

In accordance with [Virginia Acts of Assembly 2019, Chapter 511](#), the Board of Housing and Community Development has adopted best practice provisions for residential executory real estate contracts (rent-to-own). The Board has adopted best practices as outlined in the Code of Virginia; the best practices indicate that residential executory real estate contracts should include the following:

- (i) *the full names and current mailing addresses of all parties to the contract;*
- (ii) *a legal description of the subject premises;*
- (iii) *the term of the contract or rental agreement and the amount of periodic payments or rent due;*
- (iv) *the most recent assessment of the value of the subject premises by the relevant property tax assessor, as well as the amount of property tax assigned to the property in the year preceding the transaction;*
- (v) *a statement disclosing any liens or encumbrances against the subject premises;*
- (vi) *the contract sales price for the subject premises, which shall be stated as a precise fixed amount in United States dollars;*
- (vii) *a description and the amount of any charges or fees for services that are includable in the contract separate from the contract sales price;*
- (viii) *the amount of any option payment and the deadline by which such option payment is required to be paid;*
- (ix) *the residual amount of the contract sales price that is required to be paid after the option payment has been made;*
- (x) *the total amount that the purchaser is required to pay in order to complete the purchase of the property under the terms of the contract, including the combined amount of the option, contract sales price, and rent payments coming due over the term of the contract;*
- (xi) *the amount that may be paid to extend the option, if any, and the duration of any such extension; and*
- (xii) *the notarized signature of each party and date of each signature.*

Please note the above best practices are not an endorsement by the Board of Housing and Community Development or the Department of Housing and Community Development regarding the use of residential executory real estate contracts. The best practices provided are subject to additional provisions upon consideration and approval by the Board of Housing and Community Development.