

MERCERTRIGIANI

VIRGINIA RESALE DISCLOSURE ACT

In tandem bills introduced in the Virginia House of Delegates and the Virginia Senate, the most significant legislation of the 2023 session of the Virginia General Assembly amends the resale disclosure provisions of the Condominium Act, the Property Owners' Association Act and Real Estate Cooperative Act.

Representatives of common interest community associations worked with representatives of the Virginia Realtors to update and clarify disclosure requirements on resale by consolidating statutory requirements in a single statute – the *Virginia Resale Disclosure Act*.

Overview

- New Statute – drawn from
 - Property Owners' Association Act
 - Condominium Act
 - Real Estate Cooperative Act
- Standard Form Resale Certificate
- Payment Upon Request
- Residential only
- Definitions
- Fees reset on January 12, 2023

The Resale Disclosure Act contains helpful definitions of terms frequently used in the context of resale disclosure. The disclosure document that sellers must provide to purchasers is a – **resale certificate** – tracking terminology from the oldest of the common interest community laws – the Condominium Act and language used in the uniform acts. Consolidation into a single source statute should produce consistency and efficiencies as well as ease in compliance.

New Resale Disclosure Statements

- Parking and Vehicles
- Home Business Operations
- Rental Restrictions
- Pending sale or encumbrance of common elements

Statements required to be included in the resale certificate are updated, reordered and redrafted to improve clarity. New disclosure statements concerning parking, home businesses and rental restrictions are added. The disclosure statements must be provided in a standardized resale certificate form developed by the Common Interest Community Board (CICB) and available at https://www.dpor.virginia.gov/CIC-Board/Disclosure_Notices. And, payment for the resale certificate must be provided upon written request – rather than paid out of settlement proceeds.