

SHB 1793 - H AMD 877

By Representative Hackney

ADOPTED 02/09/2022

1 On page 3, beginning on line 30, after "cost." strike all
2 material through "price." on line 34

3 On page 3, at the beginning of line 35, strike "the buyer or"

4 On page 4, beginning on line 21, strike all of subsection (9)

5 Renumber the remaining subsections consecutively and correct any
6 internal references accordingly.

7 On page 7, at the beginning of line 23, strike all material
8 through "price." on line 27

9 On page 7, line 27, after "requires" strike all material through
10 "or"

11 On page 8, beginning on line 13, strike all of subsection (9)

12 Renumber the remaining subsections consecutively and correct any
13 internal references accordingly.

14 Beginning on page 10, at the beginning of line 37, strike all
15 material through "price." on page 11, line 2

16 On page 11, line 1, after "requires" strike all material through
17 "or"

18 On page 11, beginning on line 25, strike all of subsection (9)

19 Renumber the remaining subsections consecutively and correct any
20 internal references accordingly.

21 On page 14, at the beginning of line 24, strike all material
22 through "price." on line 28

23 On page 14, line 28, after "requires" strike all material through
24 "or"

1 On page 15, beginning on line 15, strike all of subsection (9)

2 Renumber the remaining subsections consecutively and correct any
3 internal references accordingly.

4 On page 16, after line 10, insert the following:

5 **"Sec. 5.** RCW 64.34.425 and 2011 c 48 s 1 are each amended to
6 read as follows:

7 (1) Except in the case of a sale where delivery of a public
8 offering statement is required, or unless exempt under RCW
9 64.34.400(2), a unit owner shall furnish to a purchaser before
10 execution of any contract for sale of a unit, or otherwise before
11 conveyance, a resale certificate, signed by an officer or authorized
12 agent of the association and based on the books and records of the
13 association and the actual knowledge of the person signing the
14 certificate, containing:

15 (a) A statement disclosing any right of first refusal or other
16 restraint on the free alienability of the unit contained in the
17 declaration;

18 (b) A statement setting forth the amount of the monthly common
19 expense assessment and any unpaid common expense or special
20 assessment currently due and payable from the selling unit owner and
21 a statement of any special assessments that have been levied against
22 the unit which have not been paid even though not yet due;

23 (c) A statement, which shall be current to within (~~forty-five~~)
24 45 days, of any common expenses or special assessments against any
25 unit in the condominium that are past due over (~~thirty~~) 30 days;

26 (d) A statement, which shall be current to within (~~forty-five~~)
27 45 days, of any obligation of the association which is past due over
28 (~~thirty~~) 30 days;

29 (e) A statement of any other fees payable by unit owners;

30 (f) A statement of any anticipated repair or replacement cost in
31 excess of five percent of the annual budget of the association that
32 has been approved by the board of directors;

33 (g) A statement of the amount of any reserves for repair or
34 replacement and of any portions of those reserves currently
35 designated by the association for any specified projects;

36 (h) The annual financial statement of the association, including
37 the audit report if it has been prepared, for the year immediately
38 preceding the current year;

1 (i) A balance sheet and a revenue and expense statement of the
2 association prepared on an accrual basis, which shall be current to
3 within (~~one hundred twenty~~) 120 days;

4 (j) The current operating budget of the association;

5 (k) A statement of any unsatisfied judgments against the
6 association and the status of any pending suits or legal proceedings
7 in which the association is a plaintiff or defendant;

8 (l) A statement describing any insurance coverage provided for
9 the benefit of unit owners;

10 (m) A statement as to whether there are any alterations or
11 improvements to the unit or to the limited common elements assigned
12 thereto that violate any provision of the declaration;

13 (n) A statement of the number of units, if any, still owned by
14 the declarant, whether the declarant has transferred control of the
15 association to the unit owners, and the date of such transfer;

16 (o) A statement as to whether there are any violations of the
17 health or building codes with respect to the unit, the limited common
18 elements assigned thereto, or any other portion of the condominium;

19 (p) A statement of the remaining term of any leasehold estate
20 affecting the condominium and the provisions governing any extension
21 or renewal thereof;

22 (q) A copy of the declaration, the bylaws, the rules or
23 regulations of the association, the association's current reserve
24 study, if any, and any other information reasonably requested by
25 mortgagees of prospective purchasers of units. Information requested
26 generally by the federal national mortgage association, the federal
27 home loan bank board, the government national mortgage association,
28 the veterans administration and the department of housing and urban
29 development shall be deemed reasonable, provided such information is
30 reasonably available to the association;

31 (r) A statement, as required by RCW 64.35.210, as to whether the
32 units or common elements of the condominium are covered by a
33 qualified warranty, and a history of claims under any such warranty;
34 (~~and~~)

35 (s) A statement describing any requirements related to electric
36 vehicle charging stations located in the unit or the limited common
37 elements assigned to the unit, including application status,
38 insurance information, maintenance responsibilities, and any
39 associated costs; and

1 (t) If the association does not have a reserve study that has
2 been prepared in accordance with RCW 64.34.380 and 64.34.382 or its
3 governing documents, the following disclosure:

4 "This association does not have a current reserve study.
5 The lack of a current reserve study poses certain risks to
6 you, the purchaser. Insufficient reserves may, under some
7 circumstances, require you to pay on demand as a special
8 assessment your share of common expenses for the cost of
9 major maintenance, repair, or replacement of a common
10 element."

11 (2) The association, within (~~ten~~) 10 days after a request by a
12 unit owner, and subject to payment of any fee imposed pursuant to RCW
13 64.34.304(1)(1), shall furnish a resale certificate signed by an
14 officer or authorized agent of the association and containing the
15 information necessary to enable the unit owner to comply with this
16 section. For the purposes of this chapter, a reasonable charge for
17 the preparation of a resale certificate may not exceed (~~two hundred~~
18 ~~seventy-five dollars~~) \$275. The association may charge a unit owner
19 a nominal fee for updating a resale certificate within six months of
20 the unit owner's request. The unit owner shall also sign the
21 certificate but the unit owner is not liable to the purchaser for any
22 erroneous information provided by the association and included in the
23 certificate unless and to the extent the unit owner had actual
24 knowledge thereof.

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

34 **Sec. 6.** RCW 64.90.640 and 2018 c 277 s 409 are each amended to
35 read as follows:

36 (1) Except in the case of a sale when delivery of a public
37 offering statement is required, or unless exempt under RCW
38 64.90.600(2), a unit owner must furnish to a purchaser before

1 execution of any contract for sale of a unit, or otherwise before
2 conveyance, a resale certificate, signed by an officer or authorized
3 agent of the association and based on the books and records of the
4 association and the actual knowledge of the person signing the
5 certificate, containing:

6 (a) A statement disclosing any right of first refusal or other
7 restraint on the free alienability of the unit contained in the
8 declaration;

9 (b) With respect to the selling unit owner's unit, a statement
10 setting forth the amount of any assessment currently due, any
11 delinquent assessments, and a statement of any special assessments
12 that have been levied and have not been paid even though not yet due;

13 (c) A statement, which must be current to within (~~forty-five~~)
14 45 days, of any assessments against any unit in the condominium that
15 are past due over (~~thirty~~) 30 days;

16 (d) A statement, which must be current to within (~~forty-five~~)
17 45 days, of any monetary obligation of the association that is past
18 due over (~~thirty~~) 30 days;

19 (e) A statement of any other fees payable to the association by
20 unit owners;

21 (f) A statement of any expenditure or anticipated repair or
22 replacement cost reasonably anticipated to be in excess of five
23 percent of the board-approved annual budget of the association,
24 regardless of whether the unit owners are entitled to approve such
25 cost;

26 (g) A statement whether the association does or does not have a
27 reserve study prepared in accordance with RCW 64.90.545 and
28 64.90.550;

29 (h) The annual financial statement of the association, including
30 the audit report if it has been prepared, for the year immediately
31 preceding the current year;

32 (i) The most recent balance sheet and revenue and expense
33 statement, if any, of the association;

34 (j) The current operating budget of the association;

35 (k) A statement of any unsatisfied judgments against the
36 association and the status of any legal actions in which the
37 association is a party or a claimant as defined in RCW 64.50.010;

38 (l) A statement describing any insurance coverage carried by the
39 association and contact information for the association's insurance
40 broker or agent;

1 (m) A statement as to whether the board has given or received
2 notice in a record that any existing uses, occupancies, alterations,
3 or improvements in or to the seller's unit or to the limited common
4 elements allocated to the unit violate any provision of the governing
5 documents;

6 (n) A statement of the number of units, if any, still owned by
7 the declarant, whether the declarant has transferred control of the
8 association to the unit owners, and the date of such transfer;

9 (o) A statement as to whether the board has received notice in a
10 record from a governmental agency of any violation of environmental,
11 health, or building codes with respect to the seller's unit, the
12 limited common elements allocated to that unit, or any other portion
13 of the common interest community that has not been cured;

14 (p) A statement of the remaining term of any leasehold estate
15 affecting the common interest community and the provisions governing
16 any extension or renewal of the leasehold estate;

17 (q) A statement of any restrictions in the declaration affecting
18 the amount that may be received by a unit owner upon sale;

19 (r) In a cooperative, an accountant's statement, if any was
20 prepared, as to the deductibility for federal income tax purposes by
21 the unit owner of real estate taxes and interest paid by the
22 association;

23 (s) A statement describing any pending sale or encumbrance of
24 common elements;

25 (t) A statement disclosing the effect on the unit to be conveyed
26 of any restrictions on the owner's right to use or occupy the unit or
27 to lease the unit to another person;

28 (u) A copy of the declaration, the organizational documents, the
29 rules or regulations of the association, the minutes of board
30 meetings and association meetings, except for any information exempt
31 from disclosure under RCW 64.90.495(3), for the last (~~twelve~~) 12
32 months, a summary of the current reserve study for the association,
33 and any other information reasonably requested by mortgagees of
34 prospective purchasers of units. Information requested generally by
35 the federal national mortgage association, the federal home loan bank
36 board, the government national mortgage association, the veterans
37 administration, or the department of housing and urban development is
38 deemed reasonable if the information is reasonably available to the
39 association;

1 (v) A statement whether the units or common elements of the
2 common interest community are covered by a qualified warranty under
3 chapter 64.35 RCW and, if so, a history of claims known to the
4 association as having been made under any such warranty;

5 (w) A description of any age-related occupancy restrictions
6 affecting the common interest community; (~~and~~)

7 (x) A statement describing any requirements related to electric
8 vehicle charging stations located in the unit or the limited common
9 elements allocated to the unit, including application status,
10 insurance information, maintenance responsibilities, and any
11 associated costs; and

12 (y) If the association does not have a reserve study that has
13 been prepared in accordance with RCW 64.90.545 and 64.90.550 or its
14 governing documents, the following disclosure:

15 "This association does not have a current reserve study. The lack
16 of a current reserve study poses certain risks to you, the purchaser.
17 Insufficient reserves may, under some circumstances, require you to
18 pay on demand as a special assessment your share of common expenses
19 for the cost of major maintenance, repair, or replacement of a common
20 element."

21 (2) The association, within (~~ten~~) 10 days after a request by a
22 unit owner, and subject to the payment of any fees imposed pursuant
23 to RCW 64.90.405(2)(m), must furnish a resale certificate signed by
24 an officer or authorized agent of the association and containing the
25 information necessary to enable the unit owner to comply with this
26 section. For the purposes of this chapter, a reasonable charge for
27 the preparation of a resale certificate may not exceed (~~two hundred~~
28 ~~seventy-five dollars~~) \$275. The association may charge a unit owner
29 a nominal fee not to exceed (~~one hundred dollars~~) \$100 for updating
30 a resale certificate within six months of the unit owner's request. A
31 unit owner is not liable to the purchaser for any erroneous
32 information provided by the association and included in the
33 certificate.

34 (3)(a) A purchaser is not liable for any unpaid assessment or fee
35 greater than the amount set forth in the certificate prepared by the
36 association.

37 (b) A unit owner is not liable to a purchaser for the failure or
38 delay of the association to provide the certificate in a timely
39 manner, but the purchase contract is voidable by the purchaser until

1 the certificate has been provided and for five days thereafter or
2 until conveyance, whichever occurs first."

3 Correct the title.

EFFECT: (1) Strikes language stating that removable electric vehicle charging station (EVCS) equipment is not considered real property in any form, including fixture law.

(2) Removes provisions stating that, upon sale of the apartment, unit, or lot, the owner may either remove the EVCS or sell it to the buyer or to the association.

(3) Strikes provisions allowing an association to assess the cost of infrastructure improvements against each owner that has installed an EVCS after the association reasonably determines that the improvements are required due to cumulative use of electricity attributable to the use of EVCS in the community.

(4) Amends presale disclosure requirements in the Condominium Act and the Washington Uniform Common Interest Ownership Act, and requires a unit owner to provide a purchaser with a statement describing any requirements related to EVCS located in the unit or the limited common elements assigned to the unit, including application status, insurance information, maintenance responsibilities, and any associated costs.

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