

2020 New and Revised CVRMLS Forms Reference Guide

June 21, 2020

On May 27, 2020, the CVR MLS Board of Directors approved six new forms and revisions to seven existing CVR MLS transaction forms. In addition to the new and revised forms noted below, the Confirmation of Brokerage Fees form has been deleted from the forms library and all three CVR MLS Residential Listing Agreements have been updated to include the new protected classes recently added to VA fair housing law. This reference guide provides an overview of the significant form revisions and explanation of the new forms.

If you have any questions concerning the new and/or revised forms, please contact Peggy Lynch by email Plynch@rarealtors.com or by calling 804-422-5006.

1. CVR 335 Purchase Agreement Revised
2. CVR 333 POA Seven Day Extension New
3. CVR 365 Release of Purchase Agreement Revised
4. CVR 357 Addendum to Listing Agreement Revised
5. CVR 361 Bill of Sale New
6. CVR 325 Possession by Purchaser Agreement Revised
7. CVR 330 Possession by Seller Agreement Revised
8. CVR 375 Unconditional Release of Listing Revised
9. CVR 332 Sight Unseen Acknowledgement New
10. CVR 331 Purchaser's Limited Access to Property New
11. CVR 370 Unrepresented Seller Compensation Agreement Revised
12. CVR 900 Broker Compensation Agreement New
13. CVR 905 Modification of Broker Compensation New

1. CVR 335 CVR MLS Residential Purchase Agreement Revised

As of July 1, 2020, the VA fair housing statute has been updated to include four new protected classes, source of fund, sexual orientation, gender identity or status as a veteran. Additionally, the term "handicapped" has been replaced by "disability" throughout the statute. The CVR MLS Purchase Agreement and Listing Agreements have been updated accordingly.

FAIR HOUSING DISCLOSURE: All offers shall be presented and considered without regard to race, color, religion, sex, **disability, source of funds, familial status, elderliness, national origin, sexual orientation, gender identity, or status as a veteran**, as well as all classes protected by the laws of the United States, the Commonwealth of Virginia and applicable local jurisdiction.

Paragraphs 13 and 14 Property Owners and Condominium Disclosure

Both of these paragraphs have been updated to include the new code section references and language clarifying that the time period within which a Purchaser may terminate the purchase agreement commences upon receipt of the packet or resale certification even if that packet or resale certificate is out of date and/or incomplete.

2. CVR 333 CVR MLS POA/COA Seven Day Right of Cancellation NEW

As of July 1, 2020, the Property Owners' Association Act and the Virginia Condominium Acts were amended to allow the parties to agree, in writing, to extend the three-day right of rescission for up to an additional four days. This means that the parties can mutually agree in the purchase agreement, or in an addendum to the purchaser agreement, that the Purchaser may have additional days to review the association packet or condominium resale certificate. This form is designed for use when preparing a purchase agreement to request an extension of the review period.

Important Notes:

1. Neither of these laws allow the parties to waive or reduce the number of days to review the packet or certificate and caps the extension maximum at an additional four days.
2. Neither party to the purchase agreement is obligated to extend the 3 day right of rescission. Mutual consent is required.

3. CVR 357 Addendum to Listing Agreement Revised

Clarifying language has been added to this Temporary Withdrawn option stating that the withdrawal of the Property from the market shall continue until Owner and Broker execute a new Addendum to CVR MLS Listing Agreement to reactivate the marketing of the Property.

A Re-Activate Listing from Temporary Withdrawal status option has been added to the Addendum.

4. CVR 365 Release of Purchase Agreement Revised

Paragraph 3 of this Agreement was revised to allow the Purchaser to direct the escrow agent to release all or part of the escrow funds to a third party identified in the release.

5. CVR 361 Bill of Sale New

The Sale of Personal Property form has been revised and is now a new form titled Bill of Sale.

6. CVR 325 Possession by Purchaser Agreement Revised

Paragraphs 1 and 4 have been revised to state that when a Purchaser takes possession of the property prior to settlement that the Purchaser (subject to any repairs agreed to by the Seller in

the purchase agreement) assumes responsibility for all maintenance, repairs and/or replacements of heating, cooling, electrical, water supply, sewage, and mechanical systems, and appliances and shall maintain the landscaping including mowing the lawn.

Paragraph 6. The reference to the Seller entering the property to perform maintenance has been removed and the following sentence has been added to this paragraph. "Any personal property kept on the Property by Purchaser shall be at Purchaser's risk."

7. CVR 330 Possession by Seller Agreement Revised

Similar to the revisions to the Possession by Purchaser form, language has been added stating that in addition to maintaining the Property in its present condition, including heating, cooling, electrical, water supply, sewage, and mechanical systems, and appliances, the Seller must maintain the landscaping, including mowing the lawn.

A new Paragraph 5 has been added stating that prior to settlement, the "Purchaser at Purchaser's expense shall obtain fire and extended coverage insurance on the Property which Purchaser deems adequate to insure damage to the Property from any of the covered risks. All risk of loss or damage to the Property by fire, windstorm, casualty or other covered loss is assumed by Purchaser at settlement, regardless of possession." All subsequent paragraphs have been renumbered.

Former paragraph 6 (now 7) has been modified to state that if the escrow agent does not receive a list of deficiencies from the Purchaser within 3 days of the Occupancy Deadline, the Escrow Agent must pay the deposit to the Seller within three (3) days. All subsequent paragraphs have been renumbered.

8. CVR 375 Unconditional Release of Listing Revised

This form has been revised to remove references to "residential" and the withdrawal of a listing. The reference to residential was removed to allow the form to be applicable to the residential, unimproved land and commercial listing agreements. The temporary withdrawal of a listing is now addressed in the Listing Agreement Addendum form.

9. CVR 332 Sight Unseen Acknowledgement New

This new Acknowledgement is intended for use with sight unseen offers and confirms the following:

- A. Except as explicitly allowed under the Purchase Agreement, the Purchaser will not have the right to rescind or terminate the Purchase Agreement or modify the terms of the Purchase Agreement for any reason after the Purchase Agreement is accepted and executed by the seller.
- B. Any right to inspect the Property and/or to request repairs of defects revealed must be contained in the Purchase Agreement prior to submitting it to the seller for consideration.

C. It is the Purchaser's responsibility to determine whether the size, location and condition of the Property are acceptable prior to submitting the Purchase Agreement.

D, Purchaser acknowledges that seller, listing broker and Purchaser's broker have made no representations as to the suitability of the Property for Purchaser's needs.

E. Purchaser acknowledges that any images or videography provided by the seller, listing broker or Purchaser's broker or agent may not display the Property's features, flaws or size, and may not be an accurate depiction of the appearance and/or condition of the Property.

This Acknowledgement is not required for sight unseen offers but recommended as a best practice.

10. CVR 331 Purchaser's Limited Access to Property New

This new Agreement grants the Purchaser the right to access the Property for the following purposes:

- A. Delivery and storage of furniture, appliances and/or other personal property in the rooms/areas specified in the Agreement, and/or
- B. Measurement of rooms or window openings, and/or to show the Property to Purchaser's contractors, decorators and/or suppliers. No work is to be performed to the Property by Purchaser or any of Purchaser's representatives except as noted in the Agreement.

The Agreement does not give Purchaser the right to occupy or take possession of the Property. Any further entry to the Property is only permitted without the written consent of Seller, and such consent is at Seller's sole discretion.

All personal property is stored in the Property at the sole risk of Purchaser and the Purchaser assumes responsibility for any damage caused by the Purchasers or Purchaser's representatives.

In the event that settlement does not occur on the date indicated in the Purchase Agreement or other mutually agreed upon date, the Purchaser must remove all personal property stored at the Property within 10 days of Seller's written notice to Purchaser to remove such items. Any of Purchaser's personal property remaining in Property after the ten (10) day period shall be deemed abandoned and the Seller may dispose of the personal property at the Seller's sole discretion.

11. CVR 370 Unrepresented Seller Compensation Agreement Revised

This form has been revised to remove the mediation requirement.

12. CVR 900 Broker Compensation Agreement New

This new form establishes the agreed upon Selling Broker compensation when a listed property is an office exclusive listing or not entered in an MLS to which the Selling Broker subscribes.

Important Notes:

1. If a listed property is not in the CVR MLS database, there is **NO** offer of compensation to the Selling Broker even if lockbox access is provided unless the listing is entered in another MLS to which the Selling Broker subscribes.

2. The REALTOR® Code of Ethics requires that REALTORS® who wish to be compensated by Listing Brokers for listings that are not in an MLS to which the Selling Broker subscribes must negotiate their compensation prior to showing the property.

13. CVR 905 Modification of Broker Compensation New

This new form is to be used if the Selling Broker wishes to accept compensation different from what is being offered in the MLS.

Important Notes:

1. The Selling Broker **IS NOT** obligated to accept compensation that is different from what is offered in the MLS but may do so voluntarily.

2. Any alteration of the compensation offered in the MLS should **NEVER** be negotiated in the Purchase Agreement. The listing and selling firms are not parties to the purchase agreement and it is a violation of the REALTOR® Code of Ethics to use the terms of a purchase agreement to attempt alter the compensation offered in the MLS by the listing firm.

3. Unless otherwise agreed to in writing, the Listing Broker shall be paid the brokerage fee set forth in a separate listing agreement between Seller and Listing Broker and any compensation refused by the Selling Broker will be credited to the Listing Firm.