

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 6283

Chapter 200, Laws of 1994

53rd Legislature
1994 Regular Session

RESIDENTIAL REAL PROPERTY--SELLER'S DISCLOSURES

EFFECTIVE DATE: 1/1/95

Passed by the Senate March 6, 1994
YEAS 41 NAYS 0

JOEL PRITCHARD

President of the Senate

Passed by the House March 2, 1994
YEAS 94 NAYS 0

BRIAN EBERSOLE

**Speaker of the
House of Representatives**

Approved March 30, 1994

MIKE LOWRY

Governor of the State of Washington

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 6283** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN

Secretary

FILED

March 30, 1994 - 1:50 p.m.

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 6283

AS AMENDED BY THE HOUSE

State of Washington 53rd Legislature 1994 Regular Session

By Senate Committee on Government Operations (originally sponsored by Senators Haugen, Winsley, Spanel, Quigley, Drew, Erwin, Fraser and Ludwig)

Read first time 02/04/94.

1 AN ACT Relating to real estate disclosures; adding a new chapter to
2 Title 64 RCW; and providing an effective date.

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

4 NEW SECTION. **Sec. 1.** This chapter applies only to residential
5 real property. For purposes of this chapter, residential real property
6 means:

7 (1) Real property consisting of, or improved by, one to four
8 dwelling units;

9 (2) A residential condominium as defined in RCW 64.34.020(9),
10 unless the sale is subject to the public offering statement requirement
11 in the Washington condominium act, chapter 64.34 RCW; or

12 (3) A residential timeshare, as defined in RCW 64.36.010(11),
13 unless subject to written disclosure under the Washington timeshare
14 act, chapter 64.36 RCW.

15 NEW SECTION. **Sec. 2.** This chapter does not apply to the following
16 transfers of residential real property:

1 (1) A foreclosure, deed-in-lieu of foreclosure, or a sale by a
2 lienholder who acquired the residential real property through
3 foreclosure or deed-in-lieu of foreclosure;

4 (2) A gift or other transfer to a parent, spouse, or child of a
5 transferor or child of any parent or spouse of a transferor;

6 (3) A transfer between spouses in connection with a marital
7 dissolution;

8 (4) A transfer where a buyer had an ownership interest in the
9 property within two years of the date of the transfer including, but
10 not limited to, an ownership interest as a partner in a partnership, a
11 limited partner in a limited partnership, a shareholder in a
12 corporation, a leasehold interest, or transfers to and from a
13 facilitator pursuant to a tax deferred exchange;

14 (5) A transfer of an interest that is less than fee simple, except
15 that the transfer of a vendee's interest under a real estate contract
16 is subject to the requirements of this chapter; and

17 (6) A transfer made by the personal representative of the estate of
18 the decedent or by a trustee in bankruptcy.

19 NEW SECTION. **Sec. 3.** (1) In a transaction for the sale of
20 residential real property, the seller shall, unless the buyer has
21 expressly waived the right to receive the disclosure statement, or
22 unless the transfer is exempt under section 2 of this act, deliver to
23 the buyer a completed real property transfer disclosure statement in
24 the following form:

25 INSTRUCTIONS TO THE SELLER

26 Please complete the following form. Do not leave any spaces blank. If
27 the question clearly does not apply to the property write "NA". If the
28 answer is "yes" to any * items, please explain on attached sheets.
29 Please refer to the line number(s) of the question(s) when you provide
30 your explanation(s). For your protection you must date and sign each
31 page of this disclosure statement and each attachment. Delivery of the
32 disclosure statement must occur not later than . . . days (or five days
33 if not filled in) of mutual acceptance of a written contract to
34 purchase between a buyer and a seller.

35 NOTICE TO THE BUYER

36 THE FOLLOWING DISCLOSURES ARE MADE BY THE SELLER(S), CONCERNING THE
37 CONDITION OF THE PROPERTY LOCATED AT
38 ("THE PROPERTY"), LEGALLY DESCRIBED ON ATTACHED EXHIBIT A.

1 DISCLOSURES CONTAINED IN THIS FORM ARE PROVIDED BY THE SELLER ON THE
2 BASIS OF SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME THIS
3 DISCLOSURE FORM IS COMPLETED BY THE SELLER. YOU HAVE . . . BUSINESS
4 DAYS, OR THREE BUSINESS DAYS IF NOT FILLED IN, FROM THE SELLER'S
5 DELIVERY OF THIS SELLER'S DISCLOSURE STATEMENT TO REVOKE YOUR OFFER BY
6 DELIVERING YOUR SEPARATE SIGNED WRITTEN STATEMENT OF REVOCATION TO THE
7 SELLER, UNLESS YOU WAIVE THIS RIGHT AT OR PRIOR TO ENTERING INTO A SALE
8 AGREEMENT. THE FOLLOWING ARE DISCLOSURES MADE BY THE SELLER AND ARE
9 NOT THE REPRESENTATIONS OF ANY REAL ESTATE LICENSEE OR OTHER PARTY.
10 THIS INFORMATION IS FOR DISCLOSURE ONLY AND IS NOT INTENDED TO BE A
11 PART OF ANY WRITTEN AGREEMENT BETWEEN THE BUYER AND THE SELLER.

12 FOR A MORE COMPREHENSIVE EXAMINATION OF THE SPECIFIC CONDITION OF THIS
13 PROPERTY YOU ARE ADVISED TO OBTAIN AND PAY FOR THE SERVICES OF A
14 QUALIFIED SPECIALIST TO INSPECT THE PROPERTY ON YOUR BEHALF, FOR
15 EXAMPLE, ARCHITECTS, ENGINEERS, LAND SURVEYORS, PLUMBERS, ELECTRICIANS,
16 ROOFERS, BUILDING INSPECTORS, OR PEST AND DRY ROT INSPECTORS. THE
17 PROSPECTIVE BUYER AND THE OWNER MAY WISH TO OBTAIN PROFESSIONAL ADVICE
18 OR INSPECTIONS OF THE PROPERTY AND TO PROVIDE FOR APPROPRIATE
19 PROVISIONS IN A CONTRACT BETWEEN THEM WITH RESPECT TO ANY ADVICE,
20 INSPECTION, DEFECTS OR WARRANTIES.

21 Seller is/ is not occupying the property.

22 **I. SELLER'S DISCLOSURES:**

23 *If "Yes" attach a copy or explain. If necessary use an attached
24 sheet.

25 **1. TITLE**

26 []Yes []No []Don't know A. Do you have legal authority to sell
27 the property?

28 []Yes []No []Don't know *B. Is title to the property subject to
29 any of the following?

30 (1) First right of refusal

31 (2) Option

32 (3) Lease or rental agreement

33 (4) Life estate?

34 []Yes []No []Don't know *C. Are there any encroachments,
35 boundary agreements, or boundary
36 disputes?

1 []Yes []No []Don't know *D. Are there any rights of way,
2 easements, or access limitations that
3 may affect the owner's use of the
4 property?
5 []Yes []No []Don't know *E. Are there any written agreements
6 for joint maintenance of an easement or
7 right of way?
8 []Yes []No []Don't know *F. Is there any study, survey project,
9 or notice that would adversely affect
10 the property?
11 []Yes []No []Don't know *G. Are there any pending or existing
12 assessments against the property?
13 []Yes []No []Don't know *H. Are there any zoning violations,
14 nonconforming uses, or any unusual
15 restrictions on the subject property
16 that would affect future construction
17 or remodeling?
18 []Yes []No []Don't know *I. Is there a boundary survey for the
19 property?
20 []Yes []No []Don't know *J. Are there any covenants,
21 conditions, or restrictions which
22 affect the property?

23 **2. WATER**

24 A. Household Water
25 (1) The source of the water is
26 []Public []Community []Private
27 []Shared
28 (2) Water source information:
29 []Yes []No []Don't know *a. Are there any written
30 agreements for shared water
31 source?
32 []Yes []No []Don't know *b. Is there an easement
33 (recorded or unrecorded) for
34 access to and/or maintenance
35 of the water source?
36 []Yes []No []Don't know *c. Are any known problems or
37 repairs needed?

1 []Yes []No []Don't know *d. Does the source provide
2 an adequate year round supply
3 of potable water?

4 []Yes []No []Don't know *(3) Are there any water treatment
5 systems for the property?
6 []Leased []Owned

7 B. Irrigation

8 []Yes []No []Don't know (1) Are there any water rights for
9 the property?

10 []Yes []No []Don't know *(2) If they exist, to your
11 knowledge, have the water rights
12 been used during the last five-
13 year period?

14 []Yes []No []Don't know *(3) If so, is the certificate
15 available?

16 C. Outdoor Sprinkler System

17 []Yes []No []Don't know (1) Is there an outdoor sprinkler
18 system for the property?

19 []Yes []No []Don't know *(2) Are there any defects in the
20 outdoor sprinkler system?

21 **3. SEWER/SEPTIC SYSTEM**

22 A. The property is served by:
23 []Public sewer main, []Septic tank
24 system []Other disposal system
25 (describe)

26

27 []Yes []No []Don't know B. If the property is served by a
28 public or community sewer main, is the
29 house connected to the main?

30 C. If the property is connected to a
31 septic system:

32 []Yes []No []Don't know (1) Was a permit issued for its
33 construction, and was it approved
34 by the city or county following
35 its construction?

36 (2) When was it last pumped:
37 , 19. . .

38 []Yes []No []Don't know *(3) Are there any defects in the
39 operation of the septic system?

1 []Don't know (4) When was it last inspected?
2 , 19. . .
3 By Whom:
4 []Don't know (5) How many bedrooms was the
5 system approved for?
6 bedrooms
7 []Yes []No []Don't know *D. Do all plumbing fixtures, including
8 laundry drain, go to the septic/sewer
9 system? If no, explain:
10 []Yes []No []Don't know *E. Are you aware of any changes or
11 repairs to the septic system?
12 []Yes []No []Don't know F. Is the septic tank system, including
13 the drainfield, located entirely within
14 the boundaries of the property?

4. STRUCTURAL

15
16 []Yes []No []Don't know *A. Has the roof leaked?
17 []Yes []No []Don't know If yes, has it been repaired?
18 []Yes []No []Don't know *B. Have there been any conversions,
19 additions, or remodeling?
20 []Yes []No []Don't know *1. If yes, were all building
21 permits obtained?
22 []Yes []No []Don't know *2. If yes, were all final
23 inspections obtained?
24 []Yes []No []Don't know C. Do you know the age of the house?
25 If yes, year of original construction:
26
27 []Yes []No []Don't know *D. Do you know of any settling,
28 slippage, or sliding of the house or
29 other improvements? If yes, explain:
30
31 []Yes []No []Don't know *E. Do you know of any defects with the
32 following: (Please check applicable
33 items)
34 l Foundations l Decks l Exterior Walls
35 l Chimneys l Interior Walls l Fire Alarm
36 l Doors l Windows l Patio
37 l Ceilings l Slab Floors l Driveways
38 l Pools l Hot Tub l Sauna
39 l Sidewalks l Outbuildings l Fireplaces

1 1 Garage Floors

1 Walkways

2 1 Other

1 Wood Stoves

3 []Yes []No []Don't know

*F. Was a pest or dry rot, structural or "whole house" inspection done? When and by whom was the inspection completed?

7 []Yes []No []Don't know

*G. Since assuming ownership, has your property had a problem with wood destroying organisms and/or have there been any problems with pest control, infestations, or vermin?

5. SYSTEMS AND FIXTURES

If the following systems or fixtures are included with the transfer, do they have any existing defects:

16 []Yes []No []Don't know

*A. Electrical system, including wiring, switches, outlets, and service

18 []Yes []No []Don't know

*B. Plumbing system, including pipes, faucets, fixtures, and toilets

20 []Yes []No []Don't know

*C. Hot water tank

21 []Yes []No []Don't know

*D. Garbage disposal

22 []Yes []No []Don't know

*E. Appliances

23 []Yes []No []Don't know

*F. Sump pump

24 []Yes []No []Don't know

*G. Heating and cooling systems

25 []Yes []No []Don't know

*H. Security system [] Owned [] Leased

26

27

*I. Other

6. COMMON INTEREST

29 []Yes []No []Don't know

A. Is there a Home Owners' Association? Name of Association

30

31 []Yes []No []Don't know

B. Are there regular periodic assessments:

32

33

\$ per [] Month [] Year

34

[] Other

35 []Yes []No []Don't know

*C. Are there any pending special assessments?

36

1 []Yes []No []Don't know *D. Are there any shared "common areas"
2 or any joint maintenance agreements
3 (facilities such as walls, fences,
4 landscaping, pools, tennis courts,
5 walkways, or other areas co-owned in
6 undivided interest with others)?

7 **7. GENERAL**

8 []Yes []No []Don't know *A. Is there any settling, soil,
9 standing water, or drainage problems on
10 the property?

11 []Yes []No []Don't know *B. Does the property contain fill
12 material?

13 []Yes []No []Don't know *C. Is there any material damage to the
14 property or any of the structure from
15 fire, wind, floods, beach movements,
16 earthquake, expansive soils, or
17 landslides?

18 []Yes []No []Don't know D. Is the property in a designated
19 flood plain?

20 []Yes []No []Don't know E. Is the property in a designated
21 flood hazard zone?

22 []Yes []No []Don't know *F. Are there any substances,
23 materials, or products that may be an
24 environmental hazard such as, but not
25 limited to, asbestos, formaldehyde,
26 radon gas, lead-based paint, fuel or
27 chemical storage tanks, and
28 contaminated soil or water on the
29 subject property?

30 []Yes []No []Don't know *G. Are there any tanks or underground
31 storage tanks (e.g., chemical, fuel,
32 etc.) on the property?

33 []Yes []No []Don't know *H. Has the property ever been used as
34 an illegal drug manufacturing site?

35 **8. FULL DISCLOSURE BY SELLERS**

36 A. Other conditions or defects:

37 []Yes []No []Don't know *Are there any other material defects
38 affecting this property or its value

1 that a prospective buyer should know
2 about?

3 B. Verification:

4 The foregoing answers and attached
5 explanations (if any) are complete and
6 correct to the best of my/our knowledge
7 and I/we have received a copy hereof.
8 I/we authorize all of my/our real
9 estate licensees, if any, to deliver a
10 copy of this disclosure statement to
11 other real estate licensees and all
12 prospective buyers of the property.

13 DATE SELLER SELLER

14 **II. BUYER'S ACKNOWLEDGMENT**

15 A. As buyer(s), I/we acknowledge the duty to pay
16 diligent attention to any material defects which
17 are known to me/us or can be known to me/us by
18 utilizing diligent attention and observation.

19 B. Each buyer acknowledges and understands that the
20 disclosures set forth in this statement and in
21 any amendments to this statement are made only by
22 the seller.

23 C. Buyer (which term includes all persons signing
24 the "buyer's acceptance" portion of this
25 disclosure statement below) hereby acknowledges
26 receipt of a copy of this disclosure statement
27 (including attachments, if any) bearing seller's
28 signature.

29 DISCLOSURES CONTAINED IN THIS FORM ARE PROVIDED BY THE SELLER ON THE
30 BASIS OF SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME OF
31 DISCLOSURE. YOU, THE BUYER, HAVE . . . BUSINESS DAYS (OR THREE
32 BUSINESS DAYS IF NOT FILLED IN) FROM THE SELLER'S DELIVERY OF THIS
33 SELLER'S DISCLOSURE STATEMENT TO REVOKE YOUR OFFER BY DELIVERING YOUR
34 SEPARATE SIGNED WRITTEN STATEMENT OF REVOCATION TO THE SELLER UNLESS
35 YOU WAIVE THIS RIGHT OF REVOCATION.

36 BUYER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS REAL PROPERTY
37 TRANSFER DISCLOSURE STATEMENT AND ACKNOWLEDGES THAT THE DISCLOSURES

1 MADE HEREIN ARE THOSE OF THE SELLER ONLY, AND NOT OF ANY REAL ESTATE
2 LICENSEE OR OTHER PARTY.
3 DATE BUYER BUYER

4 (2) The real property transfer disclosure statement shall be for
5 disclosure only, and shall not be considered part of any written
6 agreement between the buyer and seller of residential real property.
7 The real property transfer disclosure statement shall be only a
8 disclosure made by the seller, and not any real estate licensee
9 involved in the transaction, and shall not be construed as a warranty
10 of any kind by the seller or any real estate licensee involved in the
11 transaction.

12 NEW SECTION. **Sec. 4.** Unless the buyer has expressly waived the
13 right to receive the disclosure statement, within five business days or
14 as otherwise agreed to, of mutual acceptance of a written agreement
15 between a buyer and a seller for the purchase and sale of residential
16 real property, the seller shall deliver to the buyer a completed,
17 signed, and dated real property transfer disclosure statement. Within
18 three business days, or as otherwise agreed to, of receipt of the real
19 property transfer disclosure statement, the buyer shall have the right
20 to exercise one of the following two options: (1) Approving and
21 accepting the real property transfer disclosure statement; or (2)
22 rescinding the agreement for the purchase and sale of the property,
23 which decision may be made by the buyer in the buyer's sole discretion.
24 If the buyer elects to rescind the agreement, the buyer must deliver
25 written notice of rescission to the seller within the three-business-
26 day period, or as otherwise agreed to, and upon delivery of the written
27 rescission notice the buyer shall be entitled to immediate return of
28 all deposits and other considerations less any agreed disbursements
29 paid to the seller, or to the seller's agent or an escrow agent for the
30 seller's account, and the agreement for purchase and sale shall be
31 void. If the buyer does not deliver a written rescission notice to
32 seller within the three-business-day period, or as otherwise agreed to,
33 the real property transfer disclosure statement will be deemed approved
34 and accepted by the buyer.

35 NEW SECTION. **Sec. 5.** (1) If, after the date that a seller of
36 residential real property completes a real property transfer disclosure
37 statement, the seller becomes aware of additional information, or an

1 adverse change occurs which makes any of the disclosures made
2 inaccurate, the seller shall amend the real property transfer
3 disclosure statement, and deliver the amendment to the buyer. No
4 amendment shall be required, however, if the seller takes whatever
5 corrective action is necessary so that the accuracy of the disclosure
6 is restored at least three days prior to the closing date. Unless the
7 adverse change is corrected or repaired by the seller prior to the
8 closing date, the buyer shall have the right to exercise one of the
9 following two options: (a) Approving and accepting the amendment, or
10 (b) rescinding the agreement of purchase and sale of the property
11 within three business days after receiving the amended real property
12 transfer disclosure statement. Acceptance or rescission shall be subject
13 to the same procedures described in section 4 of this act. If the
14 closing date provided in the purchase and sale agreement is scheduled
15 to occur within the three-day rescission period provided for in this
16 section, the closing date shall be extended until the expiration of the
17 three-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 days prior to the
20 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 transfer has closed, unless the buyer has otherwise waived the right of
32 rescission in writing. Closing is deemed to occur when the buyer has
33 paid the purchase price, or down payment, and the conveyance document,
34 including a deed or real estate contract, from the seller has been
35 delivered and recorded. After closing, the seller's obligation to
36 deliver the real property transfer disclosure statement and the buyer's
37 rights and remedies under this chapter shall terminate.

1 NEW SECTION. **Sec. 6.** (1) The seller of residential real property
2 shall not be liable for any error, inaccuracy, or omission in the real
3 property transfer disclosure statement if the seller had no personal
4 knowledge of the error, inaccuracy, or omission. Unless the seller of
5 residential real property has actual knowledge of an error, inaccuracy,
6 or omission in a real property transfer disclosure statement, the
7 seller shall not be liable for such error, inaccuracy, or omission if
8 the disclosure was based on information provided by public agencies, or
9 by other persons providing information within the scope of their
10 professional license or expertise, including, but not limited to, a
11 report or opinion delivered by a land surveyor, title company, title
12 insurance company, structural inspector, pest inspector, licensed
13 engineer, or contractor.

14 (2) Any licensed real estate salesperson or broker involved in a
15 residential real property transaction is not liable for any error,
16 inaccuracy, or omission in the real property transfer disclosure
17 statement if the licensee had no personal knowledge of the error,
18 inaccuracy, or omission. Unless the salesperson or broker has actual
19 knowledge of an error, inaccuracy, or omission in a real property
20 transfer disclosure statement, the salesperson or broker shall not be
21 liable for such error, inaccuracy, or omission if the disclosure was
22 based on information provided by public agencies, or by other persons
23 providing information within the scope of their professional license or
24 expertise, including, but not limited to, a report or opinion delivered
25 by a land surveyor, title company, title insurance company, structural
26 inspector, pest inspector, licensed engineer, or contractor.

27 NEW SECTION. **Sec. 7.** The legislature finds that the practices
28 covered by this chapter are not matters vitally affecting the public
29 interest for the purpose of applying the consumer protection act,
30 chapter 19.86 RCW.

31 NEW SECTION. **Sec. 8.** Nothing in this chapter shall extinguish or
32 impair any rights or remedies of a buyer of real estate against the
33 seller or against any agent acting for the seller otherwise existing
34 pursuant to common law, statute, or contract; nor shall anything in
35 this chapter create any new right or remedy for a buyer of residential
36 real property other than the right of rescission exercised on the basis
37 and within the time limits provided in this chapter.

1 NEW SECTION. **Sec. 9.** Sections 1 through 8 of this act shall
2 constitute a new chapter in Title 64 RCW.

3 NEW SECTION. **Sec. 10.** This act shall take effect on January 1,
4 1995.

 Passed the Senate March 6, 1994.

 Passed the House March 2, 1994.

 Approved by the Governor March 30, 1994.

 Filed in Office of Secretary of State March 30, 1994.