
SENATE BILL 5536

State of Washington

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By Senators Finkbeiner, Reardon, Roach, Hale, Horn, Benton, Morton, Hewitt, Schmidt, Kastama, Sheahan, Mulliken, Johnson, Parlette, Stevens, West and Esser

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1 AN ACT Relating to condominiums; amending RCW 64.34.100, 64.34.216,
2 64.34.410, 64.34.425, 64.34.443, 64.34.445, 64.34.450, and 64.34.452;
3 and creating a new section.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** The legislature finds, declares, and
6 determines that:

7 (1) Washington's cities and counties under the growth management
8 act are required to encourage urban growth in urban growth areas at
9 densities that accommodate twenty-year growth projections;

10 (2) One of the growth management act's planning goals is to
11 encourage the availability of affordable housing for all residents of
12 the state and promote a variety of housing types;

13 (3) Condominium construction needs to be encouraged to achieve
14 growth management act mandated urban densities and ensure that
15 residents of the state, particularly in urban growth areas, have a
16 broad range of ownership choices;

17 (4) Ambiguity in the condominium act, particularly relating to
18 implied warranties of quality, has led to legal actions and threats of

1 legal action that allege defects and deviations in construction that
2 have no effect on the habitability or utility of condominiums;

3 (5) The result of these legal challenges is that many home builders
4 cannot obtain insurance to build condominiums and as further result
5 condominium construction is declining thereby reducing rather than
6 expanding home ownership opportunities for the residents of Washington
7 state; and

8 (6) Legislative action is needed to encourage residential
9 condominium construction by:

10 (a) Permitting alternative methods of dispute resolution such as
11 arbitration and setting standards to allow resolution of disputes in an
12 expeditious and fair manner;

13 (b) Requiring expanded disclosure to owners if arbitration is
14 required or implied warranties are excluded, modified, or replaced with
15 an express warranty of quality;

16 (c) Requiring expanded disclosure to purchasers of legal
17 proceeding;

18 (d) Clarifying that an express written warranty of quality binds
19 not only the unit owner but also the association;

20 (e) Clarifying that implied warranties of quality extend only to
21 defects or deviations that have a material effect on the habitability
22 or utility of a unit or common area;

23 (f) Clarifying that recovery of damages is limited to the cost of
24 repair or diminution in the value of a unit, whichever is less;

25 (g) Allowing unit purchasers to accept an express written warranty
26 of quality in lieu of implied warranties; and

27 (h) Protecting associations, boards, and officers from liability
28 for failing to commence legal proceedings relating to condominium
29 warranties.

30 It is the intent of the legislature that this act improve and
31 clarify procedures for resolving claims relating to condominium
32 construction and ensure that both a broad range of homeownership
33 opportunities continue to be available to the residents of the state
34 and that cities and counties can achieve density mandates of the growth
35 management act.

36 **Sec. 2.** RCW 64.34.100 and 1989 c 43 s 1-113 are each amended to
37 read as follows:

1 (1) The remedies provided by this chapter shall be liberally
2 administered to the end that the aggrieved party is put in as good a
3 position as if the other party had fully performed. However,
4 consequential, special, or punitive damages may not be awarded except
5 as specifically provided in this chapter or by other rule of law.

6 (2) Any right or obligation declared by this chapter is enforceable
7 by judicial proceeding or by binding arbitration under chapter 7.04 RCW
8 as provided for specifically either in a written agreement signed by
9 the unit purchaser, in the declaration, or by agreement of the parties.

10 (3) Binding arbitration under this chapter must comply with the
11 following minimum standards:

12 (a) Unless the parties agree otherwise, all disputes must be heard
13 by three qualified arbitrators, one appointed by each of the disputing
14 parties and the third, who will chair the panel, appointed by the first
15 two arbitrators. Should three arbitrators fail to be appointed, then
16 arbitrators shall be appointed by the superior court of the county in
17 which the condominium is located pursuant to RCW 7.04.050; and

18 (b) Arbitrators must be lawyers licensed to practice in Washington
19 state with a minimum of at least ten years of experience in condominium
20 or construction law and a person may not serve as an arbitrator in any
21 arbitration in which that person has any financial or personal
22 interest; and

23 (c) The arbitration hearing must be conducted in a manner that
24 permits full, fair, and expeditious presentation of the case by both
25 parties. The arbitrators are bound by the substantive law of
26 Washington state, but are not bound by the rules of evidence. Parties
27 may, but are not required to, be represented by attorneys. The
28 arbitrators may permit discovery to ensure a fair hearing but may limit
29 the scope or manner of discovery for good cause to avoid excessive
30 delay and costs to the parties. Unless the parties agree otherwise,
31 the arbitration hearing must be completed within one hundred twenty
32 days of the initial demand for arbitration.

33 **Sec. 3.** RCW 64.34.216 and 1992 c 220 s 7 are each amended to read
34 as follows:

35 (1) The declaration for a condominium must contain:

36 (a) The name of the condominium, which must include the word

1 "condominium" or be followed by the words "a condominium," and the name
2 of the association;

3 (b) A legal description of the real property included in the
4 condominium;

5 (c) A statement of the number of units which the declarant has
6 created and, if the declarant has reserved the right to create
7 additional units, the number of such additional units;

8 (d) The identifying number of each unit created by the declaration
9 and a description of the boundaries of each unit if and to the extent
10 they are different from the boundaries stated in RCW 64.34.204(1);

11 (e) With respect to each existing unit:

12 (i) The approximate square footage;

13 (ii) The number of bathrooms, whole or partial;

14 (iii) The number of rooms designated primarily as bedrooms;

15 (iv) The number of built-in fireplaces; and

16 (v) The level or levels on which each unit is located.

17 The data described in (ii), (iii), and (iv) of this subsection
18 (1)(e) may be omitted with respect to units restricted to
19 nonresidential use;

20 (f) The number of parking spaces and whether covered, uncovered, or
21 enclosed;

22 (g) The number of moorage slips, if any;

23 (h) A description of any limited common elements, other than those
24 specified in RCW 64.34.204 (2) and (4), as provided in RCW
25 64.34.232(2)(j);

26 (i) A description of any real property which may be allocated
27 subsequently by the declarant as limited common elements, other than
28 limited common elements specified in RCW 64.34.204 (2) and (4),
29 together with a statement that they may be so allocated;

30 (j) A description of any development rights and other special
31 declarant rights under RCW 64.34.020(29) reserved by the declarant,
32 together with a description of the real property to which the
33 development rights apply, and a time limit within which each of those
34 rights must be exercised;

35 (k) If any development right may be exercised with respect to
36 different parcels of real property at different times, a statement to
37 that effect together with: (i) Either a statement fixing the
38 boundaries of those portions and regulating the order in which those

1 portions may be subjected to the exercise of each development right, or
2 a statement that no assurances are made in those regards; and (ii) a
3 statement as to whether, if any development right is exercised in any
4 portion of the real property subject to that development right, that
5 development right must be exercised in all or in any other portion of
6 the remainder of that real property;

7 (l) Any other conditions or limitations under which the rights
8 described in (j) of this subsection may be exercised or will lapse;

9 (m) An allocation to each unit of the allocated interests in the
10 manner described in RCW 64.34.224;

11 (n) Any restrictions in the declaration on use, occupancy, or
12 alienation of the units;

13 (o) A cross-reference by recording number to the survey map and
14 plans for the units created by the declaration; and

15 (p) All matters required or permitted by RCW 64.34.220 through
16 64.34.232, 64.34.256, 64.34.260, 64.34.276, ~~((and))~~ 64.34.308(4), and
17 64.34.450.

18 (2) All amendments to the declaration shall contain a cross-
19 reference by recording number to the declaration and to any prior
20 amendments thereto. All amendments to the declaration adding units
21 shall contain a cross-reference by recording number to the survey map
22 and plans relating to the added units and set forth all information
23 required by RCW 64.34.216(1) with respect to the added units.

24 (3) The declaration may contain any other matters the declarant
25 deems appropriate.

26 **Sec. 4.** RCW 64.34.410 and 2002 c 323 s 10 are each amended to read
27 as follows:

28 (1) A public offering statement shall contain the following
29 information:

30 (a) The name and address of the condominium;

31 (b) The name and address of the declarant;

32 (c) The name and address of the management company, if any;

33 (d) The relationship of the management company to the declarant, if
34 any;

35 (e) A list of up to the five most recent condominium projects
36 completed by the declarant or an affiliate of the declarant within the
37 past five years, including the names of the condominiums, their

1 addresses, and the number of existing units in each. For the purpose
2 of this section, a condominium is "completed" when any one unit therein
3 has been rented or sold;

4 (f) The nature of the interest being offered for sale;

5 (g) A brief description of the permitted uses and use restrictions
6 pertaining to the units and the common elements;

7 (h) A brief description of the restrictions, if any, on the renting
8 or leasing of units by the declarant or other unit owners, together
9 with the rights, if any, of the declarant to rent or lease at least a
10 majority of units;

11 (i) The number of existing units in the condominium and the maximum
12 number of units that may be added to the condominium;

13 (j) A list of the principal common amenities in the condominium
14 which materially affect the value of the condominium and those that
15 will or may be added to the condominium;

16 (k) A list of the limited common elements assigned to the units
17 being offered for sale;

18 (l) The identification of any real property not in the condominium,
19 the owner of which has access to any of the common elements, and a
20 description of the terms of such access;

21 (m) The identification of any real property not in the condominium
22 to which unit owners have access and a description of the terms of such
23 access;

24 (n) The status of construction of the units and common elements,
25 including estimated dates of completion if not completed;

26 (o) The estimated current common expense liability for the units
27 being offered;

28 (p) An estimate of any payment with respect to the common expense
29 liability for the units being offered which will be due at closing;

30 (q) The estimated current amount and purpose of any fees not
31 included in the common expenses and charged by the declarant or the
32 association for the use of any of the common elements;

33 (r) Any assessments which have been agreed to or are known to the
34 declarant and which, if not paid, may constitute a lien against any
35 units or common elements in favor of any governmental agency;

36 (s) The identification of any parts of the condominium, other than
37 the units, which any individual owner will have the responsibility for
38 maintaining;

1 (t) If the condominium involves a conversion condominium, the
2 information required by RCW 64.34.415;

3 (u) Whether timesharing is restricted or prohibited, and if
4 restricted, a general description of such restrictions;

5 (v) A list of all development rights reserved to the declarant and
6 all special declarant rights reserved to the declarant, together with
7 the dates such rights must terminate, and a copy of or reference by
8 recording number to any recorded transfer of a special declarant right;

9 (w) A description of any material differences in terms of
10 furnishings, fixtures, finishes, and equipment between any model unit
11 available to the purchaser at the time the agreement for sale is
12 executed and the unit being offered;

13 (x) Any liens on real property to be conveyed to the association
14 required to be disclosed pursuant to RCW 64.34.435(2)(b);

15 (y) A list of any physical hazards known to the declarant which
16 particularly affect the condominium or the immediate vicinity in which
17 the condominium is located and which are not readily ascertainable by
18 the purchaser;

19 (z)(i) A brief description of any construction warranties to be
20 provided to the purchaser;

21 (ii) A brief statement as to whether any express written warranty
22 replaces or other document excludes or modifies the implied warranties
23 of quality provided in RCW 64.34.445 or requires arbitration of
24 disputes or claims involving breach of the express warranties of
25 quality provided in RCW 64.34.443 or the implied warranties of quality
26 provided in RCW 64.34.445;

27 (aa) Any building code violation citations received by the
28 declarant in connection with the condominium which have not been
29 corrected;

30 (bb) A statement of any unsatisfied judgments or pending suits
31 against the association, a statement of the status of any pending suits
32 material to the condominium of which the declarant has actual
33 knowledge, and a statement of any litigation brought by an owners'
34 association, unit owner, or governmental entity in which the declarant
35 or any affiliate of the declarant has been a defendant, arising out of
36 the construction, sale, or administration of any condominium within the
37 previous five years, together with the results thereof, if known;

1 (cc) Any rights of first refusal to lease or purchase any unit or
2 any of the common elements;

3 (dd) The extent to which the insurance provided by the association
4 covers furnishings, fixtures, and equipment located in the unit;

5 (ee) A notice which describes a purchaser's right to cancel the
6 purchase agreement or extend the closing under RCW 64.34.420, including
7 applicable time frames and procedures;

8 (ff) Any reports or statements required by RCW 64.34.415 or
9 64.34.440(6)(a). RCW 64.34.415 shall apply to the public offering
10 statement of a condominium in connection with which a final certificate
11 of occupancy was issued more than sixty calendar months prior to the
12 preparation of the public offering statement whether or not the
13 condominium is a conversion condominium as defined in RCW
14 64.34.020(10);

15 (gg) A list of the documents which the prospective purchaser is
16 entitled to receive from the declarant before the rescission period
17 commences;

18 (hh) A notice which states: A purchaser may not rely on any
19 representation or express warranty unless it is contained in the public
20 offering statement or made in writing signed by the declarant or by any
21 person identified in the public offering statement as the declarant's
22 agent;

23 (ii) A notice which states: This public offering statement is only
24 a summary of some of the significant aspects of purchasing a unit in
25 this condominium and the condominium documents are complex, contain
26 other important information, and create binding legal obligations. You
27 should consider seeking the assistance of legal counsel;

28 (jj) Any other information and cross-references which the declarant
29 believes will be helpful in describing the condominium to the
30 recipients of the public offering statement, all of which may be
31 included or not included at the option of the declarant;

32 (kk) A notice that addresses compliance or noncompliance with the
33 housing for older persons act of 1995, P.L. 104-76, as enacted on
34 December 28, 1995; and

35 (ll) A notice that is substantially in the form required by RCW
36 64.50.050.

37 (2) The public offering statement shall include copies of each of
38 the following documents: The declaration, the survey map and plans,

1 the articles of incorporation of the association, bylaws of the
2 association, rules and regulations, if any, current or proposed budget
3 for the association, (~~and~~) the balance sheet of the association
4 current within ninety days if assessments have been collected for
5 ninety days or more, and any express written warranty or other document
6 disclosed pursuant to subsection (1)(z) of this section.

7 If any of the foregoing documents listed in this subsection are not
8 available because they have not been executed, adopted, or recorded,
9 drafts of such documents shall be provided with the public offering
10 statement, and, before closing the sale of a unit, the purchaser shall
11 be given copies of any material changes between the draft of the
12 proposed documents and the final documents.

13 (3) The disclosures required by subsection (1)(g), (k), (s), (u),
14 (v), (z), and (cc) of this section shall also contain a reference to
15 specific sections in the condominium documents which further explain
16 the information disclosed.

17 (4) The disclosures required by subsection (1)(ee), (hh), (ii), and
18 (ll) of this section shall be located at the top of the first page of
19 the public offering statement and be typed or printed in ten-point bold
20 face type size.

21 (5) A declarant shall promptly amend the public offering statement
22 to reflect any material change in the information required by this
23 section.

24 **Sec. 5.** RCW 64.34.425 and 1992 c 220 s 23 are each amended to read
25 as follows:

26 (1) Except in the case of a sale where delivery of a public
27 offering statement is required, or unless exempt under RCW
28 64.34.400(2), a unit owner shall furnish to a purchaser before
29 execution of any contract for sale of a unit, or otherwise before
30 conveyance, a resale certificate, signed by an officer or authorized
31 agent of the association and based on the books and records of the
32 association and the actual knowledge of the person signing the
33 certificate, containing:

34 (a) A statement disclosing any right of first refusal or other
35 restraint on the free alienability of the unit contained in the
36 declaration;

- 1 (b) A statement setting forth the amount of the monthly common
2 expense assessment and any unpaid common expense or special assessment
3 currently due and payable from the selling unit owner and a statement
4 of any special assessments that have been levied against the unit which
5 have not been paid even though not yet due;
- 6 (c) A statement, which shall be current to within forty-five days,
7 of any common expenses or special assessments against any unit in the
8 condominium that are past due over thirty days;
- 9 (d) A statement, which shall be current to within forty-five days,
10 of any obligation of the association which is past due over thirty
11 days;
- 12 (e) A statement of any other fees payable by unit owners;
- 13 (f) A statement of any anticipated repair or replacement cost in
14 excess of five percent of the annual budget of the association that has
15 been approved by the board of directors;
- 16 (g) A statement of the amount of any reserves for repair or
17 replacement and of any portions of those reserves currently designated
18 by the association for any specified projects;
- 19 (h) The annual financial statement of the association, including
20 the audit report if it has been prepared, for the year immediately
21 preceding the current year.
- 22 (i) A balance sheet and a revenue and expense statement of the
23 association prepared on an accrual basis, which shall be current to
24 within one hundred twenty days;
- 25 (j) The current operating budget of the association;
- 26 (k) A statement of any unsatisfied judgments against the
27 association and the status of any pending suits or legal proceedings in
28 which the association is a plaintiff or defendant;
- 29 (l) A statement describing any insurance coverage provided for the
30 benefit of unit owners;
- 31 (m) A statement as to whether there are any alterations or
32 improvements to the unit or to the limited common elements assigned
33 thereto that violate any provision of the declaration;
- 34 (n) A statement of the number of units, if any, still owned by the
35 declarant, whether the declarant has transferred control of the
36 association to the unit owners, and the date of such transfer;
- 37 (o) A statement as to whether there are any violations of the

1 health or building codes with respect to the unit, the limited common
2 elements assigned thereto, or any other portion of the condominium;

3 (p) A statement of the remaining term of any leasehold estate
4 affecting the condominium and the provisions governing any extension or
5 renewal thereof; and

6 (q) A copy of the declaration, the bylaws, the rules or regulations
7 of the association, and any other information reasonably requested by
8 mortgagees of prospective purchasers of units. Information requested
9 generally by the federal national mortgage association, the federal
10 home loan bank board, the government national mortgage association, the
11 veterans administration and the department of housing and urban
12 development shall be deemed reasonable, provided such information is
13 reasonably available to the association.

14 (2) The association, within ten days after a request by a unit
15 owner, and subject to payment of any fee imposed pursuant to RCW
16 64.34.304(1)(1), shall furnish a resale certificate signed by an
17 officer or authorized agent of the association and containing the
18 information necessary to enable the unit owner to comply with this
19 section. For the purposes of this chapter, a reasonable charge for the
20 preparation of a resale certificate may not exceed one hundred fifty
21 dollars. The association may charge a unit owner a nominal fee for
22 updating a resale certificate within six months of the unit owner's
23 request. The unit owner shall also sign the certificate but the unit
24 owner is not liable to the purchaser for any erroneous information
25 provided by the association and included in the certificate unless and
26 to the extent the unit owner had actual knowledge thereof.

27 (3) A purchaser is not liable for any unpaid assessment or fee
28 against the unit as of the date of the certificate greater than the
29 amount set forth in the certificate prepared by the association unless
30 and to the extent such purchaser had actual knowledge thereof. A unit
31 owner is not liable to a purchaser for the failure or delay of the
32 association to provide the certificate in a timely manner, but the
33 purchaser's contract is voidable by the purchaser until the certificate
34 has been provided and for five days thereafter or until conveyance,
35 whichever occurs first.

36 **Sec. 6.** RCW 64.34.443 and 1989 c 428 s 2 are each amended to read
37 as follows:

1 (1) Express warranties made by any seller to a purchaser of a unit,
2 if relied upon by the purchaser, are created as follows:

3 (a) Any written affirmation of fact or promise which relates to the
4 unit, its use, or rights appurtenant thereto, area improvements to the
5 condominium that would directly benefit the unit, or the right to use
6 or have the benefit of facilities not located in the condominium
7 creates an express warranty that the unit and related rights and uses
8 will conform to the affirmation or promise;

9 (b) Any model or written description of the physical
10 characteristics of the condominium at the time the purchase agreement
11 is executed, including plans and specifications of or for improvements,
12 creates an express warranty that the condominium will conform to the
13 model or description except pursuant to RCW 64.34.410(1)((~~v~~)) (w);

14 (c) Any written description of the quantity or extent of the real
15 property comprising the condominium, including plats or surveys,
16 creates an express warranty that the condominium will conform to the
17 description, subject to customary tolerances; and

18 (d) A written provision that a buyer may put a unit only to a
19 specified use is an express warranty that the specified use is lawful.

20 (2) Neither formal words, such as "warranty" or "guarantee," nor a
21 specific intention to make a warranty are necessary to create an
22 express warranty of quality, but a statement purporting to be merely an
23 opinion or commendation of the real estate or its value does not create
24 a warranty. A purchaser may not rely on any representation or express
25 warranty unless it is contained in the public offering statement or
26 made in writing signed by the declarant or declarant's agent identified
27 in the public offering statement.

28 (3) Any conveyance of a unit transfers to the purchaser all express
29 warranties of quality made by previous sellers.

30 (4) An express written warranty between a declarant and a unit
31 purchaser is binding upon the association and subsequent purchasers.

32 **Sec. 7.** RCW 64.34.445 and 1992 c 220 s 26 are each amended to read
33 as follows:

34 (1) A declarant and any dealer warrants that a unit will be in at
35 least as good condition at the earlier of the time of the conveyance or
36 delivery of possession as it was at the time of contracting, reasonable
37 wear and tear and damage by casualty or condemnation excepted.

1 (2) A declarant and any dealer impliedly warrants that a unit and
2 the common elements in the condominium are suitable for the ordinary
3 uses of real estate of its type and that any improvements made or
4 contracted for by such declarant or dealer will be:

5 (a) Free from defective materials; and

6 (b) Constructed in accordance with sound engineering and
7 construction standards, and in a workmanlike manner in compliance with
8 all laws then applicable to such improvements. However, there is no
9 breach of an implied warranty of quality unless the defect or deviation
10 has a material effect on either (i) the habitability of the unit or
11 common element; or (ii) utility of the unit or common element for its
12 intended purpose.

13 (3) A declarant and any dealer warrants to a purchaser of a unit
14 that may be used for residential use that an existing use, continuation
15 of which is contemplated by the parties, does not violate applicable
16 law at the earlier of the time of conveyance or delivery of possession.

17 (4) Warranties imposed by this section may be replaced, excluded,
18 or modified as specified in RCW 64.34.450 and the replacement,
19 exclusion, or modification is binding upon the association and
20 subsequent purchasers.

21 (5) For purposes of this section, improvements made or contracted
22 for by an affiliate of a declarant, as defined in RCW 64.34.020(1), are
23 made or contracted for by the declarant.

24 (6) Any conveyance of a unit transfers to the purchaser all of the
25 declarant's implied warranties of quality.

26 (7) If damages are recoverable under subsection (2) of this
27 section, then the amount of damages that may be recovered is either (a)
28 the diminution in value of the unit and allocated interest in the
29 common elements, caused by the defect or deviation, or (b) the cost to
30 repair the defect or deviation, whichever is less.

31 **Sec. 8.** RCW 64.34.450 and 1989 c 43 s 4-113 are each amended to
32 read as follows:

33 (1) (~~Except as limited by subsection (2) of this section~~) For
34 units intended for nonresidential use, implied warranties of quality:

35 (a) May be excluded or modified by written agreement of the
36 parties; and

1 (b) Are excluded by written expression of disclaimer, such as "as
2 is," "with all faults," or other language which in common understanding
3 calls the buyer's attention to the exclusion of warranties.

4 (2) (~~(With respect to a purchaser of a unit that may be occupied~~
5 ~~for residential use,)~~) For units intended for residential use:

6 (a) No general disclaimer of implied warranties of quality is
7 effective, but a declarant and any dealer may disclaim liability in an
8 instrument signed by the purchaser for a specified defect or specified
9 failure to comply with applicable law, if the defect or failure entered
10 into and became a part of the basis of the bargain; and

11 (b) A unit purchaser may choose to replace implied warranties of
12 quality with an express written warranty of quality if:

13 (i) The declaration and public offering statement state clearly in
14 fourteen-point bold face type that an express written warranty of
15 quality is offered to replace implied warranties;

16 (ii) The express warranty is set forth in full in a document
17 recorded with the declaration; and

18 (iii) The unit purchaser agrees to the replacement and acknowledges
19 in a recorded written instrument that implied warranties of quality are
20 replaced by an express written warranty.

21 **Sec. 9.** RCW 64.34.452 and 2002 c 323 s 11 are each amended to read
22 as follows:

23 (1) A judicial proceeding or arbitration for breach of any
24 obligations arising under RCW 64.34.443 and 64.34.445 must be commenced
25 within four years after the cause of action accrues: PROVIDED, That
26 the period for commencing an action for a breach accruing pursuant to
27 subsection (2)(b) of this section shall not expire prior to one year
28 after termination of the period of declarant control, if any, under RCW
29 64.34.308(4). Such period may not be reduced by either oral or written
30 agreement. However, an association and its board of directors and
31 officers are not liable for failing to commence a judicial proceeding
32 or arbitration under this section.

33 (2) Subject to subsection (3) of this section, a cause of action or
34 breach of warranty of quality, regardless of the purchaser's lack of
35 knowledge of the breach, accrues:

36 (a) As to a unit, the date the purchaser to whom the warranty is

1 first made enters into possession if a possessory interest was conveyed
2 or the date of acceptance of the instrument of conveyance if a
3 nonpossessory interest was conveyed; and

4 (b) As to each common element, at the latest of (i) the date the
5 first unit in the condominium was conveyed to a bona fide purchaser,
6 (ii) the date the common element was completed, or (iii) the date the
7 common element was added to the condominium.

8 (3) If a warranty of quality explicitly extends to future
9 performance or duration of any improvement or component of the
10 condominium, the cause of action accrues at the time the breach is
11 discovered or at the end of the period for which the warranty
12 explicitly extends, whichever is earlier.

13 (4) If a written notice of claim is served under RCW 64.50.020
14 within the time prescribed for the filing of an action under this
15 chapter, the statutes of limitation in this chapter and any applicable
16 statutes of repose for construction-related claims are tolled until
17 sixty days after the period of time during which the filing of an
18 action is barred under RCW 64.50.020.

--- END ---