



The Agreement of Sale and Assessed Value

Like what is currently happening in Delaware County, county-wide reassessments may change the assessed value of a property resulting in a change in property taxes. Questions arise about the responsibility (if any) to provide notice to buyers preparing to enter into an Agreement of Sale - or already under contract - to purchase property subject to a reassessment.

Paragraph 17 of the Agreement of Sale “Real Estate Taxes and Assessed Value” provides notice to buyers about the possibility and effect of re-assessment or appeal of current assessment. Buyer agents should use the opportunity presented by this paragraph to alert potential buyers about any known re-assessment prior to the buyer executing the agreement of sale. Article 2 of the Code of Ethics requires REALTORS to avoid exaggeration, misrepresentation or concealment of pertinent facts about the property or the transaction.

If the buyer has questions or concerns, the buyer agent can direct the client to available resources. Delaware County provides a [Reassessment Project](#) webpage. This page includes links and contact information for buyers on many aspects of the reassessment.

Questions have also been raised about a seller’s obligation to notify a buyer of a change in the property’s assessed value. The Agreement of Sale is clear that notices about assessed value are specifically excluded in paragraph 10(F) “Public and/or Private Assessments” and paragraph 15 “Notices, Assessments and Municipal Requirements”. Each paragraph contains the parenthetical note “(Excludes assessed value)”. The Guidelines for Preparation and Use of the Agreement of Sale informs agents that the intent of these two paragraphs is to have the seller notify the buyer of any violations of law or local ordinances and (in the case of municipality) of any repairs required. A re-assessment is not a violation nor a required repair.