

RCW 18.86.010 Definitions. (Effective until January 1, 2024.)

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

- (1) "Agency relationship" means the agency relationship created under this chapter or by written agreement between a real estate firm and a buyer and/or seller relating to the performance of real estate brokerage services.
- (2) "Agent" means a broker who has entered into an agency relationship with a buyer or seller.
- (3) "Broker" means broker, managing broker, and designated broker, collectively, as defined in chapter 18.85 RCW, unless the context requires the terms to be considered separately.
- (4) "Business opportunity" means and includes a business, business opportunity, and goodwill of an existing business, or any one or combination thereof when the transaction or business includes an interest in real property.
- (5) "Buyer" means an actual or prospective purchaser in a real estate transaction, or an actual or prospective tenant in a real estate rental or lease transaction, as applicable.
- (6) "Buyer's agent" means a broker who has entered into an agency relationship with only the buyer in a real estate transaction, and includes subagents engaged by a buyer's agent.
- (7) "Confidential information" means information from or concerning a principal of a broker that:
 - (a) Was acquired by the broker during the course of an agency relationship with the principal;
 - (b) The principal reasonably expects to be kept confidential;
 - (c) The principal has not disclosed or authorized to be disclosed to third parties;
 - (d) Would, if disclosed, operate to the detriment of the principal; and
 - (e) The principal personally would not be obligated to disclose to the other party.
- (8) "Dual agent" means a broker who has entered into an agency relationship with both the buyer and seller in the same transaction.
- (9) "Material fact" means information that substantially adversely affects the value of the property or a party's ability to perform its obligations in a real estate transaction, or operates to materially impair or defeat the purpose of the transaction. The fact or suspicion that the property, or any neighboring property, is or was the site of a murder, suicide or other death, rape or other sex crime, assault or other violent crime, robbery or burglary, illegal drug activity, gang-related activity, political or religious activity, or other act, occurrence, or use not adversely affecting the physical condition of or title to the property is not a material fact.
- (10) "Principal" means a buyer or a seller who has entered into an agency relationship with a broker.
- (11) "Real estate brokerage services" means the rendering of services for which a real estate license is required under chapter 18.85 RCW.
- (12) "Real estate firm" or "firm" have the same meaning as defined in chapter 18.85 RCW.
- (13) "Real estate transaction" or "transaction" means an actual or prospective transaction involving a purchase, sale, option, or exchange of any interest in real property or a business opportunity, or a lease or rental of real property. For purposes of this chapter, a

prospective transaction does not exist until a written offer has been signed by at least one of the parties.

(14) "Seller" means an actual or prospective seller in a real estate transaction, or an actual or prospective landlord in a real estate rental or lease transaction, as applicable.

(15) "Seller's agent" means a broker who has entered into an agency relationship with only the seller in a real estate transaction, and includes subagents engaged by a seller's agent.

(16) "Subagent" means a broker who is engaged to act on behalf of a principal by the principal's agent where the principal has authorized the broker in writing to appoint subagents. [2013 c 58 § 1; 1996 c 179 § 1.]

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(1) "Agency relationship" means the agency relationship created under this chapter between a real estate firm and a principal.

(2) "Agent" means a broker who has an agency relationship with a principal, including the firm's designated broker and any managing broker responsible for the supervision of that broker.

(3) "Broker" means broker, managing broker, and designated broker, collectively, as defined in chapter 18.85 RCW, unless the context requires the terms to be considered separately.

(4) "Brokerage services agreement" or "services agreement" means a written agreement between a real estate firm and principal that appoints a broker to represent the principal as an agent and sets forth the terms required by RCW 18.86.020 and 18.86.080.

(5) "Business opportunity" means and includes a business, business opportunity, and goodwill of an existing business, or any one or combination thereof when the transaction or business includes an interest in real property.

(6) "Buyer" means an actual or prospective purchaser in a real estate transaction, or an actual or prospective tenant in a real estate rental or lease transaction, as applicable.

(7) "Buyer's agent" means a broker who has an agency relationship with only the buyer in a real estate transaction.

(8) "Commercial real estate" has the same meaning as in RCW 60.42.005.

(9) "Confidential information" means information from or concerning a principal that:

(a) Was acquired by the broker during the course of an agency relationship with the principal;

(b) The principal reasonably expects to be kept confidential;

(c) The principal has not disclosed or authorized to be disclosed to third parties;

(d) Would, if disclosed, operate to the detriment of the principal; and

(e) The principal personally would not be obligated to disclose to the other party.

(10) "Limited dual agent" means a broker who has an agency relationship with both the buyer and seller in the same transaction.

(11) "Material fact" means information that substantially adversely affects the value of the property or a party's ability to perform its obligations in a real estate transaction, or operates to materially impair or defeat the purpose of the transaction. The fact

or suspicion that the property, or any neighboring property, is or was the site of a murder, suicide or other death, rape or other sex crime, assault or other violent crime, robbery or burglary, illegal drug activity, gang-related activity, political or religious activity, or other act, occurrence, or use not adversely affecting the physical condition of or title to the property is not a material fact.

(12) "Principal" means a buyer or a seller who has an agency relationship with a broker.

(13) "Real estate brokerage services" means the rendering of services for which a real estate license is required under chapter 18.85 RCW.

(14) "Real estate firm" or "firm" have the same meaning as defined in chapter 18.85 RCW.

(15) "Real estate transaction" or "transaction" means an actual or prospective transaction involving a purchase, sale, option, or exchange of any interest in real property or a business opportunity, or a lease or rental of real property. For purposes of this chapter, a prospective transaction does not exist until a written offer has been signed by at least one party.

(16) "Seller" means an actual or prospective seller in a real estate transaction, or an actual or prospective landlord in a real estate rental or lease transaction, as applicable.

(17) "Seller's agent" means a broker who has an agency relationship with only the seller in a real estate transaction. [2023 c 318 § 1; 2013 c 58 § 1; 1996 c 179 § 1.]

Effective date—2023 c 318: "This act takes effect January 1, 2024." [2023 c 318 § 12.]