

20103379D

SENATE BILL NO. 343

Offered January 8, 2020

Prefiled January 6, 2020

A BILL to amend and reenact § 55.1-703 of the Code of Virginia, relating to the Virginia Residential Property Disclosure Act; required disclosures for buyer to beware; impounding structures or dams.

Patron—Locke

Referred to Committee on General Laws and Technology

Be it enacted by the General Assembly of Virginia:

1. That § 55.1-703 of the Code of Virginia is amended and reenacted as follows:

§ 55.1-703. Required disclosures for buyer to beware; buyer to exercise necessary due diligence.

A. The owner of the residential real property shall furnish to a purchaser a residential property disclosure statement for the buyer to beware of certain matters that may affect the buyer's decision to purchase such real property. Such statement shall be provided by the Real Estate Board on its website.

B. The residential property disclosure statement provided by the Real Estate Board on its website shall include the following:

1. The owner makes no representations or warranties as to the condition of the real property or any improvements thereon, or with regard to any covenants and restrictions, or any conveyances of mineral rights, as may be recorded among the land records affecting the real property or any improvements thereon, and purchasers are advised to exercise whatever due diligence a particular purchaser deems necessary, including obtaining a home inspection, as defined in § 54.1-500, in accordance with terms and conditions as may be contained in the real estate purchase contract, but in any event prior to settlement pursuant to such contract;

2. The owner makes no representations with respect to any matters that may pertain to parcels adjacent to the subject parcel, including zoning classification or permitted uses of adjacent parcels, and purchasers are advised to exercise whatever due diligence a particular purchaser deems necessary with respect to adjacent parcels in accordance with terms and conditions as may be contained in the real estate purchase contract, but in any event prior to settlement pursuant to such contract;

3. The owner makes no representations to any matters that pertain to whether the provisions of any historic district ordinance affect the property, and purchasers are advised to exercise whatever due diligence a particular purchaser deems necessary with respect to any historic district designated by the locality pursuant to § 15.2-2306, including review of (i) any local ordinance creating such district, (ii) any official map adopted by the locality depicting historic districts, and (iii) any materials available from the locality that explain (a) any requirements to alter, reconstruct, renovate, restore, or demolish buildings or signs in the local historic district and (b) the necessity of any local review board or governing body approvals prior to doing any work on a property located in a local historic district, in accordance with terms and conditions as may be contained in the real estate purchase contract, but in any event prior to settlement pursuant to such contract;

4. The owner makes no representations with respect to whether the property contains any resource protection areas established in an ordinance implementing the Chesapeake Bay Preservation Act (§ 62.1-44.15:67 et seq.) adopted by the locality where the property is located pursuant to § 62.1-44.15:74, and purchasers are advised to exercise whatever due diligence a particular purchaser deems necessary to determine whether the provisions of any such ordinance affect the property, including review of any official map adopted by the locality depicting resource protection areas, in accordance with terms and conditions as may be contained in the real estate purchase contract, but in any event prior to settlement pursuant to such contract;

5. The owner makes no representations with respect to information on any sexual offenders registered under Chapter 23 (§ 19.2-387 et seq.) of Title 19.2, and purchasers are advised to exercise whatever due diligence they deem necessary with respect to such information, in accordance with terms and conditions as may be contained in the real estate purchase contract, but in any event prior to settlement pursuant to such contract;

6. The owner makes no representations with respect to whether the property is within a dam break inundation zone. Such disclosure statement shall advise purchasers to exercise whatever due diligence they deem necessary with respect to whether the property resides within a dam break inundation zone, including a review of any map adopted by the locality depicting dam break inundation zones;

7. The owner makes no representations with respect to the presence of any stormwater detention facilities located on the property, or the existence or recordation of any maintenance agreement for such

INTRODUCED

SB343

59 facilities, and purchasers are advised to exercise whatever due diligence they deem necessary to
60 determine the presence of any stormwater detention facilities on the property, or any maintenance
61 agreement for such facilities, such as contacting their settlement provider, consulting the locality in
62 which the property is located, or reviewing any survey of the property that may have been conducted, in
63 accordance with terms and conditions as may be contained in the real estate purchase contract, but in
64 any event prior to settlement pursuant to such contract;

65 8. The owner makes no representations with respect to the presence of any wastewater system,
66 including the type or size of the wastewater system or associated maintenance responsibilities related to
67 the wastewater system, located on the property, and purchasers are advised to exercise whatever due
68 diligence they deem necessary to determine the presence of any wastewater system on the property and
69 the costs associated with maintaining, repairing, or inspecting any wastewater system, including any
70 costs or requirements related to the pump-out of septic tanks, in accordance with terms and conditions as
71 may be contained in the real estate purchase contract, but in any event prior to settlement pursuant to
72 such contract;

73 9. The owner makes no representations with respect to any right to install or use solar energy
74 collection devices on the property;

75 10. The owner makes no representations with respect to whether the property is located in one or
76 more special flood hazard areas, and purchasers are advised to exercise whatever due diligence they
77 deem necessary, including (i) obtaining a flood certification or mortgage lender determination of whether
78 the property is located in one or more special flood hazard areas, (ii) reviewing any map depicting
79 special flood hazard areas, (iii) contacting the Federal Emergency Management Agency (FEMA) or
80 visiting the website for FEMA's National Flood Insurance Program or for the Virginia Department of
81 Conservation and Recreation's Flood Risk Information System, and (iv) determining whether flood
82 insurance is required, in accordance with terms and conditions as may be contained in the real estate
83 purchase contract, but in any event prior to settlement pursuant to such contract;

84 11. The owner makes no representations with respect to whether the property is subject to one or
85 more conservation or other easements, and purchasers are advised to exercise whatever due diligence a
86 particular purchaser deems necessary in accordance with terms and conditions as may be contained in
87 the real estate purchase contract, but in any event prior to settlement pursuant to such contract; ~~and~~

88 12. The owner makes no representations with respect to whether the property is subject to a
89 community development authority approved by a local governing body pursuant to Article 6
90 (§ 15.2-5152 et seq.) of Chapter 51 of Title 15.2, and purchasers are advised to exercise whatever due
91 diligence a particular purchaser deems necessary in accordance with terms and conditions as may be
92 contained in the real estate purchase contract, including determining whether a copy of the resolution or
93 ordinance has been recorded in the land records of the circuit court for the locality in which the
94 community development authority district is located for each tax parcel included in the district pursuant
95 to § 15.2-5157, but in any event prior to settlement pursuant to such contract; *and*

96 13. *The owner makes no representations with respect to the condition or regulatory status of any*
97 *impounding structure or dam on the property or under the ownership of the common interest community*
98 *of which the owner is a mandatory member, and purchasers are advised to exercise whatever due*
99 *diligence a particular purchaser deems necessary to determine the condition, regulatory status, cost of*
100 *required maintenance and operation, or other relevant information pertaining to the impounding*
101 *structure or dam, including contacting the Department of Conservation and Recreation or a licensed*
102 *professional engineer.*

103 C. The residential property disclosure statement shall be delivered in accordance with § 55.1-709.