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**SENATE BILL NO. 280**

Offered January 10, 2018

Prefiled January 5, 2018

A *BILL to amend the Code of Virginia by adding in Title 55 a chapter numbered 14.1, consisting of sections numbered 55-252.1, 55-252.2, and 55-252.3, relating to lease-option real estate contracts; requirements of the owner; default.*

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Patron—Petersen

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Referred to Committee for Courts of Justice

**Be it enacted by the General Assembly of Virginia:**

**1. That the Code of Virginia is amended by adding in Title 55 a chapter numbered 14.1, consisting of sections numbered 55-252.1, 55-252.2, and 55-252.3, as follows:**

**CHAPTER 14.1.****LEASE-OPTION REAL ESTATE CONTRACTS.****§ 55-252.1. Definitions.***As used in this chapter:*

*"Lease-option real estate contract" means a contract that provides for a purchaser to lease real property and have an option to purchase the same property, with the purchaser paying separate consideration for the option.*

*"Purchaser" means a person who acquires any right or interest in real property through the lease-option contract and who occupies or intends to occupy the property as his or her primary residence.*

*"Recorded" means to have properly presented the writing that contains the contract terms for recording in accordance with § 55-106.*

**§ 55-252.2. Lease-option contracts; requirements of the owner.**

*Whenever an owner of residential property enters into a lease-option real estate contract with a purchaser, the owner shall (i) ensure that the contract is in writing and recorded, (ii) disclose in the contract all liens on the property at the time of the signing of the contract, and (iii) satisfy any outstanding tax obligations on the property prior to the signing of the contract.*

**§ 55-252.3. Default; right to cure.**

*When a purchaser of a lease-option real estate contract defaults on the contract, including nonpayment, the owner of the residential property shall give written notice of the grounds for default to the purchaser. The purchaser shall have 30 days from the date of service of the notice to cure the default before the purchaser's right to purchase can be forfeited. If the purchaser cures the default, his right to purchase shall not be forfeited.*

INTRODUCED

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