

SENATE BILL REPORT

SB 5052

As of January 23, 1997

Title: An act relating to residential real property transfers.

Brief Description: Repealing residential real property seller's disclosure requirements.

Sponsors: Senator McCaslin.

Brief History:

Committee Activity: Government Operations: 1/24/97.

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Staff: Kathleen Healy (786-7403)

Background: A real property transfer disclosure statement must be completed by the seller and delivered to the buyer within five business days after a written agreement has been executed by the buyer and seller for the purchase and sale of residential real property. The buyer has the option, within three business days, to approve the disclosure statement or to rescind the purchase and sale agreement. The buyer may waive the right to receive the statement. Exceptions to the disclosure requirement exist for certain transfers of residential real property, including foreclosures, a gift to a parent, spouse or child, a transfer related to a marital dissolution, transfers related to partnership or shareholder interests, transfers of an interest less than fee simple or transfers by bankruptcy trustees or personal representatives of a decedent's estate.

The disclosure statement requires the seller to provide information regarding title to the property, water, sewer/septic system, structural information, systems and fixtures, any common interests, and general information about the condition of the property. The seller, licensed real estate salesperson or broker is not liable for any error, omission or inaccuracy in the disclosure statement if he or she has no actual knowledge of such errors. The Consumer Protection Act does not apply to this chapter. The buyer still has all remedies available against a seller or seller's agent pursuant to contract, statute or common law, and this chapter does not create any new remedies other than the rescission right.

Concern has been expressed that the requirements of this chapter are difficult for owners desiring to sell their own homes.

Summary of Bill: The chapter requiring real property transfer disclosure statements is repealed.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.