

SHB 1420 - S AMD 354

By Senators Fraser, Berkey, Benton

PULLED 04/15/2009

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 64.06.015 and 2007 c 107 s 5 are each amended to read
4 as follows:

5 (1) In a transaction for the sale of unimproved residential real
6 property, the seller shall, unless the buyer has expressly waived the
7 right to receive the disclosure statement under RCW 64.06.010, or
8 unless the transfer is otherwise exempt under RCW 64.06.010, deliver to
9 the buyer a completed seller disclosure statement in the following
10 format and that 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 days,
19 unless otherwise agreed, after mutual acceptance of a written contract
20 to purchase between a buyer and a seller.

21 NOTICE TO THE BUYER

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

25 SELLER MAKES THE FOLLOWING DISCLOSURES OF EXISTING MATERIAL FACTS OR
26 MATERIAL DEFECTS TO BUYER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE
27 PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT.
28 UNLESS YOU AND SELLER OTHERWISE AGREE IN WRITING, YOU HAVE THREE
29 BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS

1	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Don't know	*E. Are there any rights-of-way, easements, or access limitations that
2				((may)) affect the Buyer's use of the
3				property?
4				
5	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Don't know	*F. Are there any written agreements
6				for joint maintenance of an easement or
7				right-of-way?
8	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Don't know	*G. Is there any study, survey project,
9				or notice that would adversely affect the
10				property?
11	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Don't know	*H. Are there any pending or existing
12				assessments against the property?
13	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Don't know	*I. Are there any zoning violations,
14				nonconforming uses, or any unusual
15				restrictions on the property that
16				((would)) affect future construction or
17				remodeling?
18	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Don't know	*J. Is there a boundary survey for the
19				property?
20	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Don't know	*K. Are there any covenants,
21				conditions, or restrictions (which
22				affect)) <u>recorded against title to the</u>
23				property?
24				2. WATER
25				A. Household Water
26	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Don't know	(1) Does the property have potable
27				water supply?
28				(2) If yes, the source of water for the
29				property is:
30				<input type="checkbox"/> Private or publicly owned water
31				system
32				<input type="checkbox"/> Private well serving only the
33				property
34				* <input type="checkbox"/> Other water system
35	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Don't know	*If shared, are there any written
36				agreements?
37	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Don't know	*(3) Is there an easement (recorded or
38				unrecorded) for access to and/or
39				maintenance of the water source?
40	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Don't know	*(4) Are there any (known) problems
41				or repairs needed?
42	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Don't know	(5) Is there a connection or hook-up
43				charge payable before the property can
44				be connected to the water main?

1
 2 Yes No Don't know D. Do you have a forest management
 3 plan? If yes, attach.
 4 Yes No Don't know *E. Have any development-related
 5 permit applications been submitted to
 6 any government agencies? (~~If so,~~
 7 ~~specify:~~)
 8
 9 If the answer to E is "yes," what is the
 10 status or outcome of those applications?
 11

12 **10. FULL DISCLOSURE BY**
 13 **SELLERS**

14 A. Other conditions or defects:
 15 Yes No Don't know *Are there any other existing material
 16 defects affecting the property that a
 17 prospective buyer should know about?
 18 B. Verification:
 19 The foregoing answers and attached
 20 explanations (if any) are complete and
 21 correct to the best of my/our knowledge
 22 and I/we have received a copy hereof.
 23 I/we authorize all of my/our real estate
 24 licensees, if any, to deliver a copy of
 25 this disclosure statement to other real
 26 estate licensees and all prospective
 27 buyers of the property.

28 DATE SELLER SELLER

29 NOTICE TO BUYER

30 INFORMATION REGARDING REGISTERED SEX OFFENDERS MAY BE
 31 OBTAINED FROM LOCAL LAW ENFORCEMENT AGENCIES. THIS NOTICE
 32 IS INTENDED ONLY TO INFORM YOU OF WHERE TO OBTAIN THIS
 33 INFORMATION AND IS NOT AN INDICATION OF THE PRESENCE OF
 34 REGISTERED SEX OFFENDERS.

35 **II. BUYER'S ACKNOWLEDGMENT**

- 36 A. Buyer hereby acknowledges that: Buyer has a duty to pay
 37 diligent attention to any material defects that are known to
 38 Buyer or can be known to Buyer by utilizing diligent
 39 attention and observation.
- 40 B. The disclosures set forth in this statement and in any
 41 amendments to this statement are made only by the Seller
 42 and not by any real estate licensee or other party.
- 43 C. Buyer acknowledges that, pursuant to RCW 64.06.050(2),
 44 real estate licensees are not liable for inaccurate information
 45 provided by Seller, except to the extent that real estate
 46 licensees know of such inaccurate information.

- D. This information is for disclosure only and is not intended to be a part of the written agreement between the Buyer and Seller.
- E. Buyer (which term includes all persons signing the "Buyer's acceptance" portion of this disclosure statement below) has received a copy of this Disclosure Statement (including attachments, if any) bearing Seller's signature.

8 DISCLOSURES CONTAINED IN THIS DISCLOSURE STATEMENT ARE PROVIDED BY
9 SELLER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME
10 SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS BUYER AND SELLER
11 OTHERWISE AGREE IN WRITING, BUYER SHALL HAVE THREE BUSINESS DAYS FROM
12 THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO
13 RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN
14 STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. YOU MAY WAIVE THE
15 RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A SALE
16 AGREEMENT.

17 BUYER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS DISCLOSURE
18 STATEMENT AND ACKNOWLEDGES THAT THE DISCLOSURES MADE HEREIN ARE THOSE
19 OF THE SELLER ONLY, AND NOT OF ANY REAL ESTATE LICENSEE OR OTHER PARTY.
20 DATE BUYER BUYER

21 (2) If the disclosure statement is being completed for a property
22 for which the maximum allowable development after full subdivision
23 would be more than four residential units or structures, the disclosure
24 statement is only required to contain and the seller is only required
25 to complete the questions listed in item 7. Environmental.

26 (3) The seller disclosure statement shall be for disclosure only,
27 and shall not be considered part of any written agreement between the
28 buyer and seller of residential property. The seller disclosure
29 statement shall be only a disclosure made by the seller, and not any
30 real estate licensee involved in the transaction, and shall not be
31 construed as a warranty of any kind by the seller or any real estate
32 licensee involved in the transaction.

33 **Sec. 2.** RCW 64.06.020 and 2007 c 107 s 4 are each amended to read
34 as follows:

35 (1) In a transaction for the sale of improved residential real
36 property, the seller shall, unless the buyer has expressly waived the
37 right to receive the disclosure statement under RCW 64.06.010, or

1 unless the transfer is otherwise exempt under RCW 64.06.010, deliver to
2 the buyer a completed seller disclosure statement in the following
3 format and that contains, at a minimum, the following information:

4 INSTRUCTIONS TO THE SELLER

5 Please complete the following form. Do not leave any spaces blank. If
6 the question clearly does not apply to the property write "NA." If the
7 answer is "yes" to any * items, please explain on attached sheets.
8 Please refer to the line number(s) of the question(s) when you provide
9 your explanation(s). For your protection you must date and sign each
10 page of this disclosure statement and each attachment. Delivery of the
11 disclosure statement must occur not later than five business days,
12 unless otherwise agreed, after mutual acceptance of a written contract
13 to purchase between a buyer and a seller.

14 NOTICE TO THE BUYER

15 THE FOLLOWING DISCLOSURES ARE MADE BY SELLER ABOUT THE CONDITION OF THE
16 PROPERTY LOCATED AT
17 ("THE PROPERTY"), OR AS LEGALLY DESCRIBED ON ATTACHED EXHIBIT A.

18 SELLER MAKES THE FOLLOWING DISCLOSURES OF EXISTING MATERIAL FACTS OR
19 MATERIAL DEFECTS TO BUYER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE
20 PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT.
21 UNLESS YOU AND SELLER OTHERWISE AGREE IN WRITING, YOU HAVE THREE
22 BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS
23 DISCLOSURE STATEMENT TO YOU TO RESCIND THE AGREEMENT BY DELIVERING A
24 SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S
25 AGENT. IF THE SELLER DOES NOT GIVE YOU A COMPLETED DISCLOSURE
26 STATEMENT, THEN YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER
27 THE TIME YOU ENTER INTO A SALE AGREEMENT.

28 THE FOLLOWING ARE DISCLOSURES MADE BY SELLER AND ARE NOT THE
29 REPRESENTATIONS OF ANY REAL ESTATE LICENSEE OR OTHER PARTY. THIS
30 INFORMATION IS FOR DISCLOSURE ONLY AND IS NOT INTENDED TO BE A PART OF
31 ANY WRITTEN AGREEMENT BETWEEN BUYER AND SELLER.

32 FOR A MORE COMPREHENSIVE EXAMINATION OF THE SPECIFIC CONDITION OF THIS
33 PROPERTY YOU ARE ADVISED TO OBTAIN AND PAY FOR THE SERVICES OF
34 QUALIFIED EXPERTS TO INSPECT THE PROPERTY, WHICH MAY INCLUDE, WITHOUT
35 LIMITATION, ARCHITECTS, ENGINEERS, LAND SURVEYORS, PLUMBERS,
36 ELECTRICIANS, ROOFERS, BUILDING INSPECTORS, ON-SITE WASTEWATER
37 TREATMENT INSPECTORS, OR STRUCTURAL PEST INSPECTORS. THE PROSPECTIVE

1 BUYER AND SELLER MAY WISH TO OBTAIN PROFESSIONAL ADVICE OR INSPECTIONS
2 OF THE PROPERTY OR TO PROVIDE APPROPRIATE PROVISIONS IN A CONTRACT
3 BETWEEN THEM WITH RESPECT TO ANY ADVICE, INSPECTION, DEFECTS OR
4 WARRANTIES.

5 Seller is/ is not occupying the property.

6

I. SELLER'S DISCLOSURES:

7

If you answer "Yes" to a question with an asterisk (), please explain your answer
8 and attach documents, if available and not otherwise publicly recorded. If necessary,
9 use an attached sheet.

10

1. TITLE

11

Yes No Don't know A. Do you have legal authority to sell
12 the property? If no, please explain.

13

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

15

(1) First right of refusal

16

(2) Option

17

(3) Lease or rental agreement

18

(4) Life estate?

19

Yes No Don't know *C. Are there any encroachments,
20 boundary agreements, or boundary
21 disputes?

22

Yes No Don't know *D. Is there a private road or easement
23 agreement for access to the property?

24

Yes No Don't know *E. Are there any rights-of-way,
25 easements, or access limitations that
26 may affect the Buyer's use of the
27 property?

28

Yes No Don't know *F. Are there any written agreements
29 for joint maintenance of an easement or
30 right-of-way?

31

Yes No Don't know *G. Is there any study, survey project,
32 or notice that would adversely affect the
33 property?

34

Yes No Don't know *H. Are there any pending or existing
35 assessments against the property?

36

Yes No Don't know *I. Are there any zoning violations,
37 nonconforming uses, or any unusual
38 restrictions on the property that would
39 affect future construction or
40 remodeling?

41

Yes No Don't know *J. Is there a boundary survey for the
42 property?

42

1 Yes No Don't know *A. Have there been any flooding,
2 standing water, or drainage problems on
3 the property that affect the property or
4 access to the property?

5 Yes No Don't know *B. Does any part of the property
6 contain fill dirt, waste, or other fill
7 material?

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

12 Yes No Don't know D. Are there any shorelines, wetlands,
13 floodplains, or critical areas on the
14 property?

15 Yes No Don't know *E. Are there any substances,
16 materials, or products in or on the
17 property that may be environmental
18 concerns, such as asbestos,
19 formaldehyde, radon gas, lead-based
20 paint, fuel or chemical storage tanks, or
21 contaminated soil or water?

22 Yes No Don't know *F. Has the property been used for
23 commercial or industrial purposes?

24 Yes No Don't know *G. Is there any soil or groundwater
25 contamination?

26 Yes No Don't know *H. Are there transmission poles(~~(-~~
27 ~~transformers,~~) or other electrical utility
28 equipment installed, maintained, or
29 buried on the property that do not
30 provide utility service to the structures
31 on the property?

32 Yes No Don't know *I. Has the property been used as a
33 legal or illegal dumping site?

34 Yes No Don't know *J. Has the property been used as an
35 illegal drug manufacturing site?

36 Yes No Don't know *K. Are there any radio towers in the
37 area that ~~((may))~~ cause interference with
38 cellular telephone reception?

39
40 **8. MANUFACTURED AND**
41 **MOBILE HOMES**

42 If the property includes a manufactured
43 or mobile home,
44 Yes No Don't know *A. Did you make any alterations to the
45 home? If yes, please describe the
 alterations:

1
2
3
4

E. Buyer (which term includes all persons signing the "Buyer's acceptance" portion of this disclosure statement below) has received a copy of this Disclosure Statement (including attachments, if any) bearing Seller's signature.

5 DISCLOSURES CONTAINED IN THIS DISCLOSURE STATEMENT ARE PROVIDED BY
6 SELLER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME
7 SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS BUYER AND SELLER
8 OTHERWISE AGREE IN WRITING, BUYER SHALL HAVE THREE BUSINESS DAYS FROM
9 THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO
10 RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN
11 STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. YOU MAY WAIVE THE
12 RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A SALE
13 AGREEMENT.

14 BUYER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS DISCLOSURE
15 STATEMENT AND ACKNOWLEDGES THAT THE DISCLOSURES MADE HEREIN ARE THOSE
16 OF THE SELLER ONLY, AND NOT OF ANY REAL ESTATE LICENSEE OR OTHER PARTY.
17 DATE BUYER BUYER

18 (2) If the disclosure statement is being completed for new
19 construction which has never been occupied, the disclosure statement is
20 not required to contain and the seller is not required to complete the
21 questions listed in item 4. Structural or item 5. Systems and
22 Fixtures.

23 (3) The seller disclosure statement shall be for disclosure only,
24 and shall not be considered part of any written agreement between the
25 buyer and seller of residential property. The seller disclosure
26 statement shall be only a disclosure made by the seller, and not any
27 real estate licensee involved in the transaction, and shall not be
28 construed as a warranty of any kind by the seller or any real estate
29 licensee involved in the transaction.

30 **Sec. 3.** RCW 64.06.040 and 1996 c 301 s 4 are each amended to read
31 as follows:

32 (1) If, after the date that a seller of residential real property
33 completes a real property transfer disclosure statement, the seller
34 (~~becomes aware~~) learns from a source other than the buyer or others
35 acting on the buyer's behalf such as an inspector of additional
36 information(~~(7)~~) or an adverse change (~~(occurs)~~) which makes any of the

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

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

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

1 property transfer disclosure statement and the buyer's rights and
2 remedies under this chapter shall terminate.

3 NEW SECTION. **Sec. 4.** This act applies prospectively only and not
4 retroactively. It applies only to sales of property that arise on or
5 after the effective date of this section."

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By Senators Fraser, Berkey, Benton

PULLED 04/15/2009

6 On page 1, line 1 of the title, after "disclosure;" strike the
7 remainder of the title and insert "amending RCW 64.06.015, 64.06.020,
8 and 64.06.040; and creating a new section."

--- END ---