

2 **ESHB 1363** - S COMM AMD

3 By Committee on Government Operations

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5 Strike everything after the enacting clause and insert the
6 following:

7 "**Sec. 1.** RCW 36.21.080 and 1989 c 246 s 4 are each amended to read
8 as follows:

9 (1) The county assessor is authorized to place any property that is
10 increased in value due to construction or alteration for which a
11 building permit was issued, or should have been issued, under chapter
12 19.27, 19.27A, or 19.28 RCW or other laws providing for building
13 permits on the assessment rolls for the purposes of tax levy up to
14 August 31st of each year. The assessed valuation of the property shall
15 be considered as of July 31st of that year.

16 (2) In conducting a physical appraisal under RCW 36.21.070 or
17 subsection (1) of this section, the county assessor shall notify the
18 local building official of any increase in the size of the building,
19 and any other significant modifications that are apparent from an
20 exterior inspection of the building, since the last physical appraisal.

21 NEW SECTION. **Sec. 2.** A new section is added to chapter 19.27 RCW
22 to read as follows:

23 A copy of any verification of final inspection issued upon
24 completion of construction or alteration work on a single or
25 multifamily residential building shall be transmitted by the issuing
26 authority to the county auditor of the county where the property on
27 which the construction or alteration work is located to be recorded in
28 the real property records. The issuing authority shall collect the
29 fees authorized by RCW 36.18.010 for filing and recording a
30 verification of final inspection, and transmit the fee and verification
31 of final inspection to the county auditor. The issuing authority may
32 collect a reasonable fee to cover the cost of transmitting the
33 verification of final inspection to the county auditor. The
34 verification of final inspection shall contain the county assessor's
35 parcel number and the legal description of the property.

1 NEW SECTION. **Sec. 3.** A new section is added to chapter 48.29 RCW
2 to read as follows:

3 The existence of verifications of final inspection that are
4 recorded pursuant to section 2 of this act shall be disclosed as an
5 attachment to every title insurance report provided to the purchasers
6 of real property. Nothing in this section requires a title insurer to
7 include such verifications within the coverage provided under a title
8 insurance contract.

9 NEW SECTION. **Sec. 4.** The legislature finds that the purchase of
10 residential real property is often the single largest transaction made
11 by an individual and that many purchasers do not have the experience
12 necessary to discover significant problems which may not otherwise
13 become apparent until the sale is completed.

14 NEW SECTION. **Sec. 5.** This chapter applies to all transfers of
15 residential real property except transfers:

16 (1) That involve a multiple housing structure with more than four
17 living units;

18 (2) Made to provide collateral for a loan of money, if the
19 transferee does not receive the right to immediate possession of the
20 property;

21 (3) Made as a distribution to an heir of a decedent's estate;

22 (4) Made under a court order, including, but not limited to,
23 transfers under a writ of execution, transfers by a trustee in
24 bankruptcy, transfers by eminent domain, transfers resulting from a
25 decree of specific performance, or transfers resulting from a quiet
26 title action;

27 (5) Made as a property settlement in a marriage dissolution;

28 (6) Made in a legal foreclosure or tax sale;

29 (7) Made to a person other than an individual or individuals;

30 (8) Made to a co-owner; or

31 (9) Made to a spouse, or to a person in the lineal line of
32 consanguinity of one or more of the transferors.

33 NEW SECTION. **Sec. 6.** (1) Whenever an owner of residential real
34 property offers the property for sale, the owner, at the earliest time
35 practicable, shall disclose in writing to a prospective purchaser, to
36 the best of his or her knowledge, the following information:

1 (a) If the property is served by a septic system:
2 (i) The location of the septic tank and drain field;
3 (ii) When the tank was last pumped; and
4 (iii) Whether a permit was issued for the septic system
5 construction and whether it was approved by the city or county
6 following its construction;

7 (b) Whether or not required building and occupancy permits have
8 been issued for any structures on the property; and

9 (c) Whether or not property lines have been surveyed, the location
10 of the corners of the property and whether there are any encroachments
11 on the property.

12 (2) For purposes of this section, the "earliest time practicable"
13 means:

14 (a) When the property is listed with a licensed real estate agent,
15 the information required to be disclosed shall be prepared at the time
16 the listing agreement is signed and shall be delivered to all
17 prospective purchasers during the term of the listing agreement; or

18 (b) When the property is not listed with a licensed real estate
19 agent, the information required to be disclosed shall be prepared and
20 delivered to a prospective purchaser at the time the prospective
21 purchaser first makes known to the owner an interest in purchasing the
22 property.

23 (3) The disclosures required by subsection (1) of this section may
24 be incorporated in a general disclosure form adopted for use by real
25 estate brokers and agents.

26 (4) Delivery of disclosures required by this chapter shall be by
27 personal delivery or mail to the prospective purchaser.

28 NEW SECTION. **Sec. 7.** (1) Prior to the closing of a real estate
29 sale subject to this chapter, and until the required disclosures have
30 been delivered to a prospective purchaser and for five days following
31 receipt of all of the required disclosures, the purchaser may rescind
32 any agreement to purchase the property and recover, in full, any
33 deposits or earnest money paid, notwithstanding the provisions of any
34 agreement regarding the disposition of the deposits or earnest money.

35 (2) Following the closing of a real estate sale subject to this
36 chapter, if the required disclosures were not delivered to the
37 purchaser at least six days prior to the closing, the person
38 responsible for making the disclosures is liable to the purchaser in

1 the amount of actual damages suffered by the purchaser resulting from
2 the failure to make the required disclosures. If a seller required to
3 make disclosures under section 6 of this act has failed to obtain any
4 required building or occupancy permit for any improvements included in
5 the sale, any damages to which the buyer is entitled may be trebled.

6 NEW SECTION. **Sec. 8.** The specification of items for disclosure in
7 this chapter does not limit or abridge any obligation for disclosure
8 created by any other provision of law that may exist in order to avoid
9 fraud, misrepresentation, or deceit in the transfer transaction.

10 NEW SECTION. **Sec. 9.** Sections 4 through 8 of this act shall
11 constitute a new chapter in Title 64 RCW."

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15 On page 1, line 1 of the title, after "verification;" strike the
16 remainder of the title and insert "amending RCW 36.21.080; adding a new
17 section to chapter 19.27 RCW; adding a new section to chapter 48.29
18 RCW; and adding a new chapter to Title 64 RCW."

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