**5334 AMS PEDE S1636.2 - NOT FOR FLOOR USE**

**SB 5334** - S AMD **28**

By Senator Pedersen

**ADOPTED 02/25/2019**

On page 15, line 6, after "state" insert "on or"

On page 15, line 8, after "created" insert "on or"

On page 15, line 31, after "state" insert "on or"

On page 16, line 11, after "occurring" insert "on or"

On page 16, line 19, after "created" insert "on or"

On page 16, line 22, after "created" insert "on or"

On page 16, line 28, after "created" insert "on or"

On page 49, after line 14, insert the following:

"**Sec.**  RCW 64.90.650 and 2018 c 277 s 411 are each amended to read as follows:

(1) In the case of a sale of a unit when delivery of a public offering statement is required pursuant to RCW 64.90.605(3) and subject to subsection (2) of this section, a seller before conveying a unit:

(a) Must record or furnish to the purchaser releases of all liens that encumber:

(i) In a condominium, that unit and its common element interest; and

(ii) In a cooperative, plat community, or miscellaneous community, that unit and any limited common elements assigned to that unit; or

(b) Must provide the purchaser of that unit with title insurance from a licensed title insurance company against any lien not released pursuant to (a) of this subsection.

(2) Subsection (1) of this section does not apply to liens that encumber:

(a) Real estate that a declarant has the right to withdraw from the common interest community;

(b) In a condominium, the unit and its common element interest being purchased, but no other unit, if the purchaser expressly agrees in writing to take subject to or assume such lien;

(c) In a cooperative, plat community, or miscellaneous community, the unit and any limited common element allocated to the unit being purchased, but no other unit, if the purchaser expressly agrees in writing to take subject to or assume such lien.

(3) Before conveying real property to the association, the declarant must have that real property released from:

(a) All liens the foreclosure of which would deprive unit owners of any right of access to or easement of support of their units; and

(b) All other liens on that real property unless the public offering statement describes certain real property that may be conveyed subject to liens in specified amounts.

(4) In the case of a cooperative, the provisions of this section do not apply to liens securing indebtedness that represent a common expense liability for which the purchaser expressly agrees in writing to be responsible."

Renumber the remaining sections consecutively and correct any internal references accordingly.

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**ADOPTED 02/25/2019**

On page 1, line 4 of the title, after "64.90.610," insert "64.90.650,"

EFFECT: (1) RCW 64.90.650 prohibits the sale of a condominium unless all liens of the declarant/developer have been released. This amendment exempts the sale of a cooperative condominium unit from this prohibition when the unit is subject to a lien securing indebtedness that represents a common expense liability for which the purchaser expressly agrees in writing to be responsible.

(2) Corrects effective date to clarify WUCIOA applies to CICs created on or after July 1, 2018.