

FINAL BILL REPORT

SSB 6749

C 64 L 10
Synopsis as Enacted

Brief Description: Concerning the transfer of commercial real estate.

Sponsors: Senate Committee on Labor, Commerce & Consumer Protection (originally sponsored by Senators Fraser and Honeyford).

Senate Committee on Labor, Commerce & Consumer Protection
House Committee on Commerce & Labor

Background: A seller of residential land must provide a buyer with a disclosure statement about the land unless the buyer waives the right to receive it. The disclosure requirement applies to sales of unimproved residential land and improved residential land.

The disclosure forms are specified in statute. The disclosure for unimproved residential land concerns title, water, sewer/septic systems, electrical/gas, flooding, soil stability, environmental, and homeowners' association/common interests.

The disclosure statement must be provided within five business days, or as otherwise agreed to, after mutual acceptance of a written purchase agreement between a buyer and a seller. Within three business days of receiving the disclosure statement, the buyer has the right to approve and accept the statement or rescind the agreement for purchase. If the seller fails to provide the statement, the buyer may rescind the transaction until the transfer has closed. If the disclosure statement is delivered late, the buyer's right to rescind expires three days after receipt of the statement.

Transfer to a buyer who expressly waives receipt of the disclosure statement is exempt. However, if the answer to any of the questions in the environmental section would be "yes", the buyer may not waive receipt of the environmental section of the seller disclosure statement.

Summary: A seller of commercial real estate must provide a buyer with a disclosure statement about the land unless the buyer waives the right to receive it. The disclosure for commercial real estate concerns title, water, sewer/on-site sewage, structure, systems and fixtures, and environmental.

The disclosure statement must be provided within five business days, or as otherwise agreed to, after mutual acceptance of a written purchase agreement between a buyer and a seller.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Within three business days of receiving the disclosure statement, the buyer has the right to approve and accept the statement or rescind the agreement for purchase. If the seller fails to provide the statement, the buyer may rescind the transaction until the transfer has closed. If the disclosure statement is delivered late, the buyer's right to rescind expires three days after receipt of the statement.

A seller of residential real property must make available to a buyer a statement that the property for sale may be located in close proximity to a farm and that the farm's operation involves customary practices that are protected under the Washington Right to Farm Act.

Votes on Final Passage:

Senate	48	0
House	96	0

Effective: June 10, 2010