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Code of Virginia
Title 54.1. Professions and Occupations
Chapter 21. Real Estate Brokers, Sales Persons and Rental Location Agents

§ 54.1-2135. Licensees engaged to manage real estate.

A. A licensee engaged to manage real estate shall:

1. Perform in accordance with the terms of the property management agreement;

2. Exercise ordinary care;

3. Promptly inform the owner of any significant facts regarding the property that the licensee is aware of;

4. Keep all personal and financial information obtained from the client during the brokerage relationship confidential, along with any other details the client requests to remain private, unless disclosure is permitted by law or the owner provides written consent;

5. Promptly account for all funds and property received in which the owner has or may have an interest; and

6. Adhere to all provisions of this article, fair housing laws, and regulations applicable to residential real estate transactions, as well as any other relevant statutes and regulations that do not conflict with this article.

B. Unless stated otherwise in the property management agreement, a licensee managing real estate does not violate any duty or obligation to the owner by also representing other owners in the management of their properties.

C. A licensee may also act as a representative for the owner in selling or leasing the property if they establish a brokerage relationship to that effect, in which case the licensee must disclose such relationships in accordance with the provisions of this article.

D. If a licensee is aware of defective drywall in a residential property, they must inform the owner. For the purposes of this section, "defective drywall" refers to all drywall classified as defective under § 36-156.1.

E. Property management agreements in residential real estate transactions shall be in writing and shall:

1. A property management agreement must include a definite termination date or duration. If no specific termination date or duration is stated, the agreement will automatically terminate 90 days after the date of execution;

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

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

4. A property management agreement must include any additional terms that have been mutually agreed upon by the owner and the property manager.

F. This section does not apply to licensees involved in commercial real estate transactions, meaning the outlined duties and obligations are specific to residential real estate dealings.

1995, cc. 741, 813; 2011, cc. 34, 46, 461; 2016, c. 334.

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