A RICHMOND RING GUIDE

Your First Richmond Deal

The 10 things to check before you buy an investment property in the Richmond, Virginia market

From **Rich Lennon** and Richmond RING,
Richmond's largest real estate investor networking group

Before you buy anything, read this

Every month, 100+ Richmond investors meet in one room at RING. A lot of them did their first deal with us watching their back. And almost every painful first-deal story I have heard in that room comes down to the same thing: something the buyer could have checked before closing, and didn't.

This guide is that checklist. It is specific to Virginia, because Virginia does several things differently than the states the online gurus film their videos in, and a few of those differences can cost you real money or real protection if nobody tells you.

None of this is theory. Where this guide states a Virginia rule, it cites the actual section of the Code of Virginia so you (or your attorney) can look it up.

Read the ten checks. Then come meet the people who do this every day.

-Rich

> **What this is and isn't:** this is investor education from a local networking group, not legal, tax, or investment advice. Laws change and every deal is different, so use a Virginia attorney and a licensed settlement agent on your deals. Statute references are to the Code of Virginia as of mid-2026.

The 10 checks

1 Confirm who actually owns it, with a real title search

"Title" is not a piece of paper. It is the ownership itself, and the deed is just the paper that moves it. A seller can hand you a deed and still not have clean ownership to give, because of something broken further back in the chain: an old loan never released, a missing heir, a forged signature two owners ago.

The fix is a professional title search at the circuit court where the property sits (Richmond City, Henrico, Chesterfield, and so on). For a typical subdivision lot, the searcher works the records back roughly 40 years to build the chain of ownership. Never skip this, and never take the seller's word for it.

> **VIRGINIA SPECIFIC**
> In Virginia your deal is not safe until it is **recorded**. An unrecorded deed is void against a later buyer who pays value, doesn't know about you, and records first. Same-day recording matters. Va. Code § 55.1-407

2 Find every lien before you sign

Liens ride with the property, not the person. Deeds of trust (Virginia's version of a mortgage), unpaid judgments, HOA claims, tax liens: if they are attached to the property, they can become your problem at closing.

The single most common nuisance in Virginia title work is the **unreleased deed of trust**: a loan that was paid off years ago, but nobody ever recorded the release. It sits there looking like live debt until someone chases down the paperwork. Better that someone is the seller's side, before your closing date, than you after it.

> **VIRGINIA SPECIFIC**
> Title searchers also run a 20-year judgment search on the recent owners, because older judgments can still be alive and attached. Ask your title company what the search turned up and make sure every open item is on the payoff list.

3 Know which deed you're getting

Virginia deeds use short "magic phrases" that carry full legal weight, and the difference between them is the difference between a promise and a shrug:

General warranty: the seller promises to defend your title against *everyone*, including problems created before they owned it. The strongest deed you can get.
Special warranty: the seller only promises *they* didn't break the title. Banks, builders, and estates commonly give this. Plain English: "I didn't cause any problems; I promise nothing about anyone before me."
Quitclaim: no promises at all. You get whatever interest the seller has, which may be nothing, and you have no one to sue if it is.

> **VIRGINIA SPECIFIC**
> These phrases get their power from statute. The granting clause wording is what counts, so read it.
> Va. Code §§ 55.1-353 to 55.1-363

4 Read the two lists in your title commitment

Before closing, the title insurer gives you a **title commitment**, its written offer to insure the property. Most first-time buyers never read it. It has two schedules that tell you almost everything:

Schedule B-I, Requirements: what has to happen before they will insure. Payoffs, releases, documents to record. *This is the list of what's currently broken.*
Schedule B-II, Exceptions: what the policy will *never* cover. Recorded easements, existing encumbrances. *This is the list of what you are accepting forever.*

Ten minutes with these two pages, before you wire anything, is the cheapest due diligence you will ever do.

5 Buy the owner's title policy (the lender's one isn't yours)

Title insurance is backwards from every other insurance you own: one premium, paid once at closing, covering the *past*. It protects against defects that already existed when you bought, like a forged deed three owners back.

If you have a loan, the lender will require a **lender's policy**. Understand what that is: it protects *only the lender*, only up to the loan balance, and it dies when the loan is paid off. It does nothing for your equity. The **owner's policy** is the one that protects you, for the full value, for as long as you or your heirs own the property.

> **VIRGINIA SPECIFIC**
>
> Virginia does not set title insurance rates. Each company files its own, which means **premiums are negotiable**. It costs nothing to ask, and to shop two agencies. Also ask about coverage differences if you are buying in an LLC, since some enhanced policies are only available to individuals.

6 Freshly renovated? Demand lien waivers

Here is the trap in buying a just-rehabbed flip: in Virginia, a contractor who wasn't paid can file a **mechanics lien** up to 90 days after the last day of the month they last worked, covering work going back as far as 150 days. That means a valid lien can land on your new property *weeks after your closing*, and it existed in no record your title search could have found.

The protection is paperwork: on any recently renovated property, your title company should collect **lien waivers and an owner's affidavit** from the seller confirming the contractors are paid. If you are the one buying, insist on it.

> **VIRGINIA SPECIFIC**
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> The 90/150-day mechanics lien window is statute, not custom. Va. Code § 43-4

7 Budget Virginia's three recording taxes

Closing costs in Virginia include three separate recording taxes, and knowing them keeps your numbers honest:

Deed recordation tax: $0.25 per $100 of the price or value, customarily paid by the buyer.
Grantor tax: $1 per $1,000 of the price, customarily the seller's (but shiftable by contract).
Deed-of-trust tax: $0.25 per $100 of the loan amount, paid by the borrower.

> **VIRGINIA SPECIFIC**
> Useful exemptions exist. For example, moving a property into your own LLC can be exempt from recordation tax if you keep at least half the profits interest, and true no-money gift deeds are exempt. Ask your closer before assuming you owe full freight. Va. Code §§ 58.1-801 to 58.1-811

8 Buying with someone? Virginia's survivorship trap

This one surprises even experienced people. In most states, "joint tenants" means the survivor automatically gets the whole property when one owner dies. **Not in Virginia.** Here, a deed to two people "as joint tenants" carries *no* automatic survivorship. The deceased owner's share goes to their heirs or will, like a tenant in common.

If you want the survivor to take it all, the deed must say so, with the words **"with survivorship"** or equally clear language. If you are buying with a business partner, also decide deliberately whether you *want* survivorship at all; with a partner, you usually don't.

> **VIRGINIA SPECIFIC**
> Married couples have a stronger option, tenancy by the entirety, with real creditor-protection benefits. It has its own rules; ask an attorney before deeding entireties property into an LLC, because that move can forfeit the protection. Va. Code §§ 55.1-134 to 55.1-136

9 Know who can close your deal, and who drafts the deed

Good news: Virginia does **not** require an attorney to close a residential deal. Licensed title companies and title agents routinely act as the settlement agent, and most Richmond investor closings work exactly that way.

But there is a hard line: a non-attorney settlement agent **cannot draft your deed, deed of trust, or note, and cannot give you legal advice**. In Virginia that would be the unauthorized practice of law. So a proper "title company closing" still has an attorney in the picture to draft documents. When you pick a closer, ask who is drafting the deed and who is answering the legal questions. If the answer is "nobody," pick a different closer.

> **VIRGINIA SPECIFIC**
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> Settlement agents are regulated and must carry real financial-responsibility coverage, and you are allowed to ask about it. Va. Code Title 55.1, Ch. 10 (RESA)

10 Thinking about wholesaling? Know Virginia's new rule first

A lot of beginners are told wholesaling (getting a property under contract and assigning the contract for a fee) is the free way to start. In Virginia, the ground rules changed on July 1, 2024.

Virginia's licensing law now says that dealing in real estate contracts for compensation **"on two or more occasions in any 12-month period"** makes you a real estate broker in the eyes of the law, meaning you need a license to keep doing it. One assignment in a 12-month window is outside the definition; making a habit of it without a license is not.

Plenty of people teaching wholesaling online have never heard of this, because it is Virginia-specific and recent. Now you know more than they do.

> **VIRGINIA SPECIFIC**
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> The change is HB 917 (2024), amending the definition of "real estate broker." Va. Code § 54.1-2100

The eleventh check: don't do this alone

Every check in this guide has one thing in common: somebody in Richmond has already learned it the expensive way. The fastest way to avoid their tuition is to be in the room with them.

That is what RING is. One evening a month, 100+ Richmond-area investors (flippers, landlords, wholesalers, agents, lenders, title people) in one room: the Richmond market update, real education, and the kind of networking where your next lender or contractor is sitting at your table. It is a paid membership group, which is exactly what keeps the room serious.

Your first meetup is free, as my guest.

Second Wednesday of the month · The Great American Ranch, Midlothian
Networking 6:30 · Education 7:00

Signing up takes 30 seconds

Scan the code with your phone camera (or visit the link below), enter your name, and your free first-visit pass appears on screen. Show it at the door and you're in.

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See you in the room.

-Rich Lennon, Richmond RING