

2 **2SSB 5053** - H COMM AMD **ADOPTED 2-27-96**

3 By Committee on Trade & Economic Development

4

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

7 "Sec. 1. RCW 64.06.010 and 1994 c 200 s 2 are each amended to read  
8 as follows:

9 (1) Except as provided in subsection (2) of this section, this  
10 chapter does not apply to the following transfers of residential real  
11 property:

12 ~~((+1))~~ (a) A foreclosure, deed-in-lieu of foreclosure, real estate  
13 contract forfeiture, or a sale by a lienholder who acquired the  
14 residential real property through foreclosure ~~((or))~~ , deed-in-lieu of  
15 foreclosure, or real estate contract forfeiture;

16 ~~((+2))~~ (b) A gift or other transfer to a parent, spouse, or child  
17 of a transferor or child of any parent or spouse of a transferor;

18 ~~((+3))~~ (c) A transfer between spouses in connection with a marital  
19 dissolution;

20 ~~((+4))~~ (d) A transfer where a buyer had an ownership interest in  
21 the property within two years of the date of the transfer including,  
22 but not limited to, an ownership interest as a partner in a  
23 partnership, a limited partner in a limited partnership, a shareholder  
24 in a corporation, a leasehold interest, or transfers to and from a  
25 facilitator pursuant to a tax deferred exchange;

26 ~~((+5))~~ (e) A transfer of an interest that is less than fee simple,  
27 except that the transfer of a vendee's interest under a real estate  
28 contract is subject to the requirements of this chapter; ~~((and~~

29 +6)) (f) A transfer made by the personal representative of the  
30 estate of the decedent or by a trustee in bankruptcy; and

31 (g) A transfer of new residential construction, if the seller is  
32 registered under chapter 18.27 RCW, and if the buyer is the first  
33 purchaser and occupant.

34 (2) This chapter shall apply to transfers of residential real  
35 property exempt under this section, if the seller provides to the buyer

1 a completed real property transfer disclosure statement in the form  
2 described in RCW 64.06.020(1).

3 **Sec. 2.** RCW 64.06.020 and 1994 c 200 s 3 are each amended to read  
4 as follows:

5 (1) In a transaction for the sale of residential real property, the  
6 seller shall, unless the buyer has expressly waived the right to  
7 receive the disclosure statement, or unless the transfer is exempt  
8 under RCW 64.06.010, deliver to the buyer a completed real property  
9 transfer disclosure statement in the following ~~((form))~~ format and that  
10 contains, at a minimum, the following information:

11 INSTRUCTIONS TO THE SELLER

12 Please complete the following form. Do not leave any spaces blank. If  
13 the question clearly does not apply to the property write "NA". If the  
14 answer is "yes" to any \* items, please explain on attached sheets.  
15 Please refer to the line number(s) of the question(s) when you provide  
16 your explanation(s). For your protection you must date and sign each  
17 page of this disclosure statement and each attachment. Delivery of the  
18 disclosure statement must occur not later than ~~((.---.))~~ five business  
19 days ~~((or five days if not filled in) of))~~, unless otherwise agreed,  
20 after mutual acceptance of a written contract to purchase between a  
21 buyer and a seller.

22 NOTICE TO THE BUYER

23 THE FOLLOWING DISCLOSURES ARE MADE BY THE SELLER(S), CONCERNING THE  
24 CONDITION OF THE PROPERTY LOCATED AT . . . . .  
25 ("THE PROPERTY"), OR AS LEGALLY DESCRIBED ON ATTACHED EXHIBIT A.

26 DISCLOSURES CONTAINED IN THIS FORM ARE PROVIDED BY THE SELLER ON THE  
27 BASIS OF SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME THIS  
28 DISCLOSURE FORM IS COMPLETED BY THE SELLER. YOU HAVE ~~((.---.))~~ THREE  
29 BUSINESS DAYS, ~~((OR THREE BUSINESS DAYS IF NOT FILLED IN))~~ UNLESS  
30 OTHERWISE AGREED, FROM THE SELLER'S DELIVERY OF THIS SELLER'S  
31 DISCLOSURE STATEMENT TO ~~((REVOKE YOUR OFFER))~~ RESCIND YOUR AGREEMENT BY  
32 DELIVERING YOUR SEPARATE SIGNED WRITTEN STATEMENT OF ~~((REVOCATION))~~  
33 RESCISSION TO THE SELLER, UNLESS YOU WAIVE THIS RIGHT AT OR PRIOR TO  
34 ENTERING INTO A SALE AGREEMENT. THE FOLLOWING ARE DISCLOSURES MADE BY  
35 THE SELLER AND ARE NOT THE REPRESENTATIONS OF ANY REAL ESTATE LICENSEE  
36 OR OTHER PARTY. THIS INFORMATION IS FOR DISCLOSURE ONLY AND IS NOT

1 INTENDED TO BE A PART OF ANY WRITTEN AGREEMENT BETWEEN THE BUYER AND  
2 THE SELLER.

3 FOR A MORE COMPREHENSIVE EXAMINATION OF THE SPECIFIC CONDITION OF THIS  
4 PROPERTY YOU ARE ADVISED TO OBTAIN AND PAY FOR THE SERVICES OF A  
5 QUALIFIED SPECIALIST TO INSPECT THE PROPERTY ON YOUR BEHALF, FOR  
6 EXAMPLE, ARCHITECTS, ENGINEERS, LAND SURVEYORS, PLUMBERS, ELECTRICIANS,  
7 ROOFERS, BUILDING INSPECTORS, OR PEST AND DRY ROT INSPECTORS. THE  
8 PROSPECTIVE BUYER AND THE OWNER MAY WISH TO OBTAIN PROFESSIONAL ADVICE  
9 OR INSPECTIONS OF THE PROPERTY AND TO PROVIDE FOR APPROPRIATE  
10 PROVISIONS IN A CONTRACT BETWEEN THEM WITH RESPECT TO ANY ADVICE,  
11 INSPECTION, DEFECTS OR WARRANTIES.

12 Seller . . . . is/ . . . . is not occupying the property.

13 **I. SELLER'S DISCLOSURES:**

14 \*If "Yes" attach a copy or explain. If necessary use an attached  
15 sheet.

16 **1. TITLE**

17  Yes  No  Don't know A. Do you have legal authority to sell  
18 the property?

19  Yes  No  Don't know \*B. Is title to the property subject to  
20 any of the following?

21 (1) First right of refusal

22 (2) Option

23 (3) Lease or rental agreement

24 (4) Life estate?

25  Yes  No  Don't know \*C. Are there any encroachments,  
26 boundary agreements, or boundary  
27 disputes?

28  Yes  No  Don't know \*D. Are there any rights of way,  
29 easements, or access limitations that  
30 may affect the owner's use of the  
31 property?

32  Yes  No  Don't know \*E. Are there any written agreements  
33 for joint maintenance of an easement or  
34 right of way?

35  Yes  No  Don't know \*F. Is there any study, survey project,  
36 or notice that would adversely affect  
37 the property?

1 [ ]Yes [ ]No [ ]Don't know \*G. Are there any pending or existing  
2 assessments against the property?  
3 [ ]Yes [ ]No [ ]Don't know \*H. Are there any zoning violations,  
4 nonconforming uses, or any unusual  
5 restrictions on the subject property  
6 that would affect future construction  
7 or remodeling?  
8 [ ]Yes [ ]No [ ]Don't know \*I. Is there a boundary survey for the  
9 property?  
10 [ ]Yes [ ]No [ ]Don't know \*J. Are there any covenants,  
11 conditions, or restrictions which  
12 affect the property?

13 **2. WATER**

14 A. Household Water

15 (1) The source of the water is  
16 [ ]Public [ ]Community [ ]Private  
17 [ ]Shared

18 (2) Water source information:

19 \*a. Are there any written  
20 agreements for shared water  
21 source?

22 \*b. Is there an easement  
23 (recorded or unrecorded) for  
24 access to and/or maintenance  
25 of the water source?

26 \*c. Are any known problems or  
27 repairs needed?

28 \*d. Does the source provide  
29 an adequate year round supply  
30 of potable water?

31 \*(3) Are there any water treatment  
32 systems for the property?  
33 [ ]Leased [ ]Owned

34 B. Irrigation

35 (1) Are there any water rights for  
36 the property?

37 \*(2) If they exist, to your  
38 knowledge, have the water rights



1                   septic/sewer system? If no, explain:  
 2                   . . . . .  
 3 [ ]Yes [ ]No [ ]Don't know   \*((E)) F. Are you aware of any changes  
 4                   or repairs to the septic system?  
 5 [ ]Yes [ ]No [ ]Don't know   ((F)) G. Is the septic tank system,  
 6                   including the drainfield, located  
 7                   entirely within the boundaries of the  
 8                   property?

9                   **4. STRUCTURAL**

10 [ ]Yes [ ]No [ ]Don't know   \*A. Has the roof leaked?  
 11 [ ]Yes [ ]No [ ]Don't know   If yes, has it been repaired?  
 12 [ ]Yes [ ]No [ ]Don't know   \*B. Have there been any conversions,  
 13                   additions, or remodeling?  
 14 [ ]Yes [ ]No [ ]Don't know       \*1. If yes, were all building  
 15                   permits obtained?  
 16 [ ]Yes [ ]No [ ]Don't know       \*2. If yes, were all final  
 17                   inspections obtained?  
 18 [ ]Yes [ ]No [ ]Don't know   C. Do you know the age of the house?  
 19                   If yes, year of original construction:  
 20                   . . . . .  
 21 [ ]Yes [ ]No [ ]Don't know   \*D. Do you know of any settling,  
 22                   slippage, or sliding of the house or  
 23                   other improvements? If yes, explain:  
 24                   . . . . .  
 25 [ ]Yes [ ]No [ ]Don't know   \*E. Do you know of any defects with the  
 26                   following: (Please check applicable  
 27                   items)

- |    |                 |                  |                  |
|----|-----------------|------------------|------------------|
| 28 | l Foundations   | l Decks          | l Exterior Walls |
| 29 | l Chimneys      | l Interior Walls | l Fire Alarm     |
| 30 | l Doors         | l Windows        | l Patio          |
| 31 | l Ceilings      | l Slab Floors    | l Driveways      |
| 32 | l Pools         | l Hot Tub        | l Sauna          |
| 33 | l Sidewalks     | l Outbuildings   | l Fireplaces     |
| 34 | l Garage Floors |                  | l Walkways       |
| 35 | l Other         |                  | l Wood Stoves    |

36 [ ]Yes [ ]No [ ]Don't know   \*F. Was a pest or dry rot, structural  
 37                   or "whole house" inspection done? When

1 and by whom was the inspection  
2 completed? . . . . .  
3  Yes  No  Don't know \*G. Since assuming ownership, has your  
4 property had a problem with wood  
5 destroying organisms and/or have there  
6 been any problems with pest control,  
7 infestations, or vermin?

8 **5. SYSTEMS AND FIXTURES**

9 If the following systems or fixtures  
10 are included with the transfer, do they  
11 have any existing defects:

- 12  Yes  No  Don't know \*A. Electrical system, including  
13 wiring, switches, outlets, and service  
14  Yes  No  Don't know \*B. Plumbing system, including pipes,  
15 faucets, fixtures, and toilets  
16  Yes  No  Don't know \*C. Hot water tank  
17  Yes  No  Don't know \*D. Garbage disposal  
18  Yes  No  Don't know \*E. Appliances  
19  Yes  No  Don't know \*F. Sump pump  
20  Yes  No  Don't know \*G. Heating and cooling systems  
21  Yes  No  Don't know \*H. Security system  Owned   
22 Leased  
23 \*I. Other . . . . .

24 **6. COMMON INTEREST**

- 25  Yes  No  Don't know A. Is there a Home Owners' Association?  
26 Name of Association . . . . .  
27  Yes  No  Don't know B. Are there regular periodic  
28 assessments:  
29 \$ . . . . . per  Month  Year  
30  Other . . . . .  
31  Yes  No  Don't know \*C. Are there any pending special  
32 assessments?  
33  Yes  No  Don't know \*D. Are there any shared "common areas"  
34 or any joint maintenance agreements  
35 (facilities such as walls, fences,  
36 landscaping, pools, tennis courts,  
37 walkways, or other areas co-owned in  
38 undivided interest with others)?

1 **7. GENERAL**

2 [ ]Yes [ ]No [ ]Don't know \*A. Is there any settling, soil,  
3 standing water, or drainage problems on  
4 the property?

5 [ ]Yes [ ]No [ ]Don't know \*B. Does the property contain fill  
6 material?

7 [ ]Yes [ ]No [ ]Don't know \*C. Is there any material damage to the  
8 property or any of the structure from  
9 fire, wind, floods, beach movements,  
10 earthquake, expansive soils, or  
11 landslides?

12 [ ]Yes [ ]No [ ]Don't know D. Is the property in a designated  
13 flood plain?

14 (~~[ ]Yes [ ]No [ ]Don't know~~ E. Is the property in a designated  
15 flood hazard zone?))

16 [ ]Yes [ ]No [ ]Don't know ((~~\*F-~~) \*E. Are there any substances,  
17 materials, or products that may be an  
18 environmental hazard such as, but not  
19 limited to, asbestos, formaldehyde,  
20 radon gas, lead-based paint, fuel or  
21 chemical storage tanks, and  
22 contaminated soil or water on the  
23 subject property?

24 [ ]Yes [ ]No [ ]Don't know ((~~\*G-~~) \*F. Are there any tanks or  
25 underground storage tanks (e.g.,  
26 chemical, fuel, etc.) on the property?

27 [ ]Yes [ ]No [ ]Don't know ((~~\*H-~~) \*G. Has the property ever been  
28 used as an illegal drug manufacturing  
29 site?

30 **8. FULL DISCLOSURE BY SELLERS**

31 A. Other conditions or defects:

32 [ ]Yes [ ]No [ ]Don't know \*Are there any other material defects  
33 affecting this property or its value  
34 that a prospective buyer should know  
35 about?

36 B. Verification:

37 The foregoing answers and attached  
38 explanations (if any) are complete and  
39 correct to the best of my/our knowledge



1 and I/we have received a copy hereof.  
2 I/we authorize all of my/our real  
3 estate licensees, if any, to deliver a  
4 copy of this disclosure statement to  
5 other real estate licensees and all  
6 prospective buyers of the property.

7 DATE . . . . . SELLER . . . . . SELLER . . . . .

8 **II. BUYER'S ACKNOWLEDGMENT**

- 9 A. As buyer(s), I/we acknowledge the duty to pay  
10 diligent attention to any material defects which  
11 are known to me/us or can be known to me/us by  
12 utilizing diligent attention and observation.
- 13 B. Each buyer acknowledges and understands that the  
14 disclosures set forth in this statement and in  
15 any amendments to this statement are made only by  
16 the seller.
- 17 C. Buyer (which term includes all persons signing  
18 the "buyer's acceptance" portion of this  
19 disclosure statement below) hereby acknowledges  
20 receipt of a copy of this disclosure statement  
21 (including attachments, if any) bearing seller's  
22 signature.

23 DISCLOSURES CONTAINED IN THIS FORM ARE PROVIDED BY THE SELLER ON THE  
24 BASIS OF SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME OF  
25 DISCLOSURE. YOU, THE BUYER, HAVE ((~~—~~)) THREE BUSINESS DAYS ((~~OR~~  
26 ~~THREE BUSINESS DAYS IF NOT FILLED IN~~)), UNLESS OTHERWISE AGREED, FROM  
27 THE SELLER'S DELIVERY OF THIS SELLER'S DISCLOSURE STATEMENT TO ((~~REVOKE~~  
28 ~~YOUR OFFER~~)) RESCIND YOUR AGREEMENT BY DELIVERING YOUR SEPARATE SIGNED  
29 WRITTEN STATEMENT OF ((~~REVOCATION~~)) RESCISSION TO THE SELLER UNLESS YOU  
30 WAIVE THIS RIGHT OF ((~~REVOCATION~~)) RESCISSION.

31 BUYER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS REAL PROPERTY  
32 TRANSFER DISCLOSURE STATEMENT AND ACKNOWLEDGES THAT THE DISCLOSURES  
33 MADE HEREIN ARE THOSE OF THE SELLER ONLY, AND NOT OF ANY REAL ESTATE  
34 LICENSEE OR OTHER PARTY.

35 DATE . . . . . BUYER . . . . . BUYER . . . . .

36 (2) The real property transfer disclosure statement shall be for  
37 disclosure only, and shall not be considered part of any written  
38 agreement between the buyer and seller of residential real property.

1 The real property transfer disclosure statement shall be only a  
2 disclosure made by the seller, and not any real estate licensee  
3 involved in the transaction, and shall not be construed as a warranty  
4 of any kind by the seller or any real estate licensee involved in the  
5 transaction.

6 **Sec. 3.** RCW 64.06.030 and 1994 c 200 s 4 are each amended to read  
7 as follows:

8 Unless the buyer has expressly waived the right to receive the  
9 disclosure statement, (~~within~~) not later than five business days or  
10 as otherwise agreed to, (~~of~~) after mutual acceptance of a written  
11 agreement between a buyer and a seller for the purchase and sale of  
12 residential real property, the seller shall deliver to the buyer a  
13 completed, signed, and dated real property transfer disclosure  
14 statement. Within three business days, or as otherwise agreed to, of  
15 receipt of the real property transfer disclosure statement, the buyer  
16 shall have the right to exercise one of the following two options: (1)  
17 Approving and accepting the real property transfer disclosure  
18 statement; or (2) rescinding the agreement for the purchase and sale of  
19 the property, which decision may be made by the buyer in the buyer's  
20 sole discretion. If the buyer elects to rescind the agreement, the  
21 buyer must deliver written notice of rescission to the seller within  
22 the three-business-day period, or as otherwise agreed to, and upon  
23 delivery of the written rescission notice the buyer shall be entitled  
24 to immediate return of all deposits and other considerations less any  
25 agreed disbursements paid to the seller, or to the seller's agent or an  
26 escrow agent for the seller's account, and the agreement for purchase  
27 and sale shall be void. If the buyer does not deliver a written  
28 recision notice to [the] seller within the three-business-day period,  
29 or as otherwise agreed to, the real property transfer disclosure  
30 statement will be deemed approved and accepted by the buyer.

31 **Sec. 4.** RCW 64.06.040 and 1994 c 200 s 5 are each amended to read  
32 as follows:

33 (1) If, after the date that a seller of residential real property  
34 completes a real property transfer disclosure statement, the seller  
35 becomes aware of additional information, or an adverse change occurs  
36 which makes any of the disclosures made inaccurate, the seller shall  
37 amend the real property transfer disclosure statement, and deliver the

1 amendment to the buyer. No amendment shall be required, however, if  
2 the seller takes whatever corrective action is necessary so that the  
3 accuracy of the disclosure is restored, or the adverse change is  
4 corrected, at least three business days prior to the closing date.  
5 Unless the ~~((adverse change is corrected or repaired))~~ corrective  
6 action is completed by the seller prior to the closing date, the buyer  
7 shall have the right to exercise one of the following two options: (a)  
8 Approving and accepting the amendment, or (b) rescinding the agreement  
9 of purchase and sale of the property within three business days after  
10 receiving the amended real property transfer disclosure statement.  
11 Acceptance or rescission shall be subject to the same procedures  
12 described in RCW 64.06.030. If the closing date provided in the  
13 purchase and sale agreement is scheduled to occur within the three-  
14 business-day rescission period provided for in this section, the  
15 closing date shall be extended until the expiration of the three-  
16 business-day rescission period. The buyer shall have no right of  
17 rescission if the seller takes whatever action is necessary so that the  
18 accuracy of the disclosure is restored at least three business days  
19 prior to the closing date.

20 (2) In the event any act, occurrence, or agreement arising or  
21 becoming known after the closing of a residential real property  
22 transfer causes a real property transfer disclosure statement to be  
23 inaccurate in any way, the seller of such property shall have no  
24 obligation to amend the disclosure statement, and the buyer shall not  
25 have the right to rescind the transaction under this chapter.

26 (3) If the seller in a residential real property transfer fails or  
27 refuses to provide to the prospective buyer a real property transfer  
28 disclosure statement as required under this chapter, the prospective  
29 buyer's right of rescission under this section shall apply until the  
30 earlier of three business days after receipt of the real property  
31 transfer disclosure statement or the date the transfer has closed,  
32 unless the buyer has otherwise waived the right of rescission in  
33 writing. Closing is deemed to occur when the buyer has paid the  
34 purchase price, or down payment, and the conveyance document, including  
35 a deed or real estate contract, from the seller has been delivered and  
36 recorded. After closing, the seller's obligation to deliver the real  
37 property transfer disclosure statement and the buyer's rights and  
38 remedies under this chapter shall terminate.

1       **Sec. 5.** RCW 64.06.050 and 1994 c 200 s 6 are each amended to read  
2 as follows:

3       (1) The seller of residential real property shall not be liable for  
4 any error, inaccuracy, or omission in the real property transfer  
5 disclosure statement if the seller had no (~~personal~~) actual knowledge  
6 of the error, inaccuracy, or omission. Unless the seller of  
7 residential real property has actual knowledge of an error, inaccuracy,  
8 or omission in a real property transfer disclosure statement, the  
9 seller shall not be liable for such error, inaccuracy, or omission if  
10 the disclosure was based on information provided by public agencies, or  
11 by other persons providing information within the scope of their  
12 professional license or expertise, including, but not limited to, a  
13 report or opinion delivered by a land surveyor, title company, title  
14 insurance company, structural inspector, pest inspector, licensed  
15 engineer, or contractor.

16       (2) Any licensed real estate salesperson or broker involved in a  
17 residential real property transaction is not liable for any error,  
18 inaccuracy, or omission in the real property transfer disclosure  
19 statement if the licensee had no (~~personal~~) actual knowledge of the  
20 error, inaccuracy, or omission. Unless the salesperson or broker has  
21 actual knowledge of an error, inaccuracy, or omission in a real  
22 property transfer disclosure statement, the salesperson or broker shall  
23 not be liable for such error, inaccuracy, or omission if the disclosure  
24 was based on information provided by public agencies, or by other  
25 persons providing information within the scope of their professional  
26 license or expertise, including, but not limited to, a report or  
27 opinion delivered by a land surveyor, title company, title insurance  
28 company, structural inspector, pest inspector, licensed engineer, or  
29 contractor.

30       **Sec. 6.** RCW 64.06.070 and 1994 c 200 s 8 are each amended to read  
31 as follows:

32       Except as provided in RCW 64.06.050, nothing in this chapter shall  
33 extinguish or impair any rights or remedies of a buyer of real estate  
34 against the seller or against any agent acting for the seller otherwise  
35 existing pursuant to common law, statute, or contract; nor shall  
36 anything in this chapter create any new right or remedy for a buyer of  
37 residential real property other than the right of rescision exercised on  
38 the basis and within the time limits provided in this chapter.

1        NEW SECTION.   **Sec. 7.**   Section 2 of this act shall take effect July  
2   1, 1996."

3   **2SSB 5053** - H COMM AMD  
4        By Committee on Trade & Economic Development

5  
6        On page 1, line 1 of the title, after "disclosure;" strike the  
7   remainder of the title and insert "amending RCW 64.06.010, 64.06.020,  
8   64.06.030, 64.06.040, 64.06.050, and 64.06.070; and providing an  
9   effective date."

--- END ---