

Agent Policy Manual

Table of Contents

1. Information on Regulatory Changes 2

2. Handling Escrow and Lease Deposits 3

3. Fair Housing Laws and Regulations 5

4. Agency Relationships 7

5. Disclosure of Matters Related to Property Condition 19

6. Negotiating and Drafting of Contracts, Leases and Brokerage Agreements 20

7. Advertising 21

8. Use of Unlicensed Individuals 23

9. “Do Not Call” Guidelines & Procedures 24

10. Commission Rates and Fees 27

11. General Information 28

12. Career Development 30

13. Document Retention and Destruction 31

**Our Mission:**

Village Concepts Realty Group is a small company with BIG ideas. We are dedicated to providing you with the best tools so you can excel in your real estate career. Personal attention to our clients and supporting our community is what we believe in.

**Introduction:**

The purpose of this Policy Manual is to establish a written resource that governs the conduct between Village Concept Realty Group and our Real Estate professionals (Brokers & Salespersons). This manual also provides detailed procedures for real estate activities. At all times Village Concepts Realty Group and all of its professionals shall abide by all Federal, State, and local laws and regulations, as well as Agents should familiarize themselves with the Code of Virginia, Federal Statutes, NAR Code of Ethics, MLS Rules and Regulations, RAR/SVAR Bylaws, and practice within the confines of those documents. If an Agent has questions regarding the information contained in this manual, or has any other question concerning the brokerage of Real Estate, they should contact the Principal Broker immediately.

1. **Information on Regulatory Changes**

As statutory/regulatory changes are enacted that impact the contents of this manual, the firm will provide updated sections to the agents. Agents shall keep their personal copy of the manual up to date. A current, up to date copy of the manual will be kept by the firm in the main office and will be available for review during normal business hours.

The firm will also maintain a bulletin board designated for posting the most recent statutory/regulatory changes. Agents are also encouraged to routinely check the Real Estate Board website for updates.

1. **Handling Escrow and Lease Deposits**

**When a contract offer is written**

At the time of formation of a contract offer, agents should collect the escrow deposit. Acceptable forms include: personal check, cashier’s check, or money order. Agents should not accept cash, promissory notes, or items with appraised value without the specific authorization of the Principal Broker. Agents should hold the deposit in a secure location during the contract negotiating period. If the negotiation period lasts longer than 5 days the agent shall deliver the check along a copy of the offer to the Principal Broker and notify the client/customer that the funds are being deposited into the escrow account. The Principal Broker upon receiving the check shall deposit it into the escrow account and hold it in accordance with Virginia law.

**When a contract offer is accepted (ratified)**

Upon ratification of a contract the agent should submit the deposit along with a copy of the contract to the Principal Broker within 3 business days.

**When a contract offer is not accepted**

If a contract offer is not ratified, the agent should follow the instruction of their client regarding disposition of the deposit.

**When a lease is written**

At the time of formation of a lease, agents should collect the security deposit. Acceptable forms include: personal check, cashier’s check, or money order. Agents should not accept cash, promissory notes, or items with appraised value without the specific authorization of the Principal Broker.

**When a security deposit has been accepted**

Upon acceptance of a lease deposit the agent should submit the deposit along with a copy of the lease to the Principal Broker within 3 business days.

**FAQ – Purchase Offers**

What if my client asks us not to deposit a current (non-post dated) check because they don’t currently have the funds in their account (i.e. they put the current date on the check but they want us to wait 3 days until they get paid).

*NOT OK. Never accept a current check if you know there are not enough funds in the account to cover the check. Post dating, or delayed receipt would be acceptable.*

**Helpful Hints**

*In the case of personal checks, remember that once deposited the check must clear before a deposit can be issued. Therefore, if a ratified contract is terminated just after the escrow check is deposited, the refund to the client may be delayed*

Village Concepts Realty Group strictly adheres to the Code of Virginia and Virginia Real Estate Board Regulations regarding maintenance of escrow accounts, and the dispersing of funds from those accounts. If you have any questions regarding the above stated procedure or policy contact your Supervising Broker directly.

1. **Fair Housing Laws and Regulations**

**Village Concepts Realty Group’s position statement**

*Village Concepts Realty Group is committed to fair housing.*

*Village Concepts Realty Group, a Virginia based corporation, believes that any act of housing discrimination contradicts in every way the principles of freedom and opportunity we treasure as Americans. It is for this reason that Village Concepts Realty Group is committed to the letter and spirit of the Federal Fair Housing Act, the Virginia Fair Housing Law and all other federal and state laws enacted to guarantee a housing market free from discrimination. It is our policy to administer our real estate brokerage services in a manner which provides assistance to persons regardless of race, color, religion, sex, national origin, handicap, elderliness or familial status.*

*Additionally, as a member of the National Association of Realtors®, Virginia Association of Realtors® and the Richmond Association of Realtors®, Village Concepts Realty Group subscribes and pledges itself to a strict Code of Ethics, of which Article 10 provides that, “REALTORS® shall not deny equal professional services to any person for reasons of race, color, religion, sex, handicap, familial status, or national origin. REALTORS® shall not be parties to any plan or agreement to discriminate against a person or persons on the basis of race, color, religion, sex, handicap, familial status, or national origin."*

*Equal Opportunity in Housing is "the law of the land," and the right of every person in this country.*

**When acting as a licensed Realtor**

You shall not discriminate against a person or persons on the basis of race, color, religion, sex, handicap, familial status, national origin, or elderliness, or be party to any plan or agreement to do the same.

**When you observe an act of discrimination**

You shall immediately notify your Principal Broker of any act or plan that you believe violates the Federal Fair Housing Act or the Virginia Fair Housing Law.

**Helpful Hint**

*Be knowledgeable of the laws and their practical application to your business. Read professional journal articles on this topic, case studies, and the VREB Real Estate Digest Case Reviews.*

If you have any questions regarding the above stated procedure or policy contact your Principal Broker directly.

1. **Agency Relationships**

**Who may sign for the firm?**

Listing agreements may be signed for by agents.

Listing releases may be signed for by agents.

Contract releases must be signed for by the Principal Broker.

Referral agreements may be signed for by agents.

**What type of agency agreements can be used when listing a property?**

Village Concepts Realty Group accepts only Exclusive Right to Sell and Exclusive Agency Agreements.

**What types of agency may be practiced?**

Agents shall only practice Standard Agency. Limited Service Agency is not allowed. Although not a type of agency, Independent Contractor status is not allowed as well. As a Standard Agent you may be engaged in Seller Agency, Buyer Agency, Sub-Agency, Dual Agency, and Designated Agency. However, certain circumstances may create a situation whereby a type of agency should be avoided. Example: a listing agent wants to buy a listing that has not sold. They should terminate agency as the Listing Agent in lieu of acting as a dual agent. Agency can be complicated and thus in any situation that is not routine you should consult your Principle Broker. Remember that as of July 2012 ALL agency relationships must be in writing.

ALL employees of Village Concepts Realty Group will adhere to the Agency Disclosure provisions as set out in the Code of Virginia.  These provisions include, but are not limited to:

**§ 54.1-2136. Preconditions to brokerage relationship**

Prior to entering into any brokerage relationship provided for in this article, a licensee shall advise the prospective client of (i) the type of brokerage relationship proposed by the broker and (ii) the broker's compensation and whether the broker will share such salary or compensation with another broker who may have a brokerage relationship with another party to the transaction.

 **§ 54.1-2137. Commencement and termination of brokerage relationships.**

A. The brokerage relationships set forth in this article shall commence at the time that a client engages a licensee and shall continue until (i) completion of performance in accordance with the brokerage agreement or (ii) the earlier of (a) any date of expiration agreed upon by the parties as part of the brokerage agreement or in any amendments thereto, (b) any mutually agreed upon termination of the brokerage agreement, (c) a default by any party under the terms of the brokerage agreement, or (d) a termination as set forth in subsection F of § [54.1-2139](http://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+54.1-2139).

B. Brokerage agreements shall be in writing and shall:

1. Have a definite termination date; however, if a brokerage agreement does not specify a definite termination date, the brokerage agreement shall terminate 90 days after the date of the brokerage agreement;

2. State the amount of the brokerage fees and how and when such fees are to be paid;

3. State the services to be rendered by the licensee;

4. Include such other terms of the brokerage relationship as have been agreed to by the client and the licensee; and

5. In the case of brokerage agreements entered into in conjunction with the client's consent to a dual representation, the disclosures set out in subsection A of § [54.1-2139](http://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+54.1-2139).

C. Except as otherwise agreed to in writing, a licensee owes no further duties to a client after termination, expiration, or completion of performance of the brokerage agreement, except to (i) account for all moneys and property relating to the brokerage relationship and (ii) keep confidential all personal and financial information received from the client during the course of the brokerage relationship and any other information that the client requests during the brokerage relationship be maintained confidential, unless otherwise provided by law or the client consents in writing to the release of such information.

**§ 54.1-2138. Disclosure of brokerage relationship.**

A. Upon having a substantive discussion about a specific property or properties with an actual or prospective buyer or seller who is not the client of the licensee and who is not represented by another licensee, a licensee shall disclose any broker relationship the licensee has with another party to the transaction. Further, except as provided in § [54.1-2139](http://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+54.1-2139), [54.1-2139.1](http://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+54.1-2139.1), [54.1-2139.2](http://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+54.1-2139.2), or 54.1-2139.3, such disclosure shall be made in writing at the earliest practical time, but in no event later than the time when specific real estate assistance is first provided. Such disclosure may be given in combination with other disclosures or provided with other information, but if so, the disclosure must be conspicuous, printed in bold lettering, all capitals, underlined, or within a separate box.

B. A licensee shall disclose to an actual or prospective landlord or tenant, who is not the client of the licensee and who is not represented by another licensee, that the licensee has a brokerage relationship with another party or parties to the transaction. Such disclosure shall be in writing and included in all applications for lease or in the lease itself, whichever occurs first. If the terms of the lease do not provide for such disclosure, disclosure shall be made in writing no later than the signing of the lease. Such disclosure requirement shall not apply to lessors or lessees in single or multifamily residential units for lease terms of less than two months.

C. If a licensee's relationship to a client or customer changes, the licensee shall disclose that fact in writing to all clients and customers already involved in the specific contemplated transaction.

D. Copies of any disclosures relative to fully executed purchase contracts shall be kept by the licensee for a period of three years as proof of having made such disclosure, whether or not such disclosure is acknowledged in writing by the party to whom such disclosure was shown or given.

E. A limited service agent shall also make the disclosure required by § [54.1-2138.1](http://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+54.1-2138.1).

**§ 54.1-2139. Disclosed dual agency and dual representation authorized in a residential real estate transaction.**

A. A licensee may not act as a dual agent or dual representative in a residential real estate transaction unless he has first obtained the written consent of all parties to the transaction given after written disclosure of the consequences of such dual agency or dual representation. A dual agent has an agency relationship under the brokerage agreements with the clients. A dual representative has an independent contractor relationship under the brokerage agreements with the clients. Such disclosure shall be in writing and given to both parties prior to the commencement of such dual agency or dual representation.

B. If the licensee is currently representing a party as an agent or independent contractor representative and that party desires to engage in a real estate transaction with another existing client represented by the licensee, the licensee may engage in dual representation provided that prior to commencement thereof the disclosure required by this section is given to both of the licensee's existing clients.

C. If the licensee is currently representing a party as an agent or independent contractor representative and the licensee proposes to represent a new client in a dual representation, the licensee may only engage in such dual representation if prior to commencement thereof, the disclosure required by this section is given to the licensee's one existing client and one new client.

D. Such disclosures shall not be deemed to comply with the requirements in this section if (i) not signed by the client or (ii) given in a purchase agreement, lease, or any other document related to a transaction. However, such written consent and disclosure of the brokerage relationship as required by this article shall be presumed to have been given as against any client who signs a disclosure as required in this section.

E. The obligation to make the disclosures required by this section shall not relieve the licensee of the obligations set out in subsection B of § [54.1-2137](http://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+54.1-2137) requiring all brokerage relationships to be set out in a written agreement between the licensee and the client.

F. No cause of action shall arise against a dual agent or dual representative for making disclosures of brokerage relationships as provided by this article. A dual agent or dual representative does not terminate any brokerage relationship by the making of any such allowed or required disclosures of dual agency or dual representation.

G. In any real estate transaction, a licensee may withdraw, without liability, from representing a client who refuses to consent to a disclosed dual agency or dual representation hereby terminating the brokerage relationship with such client. Such withdrawal shall not prejudice the ability of the licensee to continue to represent the other client in the transaction nor to limit the licensee from representing the client who refused the dual agency or dual representation in other transactions not involving the dual agency or dual representation.

**§ 54.1-2139.01. Disclosed dual agency and dual representation in commercial real estate transactions authorized.**

A. A licensee may act as a dual agent or dual representative in a commercial real estate transaction only with the written consent of all clients to the transaction. A dual agent has an agency relationship under the brokerage agreements with the clients. A dual representative has an independent contractor relationship under the brokerage agreements with the clients. Such written consent and disclosure of the brokerage relationship as required by this article shall be presumed to have been given as against any client who signs a disclosure as provided in this section.

B. Such disclosure may be given in combination with other disclosures or provided with other information, but if so, the disclosure shall be conspicuous, printed in bold lettering, all capitals, underlined, or within a separate box.

C. The obligation to make the disclosures required by this section shall not relieve the licensee of the obligations set out in subsection B of § [54.1-2137](http://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+54.1-2137) requiring all brokerage relationships to be set out in a written agreement between the licensee and the client.

D. No cause of action shall arise against a dual representative for making disclosures of brokerage relationships as provided by this article. A dual representative does not terminate any brokerage relationship by the making of any such allowed or required disclosures of dual representation.

E. In any real estate transaction, a licensee may withdraw, without liability, from representing a client who refuses to consent to a disclosed dual representation thereby terminating the brokerage relationship with such client. Such withdrawal shall not prejudice the ability of the licensee to continue to represent the other client in the transaction or to limit the licensee from representing the client who refused the dual representation in other transactions not involving dual representation.

**§ 54.1-2139.1. Designated standard agency or designated representation authorized.**

A. A principal or supervising broker may assign different licensees affiliated with the broker as designated agent or representative to represent different clients in the same transaction to the exclusion of all other licensees in the firm. Use of such designated agents or representatives shall not constitute dual agency or representation if a designated agent or representative is not representing more than one client in a particular real estate transaction; however, the principal or broker who is supervising the transaction shall be considered a dual agent or representative as provided in this article. Designated agents or representatives may not disclose, except to the affiliated licensee's broker, personal or financial information received from the clients during the brokerage relationship and any other information that the client requests during the brokerage relationship be kept confidential, unless otherwise provided for by law or the client consents in writing to the release of such information.

B. Use of designated agents or representatives in a real estate transaction shall be disclosed in accordance with the provisions of this article. Such disclosure may be given in combination with other disclosures or provided with other information, but if so, the disclosure shall be conspicuous, printed in bold lettering, all capitals, underlined, or within a separate box.

C. The obligation to make the disclosures required by this section shall not relieve the licensee of the obligations set out in subsection B of § [54.1-2137](http://leg1.state.va.us/cgi-bin/legp504.exe?000+cod+54.1-2137) requiring all brokerage relationships to be set out in a written agreement between the licensee and the client.

D. No cause of action shall arise against a designated agent or representative for making disclosures of brokerage relationships as provided by this article. A designated agent or representative does not terminate any brokerage relationship by the making of any such allowed or required disclosures of dual representation.

E. In any real estate transaction, a licensee may withdraw, without liability, from representing a client who refuses to consent to a disclosed designated agency or representation agreement thereby terminating the brokerage relationship with such client. Such withdrawal shall not prejudice the ability of the licensee to continue to represent the other client in the transaction or to limit the licensee from representing the client who refused the designated agency or representation relationship in other transactions not involving designated representation.

**§ 54.1-2140. Compensation shall not imply brokerage relationship.**

The payment or promise of payment or compensation to a real estate broker does not create a brokerage relationship between any broker, seller, landlord, buyer or tenant.

In addition to the above-referenced provisions within the Code of Virginia, ALL employees of Village Concepts Realty Group will adhere to the following Virginia Real Estate Board Regulations, as they pertain to Agency Disclosure.

They are as follows:

**18 VAC 135-20-220. Disclosure of brokerage relationships.**

A. Purchase transactions.

1. Unless disclosure has been previously made by a licensee, a licensee shall disclose to an actual or prospective buyer or seller who is not the client of the licensee and who is not represented by another licensee and with whom the licensee has substantive discussions about a specific property or properties, the person whom the licensee represents in a brokerage relationship, as that term is defined in §54.1-2130 of the Code of Virginia.29

2. Except as otherwise provided in subdivision 3 of this subsection, such disclosure shall be made in writing at the earliest practical time, but in no event later than the time specific real estate assistance is first provided. Any disclosure complying with the provisions of §54.1-2138 A of the Code of Virginia shall be deemed in compliance with this disclosure requirement.

3. A licensee acting as a dual or designated representative shall obtain the written consent of all clients to the transaction at the earliest practical time. Such consent shall be presumed to have been given by a client who signs a disclosure complying with the provisions of §54.1-2139 of the Code of Virginia. Such disclosure shall be given to, and consent obtained from, (i) the buyer not later than the time an offer to purchase is presented to the licensee who will present the offer to the listing agent or seller, and (ii) the seller not later than the time the offer to purchase is presented to the seller.

4. Any disclosure required by this subsection may be given in combination with other disclosures or information, but, if so, the disclosure must be conspicuous, printed in bold lettering, all capitals, underlined, or within a separate box or as otherwise provided by §54.1-2138 of the Code of Virginia.

B. Lease transactions.

1. Unless disclosure has been previously made by a licensee, a licensee shall disclose to an actual or prospective landlord or tenant who is not the client of the licensee and who is not represented by another licensee, that the licensee has a brokerage relationship with another party or parties to the transaction. Such disclosure shall be in writing and included in the application for lease or the lease itself, whichever occurs first. If the terms of the lease do not provide for such disclosure, the disclosure shall be made in writing not later than the signing of the lease.

2. This disclosure requirement shall not apply to lessors or lessees in single or multi-family residential units for lease terms of less than two months.

In addition to the above-referenced provisions within the Virginia Real Estate Board Regulations, ALL employees and agents of Village Concepts Realty Group shall adhere to the following REALTOR® Code of Ethics, as they pertain to Agency Disclosure.

They are as follows:

**Standard of Practice 1-10**

REALTORS® shall, consistent with the terms and conditions of their real estate licensure and their property management agreement, competently manage the property of clients with due regard for the rights, safety and health of tenants and others lawfully on the premises.

**Standard of Practice 1-12**

When entering into listing contracts, REALTORS® must advise sellers/landlords of:

the Realtor’s company policies regarding cooperation and the amount(s) of any compensation that will be offered to subagents, buyer/tenant agents, and/or brokers acting in legally recognized non-agency capacities;

the fact that buyer/tenant agents or brokers, even if compensated by listing brokers, or by sellers/landlords may represent the interests of buyers/tenants; and

any potential for listing brokers to act as disclosed dual agents, e.g. buyer/tenant agents.

**Standard of Practice 1-13**

When entering into buyer/tenant agreements, REALTORS® must advise potential clients of:

the Realtor’s general company policies regarding cooperation and compensation; and any potential for the buyer/tenant representative to act as a disclosed dual agent, e.g. listing broker, subagent, landlord's agent, etc.

**Standard of Practice 1-14**

Fees for preparing appraisals or other valuations shall not be contingent upon the amount of the appraisal or valuation.

**Article 9**REALTORS®, for the protection of all parties, shall assure whenever possible that agreements shall be in writing, and shall be in clear and understandable language expressing the specific terms, conditions, obligations and commitments of the parties. A copy of each agreement shall be furnished to each party upon their signing or initialing.

**Standard of Practice 9-1**

For the protection of all parties, REALTORS® shall use reasonable care to ensure that documents pertaining to the purchase, sale, or lease of real estate are kept current through the use of written extensions or amendments.

**Standard of Practice 16-4**

REALTORS® shall not solicit a listing which is currently listed exclusively with another broker. However, if the listing broker, when asked by the REALTOR®, refuses to disclose the expiration date and nature of such listing; i.e., an exclusive right to sell, an exclusive agency, open listing, or other form of contractual agreement between the listing broker and the client, the REALTOR® may contact the owner to secure such information and may discuss the terms upon which the REALTOR® might take a future listing or, alternatively, may take a listing to become effective upon expiration of any existing exclusive listing.

**Standard of Practice 16-5**

REALTORS® shall not solicit buyer/tenant agreements from buyers/tenants who are subject to exclusive buyer/tenant agreements. However, if asked by a REALTOR®, the broker refuses to disclose the expiration date of the exclusive buyer/tenant agreement, the REALTOR® may contact the buyer/tenant to secure such information and may discuss the terms upon which the REALTOR® might enter into a future buyer/tenant agreement or, alternatively, may enter into a buyer/tenant agreement to become effective upon the expiration of any existing exclusive buyer/tenant agreement.

**Standard of Practice 16-6**

When REALTORS® are contacted by the client of another REALTOR® regarding the creation of an exclusive relationship to provide the same type of service, and REALTORS® have not directly or indirectly initiated such discussions, they may discuss the terms upon which they might enter into a future agreement or, alternatively, may enter into an agreement which becomes effective upon expiration of any existing exclusive agreement.

**Standard of Practice 16-7**

The fact that a client has retained a REALTOR® as an agent or in another exclusive relationship in one or more past transactions does not preclude other REALTORS® from seeking such former client's future business.

**Standard of Practice 16-8**

The fact that an exclusive agreement has been entered into with a REALTOR® shall not preclude or inhibit any other REALTOR® from entering into a similar agreement after the expiration of the prior agreement.

**Standard of Practice 16-9**

REALTORS®, prior to entering into an agency agreement or other exclusive relationship, have an affirmative obligation to make reasonable efforts to determine whether the client is subject to a current, valid exclusive agreement to provide the same type of real estate service.

**Standard of Practice 16-10**

REALTORS®, acting as agents of, or in another relationship with, buyers or tenants, shall disclose that relationship to the seller/landlord's agent or broker at first contact and shall provide written confirmation of that disclosure to the seller/landlord's agent or broker not later than execution of a purchase agreement or lease.

**Standard of Practice 16-11**

On unlisted property, REALTORS® acting as buyer/tenant agents or brokers shall disclose that relationship to the seller/landlord at first contact for that client and shall provide written confirmation of such disclosure to the seller/landlord not later than execution of any purchase or lease agreement.
REALTORS® shall make any request for anticipated compensation from the seller/landlord at first contact.

**Standard of Practice 16-12**

REALTORS®, acting as agents or brokers of sellers/landlords or as subagents of listing brokers, shall disclose that relationship to buyers/tenants as soon as practicable and shall provide written confirmation of such disclosure to buyers/tenants not later than execution of any purchase or lease agreement.

**Standard of Practice 16-13**

All dealings concerning property exclusively listed, or with buyer/tenants who are subject to an exclusive agreement shall be carried on with the client's agent or broker, and not with the client, except with the consent of the client's agent or broker or except where such dealings are initiated by the client. Before providing substantive services, such as writing a purchase offer or presenting a CMA, to prospective purchasers, sellers, tenants or landlords ("prospects"), REALTORS® shall ask prospects whether they are a party to any exclusive representation agreement. REALTORS® shall not knowingly provide substantive services concerning a prospective transaction to prospects who are parties to exclusive representation agreements, except with the consent of the prospects' exclusive representatives or at the direction of prospects.

**Standard of Practice 16-14**

REALTORS® are free to enter into contractual relationships or to negotiate with sellers/landlords, buyers/tenants or others who are not subject to an exclusive agreement but shall not knowingly obligate them to pay more than one commission except with their informed consent.

**FAQs – Residential Standard Agency**

**Question:**

Is it the law that you have to have a signed agreement to show a house that is not your listing?

**Answer:**

Yes. Is it clearly expressed somewhere in the law? No. It takes three steps to get there, which is one of the reasons it has been causing concern. Here's how it goes:

1. All brokerage agreements must be in writing

2. Showing a house is a brokerage service

3. You conduct brokerage services on behalf of a client

Therefore: if you don't represent the seller, you need some agreement to conduct brokerage services.

**Question:**

I heard that I will have to have a written Buyer Broker agreement for every transaction. Is that true?

**Answer:**

All agents will have to have *written* agency and brokerage agreements with clients they represent. These agreements must, at a minimum:

* Provide a list of services that the agent will deliver;
* Provide a schedule of fees that will be associated with service, and when payable; and
* Provide a definite termination date.

**Question:**

What do I do if the Buyer wants to be represented by an agent but refuses to sign a Buyer Broker Agreement?

**Answer:**

The new requirement that all Buyer Brokerage Agreements be in writing does not specify the duration of the agreements. For example, let’s say I am a buyer looking for a house and I know I want representation but I am not sure from whom. Do I want to sign a Buyer Brokerage Agreement, which ties me to a specific agent for 180 days? Absolutely not! However, I may be very willing to sign an agreement for a few days, or for a specific property while we get to know each other. If after a trial period both the agent and the Buyer decide that the relationship will be a good one, then propose a long term Buyer Broker Agreement.

You should also point out that you are required by law to have the agreement in writing.

**Question:**

What if I represent a Seller and an interested Buyer wants me to write the offer but does not want representation? Will I have to have a Buyer Broker Agreement with him?

**Answer:**

No. The new law does not force Buyers to be represented by an agent. In this scenario, if you limit assistance to the buyer to ministerial tasks such as filling in the blanks on a contract no agreement is required. However, if the Buyer does want to be represented by an agent, then an agreement must be in writing.

**Question:**

I heard that the law dramatically changes the way dual agency works in Virginia. Is that true?

**Answer:**

No. The disclosure requirements for dual agency have not changed. What has changed it the Dual Agency Disclosure Form. Dual agents will now provide, and have signed by the clients, a new form expressly describing the limitations on what dual agents cannot do for parties to a transaction.

**Question:**

How do teams disclose a brokerage relationship?

**Answer:**

While the legislature has not addressed the use of “teams” in real estate transactions, we recommend that the names of all licensed members of a team be included in the Disclosure of Brokerage Relationship to Unrepresented Parties. Further, for dual or designated agency/representation, the agent’s name who is specifically assigned to the client should be inserted on the disclosure form.

**Question:**

Do I need to enter into a written brokerage agreement to provide a BPO?

**Answer:**

Yes. If you have been requested to provide a BPO (broker price opinion), then that is providing licensable service to a client and a written brokerage agreement is necessary to perform the service. You can elect to represent the client in an agency relationship (standard agent or limit service agent) or non-agency relationship (independent contractor).

1. **Disclosure of Matters Relating to Property Condition**

**Residential property:**

Pursuant to section §55-519 Code of Virginia, a seller represented by Village Concepts Realty Group, must complete a Residential Property Disclosure form unless the property is exempted pursuant to section §55-518 Code of Virginia.

**All property types**

When working with sellers agents should inform them that pursuant to §54.1-2131 Code of Virginia, any material adverse facts know to the agent must be disclosed by the agent to potential buyers and their agents. In residential property cases this may create a conflict since owners may opt to “disclaim” through the use of the disclosure statement. If a client wishes to “disclaim” and instructs the agent to remain quiet on a defect known to the agent, the agent should refuse to list the property. Even if the seller chooses to remain quiet on adverse conditions, the seller should not intentionally or willfully misrepresent the condition of the property. If an agent has knowledge that the seller has intentionally or willfully misrepresented the condition of the property, the agent should immediately notify the Principle Broker.

**Inspections**

As a general rule, defects made know to the agent by means of an inspection report should be considered to be factual.

If there exists two or more conflicting reports, agents should advise the owners that Village Concepts Realty Group’s policy is to disclose the conflicting reports to potential buyers and their agents. If the owners request the agent to remain quiet in regards to the report(s), the agent should request a release of the listing.

**Misrepresentation**

VCRG requires Agents to treat all prospective Sellers and/or Buyers honestly and not knowingly give them any false information. Agents should be careful when discussing the condition of a property. In most instances the agent should not make statements as to the condition of the property. The agent should avoid statements such as “the septic is in working order”, or “there is no problem with the roof”. If the agent wishes to convey information from another source such as an inspection report or the owner, the agent should use wording such as “the inspection report stated the roof was in good condition”, or “the sellers stated to me that the septic was in working order”. It is always preferred to respond to inquiries by suggesting that the inquirer satisfy themselves as to the condition of the property. §54.1-2131Code of Virginia

1. **Negotiating and Drafting of Contracts, Leases and Brokerage Agreements**

**When drafting contracts**

* + Use forms provided by Village Concepts Realty Group, which are provided by CVRMLS and/or Virginia Association of Realtors, unless a principal to the transaction dictates otherwise.
	+ Use clear property descriptions such as a legal description or tax parcel identification.
	+ Become familiar with basic financing programs.
	+ Specify contingencies in clear and explicit terms.
	+ When writing performance language be sure to include wording that addresses what will happen if the obligation is not satisfied. A good formula to remember is: Action + Deadline + Consequence.
	+ Do not leave blanks in contracts. Unused blanks should have a “na” or a strike through written in them.
	+ When including early possession/rent back agreements use the RAR standard forms and place language in the contract making the contract contingent upon the parties ratifying the early possession/rent back agreement.
	+ When you are in a multiple offer situation, you must receive authorization from your client to disclose to another agent the existence of other offers.
	+ Counteroffers should be handled one at a time. There is a high risk associated with dealing with more than one counteroffer at any given time.
	+ Only allow one party to sign for another if you have proper documents, i.e.: Power of Attorney or similar legal document granting that authority.
	+ **A Real Estate licensee should never sign or initial documents on the behalf of the purchaser and/or seller even when you have been given permission by either party.**
1. **Advertising**

**Composing advertising**

All ads must contain the firm’s name in a clear and legible manner. The Village Concepts Realty Group logo should be used when practically possible.

All advertising shall be reviewed and approved by the Principal Broker prior to publication.

**Helpful Hints**

*Always place your name and phone number on an ad. Although it is not law, it is good practice to place the fair housing logo on all advertising.*

Village Concepts Realty Group strictly adheres to the Code of Virginia and Virginia Real Estate Board Regulations regarding advertising. If you have any questions regarding the above stated procedure or policy contact your Supervising Broker directly. The following section of the Code of Virginia is provided for further detail:

**18 VAC 135-20-190. Advertising by licensees.**

A. Definitions. The following definitions apply unless a different meaning is plainly required by the context:

"Advertising" means all forms of representation, promotion and solicitation disseminated in any manner and by any means of communication to consumers for any purpose related to licensed real estate activity.

“Disclosure” in the context of on-line advertising means (i) advertising that contains the firm’s licensed name, the city and state in which the firm’s main office is located and the jurisdiction in which the firm holds a license or (ii) advertising that contains the licensee name, the name of the firm with which the licensee is active, the city and state in which the licensee’s office is located and the jurisdiction in which the licensee holds a license. “Disclosure” in the context of other advertising means (i) advertising by the firm that contains the firm’s licensed name and the firm’s address or (ii) advertising by an affiliated licensee that contains the licensee’s name, the name of the firm with which the licensee is active and the firm's address.

"Institutional advertising" means advertising in which no real property is identified. “Viewable page” means a page that may or may not scroll beyond the borders of the screen and includes the use of framed pages.

B. All advertising must be under the direct supervision of the principal broker or supervising broker and in the name of the firm. The firm's licensed name must be clearly and legibly displayed on all advertising.

C. Online advertising:

1. Office Policy requires all agents to comply with VREB: 18VAC135-20-190

2. All online advertising that can be viewed or experienced as a separate unit (i.e., e-mail messages, text messages and web pages) must contain disclosure as follows:

a. The web. If a firm or licensee owns a webpage or controls its content, the viewable page must include disclosure or a link to disclosure. b. E-mail, newsgroups, discussion lists, bulletin boards. All such formats shall include disclosure at the beginning or end of each message. The provisions of this subsection do not apply to correspondence in the ordinary course of business.

c. Instant messages. Disclosure is not necessary in this format if the firm or licensee provided the disclosures via another format prior to providing, or offering to provide, licensed services.

d. Chat. Disclosure is required prior to providing, or offering to provide, licensable services during the chat session, or in text visible on the same webpage that contains the chat session if the licensee controls the website hosting the chat session.

e. Voice Over Net (VON). Disclosure is required prior to advertising or the disclosure text must be visible on the same webpage that contains the VON session.

f. Banner ads. A link to disclosure is required unless the banner ad contains the disclosure.

g. Social Media. Disclosure is required if this platform is used for ANY purposes pertaining to advertisement of a specific property or to obtain business. All social media platforms must comply with VREB regulations and NAR’s Code of Ethics.

h. Electronic Communication. With recent wire fraud committed by hackers, this is a potential VCRG liability. Please make your clients aware that VCRG does not handle any funds or instruction of wiring. All wire instructions must be handled by the client’s attorney and VCRG will not request any wiring instructions via any electronic communications.

1. **Use of Unlicensed Individuals**

**When you have an unlicensed assistant working for you**

Village Concepts Realty Group endorses the opinion of the Virginia Association of Realtors regarding use of unlicensed assistants. Agents utilizing the services of an unlicensed assistant should adhere to the guidelines listed below.

Unlicensed Assistants MAY

* Answer the phone and forward calls to a licensee
* Submit listings and changes to a MLS
* Follow up on loan commitments after a contract has been negotiated
* Assemble documents for closings
* Secure documents from courthouses, public utilities offices, etc.
* Have keys made for company listings
* Write ads for approval of licensee and supervising broker and place advertising
* Record and deposit earnest money, security deposits and advance rents
* Type contract forms for approval by licensee and supervising broker
* Monitor licenses and personnel files
* Compute commission checks
* Place signs on properties
* Order items of routine repair
* Prepare flyers and promotional information for approval by licensee and supervising broker
* Act as a courier service to deliver documents, pick up keys
* Schedule appointments for showings

Unlicensed Assistants MAY NOT

* + Prepare promotional materials or ads without the review and approval of the licensee and supervising broker
	+ Show property
	+ Answer any question on listings, title, financing, closings, etc.
	+ Discuss or explain a contract, listing, lease, agreement or other real estate document with anyone outside of the firm
	+ Work as a licensee/secretary in one firm and do real estate related activities within another form
	+ Be paid on the basis of real estate activity, such as a percentage of commissions, or any amount based on listings, profits, etc.
	+ Negotiate or agree to any commission, commission split, management fee or referral fee on behalf of a licensee
1. **“Do Not Call” Guidelines & Procedure**

**What is the Do-Not-Call Registry and how did it come about?**

In December of 2002, the Federal Trade Commission ("FTC") finalized amendments to the Telemarketing Sales Rule ("TSR"). Key among the changes was the development of a national "Do-Not-Call" registry directed at stopping most unwanted interstate telemarketing calls to consumers. The new FTC rules provide consumers with the ability to place their telephone number on the registry. Telemarketers will be prohibited from calling anyone whose name is on the registry unless they meet certain criteria.

In a separate but similar effort, on June 26, 2003, the FCC announced final amendments to its telemarketing rules that would, among other things, prohibit intrastate calls to any person on the National Do-Not-Call registry, in addition to the prohibition against interstate calls established under the FTC rule. This is a significant change and as a result, all real estate professionals making interstate as well as intrastate calls must comply with the requirements of the National Do-Not-Call registry, regardless of state law exemptions.

A "telephone solicitation" is defined as "a telephone call or message for the purpose of encouraging the purchase or rental of, or investment in, property, goods, or services, which is transmitted to any person" and covers the cold-calling activities of a real estate professionals.

**Exemptions to the rule**

You may call the following:

1. Consumers with whom you have an existing business relationship. This applies to existing clients and customers and extends for up to 18 months after the end of a transaction.
2. Consumers who make an inquiry. You can call the person for up to three months after the inquiry. There is no limit on what the company can discuss with the consumer during those three months.
3. Persons who have granted prior express permission to call. This permission must be in writing.
4. Persons with whom you have a personal relationship. ("personal relationship" is defined as family member, friend, or acquaintance of the telemarketer making the call)

**Calling Procedures**

You should check all numbers against the DNC list using the automated lookup system contained on our website within your Agent Control Panel.

You should make calls only between the hours of 8am and 9pm.

You should not allow a phone to ring excessively if not answered.

You should immediately identify yourself and Village Realty Concepts Group.

You should conduct yourself in a professional tone and manner at all times.

You should never use abusive tactics such as threats or obscene language.

You should never hang up if a consumer begins to request placement on the company's Do-Not-Call List.

**Calls made to FSBO's**?

There are two instances when a real estate professional would call a FSBO seller. The first would be a real estate professional seeking a FSBO listing and the second would be a buyer's representative who believes his/her client might be interested in a FSBO property. There is no problem with you contacting a FSBO owner whose number is listed in the Do-Not-Call registry about your client's potential interest in the property, as this call is not a telephone solicitation by the buyer's representative. However, the buyer's representative can only discuss his/her client's interest in the property and not use a purported client's interest as a way to also discuss the possibility of the FSBO owner listing his/her property with the buyer's representative.

However, you are prohibited from initiating a telephone call to a FSBO seller whose number is listed in the Do-Not-Call registry in an attempt to obtain a listing. The rules prohibit anyone from making telephone solicitations to telephone numbers that are registered in the database, and a call initiated to obtain the listing falls within that definition.

**Calls made to businesses**

The Do-Not-Call Registry is only for residential telephone numbers. You may call businesses in order to solicit business.

**Calls made to visitors of an open house.**

In order to conduct follow-up calls to visitors, you should provide some kind of notice on a sign-in sheet alerting visitors that they are consenting to receive a follow-up call, such as providing space on the sign-in sheet for visitors to include their name, telephone number, and a box next to each line allowing the visitors to check "yes" if they would like to receive a follow-up call.

**Fines**

Persons violating the act can have a lawsuit brought against them. The lawsuit can be brought by the federal government (FCC or FTC), state attorney general, or by a private individual. Fines can reach $11,000 per violation for lawsuits brought by the federal government, $500 for lawsuits brought by the other two groups.

**Persons requesting to be placed on a Do-Not-Call List**

If a number is not listed on the Do-Not-Call List a person still may request that they not be contacted in the future. If during a call a person requests that their name be placed on a Do-Not-Call List, they ask that they not be called again, or they simply make a statement such as “don’t call me again”, enter their number into the DNC system within your Agent Control Panel. Remember to conduct the call in a professional and polite manner, acknowledging the person’s request.

**Independent Contractor Status**

As Independent Contractors, Agents are responsible for their actions and as such Village Concepts Realty Group offers this policy only as a guide to assist the Agents in their daily business operations. If an Agent has questions about the content of this policy, or its application, they should contact the Principle Broker. Remember, if in doubt, don’t take action. Agents who violate this policy or any of the laws related to its administration, thus exposing Village Concepts Realty Group to litigation, may be pursued in order to recover costs associated with but not limited to fines, fees, or any other damages.

1. **Commission Rates and Fees**

**Listing Commission**

Agents may negotiate commission rates. Any negotiated rate shall be discussed with the Principle Broker prior to entering into an agreement with a client. The amount of compensation offered to a cooperating broker shall be determined by the Listing agreement.

**Selling Commission**

Agents agree to accept the commission offered through the MLS, but may reduce that amount or offer a rebate to their client, if it is in their client’s best interest. If the property is not being sold through the MLS the agent may negotiate the selling commission, but only to the extent that the negotiation does not interfere with the interests of the firm’s client.

**Referral Fees**

Inbound referrals from other licensed entities will be distributed to agents on a scheduled basis. There will be no fee charged to the agent for receipt of the referral.

**Company Generated Leads**

Company leads (coming from sources other than licensed entities) will be distributed to agents on a scheduled basis. If the agent accepts the lead, there will be a 30% off the top charge upon closing.

1. **General Information**

**Professionalism**

Agents act as representatives for Village Concepts Realty Group and as such have a duty to act always in a businesslike, ethical and professional manner toward clients, customers, business associates, and/or Realtors. Any use of profanity, inappropriate behavior, and suggestive comments will not be tolerated by any representative of VCRG, including Independent contractors. VCRG suggests all agents familiarize themselves and follow the Code of Ethics and Standard Practice of the National Association of Realtors.

We understand that Cell phones are an important asset in your Real Estate business; however, texting while driving is illegal and grounds for **automatic dismissal**. Village Concepts Realty Group encourages the use of hands free devices for calls while driving.

**Expectations**

VCRG was founded on providing the highest level of customer service and maintaining the best customer relations. VCRG requires licensees to protect and not disclose any client’s personal and/or financial information or any other information our clients require to be kept confidential.

VCRG expects all agents and its representatives to return phone calls, emails, and any messages within 24 hours, as well as personalized weekly communication to each of our clients.

**MLS Rules & Regulations**

It is the policy of Village Concepts Realty Group to submit all listings taken by agents to the Central Virginia Regional Multiple Listing Service (CVRMLS) or in the appropriate listing service that Village Realty Concept Group belongs to.

Listings may be withheld from the listing service only with written instructions from the seller after the agent has fully informed the seller of the disadvantages of such a decision and management has been informed.

All changes to active or pending listings that are made by the agent must be in writing and will be printed out at the time the change is made with a copy submitted to the firm.

Agents will take whatever measures necessary to be informed and will strictly adhere to the MLS Rules and Regulations as they pertain to the listings, pendings, solds, as well as any and all other rules and regulations which apply to the listings and sale of property.

**Vacation/Out of Town**

When on vacation or out of town, agents shall notify the office in writing of the period of time they will be out of the office and designate an agent to cover for them in their absence. The agent shall complete a form that will advise the firm of how calls should be handled, by whom and for what length of time. An emergency number where the agent can be reached shall be left with the firm and the covering agent.

**Changes in Name, Address, Telephone Number & Email**

All Changes in your name, address, telephone number, or email address shall be reported immediately to your supervising broker and RAR/CVRMLS. You must also report any changes to VREB within 30 days.

**Facilities**

Agents will be provided with a resource facility that includes computers with appropriate software programs, printers, copy machine, fax machine, reference materials and other supplies necessary to conduct business in a professional manner

**Forms/Supplies**

The firm will provide listing and contract forms to include addenda from RAR, SVAR and VAR as well as in-house forms that are necessary to conduct listing and sales activities.

Village Concepts Realty Group maintains miscellaneous supplies such as stationary, copy paper, envelopes, binding materials, firm brochures, paper clips, staples, tape, etc. for agents and staff to use in reasonable quantities. Care should be taken not to use excessive amounts of supplies.

**Maintaining Files**

Your files are a record of every event relative to your dealings with clients on listings, sales, or lease transactions. You must retain copies of all listings, contracts, deposit receipts, cancelled checks, trust records, settlement statements and all other pertinent documents executed during the real estate transaction. All documents relating to these transactions must be turned into the office within 3 calendar days and along with any changes, addendums, extensions, etc. must also be turned into the office for proper maintenance of all company files. All files will be held in storage for a minimum of three (3) years in accordance with VREB regulations.

**Training**

The firm will provide training to enhance the skills, professional knowledge and performance of all members through the delivery of educational and career development opportunities.

**Errors & Omission Insurance (E&O)**

The firm will provide a blanket E&O policy. Each agent will be responsible for their pro-rated share of the annual premium cost, subject to the firm subsidized schedule.

**Business Cards**

Agents must use a standard format provided by the firm. Changes to the standard format must be approved by the Principle Broker. The first 250 business cards will be supplied to the agent at no cost. All subsequent orders shall be paid for by the agent.

**Yard Signs & Name Riders**

When an agent joins Village Concepts Realty Group they will be provided with 5 18x24 yard sign panels at no cost. Additional signs may be purchased at a minimal charge to the agent. All signs must conform to the firm standard. Upon joining each agent will be given a $50.00 credit towards name riders. Lettering Color, Style and Font must be approved by firm.

**Agent Bills**

Agents will be billed monthly for their portion E&O Insurance, Company Signs, Advertising, and Color Copies. Bills will be distributed first week of every month for charges from the previous month. Bills will be due by month’s end to ensure no service charge. 15% interest will be charge on bills over 30 days, any bills not paid within 90 days will result Broker approval for any additional charges. If an Agent has a balance on company bill at time commission checks are cut, money will automatically deduct from commission check.

**Agent Pay Periods**

Checks, settlement statements and office file should be delivered to the listing/sales administrator who will review the file.

Accurate commission checks and settlement statements received by firm by the end of business Friday will result in commissions being paid to the agent on the following Wednesday. Accurate commission checks and settlement statements received by the firm by the end of business Wednesday will result in commissions being paid to the agent on the following Friday.

**Achievement Awards**

Each year RAR and SVAR award Distinguished Achiever Awards to agents based on production. The method of submitting these awards is determined by RAR and SVAR. Each year the firm will submit the awards after the agent has carefully reviewed their sales for the year and submitted documentation to the firm by a pre-determined firm deadline in order for the firm to complete the required RAR/SVAR paperwork by the RAR/SVAR deadline.

**Termination**

If any salesperson or broker’s status with Village Concepts Realty Group is terminated for any reason, VREB requires the principal broker to return such person’s license by certified mail to the VREB so that is it received within 10 (ten) calendar days of the date of termination or status change. The principle broker must indicate on the license the date of termination, sign it, and then return to VREB.

**Your Safety**

At Village Concepts Realty Group your personal well-being is very important. You are encouraged to be aware of your surroundings and prepare yourself to avoid unsafe situations.

1. Get Prospect’s full name, address, and telephone number at first meeting or call.
2. Always have your potential clients meet you at the office or a public place, never meet alone at a vacant property, and you drive or take separate cars.
3. When going out on appointments alone, please leave a list of properties you are showing at the office or with your Broker.
4. Use caution and your best judgment- DO NOT put yourself in an unsafe situation. If you feel at any time uneasy Call your Broker or the office and let them know you need the “RED FILE”, for \_\_\_\_\_\_\_ property (give the address) and we will send assistance immediately.

**12. Career Development**

Agents will be reimbursed for coursework related to obtaining select professional designation and licensing courses, but must follow the following guidelines to be eligible for reimbursement.

1. Only courses leading to the following designations and licenses will be approved:
	1. Virginia Real Estate Brokers License
	2. GRI, CRS, ABR, ALC, e-PRO
2. Maximum reimbursement in any given year will be $300.
3. The agent must show written proof of successful completion of the course.

Agents obtaining one of the above referenced designations will be recognized by the firm in the Richmond Times Dispatch Real Estate Section.

**13. Document Retention and Destruction**

The firm will maintain records in accordance with Real Estate Board regulations. Agents may choose to maintain files documenting their actions. If an agent chooses not to maintain files all documents containing personal information of clients or customers should be destroyed in a secure manner. A shredding machine has been placed in the agent work area for this purpose. Under no circumstances should documents containing personal information of clients or customers be discarded into standard trash receptacles.

Summary

This Manual covers many items and Village Concepts Realty Group wants to ensure all agents have a true understanding of what is to be expected.

* All Agents understand the policy the handling of Escrow checks
* All Agents understand that they will be charge for their E & O insurance, RAR dues, CVRMLS dues, company signs, advertising, and color copies
* All Agents are to conduct themselves in a professional manner at all times. This includes Clients/Customers as well as other Realtors. No profanity or inappropriate comments and/or behavior will be tolerated at any time.
* No Texting and Driving
* All Agents must abide by all Federal, State, and Local Laws
* All Agents conduct their business and business practices in accordance with NAR Code of Ethics and Standards of Practice
* All Agents must keep their RAR & CVRMLS Membership in good standing

Signature Date

Broker Signature Date

Acknowledgement

I have read carefully the Village Concepts Realty Group Agent Policy Manual. By signing below, I acknowledge reading and understanding all policies contained in the manual and I agree to abide by all policies found here in. I also understand that there will be policy revisions and amendments from time to time.

Signature Date

Printed Name: