
ENGROSSED HOUSE BILL 1403

State of Washington

69th Legislature

2025 Regular Session

By Representatives Taylor, Connors, Duerr, Jacobsen, Peterson, Reed, Barkis, Rule, Doglio, Tharinger, Salahuddin, Ormsby, Ryu, Entenman, Street, and Hill

Read first time 01/20/25. Referred to Committee on Civil Rights & Judiciary.

1 AN ACT Relating to increasing homeownership opportunities by
2 simplifying condominium construction statutes; amending RCW
3 64.90.670, 64.55.005, 64.55.005, 64.90.675, and 64.55.010; reenacting
4 and amending RCW 64.55.010; providing an effective date; and
5 providing an expiration date.

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

7 **Sec. 1.** RCW 64.90.670 and 2019 c 238 s 102 are each amended to
8 read as follows:

9 (1) A declarant and any dealer warrants to a purchaser of a
10 condominium unit that the unit will be in at least as good condition
11 at the earlier of the time of the conveyance or delivery of
12 possession as it was at the time of contracting, except for
13 reasonable wear and tear and damage by casualty or condemnation.

14 (2) ((A)) (a) If a condominium unit is part of a common interest
15 community organized under this chapter and created prior to the
16 effective date of this section, a declarant and any dealer impliedly
17 warrants to a purchaser of ((a)) the condominium unit that the unit
18 and the common elements in the condominium are suitable for the
19 ordinary uses of real estate of its type and that any improvements
20 made or contracted for by such declarant or dealer will be:

21 ((a)) (i) Free from defective materials;

1 ~~((b))~~ (ii) Constructed in accordance with engineering and
2 construction standards, including applicable building codes,
3 generally accepted in the state of Washington at the time of
4 construction; and

5 ~~((e))~~ (iii) Constructed in a workmanlike manner.

6 (b) If a condominium unit is part of a common interest community
7 created on or after the effective date of this section, a declarant
8 and any dealer impliedly warrants to a purchaser of the condominium
9 unit that the unit and the common elements in the condominium are
10 suitable for the ordinary uses of real estate of its type and that
11 any improvements made or contracted for by such declarant or dealer
12 will be:

13 (i) Free from defective materials;

14 (ii) Constructed in accordance with the plans, specifications
15 approved by the applicable jurisdiction for the construction of the
16 condominium, manufacturer installation guidelines, applicable
17 building codes in effect at the time of permit approval, and any
18 published industry standards specifically incorporated into the
19 applicable building codes in effect at the time of permit approval;
20 and

21 (iii) Constructed in a workmanlike manner. For purposes of this
22 subsection (2)(b)(iii), "workmanlike manner" means the degree of care
23 that a reasonably prudent contractor licensed in the state of
24 Washington would exercise under the same or similar circumstances.

25 (3) A declarant and any dealer warrants to a purchaser of a
26 condominium unit that may be used for residential use that an
27 existing use, continuation of which is contemplated by the parties,
28 does not violate applicable law at the earlier of the time of
29 conveyance or delivery of possession.

30 (4) Warranties imposed under this section may be excluded or
31 modified as specified in RCW 64.90.675.

32 (5) For purposes of this section, improvements made or contracted
33 for by an affiliate of a declarant are made or contracted for by the
34 declarant.

35 (6) Any conveyance of a condominium unit transfers to the
36 purchaser all of a declarant's or dealer's implied warranties of
37 quality.

38 (7)(a) In a proceeding for breach of any of the obligations
39 arising under this section, the purchaser must show that the alleged
40 breach has adversely affected or will adversely affect the

1 performance of that portion of the unit or common elements alleged to
2 be in breach. Nothing in this section limits the ability of a board
3 to bring claims on behalf of two or more unit owners pursuant to RCW
4 64.90.405(2)(d).

5 (b) To establish an adverse effect on performance, the purchaser
6 is required to prove that the alleged breach:

7 (i) Is more than technical;

8 (ii) Is significant to a reasonable person; and

9 (iii) Has caused or will cause physical damage to the unit or
10 common elements; has materially impaired the performance of
11 mechanical, electrical, plumbing, elevator, or similar building
12 equipment; or presents an actual, unreasonable safety risk to the
13 occupants of the condominium.

14 (8) Proof of breach of any obligation arising under this section
15 is not proof of damages. Damages awarded for a breach of a warranty
16 arising under subsection (2) of this section are the reasonable cost
17 of repairs. However, if it is established that the cost of such
18 repairs is clearly disproportionate to the loss in market value
19 caused by the breach, damages are limited to the loss in market
20 value.

21 **Sec. 2.** RCW 64.55.005 and 2019 c 238 s 216 are each amended to
22 read as follows:

23 (1)(a) RCW 64.55.010 through 64.55.090 apply to any multiunit
24 residential building for which the permit for construction or
25 rehabilitative construction of such building was issued on or after
26 August 1, 2005.

27 (b) RCW 64.55.010 and 64.55.090 apply to conversion condominiums
28 as defined in RCW 64.34.020 or conversion buildings as defined in RCW
29 64.90.010, provided that RCW 64.55.090 shall not apply to a
30 condominium conversion for which a public offering statement had been
31 delivered pursuant to chapter 64.34 RCW prior to August 1, 2005.

32 (c) RCW 64.55.010 through 64.55.090 do not apply to an accessory
33 dwelling unit organized pursuant to chapter 64.90 RCW as a
34 condominium unit in a common interest community created on or after
35 the effective date of this section.

36 (2) RCW 64.55.010 and 64.55.100 through 64.55.160 and 64.34.415
37 apply to any action that alleges breach of an implied or express
38 warranty under chapter 64.34 RCW or that seeks relief that could be
39 awarded for such breach, regardless of the legal theory pleaded,

1 except that RCW 64.55.100 through 64.55.160 and 64.34.415 shall not
2 apply to:

3 (a) Actions filed or served prior to August 1, 2005;

4 (b) Actions for which a notice of claim was served pursuant to
5 chapter 64.50 RCW prior to August 1, 2005;

6 (c) Actions asserting any claim regarding a building that is not
7 a multiunit residential building;

8 (d) Actions asserting any claim regarding a multiunit residential
9 building that was permitted on or after August 1, 2005, unless the
10 letter required by RCW 64.55.060 has been submitted to the
11 appropriate building department or the requirements of RCW 64.55.090
12 have been satisfied.

13 (3) Other than the requirements imposed by RCW 64.55.010 through
14 64.55.090, nothing in this chapter amends or modifies the provisions
15 of RCW 64.34.050.

16 **Sec. 3.** RCW 64.55.005 and 2024 c 321 s 423 are each amended to
17 read as follows:

18 (1)(a) RCW 64.55.010 through 64.55.090 apply to any multiunit
19 residential building for which the permit for construction or
20 rehabilitative construction of such building was issued on or after
21 August 1, 2005.

22 (b) RCW 64.55.010 and 64.55.090 apply to conversion buildings as
23 defined in RCW 64.90.010.

24 (c) RCW 64.55.010 through 64.55.090 do not apply to an accessory
25 dwelling unit organized pursuant to chapter 64.90 RCW as a
26 condominium unit in a common interest community created on or after
27 the effective date of section 2 of this act.

28 (2) RCW 64.55.010 and 64.55.100 through 64.55.160 and 64.90.620
29 apply to any action that alleges breach of an implied or express
30 warranty under chapter 64.90 RCW or that seeks relief that could be
31 awarded for such breach, regardless of the legal theory pleaded,
32 except that RCW 64.55.100 through 64.55.160 and 64.90.620 shall not
33 apply to:

34 (a) Actions filed or served prior to August 1, 2005;

35 (b) Actions for which a notice of claim was served pursuant to
36 chapter 64.50 RCW prior to August 1, 2005;

37 (c) Actions asserting any claim regarding a building that is not
38 a multiunit residential building;

1 (d) Actions asserting any claim regarding a multiunit residential
2 building that was permitted on or after August 1, 2005, unless the
3 letter required by RCW 64.55.060 has been submitted to the
4 appropriate building department or the requirements of RCW 64.55.090
5 have been satisfied.

6 (3) Other than the requirements imposed by RCW 64.55.010 through
7 64.55.090, nothing in this chapter amends or modifies the provisions
8 of RCW 64.90.025.

9 **Sec. 4.** RCW 64.90.675 and 2018 c 277 s 416 are each amended to
10 read as follows:

11 (1) Except as limited under subsections (2) and (4) of this
12 section with respect to a purchaser of a condominium unit that may be
13 used for residential use, implied warranties of quality under RCW
14 64.90.670:

15 (a) May be excluded or modified by written agreement of the
16 parties; and

17 (b) Are excluded by written expression of disclaimer, such as "as
18 is," "with all faults," or other language that in common
19 understanding calls the buyer's attention to the exclusion of
20 warranties.

21 (2) With respect to a purchaser of a condominium unit that may be
22 used for residential use, no disclaimer of implied warranties of
23 quality under RCW 64.90.670 is effective, except that a declarant and
24 any dealer may disclaim liability in an instrument for one or more
25 specified defects or failures to comply with applicable law, if:

26 (a) The declarant or dealer knows or has reason to believe that
27 the specific defects or failures exist at the time of disclosure;

28 (b) The disclaimer specifically describes the defects or
29 failures;

30 (c) The disclaimer includes a statement as to the effect of the
31 defects or failures;

32 (d) The disclaimer is boldfaced, capitalized, underlined, or
33 otherwise set out from surrounding material so as to be conspicuous;
34 and

35 (e) The disclaimer is signed by the purchaser.

36 (3) ((A)) Except as provided in subsection (4) of this section, a
37 declarant or dealer may not make an express written warranty of
38 quality that limits the implied warranties of quality made to the
39 purchaser set forth in RCW 64.90.670.

1 (4) (a) With respect to a unit in a condominium created on or
2 after the effective date of this section, a declarant or dealer is
3 not subject to the implied warranties of quality set forth in RCW
4 64.90.670 if the declarant or dealer provides for the condominium
5 unit an express warranty of quality and express warranty insurance
6 coverage that meets the requirements in (b) of this subsection, and
7 the condominium unit is:

8 (i) An accessory dwelling unit organized as a condominium
9 pursuant to this chapter;

10 (ii) Located in a new building or a condominium conversion
11 containing 12 or fewer units and two or fewer stories; or

12 (iii) Located in a new building or a condominium conversion
13 containing 12 or fewer units and three or fewer stories, if one story
14 is utilized for parking, either above or below ground, or as a
15 commercial space.

16 (b) An express warranty of quality and insurance coverage
17 provided under (a) of this subsection must:

18 (i) Require acknowledgment by the unit purchaser that the express
19 warranty of quality applies;

20 (ii) Allow for recovery of defects under the express warranty of
21 quality by the unit owner and any subsequent purchaser, and by the
22 unit owners association for common areas;

23 (iii) Apply to all condominium units and common areas within the
24 building;

25 (iv) Provide minimum coverage periods as follows:

26 (A) One year for defective workmanship and materials;

27 (B) Two years for defective plumbing, electrical, and ductwork
28 distribution systems; and

29 (C) 10 years for structural defects to load-bearing structural
30 members; and

31 (v) Provide that the minimum coverage periods for the express
32 warranty begins on:

33 (A) As to the unit, the latest of:

34 (I) The date the unit was conveyed to the purchaser to whom the
35 warranty is first made; or

36 (II) The date any portion of the unit that constitutes a building
37 enclosure as defined in RCW 64.55.010 was completed; and

38 (B) As to each common element, the latest of:

39 (I) The date the common element was completed;

40 (II) The date the common element was added to the condominium; or

1 (III) The date the first unit in the condominium was conveyed to
2 a bona fide purchaser.

3 **Sec. 5.** RCW 64.55.010 and 2024 c 122 s 1 are each amended to
4 read as follows:

5 Unless the context clearly requires otherwise, the definitions in
6 RCW 64.34.020 and in this section apply throughout this chapter.

7 (1) "Attached dwelling unit" means any dwelling unit that is
8 attached to another dwelling unit by a wall, floor, or ceiling that
9 separates heated living spaces. A garage is not a heated living
10 space.

11 (2) "Building enclosure" means that part of any building, above
12 or below grade, that physically separates the outside or exterior
13 environment from interior environments and which weatherproofs,
14 waterproofs, or otherwise protects the building or its components
15 from water or moisture intrusion. Interior environments consist of
16 both heated and unheated enclosed spaces. The building enclosure
17 includes, but is not limited to, that portion of roofs, walls,
18 balcony support columns, decks, windows, doors, vents, and other
19 penetrations through exterior walls, which waterproof, weatherproof,
20 or otherwise protect the building or its components from water or
21 moisture intrusion.

22 (3) "Building enclosure design documents" means plans, details,
23 and specifications for the building enclosure that have been stamped
24 by a licensed engineer or architect. The building enclosure design
25 documents shall include details and specifications that are
26 appropriate for the building in the professional judgment of the
27 architect or engineer who prepared the same to waterproof,
28 weatherproof, and otherwise protect the building or its components
29 from water or moisture intrusion, including details of flashing,
30 intersections at roof, eaves or parapets, means of drainage, water-
31 resistive membrane, and details around openings.

32 (4) "Developer" means:

33 (a) With respect to a condominium or a conversion condominium,
34 the declarant; and

35 (b) With respect to all other buildings, an individual, group of
36 individuals, partnership, corporation, association, municipal
37 corporation, state agency, or other entity or person that obtains a
38 building permit for the construction or rehabilitative reconstruction
39 of a multiunit residential building. If a permit is obtained by

1 service providers such as architects, contractors, and consultants
2 who obtain permits for others as part of services rendered for a fee,
3 the person for whom the permit is obtained shall be the developer,
4 not the service provider.

5 (5) "Dwelling unit" has the meaning given to that phrase or
6 similar phrases in the ordinances of the jurisdiction issuing the
7 permit for construction of the building enclosure but if such
8 ordinances do not provide a definition, then "dwelling unit" means a
9 residence containing living, cooking, sleeping, and sanitary
10 facilities.

11 (6) "Multiunit residential building" means:

12 (a) A building containing more than two attached dwelling units,
13 including a building containing nonresidential units if the building
14 also contains more than two attached dwelling units, but excluding
15 the following classes of buildings:

16 (i) Hotels and motels;

17 (ii) Dormitories;

18 (iii) Care facilities;

19 (iv) Floating homes;

20 (v) A building that contains attached dwelling units that are
21 each located on a single platted lot, except as provided in (b) of
22 this subsection;

23 (vi) A building in which all of the dwelling units are held under
24 one ownership and is subject to a recorded irrevocable sale
25 prohibition covenant;

26 (vii) A building with 12 or fewer units that is no more than two
27 stories; and

28 (viii) A building with 12 or fewer units that is no more than
29 three stories so long as one story is utilized for parking, either
30 above or below ground, or retail space, except if such building is
31 subject to a 2-10 express warranty, as provided in RCW 64.90.675(4),
32 as an alternative to the implied warranty in RCW 64.90.670.

33 (b) If the developer submits to the appropriate building
34 department when applying for the building permit described in RCW
35 64.55.020 a statement that the developer elects to treat the
36 improvement for which a permit is sought as a multiunit residential
37 building for all purposes under this chapter, then "multiunit
38 residential building" also means the following buildings for which
39 such election has been made:

40 (i) A building containing only two attached dwelling units;

1 (ii) A building that does not contain attached dwelling units;
2 and

3 (iii) Any building that contains attached dwelling units each of
4 which is located on a single platted lot.

5 (7) "Party unit owner" means a unit owner who is a named party to
6 an action subject to this chapter and does not include any unit
7 owners whose involvement with the action stems solely from their
8 membership in the association.

9 (8) "Qualified building inspector" means a person satisfying the
10 requirements of RCW 64.55.040.

11 (9) "Rehabilitative construction" means construction work on the
12 building enclosure of a multiunit residential building if the cost of
13 such construction work is more than five percent of the assessed
14 value of the building.

15 (10) "Sale prohibition covenant" means a recorded covenant that
16 prohibits the sale or other disposition of individual dwelling units
17 as or as part of a condominium for five years or more from the date
18 of first occupancy except as otherwise provided in RCW 64.55.090, a
19 certified copy of which the developer shall submit to the appropriate
20 building department; provided such covenant shall not apply to sales
21 or dispositions listed in RCW 64.34.400(2). The covenant must be
22 recorded in the county in which the building is located and must be
23 in substantially the following form:

24 This covenant has been recorded in the real property records
25 of County, Washington, in satisfaction of the
26 requirements of RCW 64.55.010 through 64.55.090. The
27 undersigned is the owner of the property described on Exhibit
28 A (the "Property"). Until termination of this covenant, no
29 dwelling unit in or on the Property may be sold as a
30 condominium unit except for sales listed in RCW 64.34.400(2).

31 This covenant terminates on the earlier of either: (a)
32 Compliance with the requirements of RCW 64.55.090, as
33 certified by the owner of the Property in a recorded
34 supplement hereto; or (b) the fifth anniversary of the date
35 of first occupancy of a dwelling unit as certified by the
36 Owner in a recorded supplement hereto.

37 All title insurance companies and persons acquiring an interest in
38 the Property may rely on the forgoing certifications without further

1 inquiry in issuing any policy of title insurance or in acquiring an
2 interest in the Property.

3 (11) "Stamped" means bearing the stamp and signature of the
4 responsible licensed architect or engineer on the title page, and on
5 every sheet of the documents, drawings, or specifications, including
6 modifications to the documents, drawings, and specifications that
7 become part of change orders or addenda to alter those documents,
8 drawings, or specifications.

9 **Sec. 6.** RCW 64.55.010 and 2024 c 321 s 424 and 2024 c 122 s 1
10 are each reenacted and amended to read as follows:

11 Unless the context clearly requires otherwise, the definitions in
12 RCW 64.90.010 and in this section apply throughout this chapter.

13 (1) "Attached dwelling unit" means any dwelling unit that is
14 attached to another dwelling unit by a wall, floor, or ceiling that
15 separates heated living spaces. A garage is not a heated living
16 space.

17 (2) "Building enclosure" means that part of any building, above
18 or below grade, that physically separates the outside or exterior
19 environment from interior environments and which weatherproofs,
20 waterproofs, or otherwise protects the building or its components
21 from water or moisture intrusion. Interior environments consist of
22 both heated and unheated enclosed spaces. The building enclosure
23 includes, but is not limited to, that portion of roofs, walls,
24 balcony support columns, decks, windows, doors, vents, and other
25 penetrations through exterior walls, which waterproof, weatherproof,
26 or otherwise protect the building or its components from water or
27 moisture intrusion.

28 (3) "Building enclosure design documents" means plans, details,
29 and specifications for the building enclosure that have been stamped
30 by a licensed engineer or architect. The building enclosure design
31 documents shall include details and specifications that are
32 appropriate for the building in the professional judgment of the
33 architect or engineer who prepared the same to waterproof,
34 weatherproof, and otherwise protect the building or its components
35 from water or moisture intrusion, including details of flashing,
36 intersections at roof, eaves or parapets, means of drainage, water-
37 resistive membrane, and details around openings.

38 (4) "Developer" means:

1 (a) With respect to a condominium or a conversion condominium,
2 the declarant; and

3 (b) With respect to all other buildings, an individual, group of
4 individuals, partnership, corporation, association, municipal
5 corporation, state agency, or other entity or person that obtains a
6 building permit for the construction or rehabilitative reconstruction
7 of a multiunit residential building. If a permit is obtained by
8 service providers such as architects, contractors, and consultants
9 who obtain permits for others as part of services rendered for a fee,
10 the person for whom the permit is obtained shall be the developer,
11 not the service provider.

12 (5) "Dwelling unit" has the meaning given to that phrase or
13 similar phrases in the ordinances of the jurisdiction issuing the
14 permit for construction of the building enclosure but if such
15 ordinances do not provide a definition, then "dwelling unit" means a
16 residence containing living, cooking, sleeping, and sanitary
17 facilities.

18 (6) "Multiunit residential building" means:

19 (a) A building containing more than two attached dwelling units,
20 including a building containing nonresidential units if the building
21 also contains more than two attached dwelling units, but excluding
22 the following classes of buildings:

23 (i) Hotels and motels;
24 (ii) Dormitories;
25 (iii) Care facilities;
26 (iv) Floating homes;

27 (v) A building that contains attached dwelling units that are
28 each located on a single platted lot, except as provided in (b) of
29 this subsection;

30 (vi) A building in which all of the dwelling units are held under
31 one ownership and is subject to a recorded irrevocable sale
32 prohibition covenant;

33 (vii) A building with 12 or fewer units that is no more than two
34 stories; and

35 (viii) A building with 12 or fewer units that is no more than
36 three stories so long as one story is utilized for parking, either
37 above or below ground, or retail space, except if such building is
38 subject to a 2-10 express warranty, as provided in RCW 64.90.675(4),
39 as an alternative to the implied warranty in RCW 64.90.670.

1 (b) If the developer submits to the appropriate building
2 department when applying for the building permit described in RCW
3 64.55.020 a statement that the developer elects to treat the
4 improvement for which a permit is sought as a multiunit residential
5 building for all purposes under this chapter, then "multiunit
6 residential building" also means the following buildings for which
7 such election has been made:

8 (i) A building containing only two attached dwelling units;

9 (ii) A building that does not contain attached dwelling units;

10 and

11 (iii) Any building that contains attached dwelling units each of
12 which is located on a single platted lot.

13 (7) "Party unit owner" means a unit owner who is a named party to
14 an action subject to this chapter and does not include any unit
15 owners whose involvement with the action stems solely from their
16 membership in the association.

17 (8) "Qualified building inspector" means a person satisfying the
18 requirements of RCW 64.55.040.

19 (9) "Rehabilitative construction" means construction work on the
20 building enclosure of a multiunit residential building if the cost of
21 such construction work is more than five percent of the assessed
22 value of the building.

23 (10) "Sale prohibition covenant" means a recorded covenant that
24 prohibits the sale or other disposition of individual dwelling units
25 as or as part of a condominium for five years or more from the date
26 of first occupancy except as otherwise provided in RCW 64.55.090, a
27 certified copy of which the developer shall submit to the appropriate
28 building department; provided such covenant shall not apply to sales
29 or dispositions listed in RCW 64.90.600(2). The covenant must be
30 recorded in the county in which the building is located and must be
31 in substantially the following form:

32 This covenant has been recorded in the real property records
33 of County, Washington, in satisfaction of the
34 requirements of RCW 64.55.010 through 64.55.090. The
35 undersigned is the owner of the property described on Exhibit
36 A (the "Property"). Until termination of this covenant, no
37 dwelling unit in or on the Property may be sold as a
38 condominium unit except for sales or dispositions listed in
39 RCW 64.90.600(2).

1 This covenant terminates on the earlier of either: (a)
2 Compliance with the requirements of RCW 64.55.090, as
3 certified by the owner of the Property in a recorded
4 supplement hereto; or (b) the fifth anniversary of the date
5 of first occupancy of a dwelling unit as certified by the
6 Owner in a recorded supplement hereto.

7 All title insurance companies and persons acquiring an interest in
8 the Property may rely on the forgoing certifications without further
9 inquiry in issuing any policy of title insurance or in acquiring an
10 interest in the Property.

11 (11) "Stamped" means bearing the stamp and signature of the
12 responsible licensed architect or engineer on the title page, and on
13 every sheet of the documents, drawings, or specifications, including
14 modifications to the documents, drawings, and specifications that
15 become part of change orders or addenda to alter those documents,
16 drawings, or specifications.

17 NEW SECTION. **Sec. 7.** Sections 2 and 5 of this act expire
18 January 1, 2028.

19 NEW SECTION. **Sec. 8.** Sections 3 and 6 of this act take effect
20 January 1, 2028.

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