CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 6409

Chapter 323, Laws of 2002

57th Legislature 2002 Regular Session

CONSTRUCTION DEFECT CLAIMS

EFFECTIVE DATE: 6/13/02

Passed by the Senate March 12, 2002 YEAS 45 NAYS 0

BRAD OWEN

President of the Senate

Passed by the House March 7, 2002 YEAS 93 NAYS 0

CERTIFICATE

I, Tony M. Cook, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 6409** as passed by the Senate and the House of Representatives on the dates hereon set forth.

FRANK CHOPP

TONY M. COOK

Speaker of the House of Representatives

Approved April 2, 2002

FILED

April 2, 2002 - 10:45 a.m.

GARY LOCKE

Governor of the State of Washington

Secretary of State State of Washington

Secretary

SUBSTITUTE SENATE BILL 6409

AS AMENDED BY THE HOUSE

Passed Legislature - 2002 Regular Session

State of Washington 57th Legislature

2002 Regular Session

By Senate Committee on Labor, Commerce & Financial Institutions (originally sponsored by Senators Prentice, Hargrove, Johnson, Rossi, Rasmussen, Honeyford, Gardner, Finkbeiner and Hale)

READ FIRST TIME 02/06/2002.

- 1 AN ACT Relating to construction defect claims asserting property
- 2 loss and damage; amending RCW 4.16.310, 64.34.410, and 64.34.452;
- 3 adding a new section to chapter 4.16 RCW; and adding a new chapter to
- 4 Title 64 RCW.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 NEW SECTION. Sec. 1. The legislature finds, declares, and
- 7 determines that limited changes in the law are necessary and
- 8 appropriate concerning actions claiming damages, indemnity, or
- 9 contribution in connection with alleged construction defects. It is
- 10 the intent of the legislature that this chapter apply to these types of
- 11 civil actions while preserving adequate rights and remedies for
- 12 property owners who bring and maintain such actions.
- 13 <u>NEW SECTION.</u> **Sec. 2.** Unless the context clearly requires
- 14 otherwise, the definitions in this section apply throughout this
- 15 chapter.
- 16 (1) "Action" means any civil lawsuit or action in contract or tort
- 17 for damages or indemnity brought against a construction professional to
- 18 assert a claim, whether by complaint, counterclaim, or cross-claim, for

- 1 damage or the loss of use of real or personal property caused by a
- 2 defect in the construction of a residence or in the substantial remodel
- 3 of a residence. "Action" does not include any civil action in tort
- 4 alleging personal injury or wrongful death to a person or persons
- 5 resulting from a construction defect.
- 6 (2) "Association" means an association, master association, or 7 subassociation as defined and provided for in RCW 64.34.020(4),
- 8 64.34.276, 64.34.278, and 64.38.010(1).
- 9 (3) "Claimant" means a homeowner or association who asserts a claim
- 10 against a construction professional concerning a defect in the
- 11 construction of a residence or in the substantial remodel of a
- 12 residence.
- 13 (4) "Construction professional" means an architect, builder,
- 14 builder vendor, contractor, subcontractor, engineer, or inspector,
- 15 including, but not limited to, a dealer as defined in RCW 64.34.020(12)
- 16 and a declarant as defined in RCW 64.34.020(13), performing or
- 17 furnishing the design, supervision, inspection, construction, or
- 18 observation of the construction of any improvement to real property,
- 19 whether operating as a sole proprietor, partnership, corporation, or
- 20 other business entity.
- 21 (5) "Homeowner" means: (a) Any person, company, firm, partnership,
- 22 corporation, or association who contracts with a construction
- 23 professional for the construction, sale, or construction and sale of a
- 24 residence; and (b) an "association" as defined in this section.
- 25 "Homeowner" includes, but is not limited to, a subsequent purchaser of
- 26 a residence from any homeowner.
- 27 (6) "Residence" means a single-family house, duplex, triplex,
- 28 quadraplex, or a unit in a multiunit residential structure in which
- 29 title to each individual unit is transferred to the owner under a
- 30 condominium or cooperative system, and shall include common elements as
- 31 defined in RCW 64.34.020(6) and common areas as defined in RCW
- 32 64.38.010(4).
- 33 (7) "Serve" or "service" means personal service or delivery by
- 34 certified mail to the last known address of the addressee.
- 35 (8) "Substantial remodel" means a remodel of a residence, for which
- 36 the total cost exceeds one-half of the assessed value of the residence
- 37 for property tax purposes at the time the contract for the remodel work
- 38 was made.

- <u>NEW SECTION.</u> **Sec. 3.** (1) In every construction defect action 1 brought against a construction professional, the claimant shall, no 2 later than forty-five days before filing an action, serve written 3 4 notice of claim on the construction professional. The notice of claim shall state that the claimant asserts a construction defect claim 5 against the construction professional and shall describe the claim in 6 7 reasonable detail sufficient to determine the general nature of the 8 defect.
- 9 (2) Within twenty-one days after service of the notice of claim, 10 the construction professional shall serve a written response on the 11 claimant by registered mail or personal service. The written response 12 shall:
- 13 (a) Propose to inspect the residence that is the subject of the 14 claim and to complete the inspection within a specified time frame. 15 The proposal shall include the statement that the construction 16 professional shall, based on the inspection, offer to remedy the 17 defect, compromise by payment, or dispute the claim;
- (b) Offer to compromise and settle the claim by monetary payment without inspection. A construction professional's offer under this subsection (2)(b) to compromise and settle a homeowner's claim may include, but is not limited to, an express offer to purchase the claimant's residence that is the subject of the claim, and to pay the claimant's reasonable relocation costs; or
- (c) State that the construction professional disputes the claim and will neither remedy the construction defect nor compromise and settle the claim.
- (3)(a) If the construction professional disputes the claim or does not respond to the claimant's notice of claim within the time stated in subsection (2) of this section, the claimant may bring an action against the construction professional for the claim described in the notice of claim without further notice.
- (b) If the claimant rejects the inspection proposal or the 32 settlement offer made by the construction professional pursuant to 33 34 subsection (2) of this section, the claimant shall serve written notice of the claimant's rejection on the construction professional. After 35 service of the rejection, the claimant may bring an action against the 36 37 construction professional for the construction defect claim described in the notice of claim. If the construction professional has not 38 39 received from the claimant, within thirty days after the claimant's

- 1 receipt of the construction professional's response, either an
- 2 acceptance or rejection of the inspection proposal or settlement offer,
- 3 then at anytime thereafter the construction professional may terminate
- 4 the proposal or offer by serving written notice to the claimant, and
- 5 the claimant may thereafter bring an action against the construction
- 6 professional for the construction defect claim described in the notice
- 7 of claim.
- 8 (4)(a) If the claimant elects to allow the construction
- 9 professional to inspect in accordance with the construction
- 10 professional's proposal pursuant to subsection (2)(a) of this section,
- 11 the claimant shall provide the construction professional and its
- 12 contractors or other agents reasonable access to the claimant's
- 13 residence during normal working hours to inspect the premises and the
- 14 claimed defect.
- 15 (b) Within fourteen days following completion of the inspection,
- 16 the construction professional shall serve on the claimant:
- 17 (i) A written offer to remedy the construction defect at no cost to
- 18 the claimant, including a report of the scope of the inspection, the
- 19 findings and results of the inspection, a description of the additional
- 20 construction necessary to remedy the defect described in the claim, and
- 21 a timetable for the completion of such construction;
- (ii) A written offer to compromise and settle the claim by monetary
- 23 payment pursuant to subsection (2)(b) of this section; or
- 24 (iii) A written statement that the construction professional will
- 25 not proceed further to remedy the defect.
- 26 (c) If the construction professional does not proceed further to
- 27 remedy the construction defect within the agreed timetable, or if the
- 28 construction professional fails to comply with the provisions of (b) of
- 29 this subsection, the claimant may bring an action against the
- 30 construction professional for the claim described in the notice of
- 31 claim without further notice.
- 32 (d) If the claimant rejects the offer made by the construction
- 33 professional pursuant to (b)(i) or (ii) of this subsection to either
- 34 remedy the construction defect or to compromise and settle the claim by
- 35 monetary payment, the claimant shall serve written notice of the
- 36 claimant's rejection on the construction professional. After service
- 37 of the rejection notice, the claimant may bring an action against the
- 38 construction professional for the construction defect claim described
- 39 in the notice of claim. If the construction professional has not

- received from the claimant, within thirty days after the claimant's receipt of the construction professional's response, either an acceptance or rejection of the offer made pursuant to (b)(i) or (ii) of this subsection, then at anytime thereafter the construction professional may terminate the offer by serving written notice to the claimant.
- 7 (5)(a) Any claimant accepting the offer of a construction 8 professional to remedy the construction defect pursuant to subsection 9 (4)(b)(i) of this section shall do so by serving the construction 10 professional with a written notice of acceptance within a reasonable time period after receipt of the offer, and no later than thirty days 11 after receipt of the offer. 12 The claimant shall provide the 13 construction professional and its contractors or other agents reasonable access to the claimant's residence during normal working 14 15 hours to perform and complete the construction by the timetable stated in the offer. 16
- 17 (b) The claimant and construction professional may, by written 18 mutual agreement, alter the extent of construction or the timetable for 19 completion of construction stated in the offer, including, but not 20 limited to, repair of additional defects.
- 21 (6) Any action commenced by a claimant prior to compliance with the 22 requirements of this section shall be subject to dismissal without 23 prejudice, and may not be recommenced until the claimant has complied 24 with the requirements of this section.

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- (7) Nothing in this section may be construed to prevent a claimant from commencing an action on the construction defect claim described in the notice of claim if the construction professional fails to perform the construction agreed upon, fails to remedy the defect, or fails to perform by the timetable agreed upon pursuant to subsection (2)(a) or (5) of this section.
- 31 (8) Prior to commencing any action alleging a construction defect, or after the dismissal of any action without prejudice pursuant to 32 subsection (6) of this section, the claimant may amend the notice of 33 34 claim to include construction defects discovered after the service of the original notice of claim, and must otherwise comply with the 35 requirements of this section for the additional claims. The service of 36 37 an amended notice of claim shall relate back to the original notice of claim for purposes of tolling statutes of limitations and repose. 38 39 Claims for defects discovered after the commencement or recommencement

- 1 of an action may be added to such action only after providing notice to
- 2 the construction professional of the defect and allowing for response
- 3 under subsection (2) of this section.
- 4 <u>NEW SECTION.</u> **Sec. 4.** (1) In every action brought against a
- 5 construction professional, the claimant, including a construction
- 6 professional asserting a claim against another construction
- 7 professional, shall file with the court and serve on the defendant a
- 8 list of known construction defects in accordance with this section.
- 9 (2) The list of known construction defects shall contain a
- 10 description of the construction that the claimant alleges to be
- 11 defective. The list of known construction defects shall be filed with
- 12 the court and served on the defendant within thirty days after the
- 13 commencement of the action or within such longer period as the court in
- 14 its discretion may allow.
- 15 (3) The list of known construction defects may be amended by the
- 16 claimant to identify additional construction defects as they become
- 17 known to the claimant.
- 18 (4) The list of known construction defects must specify, to the
- 19 extent known to the claimant, the construction professional responsible
- 20 for each alleged defect identified by the claimant.
- 21 (5) If a subcontractor or supplier is added as a party to an action
- 22 under this section, the party making the claim against such
- 23 subcontractor or supplier shall serve on the subcontractor or supplier
- 24 the list of construction defects in accordance with this section within
- 25 thirty days after service of the complaint against the subcontractor or
- 26 supplier or within such period as the court in its discretion may
- 27 allow.
- NEW SECTION. Sec. 5. (1)(a) In the event the board of directors,
- 29 pursuant to RCW 64.34.304(1)(d) or 64.38.020(4), institutes an action
- 30 asserting defects in the construction of two or more residences, common
- 31 elements, or common areas, this section shall apply. For purposes of
- 32 this section, "action" has the same meaning as set forth in section 2
- 33 of this act.
- 34 (b) The board of directors shall substantially comply with the
- 35 provisions of this section.
- 36 (2)(a) Prior to the service of the summons and complaint on any
- 37 defendant with respect to an action governed by this section, the board

- of directors shall mail or deliver written notice of the commencement are anticipated commencement of such action to each homeowner at the
- 3 last known address described in the association's records.
- 4 (b) The notice required by (a) of this subsection shall state a general description of the following:
 - (i) The nature of the action and the relief sought; and
- 7 (ii) The expenses and fees that the board of directors anticipates 8 will be incurred in prosecuting the action.
 - (3) Nothing in this section may be construed to:

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- 10 (a) Require the disclosure in the notice or the disclosure to a 11 unit owner of attorney-client communications or other privileged 12 communications;
- (b) Permit the notice to serve as a basis for any person to assert the waiver of any applicable privilege or right of confidentiality resulting from, or to claim immunity in connection with, the disclosure of information in the notice; or
- 17 (c) Limit or impair the authority of the board of directors to 18 contract for legal services, or limit or impair the ability to enforce 19 such a contract for legal services.
- Sec. 6. (1) The construction professional shall 20 NEW SECTION. provide notice to each homeowner upon entering into a contract for 21 sale, construction, or substantial remodel of a residence, of the 22 23 construction professional's right to offer to cure construction defects 24 before a homeowner may commence litigation against the construction 25 professional. Such notice shall be conspicuous and may be included as part of the underlying contract signed by the homeowner. In the sale 26 of a condominium unit, the requirement for delivery of such notice 27 shall be deemed satisfied if contained in a public offering statement 28 29 delivered in accordance with chapter 64.34 RCW.
- 30 (2) The notice required by this subsection shall be in 31 substantially the following form:
- CHAPTER 64.-- RCW (sections 1 through 7 of this act) CONTAINS

 IMPORTANT REQUIREMENTS YOU MUST FOLLOW BEFORE YOU MAY FILE A

 LAWSUIT FOR DEFECTIVE CONSTRUCTION AGAINST THE SELLER OR

 BUILDER OF YOUR HOME. FORTY-FIVE DAYS BEFORE YOU FILE YOUR

 LAWSUIT, YOU MUST DELIVER TO THE SELLER OR BUILDER A WRITTEN

 NOTICE OF ANY CONSTRUCTION CONDITIONS YOU ALLEGE ARE DEFECTIVE

 AND PROVIDE YOUR SELLER OR BUILDER THE OPPORTUNITY TO MAKE AN

- OFFER TO REPAIR OR PAY FOR THE DEFECTS. YOU ARE NOT OBLIGATED
- 2 TO ACCEPT ANY OFFER MADE BY THE BUILDER OR SELLER. THERE ARE
- 3 STRICT DEADLINES AND PROCEDURES UNDER STATE LAW, AND FAILURE TO
- 4 FOLLOW THEM MAY AFFECT YOUR ABILITY TO FILE A LAWSUIT.
- 5 (3) This chapter shall not preclude or bar any action if notice is
- 6 not given to the homeowner as required by this section.
- 7 <u>NEW SECTION.</u> **Sec. 7.** Nothing in this chapter shall be construed
- 8 to hinder or otherwise affect the employment, agency, or contractual
- 9 relationship between and among homeowners and construction
- 10 professionals during the process of construction or remodeling and does
- 11 not preclude the termination of those relationships as allowed under
- 12 current law. Nothing in this chapter shall negate or otherwise
- 13 restrict a construction professional's right to access or inspection
- 14 provided by law, covenant, easement, or contract.
- 15 <u>NEW SECTION.</u> **Sec. 8.** A new section is added to chapter 4.16 RCW
- 16 to read as follows:
- 17 If a written notice of claim is served under section 3 of this act
- 18 within the time prescribed for the filing of an action under this
- 19 chapter, the statutes of limitations for construction-related claims
- 20 are tolled until sixty days after the period of time during which the
- 21 filing of an action is barred under section 3 of this act.
- 22 **Sec. 9.** RCW 4.16.310 and 1986 c 305 s 702 are each amended to read
- 23 as follows:
- 24 All claims or causes of action as set forth in RCW 4.16.300 shall
- 25 accrue, and the applicable statute of limitation shall begin to run
- 26 only during the period within six years after substantial completion of
- 27 construction, or during the period within six years after the
- 28 termination of the services enumerated in RCW 4.16.300, whichever is
- 29 later. The phrase "substantial completion of construction" shall mean
- 30 the state of completion reached when an improvement upon real property
- 31 may be used or occupied for its intended use. Any cause of action
- 32 which has not accrued within six years after such substantial
- 33 completion of construction, or within six years after such termination
- 34 of services, whichever is later, shall be barred: PROVIDED, That this
- 35 limitation shall not be asserted as a defense by any owner, tenant or
- 36 other person in possession and control of the improvement at the time

- 1 such cause of action accrues. The limitations prescribed in this
- 2 section apply to all claims or causes of action as set forth in RCW
- 3 4.16.300 brought in the name or for the benefit of the state which are
- 4 made or commenced after June 11, 1986.
- 5 If a written notice is filed under section 3 of this act within the
- 6 time prescribed for the filing of an action under this chapter, the
- 7 period of time during which the filing of an action is barred under
- 8 section 3 of this act plus sixty days shall not be a part of the period
- 9 limited for the commencement of an action, nor for the application of
- 10 this section.
- 11 **Sec. 10.** RCW 64.34.410 and 1997 c 400 s 1 are each amended to read
- 12 as follows:
- 13 (1) A public offering statement shall contain the following
- 14 information:
- 15 (a) The name and address of the condominium;
- 16 (b) The name and address of the declarant;
- 17 (c) The name and address of the management company, if any;
- 18 (d) The relationship of the management company to the declarant, if
- 19 any;
- 20 (e) A list of up to the five most recent condominium projects
- 21 completed by the declarant or an affiliate of the declarant within the
- 22 past five years, including the names of the condominiums, their
- 23 addresses, and the number of existing units in each. For the purpose
- 24 of this section, a condominium is "completed" when any one unit therein
- 25 has been rented or sold;
- 26 (f) The nature of the interest being offered for sale;
- 27 (g) A brief description of the permitted uses and use restrictions
- 28 pertaining to the units and the common elements;
- 29 (h) A brief description of the restrictions, if any, on the renting
- 30 or leasing of units by the declarant or other unit owners, together
- 31 with the rights, if any, of the declarant to rent or lease at least a
- 32 majority of units;
- 33 (i) The number of existing units in the condominium and the maximum
- 34 number of units that may be added to the condominium;
- 35 (j) A list of the principal common amenities in the condominium
- 36 which materially affect the value of the condominium and those that
- 37 will or may be added to the condominium;

- 1 (k) A list of the limited common elements assigned to the units 2 being offered for sale;
- 3 (1) The identification of any real property not in the condominium, 4 the owner of which has access to any of the common elements, and a 5 description of the terms of such access;
- 6 (m) The identification of any real property not in the condominium 7 to which unit owners have access and a description of the terms of such 8 access;
- 9 (n) The status of construction of the units and common elements, 10 including estimated dates of completion if not completed;
- 11 (o) The estimated current common expense liability for the units 12 being offered;
- 13 (p) An estimate of any payment with respect to the common expense 14 liability for the units being offered which will be due at closing;
- 15 (q) The estimated current amount and purpose of any fees not 16 included in the common expenses and charged by the declarant or the 17 association for the use of any of the common elements;
- (r) Any assessments which have been agreed to or are known to the declarant and which, if not paid, may constitute a lien against any units or common elements in favor of any governmental agency;
- (s) The identification of any parts of the condominium, other than the units, which any individual owner will have the responsibility for maintaining;
- 24 (t) If the condominium involves a conversion condominium, the 25 information required by RCW 64.34.415;
- 26 (u) Whether timesharing is restricted or prohibited, and if 27 restricted, a general description of such restrictions;
- (v) A list of all development rights reserved to the declarant and all special declarant rights reserved to the declarant, together with the dates such rights must terminate, and a copy of or reference by recording number to any recorded transfer of a special declarant right;
- (w) A description of any material differences in terms of furnishings, fixtures, finishes, and equipment between any model unit available to the purchaser at the time the agreement for sale is executed and the unit being offered;
- 36 (x) Any liens on real property to be conveyed to the association 37 required to be disclosed pursuant to RCW 64.34.435(2)(b);
- 38 (y) A list of any physical hazards known to the declarant which 39 particularly affect the condominium or the immediate vicinity in which

- the condominium is located and which are not readily ascertainable by
 the purchaser;
- 3 (z) A brief description of any construction warranties to be 4 provided to the purchaser;
- 5 (aa) Any building code violation citations received by the 6 declarant in connection with the condominium which have not been 7 corrected;
- (bb) A statement of any unsatisfied judgments or pending suits 8 9 against the association, a statement of the status of any pending suits material to the condominium of which the declarant has actual 10 knowledge, and a statement of any litigation brought by an owners' 11 association, unit owner, or governmental entity in which the declarant 12 13 or any affiliate of the declarant has been a defendant, arising out of the construction, sale, or administration of any condominium within the 14 15 previous five years, together with the results thereof, if known;
- 16 (cc) Any rights of first refusal to lease or purchase any unit or 17 any of the common elements;
- 18 (dd) The extent to which the insurance provided by the association 19 covers furnishings, fixtures, and equipment located in the unit;
- (ee) A notice which describes a purchaser's right to cancel the purchase agreement or extend the closing under RCW 64.34.420, including applicable time frames and procedures;
- (ff) Any reports or statements required by RCW 64.34.415 or 23 24 64.34.440(6)(a). RCW 64.34.415 shall apply to the public offering 25 statement of a condominium in connection with which a final certificate 26 of occupancy was issued more than sixty calendar months prior to the 27 preparation of the public offering statement whether or not the condominium is conversion condominium defined 28 as in **RCW** a 64.34.020(10); 29
- 30 (gg) A list of the documents which the prospective purchaser is 31 entitled to receive from the declarant before the rescission period 32 commences;
- (hh) A notice which states: A purchaser may not rely on any representation or express warranty unless it is contained in the public offering statement or made in writing signed by the declarant or by any person identified in the public offering statement as the declarant's agent;
- (ii) A notice which states: This public offering statement is only a summary of some of the significant aspects of purchasing a unit in

- this condominium and the condominium documents are complex, contain other important information, and create binding legal obligations. You should consider seeking the assistance of legal counsel;
- 4 (jj) Any other information and cross-references which the declarant 5 believes will be helpful in describing the condominium to the 6 recipients of the public offering statement, all of which may be 7 included or not included at the option of the declarant; ((and))
- 8 (kk) A notice that addresses compliance or noncompliance with the 9 housing for older persons act of 1995, P.L. 104-76, as enacted on 10 December 28, 1995; and
- 11 (11) A notice that is substantially in the form required by section 12 6 of this act.
- (2) The public offering statement shall include copies of each of the following documents: The declaration, the survey map and plans, the articles of incorporation of the association, bylaws of the association, rules and regulations, if any, current or proposed budget for the association, and the balance sheet of the association current within ninety days if assessments have been collected for ninety days or more.
- If any of the foregoing documents listed in this subsection are not available because they have not been executed, adopted, or recorded, drafts of such documents shall be provided with the public offering statement, and, before closing the sale of a unit, the purchaser shall be given copies of any material changes between the draft of the proposed documents and the final documents.
- (3) The disclosures required by subsection (1)(g), (k), (s), (u), (v), and (cc) of this section shall also contain a reference to specific sections in the condominium documents which further explain the information disclosed.
- (4) The disclosures required by subsection (1)(ee), (hh), ((and))
 (ii), and (ll) of this section shall be located at the top of the first
 page of the public offering statement and be typed or printed in tenpoint bold face type size.
- (5) A declarant shall promptly amend the public offering statement to reflect any material change in the information required by this section.
- 37 **Sec. 11.** RCW 64.34.452 and 1990 c 166 s 14 are each amended to 38 read as follows:

- (1) A judicial proceeding for breach of any obligations arising 1 under RCW 64.34.443 and 64.34.445 must be commenced within four years 2 after the cause of action accrues: PROVIDED, That the period for 3 4 commencing an action for a breach accruing pursuant to subsection (2)(b) of this section shall not expire prior to one year after 5 termination of the period of declarant control, if any, under RCW 6 7 64.34.308(4). Such period may not be reduced by either oral or written 8 agreement.
- 9 (2) Subject to subsection (3) of this section, a cause of action or 10 breach of warranty of quality, regardless of the purchaser's lack of 11 knowledge of the breach, accrues:
- 12 (a) As to a unit, the date the purchaser to whom the warranty is 13 first made enters into possession if a possessory interest was conveyed 14 or the date of acceptance of the instrument of conveyance if a 15 nonpossessory interest was conveyed; and
- (b) As to each common element, at the latest of (i) the date the first unit in the condominium was conveyed to a bona fide purchaser, (ii) the date the common element was completed, or (iii) the date the common element was added to the condominium.
- 20 (3) If a warranty of quality explicitly extends to future 21 performance or duration of any improvement or component of the 22 condominium, the cause of action accrues at the time the breach is 23 discovered or at the end of the period for which the warranty 24 explicitly extends, whichever is earlier.
- 25 (4) If a written notice of claim is served under section 3 of this
 26 act within the time prescribed for the filing of an action under this
 27 chapter, the statutes of limitation in this chapter and any applicable
 28 statutes of repose for construction-related claims are tolled until
 29 sixty days after the period of time during which the filing of an
 30 action is barred under section 3 of this act.
- NEW SECTION. Sec. 12. Sections 1 through 7 of this act constitute a new chapter in Title 64 RCW.

Passed the Senate March 12, 2002. Passed the House March 7, 2002. Approved by the Governor April 2, 2002. Filed in Office of Secretary of State April 2, 2002.