(b) If the Property is shown to a prospective tenant who is represented by Broker and such tenant client of Broker wishes to make an offer to lease the Property, and Broker has not designated representatives to represent Owner and tenant, the Broker will be acting as a representative for both Owner and tenant in the transaction. In such a transaction, Broker will remain impartial to Owner and tenant. Owner understands that Broker shall not be liable to either party for refusing or failing to disclose information which, in the sole discretion of Broker, would harm one party's bargaining position and would benefit the

January 1, 2017 Release - Redline

other party. However, Broker shall not be prevented from disclosing to the tenant any known material defects in the Property or any other matter that must be disclosed by law and/or regulation. Broker will not disclose (i) to the tenant information about what price Owner will accept other than the Listing Price, or (ii) to Owner information about what price the tenant will pay other than the written offered price. If Owner and tenant do not enter into an agreement for the lease of the Property such dual representation shall terminate.

(c) Because of such dual representation, Owner understands that Owner and tenant have the responsibility of making their own decisions as to what terms are to be included in any rental agreement. Owner should be aware of the implications of Broker's dual representation including the limitation on Broker's ability to represent Owner or the tenant fully and exclusively. Owner understands that Owner may seek independent legal counsel in order to assist with any matter relating to a leasing agreement or to the transaction that is the subject matter of a lease agreement. Provided Broker has acted in accordance with its obligations under this Agreement, Broker shall not be liable for any claims, damages, losses, expenses or liabilities arising from Broker's role as a dual representative. Owner shall have the duty to protect its own interests and should read any lease agreement carefully to insure that it accurately sets forth the terms Owner wants included in the lease agreement.

(d) When acting as a dual representative, Broker: will treat Owner and tenant honestly; will disclose material facts about Property that are known to Broker as required by law and/or regulation.

(e) When acting as a dual representative, Broker may not: disclose confidential information that Broker may know about either Owner or the tenant (including but not necessarily limited to motivation to lease or rent, price, terms and/or conditions of lease which are acceptable, and negotiating strategy) without written permission of the relevant party; disclose the price Owner will accept other than Listing Price without written permission of Owner; disclose the price the tenant is willing to pay other than contained in any offer without written permission of the tenant; recommend or give advice regarding the price the tenant should offer or pay for the Property; recommend or give advice regarding the terms and conditions of lease the tenant should offer for the Property; recommend or give advice regarding the price Owner should accept or that should form the basis of a counteroffer; or recommend or give advice regarding the terms and conditions of lease Owner should accept or that should form the basis of a counteroffer.

7. **OWNER'S DUTIES:**

(a) Owner shall: work exclusively with Broker during the term of this Agreement; comply with the reasonable requests of Broker to supply any pertinent information or personal data needed to fulfill the terms of this Agreement; pay Broker the compensation set forth in this Agreement; make the Property available during reasonable hours for potential tenants to view properties; and inform all tenants and licensees whom Owner contacts of Owner's brokerage relationship with Broker.

(b) If there is a condominium or cooperative unit owners' association or any homeowners' association for the Property or any restrictions on the use of the Property, the Owner agrees to provide Broker, upon the execution of this Agreement, copies of any bylaws, rules and regulations, and restrictive covenants or any other documents which place such restrictions on the use of the Property.

8. **BROKER DUTIES:** Broker agrees to make commercially reasonable efforts to obtain a tenant for the Property during the initial period of time and any extension thereof. Owner acknowledges that Broker shall disclose to potential tenant of the Property all material adverse facts pertaining to the physical condition of the Property actually known by Broker.

9. **ADVERTISING:**

(a) Owner agrees that during the initial period of time or any extension thereof Broker is authorized to place "FOR RENT" signs on the Property, to remove any other "FOR RENT" signs and to take all appropriate action to bring about a rental of the Property. Owner agrees to make the Property available to Broker and real estate brokers and salespersons employed or affiliated with Broker at all reasonable hours for showing to prospective tenants. Owner also agrees to refer to Broker all inquiries or offers which Owner may receive regarding the Property.

(b) Unless otherwise provided herein, Broker agrees to submit pertinent information concerning the listing of the Property (including information which may be provided on a separate form or document) to any Multiple Listing Service ("MLS") serving the geographic area in which the Property is located of which Broker is a member to distribute such information to other brokers, and to solicit the cooperation of other brokers in securing a tenant or tenants for the Property. Owner understands that the listing data may get

January 1, 2017 Released - Receive

disseminated to third party websites through means other than the MLS. Owner acknowledges that the accuracy of the listing data is controlled by the third party websites and is outside of Broker's control.

(c) Broker shall have the right to advertise the Property in commercially reasonable ways, and unless otherwise provided herein, shall have the right to place advertisements of the Property on the Internet communications network and in any Internet Data Exchange program in which Broker participates.

(d) Owner authorizes the dissemination of Property/rental information to MLS participants, including electronic format, magazines and other media. If authorized below, Broker's website may also allow third-parties to (i) write comments or reviews about the Property or display a hyperlink to comments or reviews in immediate conjunction with particular listings, or (ii) display an automated estimate of the market value of the Property (or hyperlink to such estimate) or other listings in immediate conjunction with the Property.

If Owner does not want the Property listing or address displayed on the Internet, Owner must complete the "OPT-OUT OF INTERNET" section below.

OPT-OUT OF INTERNET
Complete this section only if Owner desires to opt-out of Internet display

Owner may opt-out of having the property listing or property address displayed on the Internet by selecting Option A or B below.

Option A: [ ] Owner has advised Broker that Owner does not want the Property displayed on the Internet.

OR

Option B: [ ] Owner has advised Broker that Owner does not want the address of the Property displayed on the Internet. In the event Owner does not authorize the display of the Property address, only the street address will not be displayed, other data such as zip code, county, etc. may be displayed.

Owner understands and acknowledges that if **Option A** has been selected, consumers who conduct searches for listings on the Internet will not see information about the Property in response to their search. _____/____ (**Owner's Initials**)

_____/____ Owner (**select one**) ☐ authorizes OR ☐ does not authorize third-parties to write comments or reviews about the Property or provide hyperlinks to comments or reviews to any property in immediate conjunction with the Property. In the event Owner does not authorize the display of the Property address, only the street address will not be displayed, other data such as zip code, county, etc. may be displayed.

_____/____ Owner (**select one**) ☐ authorizes OR ☐ does not authorize an automated estimate of the market value of the Property (or any hyperlink to such estimate) or any property in immediate conjunction with the listing. This provision does not control the display of such estimated value of the Property on third party websites such as syndicated websites.

_____/____ Owner (**select one**) ☐ authorizes OR ☐ does not authorize Broker to advertise on social media, understanding that there may be third-parties comments or reviews about the Property. In the event Owner does not authorize the display of the Property address, only the street address will not be displayed, other data such as zip code, county, etc. may be displayed.

10. LOCKBOX: Owner hereby ☐ does OR ☐ does not authorize Broker to place a lock box on the Property.

11. INDEMNIFICATION:

(a) Owner acknowledges and agrees that in consideration of the use of the services and facilities of Broker or the MLS identified in paragraph 9(b), neither Broker, its officers, directors and employees, nor any real estate broker or salesperson employed by or affiliated with Broker showing the Property to tenants or prospective tenants, nor the MLS, nor the directors, officers and employees thereof, including officials of any parent association of REALTORS®, shall be liable for any vandalism, theft or damage of any nature whatsoever to the Property or its contents during the initial period of time and any extension thereof, and Owner waives any and all rights, claims, and causes of action against any of them and hold them

January 2017 Release - Redline

harmless for any property damage or personal injury arising from the use of or access to the Property by any person during the initial period of time and any extension thereof, but excluding property damage or personal injury arising out of the negligence of Broker or its officers, directors and employees or any real estate broker or salesperson employed by or affiliated with Broker.

(b) If Owner has provided to Broker relevant information about the Property, Owner represents and warrants that to the best of Owner's knowledge and belief such information is true and correct as of the date given, and that Owner will update such information promptly in the event of a material change in such information. The parties agree that such information is incorporated into and constitutes a part of this Agreement.

(c) Broker shall not be liable to Owner for any actions, omissions, or misrepresentations of any tenant or prospective tenant. Upon execution of a lease agreement, Owner shall be deemed to have released Broker from any further responsibility for the Property and the lease agreement, including but not limited to performance by the tenant of the terms and conditions thereof, and this Agreement shall terminate.

12. RECORDINGS WITHIN THE PROPERTY:

(a) Owner ☐ does OR ☐ does not have a recording system in the Property. In the event Owner has a recording system in the Property which records or transmits audio, Owner understands that recording or transmitting of audio may result in violation of state and/or federal wiretapping laws. Owner hereby releases and indemnifies Broker, Broker's designated agents, sub-agents, sales associates and employees from any liability which may result from any recording or transmitting in the Property.

(b) Seller understands that while potential purchasers viewing the Property should not engage in photography, videography or videotelephony in the Property without prior written permission, such recordings or transmissions may occur. Seller should remove any items of a personal nature Seller does not wish to have recorded or transmitted. Owner hereby releases Broker, listing sales associates and employees from any liability which may result from any recording or transmission in the Property.

~~12.~~13. **MISCELLANEOUS:**

(a) Owner is advised that because some tenants may employ the services of tenant agents or representatives, Owner should not disclose any confidential information to prospective tenants or to real estate licensees other than Broker.

(b) This Agreement is intended solely to define the relationship between Owner and Broker. It is not intended to be an offer to lease to a third party, nor may any third party rely upon it as such an offer. Further, this Agreement does not confer upon Broker the power or authority to either make or accept an offer or counteroffer to lease the Property. The Property may be leased only by a written agreement executed by Owner, or by an attorney-in-fact for Owner under a written power of attorney. Broker's authority hereunder shall be limited to marketing the Property for lease and such activities as are necessary or incidental thereto, including without limitation accepting and holding a security deposit in accordance with the VREB regulations.

(c) This Agreement may not be modified or changed except by written instrument executed by the parties, and it shall be construed, interpreted, and applied according to the laws of the Commonwealth of Virginia. It shall be binding upon and shall inure to the benefits of the heirs, personal representatives, successors, and/or assigns of the parties.

(d) Owner understands that Owner has the right to choose an attorney to prepare the lease for the Property or otherwise to represent Owner in connection with the rental of the Property.

(e) In the sale, purchase, exchange, rental or lease of real property, Broker has the responsibility to offer equal service to all clients and prospects and shall not discriminate on the basis of any protected class under Federal, state or local law or the REALTOR® Code of Ethics.

~~13.~~14. **ELECTRONIC SIGNATURES:** _____ /_____ **If this paragraph is initialed by both parties, then in accordance with the Uniform Electronic Transactions Act (UETA) and the Electronic Signatures in Global and National Commerce Act, or E-Sign, regarding electronic signatures and transactions, the parties do hereby expressly authorize and agree to the use of electronic signatures as an additional method of signing and/or initialing this Agreement. The parties hereby agree that either party may sign electronically by utilizing an electronic signature service.**

~~14.~~15. **OTHER TERMS:** (Use this space for additional terms not dealt with elsewhere in this Agreement.) _____

January 1, 2017 Release - Redline

Witness the following duly authorized signatures:

OWNER

_____/_____
Date Owner

_____/_____
Date Owner

_____/_____
Date Owner

_____/_____
Date Owner

BROKER

_____

By: _____
Name: _____
Date: _____

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January 1, 2017 Release - Redline

REALTOR®

VIRGINIA ASSOCIATION OF REALTORS®
NEW CONSTRUCTION CONTRACT OF PURCHASE

EQUAL HOUSING OPPORTUNITY

(This is a legally binding contract. If you do not understand any part of it, please seek competent advice before signing.)

This NEW CONSTRUCTION CONTRACT OF PURCHASE made as of _____, 20___, between _____ ("Seller"), whose address is _____, and _____ ("Purchaser"), whose address is _____ provides the Listing Company (who represents Seller) is _____ and the Selling Company (who ☐ does OR ☐ does not represent Purchaser) is _____.

1. **REAL PROPERTY:** Purchaser agrees to buy and Seller agrees to sell the land and all improvements thereon located in the County or City of _____, Virginia and described as (legal description): _____ and more commonly known as: _____ together with the land within the boundaries of the lot (subject to any easements, conditions and restrictions of record), the house, and any other improvements constructed (or to be constructed) thereon, including any options listed in this Contract (the "Property").

2. **PURCHASE PRICE:** The purchase price to be paid by Purchaser to Seller for the Property shall be _____ ("Purchase Price").

3. **DEPOSIT:** Purchaser shall make a deposit of $_____ to be held by (the "Escrow Agent") _____ in the form of: ☐ check ☐ cash ☐ other _____ (the "Deposit"). Purchaser **[select one]:** ☐ has paid the Deposit to the Escrow Agent OR ☐ will pay the Deposit to the Escrow Agent within _____ days (the "Extended Deposit Date") after the Date of Ratification. If Purchaser fails to pay the Deposit as set forth herein, then Purchaser shall be in breach of this Contract. At Seller's option and in lieu of all other remedies set forth in this Contract, Seller may terminate this Contract by written notice to Purchaser and neither party shall have any further obligation hereunder.
   (a) In the event Seller holds the Deposit, Purchaser acknowledges and understands that Seller may place, after ratification, Deposit in Seller's operating account. Seller shall have the right to use such funds in accordance with Seller's standard practice and Deposit shall not bear interest. Seller shall refund Deposit to Purchaser within five days of Purchaser's written notice to Seller that Purchaser is terminating this Contract in accordance with its terms in the event any of the contingencies set forth in this Contract are not satisfied or if Seller defaults under the terms and conditions of this Contract.
   (b) If Escrow Agent is a Virginia Real Estate Board ("VREB") licensee, the parties direct Escrow Agent to place Deposit in an escrow account by the end of the fifth business banking day following the latter of: (i) the Date of Ratification, or (ii) the Extended Deposit Date. If Escrow Agent is not a VREB licensee, the parties direct Escrow Agent to place Deposit in an escrow account in conformance with applicable Federal or Virginia law and regulations. Deposit may be held in an interest bearing account and the parties waive any claim to interest resulting from such Deposit. Deposit shall not be released by Escrow Agent until (i) credited toward the Purchase Price at settlement, (ii) Seller and Purchaser agree in writing as to its disposition, (iii) a court of competent jurisdiction orders a disbursement of the funds, or (iv) disbursed in such manner as authorized by the terms of this Contract or by Virginia law or regulations. Seller and Purchaser agree that Escrow Agent shall have no liability to any party for disbursing Deposit in accordance with this paragraph, except in the event of Escrow Agent's negligence or willful misconduct.
   (c) If the Property is foreclosed upon while this Contract is pending, the terms of Section 54.1-2108.1 of the Code of Virginia shall apply to the disbursement of Deposit. Foreclosure shall be considered a termination of this Contract by Seller and, absent any default by Purchaser, the Deposit shall be disbursed to Purchaser.

4. **DISCOUNT POINTS, PREPAIDS, CLOSING COSTS:** Purchaser shall pay all discount points, prepaids and closing costs in connection with the closing of Purchaser's purchase of the Property, except the following, which shall be paid by Seller: (i) any grantor's tax, excise stamps and transfer taxes to be paid in connection with the

Jan 2017 Release Redline

recording of the deed conveying the Property to Purchaser, and (ii) any items required by FHA or VA to be paid by Seller (if an FHA or VA loan). Any contribution made by Seller shall be applied towards closing costs and/or prepaids (if allowed by lender). Such sum shall include any fees required by FHA or VA to be paid by Seller and any fees to be paid to the settlement agent. Such sum shall not include any grantor's tax, excise stamps or transfer taxes. If Seller contribution is more than the sum of the closing costs and prepaids allowed to be paid by Seller (per lender's underwriting requirements for the loan), any excess portion of such funds shall be retained by Seller and shall not be paid or otherwise credited to Purchaser.

5. **FINANCING:** If noted below, Purchaser's obligations under this Contract are conditioned upon the applicable financing contingency: (Check a, b, or c, if applicable):

☐ (a) **VA FINANCING:** It is expressly agreed that, notwithstanding any of the provisions of this Contract, Purchaser shall not incur any penalty by forfeiture of earnest money or otherwise be obligated to complete the purchase of the Property described by this Contract if the agreed Purchase Price or cost exceeds the reasonable value of the Property established by the Department of Veterans Affairs. Purchaser shall, however, have the privilege and option of proceeding with the consummation of this Contract without regard to the amount of the reasonable value established by the Department of Veterans Affairs. **The Veteran Purchaser certifies that Purchaser intends to occupy the Property as Purchaser's primary residence.**

☐ (b) **HUD/FHA FINANCING:** It is expressly agreed that notwithstanding any other provisions of this Contract, Purchaser shall not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of earnest money deposits or otherwise unless Purchaser has been given, in accordance with HUD/FHA requirements, a written statement issued by the Federal Housing Commissioner or a Direct Endorsement Lender setting forth the appraised value of the Property (excluding closing costs) of not less than $ _____. Purchaser shall, however, have the privilege and option of proceeding with consummation of this Contract without regard to the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development ("HUD") will insure. **HUD does not warrant the value nor the condition of the Property. Purchaser should satisfy himself/herself that the price and condition of the Property are acceptable.**

☐ (c) **CONVENTIONAL FINANCING OR CASH:** It is expressly agreed that, notwithstanding any other provisions of this Contract, Purchaser shall not incur any penalty by forfeiture of Deposit or otherwise be obligated to complete the purchase of the Property if the Purchase Price exceeds the value established by the appraiser ("Appraised Value") and Seller does not agree to reduce the Purchase Price to the Appraised Value. Purchaser shall have the privilege and option of proceeding to settlement without regard to the Appraised Value. In the event the Purchase Price exceeds the Appraised Value and Seller or Listing Company notifies Purchaser or Selling Company that Seller agrees to reduce the Purchase Price to the Appraised Value, then this Contract will remain in force and settlement shall occur as specified in this Contract.

If this is a cash transaction, Purchaser ☐ does OR ☐ does not wish to order an appraisal. If Purchaser wishes to order an appraisal, the appraisal must be paid for and ordered within _____ days after Date of Ratification.

(d) **LOAN APPLICATION:** Purchaser's application for the loan (if applicable) must be completed within seven days of the Date of Ratification. Purchaser must provide all information, documents and fees requested by lender in a timely manner and diligently cooperate with the lender to obtain loan approval.

(e) **LOAN APPROVAL CONFIRMATION:** Purchaser shall deliver written confirmation of a commitment to loan from the lender (if a loan is to be obtained) to Seller within _____ days of the Date of Ratification ("Loan Commitment Date"). If Seller has not received such written confirmation within the stated time period, Seller shall have the right, at any time thereafter, to send a written request for such confirmation to Purchaser and, if such confirmation has not been received by Seller within five days after Purchaser's receipt of such request, Seller shall have the right, without further notice, to terminate this Contract by delivering a written notice of termination to Purchaser and refunding or retaining deposits as provided in paragraph 5(f)

(f) **FAILURE TO RECEIVE LOAN APPROVAL CONFIRMATION:** If this Contract is terminated by Seller in response to its failure to receive a loan approval confirmation as provided for in paragraph 5(e), and such failure is the result of a denial of the loan application by the lender or the failure of the lender to complete the processing of the loan application by the Loan Commitment Date, and Purchaser submitted the loan application and cooperated with the lender as provided for above, the Deposit shall be refunded to Purchaser. Any Options deposit(s) are to be retained by Seller as liquidated damages and not as a penalty. If this Contract is terminated by Seller in response to its failure to receive a loan approval confirmation as provided for in paragraph 5(e), and such failure is for any reason other than those specified above, or Purchaser has failed to submit the loan application or cooperate with the lender as provided for in paragraph 5(d) the Deposit

January 1, 2017 Release - Redline

and any Options deposit(s) shall be retained by Seller as liquidated damages and not as a penalty. The identification of deposits for Options shall be stated in Seller's Change Order Policy, if applicable. The refund of any deposit sums under this section is specifically conditioned on Purchaser signing a release form to be provided by Seller, acknowledging the termination of this Contract and any rights of Purchaser to purchase the Property.

(g) **LENDER INFORMATION:** Purchaser hereby agrees that Seller shall have the right to contact the lender from whom Purchaser is obtaining the loan, and authorizes the lender to provide written confirmation to Seller, at any time, relating to: (i) the satisfaction of Purchaser's obligations under paragraphs 5(d) and 5(e); (ii) the status of the processing of Purchaser's loan application; (iii) any loan approval conditions; and (iv) if loan approval is denied, the reasons for said denial.

(h) **CHANGE OF LENDER:** Except as specifically provided below, Purchaser shall not change the lender from whom Purchaser is obtaining the loan within the 60 day period immediately preceding the Estimated Closing Date. Purchaser may change lenders during the 60 day period identified above, provided that: (i) Purchaser complied with the requirements stated in paragraph 5(d) in submitting and cooperating with the prior lender; (ii) prior lender has denied approval of the loan application; (iii) Seller has provided Purchaser with a written statement from the prior lender confirming satisfaction of the requirements stated in paragraph 5(d), and denial of approval for the loan application; and (iv) such change shall not be deemed to change or modify, in any way, the provisions of paragraph 5(e) or 5(f).

(i) **INTENT TO OCCUPY:** Purchaser ☐ does OR ☐ does not intend to occupy the Property as Purchaser's primary residence.

(j) **PURCHASER'S REPRESENTATIONS REGARDING FINANCING:** Purchaser acknowledges that Seller is relying upon all of Purchaser's representations, including, without limitation, the accuracy of the financial information given by Purchaser to Seller and lender. If Purchaser makes a deliberate misrepresentation or material omission, or takes any action which results in Purchaser's inability to obtain financing then Purchaser shall be deemed to be in default. Except as provided in paragraph 5(f), Purchaser shall notify Seller in writing within three days of Purchaser's actual notice of the occurrence of any material adverse change in Purchaser's financial condition which prevents Purchaser from obtaining financing under this Contract. Purchaser's failure to give notice of the material adverse change required above shall constitute a default under the terms of this Contract. Within three days of receipt of written notice of the material adverse change from Purchaser, Seller shall notify Purchaser in writing of Seller's election to: (i) proceed to closing based upon a modification to this Contract acceptable to Seller and Purchaser; (ii) require that Purchaser deliver an acceptable First Right of Refusal Contract; or (iii) terminate this Contract. The rights and remedies set forth in this Paragraph shall be in addition to the rights and remedies specified in paragraph 9.

6. **CONSTRUCTION OF HOME:**

(a) **CONSTRUCTION:** Construction will begin on or about _____ and will be completed on or about _____. Purchaser is aware that delays caused by events beyond the control of Seller such as: work stoppages; municipal approvals and permits; strikes; lockouts; weather; availability of labor, materials, and craftsmen; acts of God; terrorism; everything unanticipated and unforeseen; and anything of occurrence not within the contemplation of the parties at time of ratification are not included in the calculation of time estimates. Delays caused by such events do not constitute abandonment or constitute a default on Seller's part.

(b) **SELECTION OF STANDARD MATERIALS:** The Purchase Price includes standard materials in accordance with community specifications selected by Seller for the Property including, but not limited to, standard floor coverings, standard appliances and standard cabinetry. Purchaser shall have the privilege of selecting the colors and/or materials and/or appliances to be installed from the standard selections offered by Seller unless they have already been ordered or, if already ordered, in accordance with Seller's Change Order Policy. Materials and/or appliances not detailed in the specifications ("Options") are not included in the Purchase Price and additional payment is required. Only those colors, materials and/or appliances approved by Seller (and the homeowners association for the community, if applicable) will be available for selection purposes. Should Purchaser fail to complete their selections by their completion date noted on the "New Construction Contract Cover Page", Seller will automatically increase the Purchase Price to the most current Purchase Price noted on the corresponding marketing material for that neighborhood and model or Seller shall have the right to make selection decisions. Once selections have been completed and finalized, the Purchase Price will be amended by an addendum. A _____ non-refundable deposit of the total cost of the selections may be required at the time the addendum is accepted and signed.

(c) **SELECTION OF OPTIONS:** The Purchase Price includes only Seller's standard structural layout for the Property. Purchaser shall have the privilege of purchasing Options offered by Seller in accordance with

Seller's Change Order Policy. The price of Options selected by Purchaser shall be added to the Purchase Price. Seller shall have the absolute authority to determine the Options it will offer and shall have no obligation to accept any custom Options.

(d) **SELLER'S RIGHT TO CHANGE DESIGNS OR LIMIT OPTIONS AND SELECTIONS:** Seller reserves the right to change the design or limit any Options or standard selections offered for the Property. If Seller changes or limits any element of the Property chosen by Purchaser as an Option or standards selection, and the change has a significant effect on the quality, value or appearance of the Property, Purchaser shall have the right to terminate this Contract and Seller shall refund Deposit and all Option deposit(s) to Purchaser. If Purchaser elects to proceed to closing without the Options and/or standard selections eliminated by Seller, the Purchase Price will be adjusted for the deletion of any Options that were included in the calculation of the Purchase Price. If Seller changes any Option or standards selection for other homes, Seller shall have no obligation to make corresponding changes to the Property sold to Purchaser. Purchaser understands and agrees that Purchaser is not allowed to make any personal changes or additions to the Property before settlement.

(e) **MATERIALS:** Seller, in its sole discretion, may replace materials or fixtures used in the structure(s) and/or depicted on the plans, drawings or renderings of the Property with substitutions of similar quality acceptable under government and/or industry standards. Seller is not required to notify Purchaser of the substitution of materials or fixtures unless it materially affects the Property.

(f) **STREET LIGHTS, ELECTRICAL FACILITIES, UTILITY PEDESTALS:** Street lights, telephone, cable television and electrical facilities, utility pedestals and transformers are installed by utility companies. Seller makes no representation as to the final location of such facilities. Purchaser should consult the appropriate utility companies if information is needed.

(g) **NEW HOME DESIGNS, TYPES, LOCATIONS AND PRICES:** Purchaser acknowledges that Seller has reserved the right to determine which home designs and/or types will be constructed at all locations owned by Seller and to re-establish the prices of all other homes, past, present and future, constructed by Seller in this neighborhood and any other location. No change in design, type, location or price of any other home shall have an effect on the terms and conditions of this Contract and Seller shall have no obligation to amend this Contract or modify the Property based upon any factor or condition of any other home constructed by Seller in the neighborhood or elsewhere.

(h) **SAFETY; TRESPASS:** As a consideration to public safety and for reasons related to insurance requirements, Purchaser shall not enter the lot during the construction of improvements unless authorized in writing and accompanied by a representative of Seller and at a time mutually agreed upon. Purchaser understands that the construction site is hazardous and agrees to comply with the safety rules and requests of Seller and will not hold Seller responsible for injuries sustained at the construction site. Purchaser hereby releases Seller, its employees, agents, and affiliates from any and all damages and/or injuries which may arise in conjunction with Purchaser entering the lot or any other portion of the neighborhood during the construction of the structure(s) or other homes in the neighborhood.

(i) **INTERFERENCE WITH CONSTRUCTION:** Purchaser shall not interfere with Seller's construction of the structure(s), as provided for under this Contract. In the event of Purchaser interference, Purchaser must sign and return an acknowledgement of Purchaser's intent to cease the same within ten days after Purchaser's receipt from Seller of a request for such an acknowledgement, and refrain from engaging in such act(s) of interference at all times thereafter, Seller shall have the right, at its option, to terminate this Contract by delivery of a written notice of termination to Purchaser. In the event of such a termination, and upon Seller's receipt of a release signed by Purchaser acknowledging the termination of this Contract and any rights of Purchaser to purchase the Property, Seller shall refund Deposit and Option deposit(s) to Purchaser.

(j) **LOSS OF PROPERTY:** If any part of the Property is damaged or destroyed by casualty prior to settlement, Seller will have the option to restore the Property to its previous condition as reasonably as possible. In the event Seller elects to restore the Property, the closing date and any other applicable date or deadline will be extended. Seller agrees to notify Purchaser of its decision within ten business days from the date of any such casualty. In the event Seller elects not to restore the Property, then this Contract will terminate and Purchaser will receive a full refund of Deposit and Option deposit(s) paid. All risk of loss or damage to the Property by fire, windstorm, casualty, or other cause is assumed by Seller until settlement.

(k) **COMPLETION OF CONSTRUCTION:** Notwithstanding any other provisions of this Contract, or any addenda or modification hereto to the contrary, and assuming no defaults by Purchaser, Seller acknowledges an absolute obligation to deliver the Property no later than 12 months from the date of this Contract. If Seller fails to do so, except for reasons outside Seller's control or as a result of the action or inaction of a third party whose actions are necessary to the performance of Seller's obligations, Purchaser may avail themselves of any and all remedies, in law or equity, including specific performance. Any projected completion dates

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estimated by Seller are based upon local conditions and capabilities of Seller on the date of the estimate and are subject to change. Completion may be delayed by bad weather, shortages of materials or labor, acts of God or other events beyond the control of Seller. SELLER WILL NOTIFY PURCHASER OF AN UPDATED ESTIMATED CLOSING DATE AT THE COMPLETION OF DRYWALL. SELLER SHALL NOT BE LIABLE TO PURCHASER FOR ANY DELAYS IN COMPLETION AND WILL NOT REIMBURSE PURCHASER FOR RENTAL, STORAGE, MOVING, INCREASE IN THE COSTS OR INTEREST RATE FOR THE LOAN OR ANY OTHER EXPENSE ARISING FROM FAILURE OF SELLER TO ACHIEVE THE UPDATED ESTIMATED CLOSING DATE. PURCHASER IS RESPONSIBLE FOR THE PROMPT AND TIMELY DELIVERY OF INFORMATION AND SELECTIONS NECESSARY FOR UNINTERRUPTED CONSTRUCTION OF THE PROPERTY. IF PURCHASER DOES NOT PROVIDE INFORMATION OR SELECTIONS IN A PROMPT AND TIMELY MANNER, SELLER SHALL HAVE THE RIGHT TO MAKE DECISIONS, SELECTIONS OR COMMITMENTS NECESSARY TO ALLOW CONSTRUCTION TO CONTINUE.

(l) **SETTLEMENT:** Settlement under this Contract to be on or about _____ ("Estimated Closing Date") or within five days after written notification by Seller that the Property has been substantially completed or within five days after the loan has been approved, whichever is last ("Settlement Date"). The Property is considered substantially completed when the certificate of occupancy ("CO") is issued.

(m) **STUDY PERIODS:** Seller ☐ can OR ☐ cannot represent and warrant that Seller build the Property as described. In the event that Seller cannot warrant, the study period(s) as follows shall apply:

i. **FEASIBILITY STUDY:** ☐ Seller OR ☐ Purchaser shall have _____ days from the Date of Ratification to determine, through engineering and feasibility studies, whether Purchaser's plan of development of the Property is practical. Purchaser shall contract for such studies within ten days from the Date of Ratification, and deliver to Seller and Listing Company copies of the letter(s) ordering the studies, said letter(s) stipulating that true copies of all studies are to be sent to Seller or Listing Company, simultaneously with delivery to Purchaser. If, within such study period Purchaser notifies Seller or Listing Company, in writing, that Purchaser's plan, in Purchaser's sole judgment, is not practical, Purchaser may terminate this Contract and receive a refund of the Deposit and the parties shall have no further liability or obligations hereunder, except as set forth herein. Time shall be of the essence for this provision.

ii. **SOIL STUDY:** This Contract is contingent for _____ days from Date of Ratification to allow ☐ Seller OR ☐ Purchaser at its expense to obtain a soil study and/or percolation test, which shall lawfully allow for the erection and use of _____ on the Property. Such study or test shall be pursued diligently and in good faith and if such study or test reveals that Purchaser's intended use of the Property is not permissible or practicable, Purchaser shall have the right, upon written notice to Seller, to terminate this Contract, in which event the Deposit shall be returned to Purchaser and the parties shall have no further liability or obligations hereunder, except as set forth herein.

7. **NOTICE TO PURCHASER:** Purchaser should exercise whatever due diligence Purchaser deems necessary with respect to information on sexual offenders registered under Chapter 23 (Sec 19.2-387 et seq.) of Title 19.2. Such information may be obtained by contacting your local police department or the Department of State Police, Central Records Exchange at (804) 674-2000 or www.vsp.state.va.us/.

8. **NOTICE OF DISCLOSURE PURSUANT TO VIRGINIA RESIDENTIAL PROPERTY DISCLOSURE ACT:** The Property ☐ is OR ☐ is not subject to the Virginia Residential Property Disclosure Act. If subject to the Act, disclosure is attached. (Attachment does not become part of this Contract.)

9. **DEFAULT:** If Seller or Purchaser defaults under this Contract, the defaulting party, in addition to all other remedies available at law or in equity, shall be liable for the brokerage fee referenced in paragraph 10 as if this Contract had been performed and for any damages and all expenses incurred by non-defaulting party, Listing Company and Selling Company in connection with this transaction and the enforcement of this Contract, including, without limitation, attorneys' fees and costs, if any. Payment of a real estate broker's fee as the result of a transaction relating to the Property which occurs subsequent to a default under this Contract shall not relieve the defaulting party of liability for the fee of Listing Company in this transaction and for any damages and expenses incurred by the non-defaulting party, Listing Company and Selling Company in connection with this transaction. In any action brought by Seller, Purchaser, Listing Company or Selling Company under this Contract or growing out of the transactions contemplated herein, including, without limitation, a suit to secure the release of any earnest money deposit that the other principal to the transaction has refused to authorize, the prevailing party in such action shall be entitled to receive from the non-prevailing party or parties, jointly and severally, in addition to any other damages or awards, reasonable attorneys' fees and costs expended or incurred in prosecuting or defending such action. Seller and Purchaser acknowledge and agree that Listing Company and Selling Company are intended

Jeffrey Bryant Released

third-party beneficiaries of this Contract as to any commissions due them as a result of the transactions contemplated by this Contract.

10. **BROKERAGE FEE; SETTLEMENT STATEMENTS:** Seller and Purchaser authorize and direct the settlement agent to disburse to Listing Company and/or Selling Company from the settlement proceeds their respective portions of the brokerage fee payable as a result of this sale and closing under the Contract. Each of Listing Company and/or Selling Company shall deliver to the settlement agent, prior to settlement, a signed written statement setting forth the fee to which such company is entitled and stating how such fee and any additional sales incentives are to be disbursed. Seller and Purchaser authorize and direct the settlement agent to provide to each of Seller, Purchaser, Listing Company and Selling Company a copy of the unified settlement statement for the transaction.

11. **MISCELLANEOUS:** This Contract may be signed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same document. Documents delivered by facsimile machine shall be considered as originals. Unless otherwise specified herein, "days" mean calendar days. For the purpose of computing time periods, the first day shall be the day following the Date of Ratification. This Contract represents the entire agreement between Seller and Purchaser and may not be modified or changed except by written instrument executed by the parties. This Contract shall be construed, interpreted and applied according to the laws of the state in which the Property is located and shall be binding upon and shall inure to the benefit of the heirs, personal representatives, successors, and assigns of the parties. To the extent any handwritten or typewritten terms herein conflict with or are inconsistent with the printed term hereof, the handwritten and typewritten terms shall control. Whenever the context shall so require, the masculine shall include the feminine and singular shall include the plural. Unless otherwise provided herein, the provisions of this Contract affecting title shall be deemed merged into the deed delivered at settlement and shall not survive settlement.

12. **NON-BINDING MEDIATION:** In an effort to avoid the expense and delay of litigation, the parties agree to submit any disputes or claims arising out of this Contract, including those involving the Listing Company or the Selling Company, to mediation prior to instituting litigation. Such mediation will be ***non-binding***, that is, no party will be obligated to enter into any settlement arising out of mediation unless that settlement is satisfactory to that party. Any settlement the parties enter into will be binding, but if the parties are not able to reach agreement on a settlement, they may resort to arbitration or litigation as if the mediation had never taken place. The mediation will be performed by a mutually agreeable mediator or mediation service in the area. This agreement to mediate does not apply to foreclosure, unlawful detainer (eviction), mechanics lien, probate, or license law actions. Judicial actions to provide provisional remedies (such as injunctions and filings to enable public notice of pending disputes) are not violations of the obligation to mediate and do not waive the right to mediate.

13. **BROKERS; LICENSEE STATUS:**
(a) Listing Company and Selling Company may from time to time engage in general insurance, title insurance, mortgage loan, real estate settlement, home warranty and other real estate-related businesses and services, from which they may receive compensation during the course of this transaction, in addition to real estate brokerage fees. The parties acknowledge that Listing Company and Selling Company are retained for their real estate brokerage expertise, and neither has been retained as an attorney, tax advisor, appraiser, title advisor, home inspector, engineer, surveyor or other professional service provider.

(b) Disclosure of Real Estate Board/Commission licensee status, if any is required in this transaction: _____
_____.

14. **OPTIONAL PROVISIONS: (Check all that apply)**

☐ (a) **MODELS AND PLANS:** Model homes and advertisements, brochures, sales literature and other marketing materials (the "Marketing Materials") are for display and marketing purposes only, to give Purchaser a general idea of the types of homes Seller constructs. Purchaser has viewed Marketing Material depictions as an example of the type of home they are purchasing. The Property, at completion, will be substantially similar to the Marketing Material Purchaser viewed, but may differ because of variations in dimensions, substitution of materials or minor changes in design. Settlement constitutes Purchaser's unconditional acceptance of the Property as built (subject to any items to be completed pursuant to the Pre-Settlement Orientation Report) without regard to differences between the Property and the Marketing Materials. PURCHASER ACKNOWLEDGES THEIR UNDERSTANDING THAT THE

January 1, 2017 Release - Redline

MODEL HOMES (THE FURNITURE, OPTIONAL AND DECORATIVE ITEMS, FENCING, LANDSCAPING, AND OTHER ITEMS DISPLAYED THEREIN) AND ALL MARKETING MATERIALS ARE SOLELY FOR DISPLAY AND MARKETING PURPOSES AND DOES NOT CONSTITUTE A WARRANTY OR REPRESENTATION FROM THE SELLER THAT THE PROPERTY WILL CONTAIN THOSE ITEMS OR THAT THE DIMENSIONS OF ROOMS IN THE STRUCTURE(S) WILL BE THE SAME.

☐ (b) **SUBDIVISION PLATS:** A drawing depicting all or a portion of the subdivision, of which the Property is a part, is displayed (the "Drawing") at _____ (location). The Drawing is to give a general overview of the proposed location of amenities, improvements, grading, and easements. The Drawing does not depict all easements, improvements, and features that exist or will exist. As well, during construction, the exact location of improvements, easements, and amenities, as well as the final grading, are subject to modification, deletion, and/or relocation. Seller's role and exclusive representation and warranty regarding these issues is that they will be performed in compliance with applicable rules, regulations, and laws.

☐ (c) **LOTS:** Seller reserves the right to: (i) change the location of the lot boundary lines as necessary to construct the structure(s), locate or accommodate the utility lines or easements, and/or otherwise properly develop the Property (provided that there is no net reduction in the size of the lot); (ii) determine the grade of the lot, the ground elevation, and the location of the structure(s) on the lot; (iii) reverse the physical layout of the structure(s); and (iv) remove trees and shrubbery from the lot. Seller is not liable for any damage to trees or shrubbery not removed.

☐ (d) **SELLERS RIGHT TO ADAPT SITE CONDITIONS:** The shape of the lot and the contours and elevations of the land may require Seller to adapt the foundation, basement, porch, patio, walkway, driveway, and garage or other structure(s) to provide reasonable access and adequate drainage. Seller has the right to grade, excavate, fill, and/or to remove native trees, shrubs, and ground cover during the construction process.

☐ (e) **HOMESITE PREMIUM:** An additional charge related to the size and/or location of the lot in the neighborhood (the "Homesite Premium") may be included in the Purchase Price of the Property. The Homesite Premium, if any, has been determined by Seller in the exercise of its sole discretion. The only basis for the Homesite Premium is the size and/or location of the lot in the neighborhood. Purchaser acknowledges that Seller is not responsible for any change of view and/or change of use or development of any surrounding property, or any other factor with regard to surrounding property, even if owned by Seller, and that such change or factor shall not reduce or otherwise change the Homesite Premium, whether occurring before or after settlement.

15. **OTHER TERMS:** (Use this space for additional terms not covered elsewhere in this Contract.)

_____
_____
_____
_____
_____
_____
_____

16. **ACCEPTANCE:** This Contract, when signed by Purchaser, shall constitute an offer to enter into a bilateral contract, and the offer shall remain in effect unless earlier withdrawn, until _____ (local time in Virginia), on _____, 20___ (date). If not accepted by such time, this offer shall be null and void.

17. **ELECTRONIC SIGNATURES:** _____ /_____ **If this paragraph is initialed by both parties, then in accordance with the Uniform Electronic Transactions Act (UETA) and the Electronic Signatures in Global and National Commerce Act, or E-Sign, regarding electronic signatures and transactions, the parties do hereby expressly authorize and agree to the use of electronic signatures as an additional method of signing and/or initialing this Contract. The parties hereby agree that either party may sign electronically by utilizing an electronic signature service.**

January 1, 2017 Release

WITNESS the following duly authorized signatures:

PURCHASER:

_____/_____
DATE PURCHASER

_____/_____
DATE PURCHASER

_____/_____
DATE PURCHASER

_____/_____
DATE PURCHASER

SELLER:

_____/_____
DATE SELLER

_____/_____
DATE SELLER

_____/_____
DATE SELLER

_____/_____
DATE SELLER

Receipt of Deposit per paragraph 3 above is hereby acknowledged.

_____

For information purposes only:

Selling Company's Name and Address

_____
_____
_____
Office Phone _____ Fax _____
MLS Broker Code _____ Office ID No. _____
Agent Name _____
Agent ID No _____
Agent E-mail address _____

Listing Company's Name and Address:

_____
_____
_____
Office Phone _____ Fax: _____
MLS Broker Code _____ Office ID No. _____
Agent Name _____
Agent ID No.: _____
Agent E-mail address _____

This Contract has been ratified by Purchaser and Seller as of _____, 20____ ("Date of Ratification").

Acknowledgement that Contract is ratified as of the date above:

Selling Company _____
(Signature)

Listing Company _____
(Signature)

January 1 2017 Release - Redline

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REALTOR®

VIRGINIA ASSOCIATION OF REALTORS®
NON-EXCLUSIVE RIGHT TO REPRESENT BUYER AGREEMENT
(Standard Agency)

EQUAL HOUSING OPPORTUNITY

(This is a legally binding contract; if not understood, seek competent advice before signing.)

This AGREEMENT made as of _____, by and between _____ ("Buyer"); and _____ ("Broker"), provides:

1. In consideration of the mutual covenants contained in this Agreement, Broker is hereby granted the NON-EXCLUSIVE right to represent Buyer in the acquisition of real property. As used in this Agreement, "acquisition of real property" shall include any purchase, option, exchange or lease of property or an agreement to do so. Buyer is retaining Broker to acquire the following specific property or type of property: _____.

2. TERM: This Agreement shall commence on _____ and terminate at midnight on _____.

3. BROKER'S DUTIES: Broker shall represent Buyer as a standard agent in this brokerage relationship and represent Buyer in a diligent and effective manner to locate property available for purchase and suitable to Buyer. Unless otherwise provided by law or Buyer consents in writing to the release of information, Broker shall maintain the confidentiality of personal information, financial information and other matters identified as confidential by Buyer that is received from Buyer in the course of the brokerage relationship. If Broker is not the listing firm of the seller (the "Listing Firm"), Broker shall represent solely the interest of Buyer in all negotiations and transactions regarding the acquisition of real property, and shall repudiate any agency relationship with the seller unless consented to in writing by Buyer. Broker shall have no obligation to search out such properties beyond those that come to the attention of Broker in the ordinary course of Broker's business. Broker may represent other buyers who may be interested in the same property as Buyer.

4. BUYER'S DUTIES: Buyer shall: comply with the reasonable requests of Broker to supply any pertinent information or personal data needed to fulfill the terms of this Agreement; pay Broker the compensation set forth below; be available during Broker's regular working hours to view properties; consult with Broker before visiting any resale or new homes or contacting any other real estate licensees or property owners to avoid confusion over the brokerage relationships and liability for payment of the compensation due to Broker; and inform all sellers and licensees whom Buyer contacts of Buyer's brokerage relationship with Broker.

5. COMPENSATION: Broker is authorized to receive the compensation offered by the Listing Firm to a buyer's broker or paid by a seller, which compensation will be credited against the Fee (defined below) due by Buyer to Broker. For the services rendered by Broker, Buyer agrees to pay Broker a fee (the "Fee") equal to:

- ☐ _____% of the gross purchase price of the property acquired by Buyer; **AND/OR**
- ☐ the compensation offered by the Listing Firm or by a seller to a buyer's broker on property acquired by Buyer, but such compensation shall not be less than _____; **AND/OR**
- ☐ the sum of $_____.

The Fee shall be due during the term of this Agreement if Buyer enters into a contract to acquire a property of the type described above through services of Broker or otherwise, or the material conditions of such contract are subsequently met. The Fee shall also be due to Broker if the real property is shown or described to Buyer by Broker during the term of this Agreement and Buyer obtains title thereto within _____ days after the expiration of this Agreement unless Buyer has entered into a subsequent buyer brokerage agreement with another real estate brokerage firm. The Fee shall be payable to Broker on the earlier of transfer of title or any action or default by Buyer which results in Buyer's not obtaining title to the property after the material conditions of the contract for the acquisition of the real property are met. Buyer's obligation to pay the Fee shall survive the termination of this Agreement. Any compensation received by Broker from the Listing Firm or seller (including any selling bonus) in excess of the Fee shall be paid to and retained by Broker even though said amount may exceed the Fee. Broker shall promptly disclose any selling bonus to Buyer, but in all events prior to contract ratification. After crediting any compensation received by Broker from the Listing Firm or the seller, Buyer shall be responsible for the balance of the Fee due to Broker. Buyer shall not modify Broker's Fee in any real estate purchase contract.

6. DUAL/DESIGNATED AGENTS: Buyer acknowledges that Broker may represent sellers of property as a listing agent, and certain properties listed by Broker may be of interest to Buyer. Buyer authorizes Broker to bring to Buyer's attention any properties listed by Broker which may suit Buyer's needs and hereby instructs Broker to inform Buyer at the time of its representation of the seller if Buyer elects to view or consider property listed by Broker and to make an offer on such property, then dual agency by the Broker will exist, and Broker must either obtain the written consent of Buyer and Broker's seller client to: (i) assign different licensees of Broker as designated agents to represent Buyer and seller; or (b) act as a dual agent for Buyer and seller in the same transaction. Under Virginia law, designated agents shall not be considered dual agents and shall not be limited in their ability to represent the client to whom they are designated in the transaction. The principal or supervising broker who is supervising the transaction is considered a dual agent of both Buyer and seller, and such broker's ability to represent both clients will be limited. Broker shall not disclose to either client or such client's designated agent any information that has been given to Broker by the other client within the confidence and trust of the brokerage relationship, unless the disclosure is required by law or consented to in

August 1, 2017 Release Name

writing by the affected party. In dual agency, there is a limitation on Broker's ability to represent either Buyer or seller fully and exclusively. Paragraph 7 of this Agreement contains a disclosure explaining more fully the roles and responsibilities of Buyer, a seller and the agent in a dual agency. Broker shall request Buyer's consent to act as a dual agent if Buyer desires to make an offer on a property listed by Broker and Buyer agrees that before making an offer on any property listed by Broker, Buyer will enter into a written consent to a dual agency on the part of Broker.

7. DISCLOSURE REGARDING DUAL AGENCY: If Buyer is shown a property listed by Broker and/or makes an offer on such property, and Broker has not designated agents to represent Buyer and the seller, Broker and all of Broker's licensees will be acting as the agent for both the seller and Buyer in the transaction. In such a transaction, Broker will remain impartial to the seller and Buyer. Buyer agrees that Broker shall not be liable to either party for refusing or failing to disclose information which, in the sole discretion of Broker, would harm one party's bargaining position and would benefit the other party. Broker cannot disclose or advise either Buyer or seller as to (i) the terms to offer or accept in any offer or counteroffer; (ii) the suitability of the property, its condition (other than to make any disclosures as required by law of any licensee representing a seller), or the repairs to make or request; or (iii) any dispute that arises relating to the transaction. If the seller and Buyer do not enter into an agreement for the purchase of the seller's property, such dual agency shall terminate. Buyer acknowledges the implications of Broker's dual agency, including the limitation on Broker's ability to represent the seller or Buyer fully and exclusively. Buyer understands that Buyer may seek independent legal counsel or engage another real estate licensee at Buyer's sole expense in order to assist with any matter relating to a purchase agreement or to the transaction that is the subject matter of a purchase agreement. If Buyer engages legal counsel and/or another real estate licensee, Broker shall: (i) continue to act as a dual agent with the consent of Buyer; or (ii) terminate Broker's representation of Buyer by written notice to Buyer only with respect to the property listed by Broker in which Buyer has made an offer, but in either choice of (i) or (ii) above, Broker shall be entitled to the Fee set forth in Paragraph 5 unless otherwise agreed to by Broker. Provided Broker has acted in accordance with its obligations under this Agreement, Broker shall not be liable for any claims, damages, losses, expenses or liabilities arising from Broker's role as dual agent. Buyer shall have a duty to protect its own interests and should read any purchase agreement carefully to insure that it accurately sets forth terms Buyer wants included in the purchase agreement. If acting as a dual agent, Broker will: treat the seller and Buyer honestly; disclose material facts about the property that are known to Broker as required by law; assist in the preparation of the purchase agreement; work diligently to facilitate the sale and work with the seller and Buyer's settlement agent/attorney to facilitate closing. Broker may also assist Buyer to arrange property inspections, help Buyer compare financing alternatives, and provide information about comparable properties so the seller and Buyer may make an educated decision about the price to be contained in the purchase agreement.

8. RECORDINGS WITHIN THE PROPERTY: Prior to photographing, videographing or videotelephoning the property without prior written permission of the owner, Buyer should speak with an attorney. Buyer should be aware that the seller may have a security system that records or allows for remote monitoring of the property, including recording or broadcasting audio. Sellers may be able to listen to conversations in their properties and Buyer should be aware that any discussions of negotiation strategies held in the property may not be confidential. Buyer hereby releases Broker, Buyer agent and employees from any liability which may result from any recording in the property.

~~8.~~9. **MISCELLANEOUS:** Buyer acknowledges that Broker is being retained solely as a real estate agent and is not an attorney, tax advisor, lender, appraiser, surveyor, structural engineer, home inspector or other service provider. Buyer has been advised to seek professional advice for any such matters. This Agreement may not be modified or changed except by written instrument executed by the parties, and it shall be construed, interpreted and applied according to the laws of the Commonwealth of Virginia.

~~9.~~10. **ELECTRONIC SIGNATURES:** _____/_____ **If this paragraph is initialed by both parties, then in accordance with the Uniform Electronic Transactions Act (UETA) and the Electronic Signatures in Global and National Commerce Act, or E-Sign, regarding electronic signatures and transactions, the parties do hereby expressly authorize and agree to the use of electronic signatures as an additional method of signing and/or initialing this Agreement. The parties hereby agree that either party may sign electronically by utilizing an electronic signature service.**

~~10.~~11. **OTHER TERMS:** _____

Witness the following duly authorized signatures:

BUYER

_____/_____
Date Buyer

_____/_____
Date Buyer

_____/_____

BROKER

_____
_____

By: _____
Name: _____
Date: _____

January 2017 Replaces 1/2016

Date Buyer

/

Date Buyer

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January 1, 2017 Release - Redline

VIRGINIA ASSOCIATION OF REALTORS®

TENANT INTRODUCTION AGREEMENT

(For Non-Agency—Independent Contractor Relationship)

EQUAL HOUSING OPPORTUNITY

(This is a legally binding contract, if not understood, seek competent advice before signing.)

This AGREEMENT is entered into on _____ by and between _____ ("Tenant") and _____ ("Broker"). Tenant acknowledges that Broker is acting only as an independent contractor in this brokerage relationship, and not an agent, pursuant to Va. Code Section 54.1-2130 et seq. and will not provide any other services to Tenant, except as provided in this Agreement or as may be required by law.

1. Property: For and in consideration of the services to be rendered by Broker, Tenant hereby appoints Broker as an independent contractor to make all diligent efforts to procure for Tenant a suitable dwelling unit for lease commencing on _____ or as soon as possible at a monthly rent not to exceed $_____, or other amount as may be agreed upon. Broker's services will be limited to finding and introducing Tenant to rental properties and shall not include leasing advice or other brokerage services.

2. Term: This Agreement shall commence _____ and terminate at midnight on _____.

3. Broker Obligations: Tenant acknowledges that Broker has the following mandatory obligations according to Virginia law: Broker must maintain client confidentiality, exercise ordinary care, account for a client's money and property, disclose material facts to the client regarding the property and/or the transaction, and treat all parties honestly.

4. Compensation: Tenant agrees to pay Broker a fee of _____ (the "Fee") during the term of this Agreement if Tenant enters into a lease of the type described above through services of Broker or otherwise or the material conditions of such lease are subsequently met or the real property is shown or described to Tenant during the term of this Agreement and Tenant enters into a lease within _____ days after the expiration of this Agreement.

Broker is authorized to receive compensation offered by a listing firm to a tenant's broker or paid by a landlord, which compensation will be credited against the Fee due by Tenant to Broker.

5. Recordings within the Property: Prior to photographing, videographing or videotelephoning the property without prior written permission of the landlord, Tenant should speak with an attorney. Tenant should be aware that the landlord may have a security system that records or allows for remote monitoring of the property, including recording or broadcasting audio. Landlords may be able to listen to conversations in their properties and Tenant should be aware that any discussions of negotiation strategies held in the property may not be confidential. Tenant hereby releases Broker, buyer agent and employees from any liability which may result from any recording in the property.

6. Other Terms: _____

_____

_____

_____

Witness the following duly authorized signatures:

TENANT

_____ / _____
Date Tenant

_____ / _____
Date Tenant

_____ / _____
Date Tenant

_____ / _____
Date Tenant

BROKER

_____

_____

By: _____
Name: _____
Date: _____

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