

USEFUL INFORMATION ABOUT REAL ESTATE TRANSACTIONS

REALTORS® are real estate licensees who, as members of the National Association of REALTORS® as well as the state and local Associations of REALTORS®, have pledged to the public and to each other that they will adhere to a strict code of ethics and high standards of professionalism, integrity and competence. REALTORS® are providing you with this information in order to assist you in making informed decisions when purchasing, selling or optioning real estate.

SERVICES. Regardless of whom they represent, REALTORS® can provide a variety of information and assistance to all parties in a real estate transaction. For example, REALTORS® can assist customers by performing ministerial acts such as supplying information about available properties and sources of financing, describing and showing properties, assisting in preparing and submitting purchase offers or counteroffers, or providing information about settlement procedures. REALTORS® acting as standard agents are required by Virginia law and by their Code of Ethics to treat all parties honestly and not knowingly give them false information, promptly present all written offers and counteroffers, disclose any adverse material facts actually known to them concerning the physical condition of a property, and offer properties without regard to race, color, religion, sex, handicap, familial status, elderliness or national origin, as well as any other classes protected by the Commonwealth of Virginia and applicable local jurisdiction.

LEGAL REQUIREMENTS. Virginia law requires that in order to be enforceable, all contracts for real property must be in writing. There is a recommended contract form that can be shown to you and that may be modified in any way to accommodate the needs of the parties. You have the opportunity to consult legal counsel concerning the contract as well as any other questions you may have about the various laws concerning real estate transfers that are referenced in the suggested contract form.

FINANCING: Mortgage rates and associated charges vary with financial institutions and the marketplace. Purchasers have the opportunity to select the lender and to negotiate terms and conditions of the loan. Such terms may be subject to seller's approval and lender's requirements. Borrowers also will be required to obtain a lender's title insurance policy. Purchasers may wish to obtain owner's title insurance coverage and may consult an attorney concerning this choice.

INSURANCE: The lender may require purchasers to buy a hazard insurance policy from the insurance company of their choice, subject to the lender's approval. Purchaser should be aware that many factors affect the availability and cost of hazard insurance on the Premises. Depending on the insurance company, these factors may include past insurance claims filed on the Premises, past insurance claims filed by Purchaser, and Purchaser's credit history. In addition, flood insurance may be required on the property. Purchaser should contact an insurance agent at the earliest opportunity to arrange for hazard insurance and, if necessary, flood insurance on the property.

MASTER PLANS. Prior to execution of a contract, purchasers may review the applicable Master Plan for the appropriate jurisdiction, including maps showing planned land use and proposed or actual parks, roads, or other facilities. These can be found at the planning offices of various jurisdictions and at some local libraries.

PROPERTY CONDITION AND ENVIRONMENTAL MATTERS. Various inspection services and home warranty insurance programs are available, and purchasers have the option to include in their offer to purchase a contingency that allows them to employ one or more experts of their choice at their expense to inspect the property and provide them with an analysis of its condition. Purchasers normally may also conduct a pre-settlement or pre-occupancy "walk-through" inspection of the property, but his inspection may be limited by the terms of the contract. REALTORS® do not have the expertise to advise concerning various conditions including but not limited to: major systems or structures; soil conditions; flood hazard areas; mold or air quality; possible restrictions on the use of the property due to restrictive covenants, zoning, subdivision or environmental laws, easements or other documents; airport or aircraft noise; planned land uses, roads or highways; including but not limited to construction materials and/or hazardous materials such as flame retardant treated plywood (FRT), radon, urea formaldehyde insulation (UFFI), polybutylene pipes, asbestos, synthetic stucco/EIFS, underground storage tanks or lead-based paint. Information about these issues may be obtained from appropriate governmental agencies such as the United States Environmental Protection Agency (EPA), the Virginia Department of Health, or local planning offices or health departments.

