

**The NVAR Board of Directors has approved the following new forms and forms changes, as proposed by the NVAR Standard Forms Committee, effective January 1, 2023.**

1. **K1391 – New Home Sales Addendum.** This form has been updated consistent with relevant changes to the Residential Sales Contract.
2. **K1359 – Conventional Financing & Appraisal Contingency.** This form has been modified to include an option for an “Appraisal Contingency Plus Gap Guaranty.” This form was also revised to clarify that Buyer must deliver Lender Rejection Letter for Specified Financing in order to Void the Contract.
3. **K1340 – FHA Financing Contingency & K1372 – USDA Financing Contingency.** These forms were revised to clarify that Buyer must deliver Lender Rejection Letter for Specified Financing in order to Void the Contract.
4. **K1339 – VA Financing Contingency.** This form has been modified to address the new VA regulations specifying that Veterans are not prohibited from being charged wood destroying pest inspection fees or from paying the cost of repairs. This form was also revised to clarify that Buyer must deliver Lender Rejection Letter for Specified Financing in order to Void the Contract.
5. **K1017 – Property Management Agreement.** This form has been substantially rewritten to ensure consistency with current Virginia law and modern practice. The form has also been modified for clarity and concision. Combined and streamlined disclosures for Professional Advice and Service Provider Referrals. Revised language in Fair Housing paragraph to be consistent with language in VRLTA Lease. Replaced “shall” with “will” and “Agent with “Managing Agent”. Removed repetitive language. Added language that Agreement terminates automatically upon sale of Premises. Included Property Management Information Form as Exhibit to Agreement instead of a separate form.
6. **K1354 – Lease – VRLTA.** This form has been substantially revised to streamline language, consistently use defined terms, and replace “shall” with “will”. Re-organized paragraphs for consistency and logical flow. Significantly, the “Rent” paragraph has been re-organized and re-structured to promote clarity and to ensure that all relevant information is provided. Added space to list 8 Occupants, consistent with Rental Application. Revised “Utilities and Services” and “Fixtures and Appliances” paragraphs to include additional language consistent with similar paragraphs in Residential Sales Contract. Revised Move-Out Inspection paragraph to make optional whether Tenant performs move-out cleaning/maintenance responsibilities or Landlord performs and withholds costs from Security Deposit. Combined Default & Enforcement clauses into one paragraph. Revised the SCRA paragraph to include U.S. Dept. of State employees, consistent with protections under Federal law. Streamlined list of attachments. Removed non-contractual language.
7. **K1020 – Seller’s Post-Settlement Occupancy Agreement.** This form has been substantially revised to modify several areas of conflict and frequently addressed issues on the Legal Hotline:
  - a. Moved language that Agreement is not a Lease or subject to the VRLTA to the top of the page for clarity.

- b. Paragraph 1 (Occupancy Charge) – Removed the option to calculate the PITI.
- c. Paragraph 2 (Occupancy Deadline) – Clarifies that if Seller vacates Property before Deadline, Seller will remain responsible for Property maintenance and condition and utilities until Deadline, unless the parties agree otherwise in writing.
- d. Paragraph 3 (Security Deposit) – Moved this paragraph to the first page, due to importance. Includes stronger language that the parties irrevocably instruct the Escrow Agent to release funds to Seller if list of deficiencies is not received in 3 business days. Includes language that parties will indemnify/not hold Escrow Agent liable for any loss/expense arising out of disbursement of SD.
- e. Paragraph 5 (Notice) – Added paragraph to clarify that, following Settlement, any Notices/communication will occur between the parties directly. If the parties’ contact information is not provided at or before Settlement, the parties authorize the Brokers and/or Settlement Agent to release the contact information.
- f. Paragraph 6 (Property Maintenance and Condition) – Modified paragraph to address question of whether Property must be broom cleaned/trash removed if sold “As-Is”. Included language that Seller must deliver any keys/fobs to Buyer at Deadline.
- g. Paragraph 7 (Home Warranty) – Added paragraph to emphasize importance of Home Warranty in the event any repair/replacement is needed. Included requirement of Seller coverage, which provides continuous coverage from seller to buyer, so there is no waiting period or requirement to show proof of working order before attaining coverage.
- h. Paragraph 8 (Fire, Flooding or Casualty Damage) – Re-titled paragraph to clarify that Buyer bears the risk of loss for Acts of God/casualty loss. Clarified Seller’s responsibility for maintaining insurance policy for personal property and liability and Buyer’s responsibility for maintaining homeowner’s insurance.
- i. Paragraph 9 (Access) – Modified paragraph to afford parties the option of negotiating whether Buyer is granted access to show Property during the duration of Seller’s occupancy. Clarified that 24-hours notice is reasonable notice.
- j. Notice Information – Added box for Parties’ and Escrow Agent’s contact information, to be completed by the parties at or before Settlement.

## **The following forms are added to the Standard Forms**

### **Library:**

1. **K1396 – Landlord/Tenant Move In/Move Out Inspection Report (Optional)**. This **new form** is optional but is provided to assist the parties in fulfilling their move-in and move-out inspection responsibilities under the Lease and VRLTA.

**General change:** Initials have been removed from the bottom of each page of forms. We will continue this practice for remaining forms as they are updated. Initials need only be added where there is a strikethrough or handwritten change to the printed forms content.