
SENATE BILL 5129

State of Washington

69th Legislature

2025 Regular Session

By Senators Pedersen and Harris

Prefiled 01/02/25.

1 AN ACT Relating to common interest communities; amending RCW
2 64.32.250, 64.32.260, 64.34.076, 64.38.095, 64.90.010, 64.90.015,
3 64.90.210, 64.90.300, 64.90.360, 64.90.365, 64.90.405, 64.90.410,
4 64.90.435, 64.90.445, 64.90.455, 64.90.475, 64.90.480, 64.90.485,
5 64.90.513, 64.90.525, 64.90.530, 64.90.535, 64.90.580, 64.90.600,
6 64.90.610, 64.90.635, 64.90.640, 64.90.665, and 61.24.030; adding a
7 new section to chapter 64.38 RCW; repealing RCW 64.32.290, 64.32.350,
8 64.34.332, 64.34.393, 64.34.395, 64.38.035, 64.38.062, 64.38.180, and
9 64.90.509; repealing 2024 c 337 s 4; providing effective dates; and
10 providing an expiration date.

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

12 **Sec. 1.** RCW 64.32.250 and 1963 c 156 s 25 are each amended to
13 read as follows:

14 (1) All apartment owners, tenants of such owners, employees of
15 such owners and tenants, and any other person that may in any manner
16 use the property or any part thereof submitted to the provisions of
17 this chapter, shall be subject to this chapter and to the declaration
18 and bylaws of the association of apartment owners adopted pursuant to
19 the provisions of this chapter.

20 (2) All agreements, decisions and determinations made by the
21 association of apartment owners under the provisions of this chapter,

1 the declaration, or the bylaws and in accordance with the voting
2 percentages established in this chapter, the declaration, or the
3 bylaws, shall be deemed to be binding on all apartment owners.

4 (3) In case of any conflict between Title 23B RCW or chapter
5 23.86, 24.03A, 24.06, or 25.15 RCW and this chapter, this chapter
6 controls.

7 **Sec. 2.** RCW 64.32.260 and 2024 c 321 s 433 are each amended to
8 read as follows:

9 (1) This chapter does not apply to common interest communities as
10 defined in RCW 64.90.010:

11 (a) Created on or after July 1, 2018; or

12 (b) That have amended their governing documents to provide that
13 chapter 64.90 RCW will apply to the common interest community
14 pursuant to RCW 64.90.370.

15 (2) Pursuant to RCW 64.90.365, the following provisions of
16 chapter 64.90 RCW apply, and any inconsistent provisions of this
17 chapter do not apply, to a common interest community created before
18 July 1, 2018:

19 (a) RCW 64.90.370;

20 (b) RCW 64.90.405(1) (b) and (c);

21 (c) RCW 64.90.445;

22 (d) RCW 64.90.480(10);

23 (e) RCW 64.90.502;

24 (f) RCW 64.90.513;

25 (g) RCW 64.90.525; ((and

26 ~~(d))~~ (h) RCW 64.90.545; and

27 (i) RCW 64.90.580.

28 **Sec. 3.** RCW 64.34.076 and 2024 c 321 s 434 are each amended to
29 read as follows:

30 (1) This chapter does not apply to common interest communities as
31 defined in RCW 64.90.010:

32 (a) Created on or after July 1, 2018; or

33 (b) That have amended their governing documents to provide that
34 chapter 64.90 RCW will apply to the common interest community
35 pursuant to RCW 64.90.370.

36 (2) Pursuant to RCW 64.90.365, the following provisions of
37 chapter 64.90 RCW apply, and any inconsistent provisions of this

1 chapter do not apply, to a common interest community created before
2 July 1, 2018:

- 3 (a) RCW 64.90.370;
- 4 (b) RCW 64.90.405(1) (b) and (c);
- 5 (c) RCW 64.90.445;
- 6 (d) RCW 64.90.480(10);
- 7 (e) RCW 64.90.502;
- 8 (f) RCW 64.90.513;
- 9 (g) RCW 64.90.525; ((and
10 ~~(d))~~) (h) RCW 64.90.545; and
- 11 (i) RCW 64.90.580.

12 **Sec. 4.** RCW 64.38.095 and 2024 c 321 s 435 are each amended to
13 read as follows:

14 (1) This chapter does not apply to common interest communities as
15 defined in RCW 64.90.010:

- 16 (a) Created on or after July 1, 2018; or
- 17 (b) That have amended their governing documents to provide that
18 chapter 64.90 RCW will apply to the common interest community
19 pursuant to RCW 64.90.370.

20 (2) Pursuant to RCW 64.90.365, the following provisions of
21 chapter 64.90 RCW apply, and any inconsistent provisions of this
22 chapter do not apply, to a common interest community created before
23 July 1, 2018:

- 24 (a) RCW 64.90.370;
- 25 (b) RCW 64.90.405(1) (b) and (c);
- 26 (c) RCW 64.90.445;
- 27 (d) RCW 64.90.480(10);
- 28 (e) RCW 64.90.502;
- 29 (f) RCW 64.90.513;
- 30 (g) RCW 64.90.525; ((and
31 ~~(d))~~) (h) RCW 64.90.545; and
- 32 (i) RCW 64.90.580.

33 NEW SECTION. **Sec. 5.** A new section is added to chapter 64.38
34 RCW to read as follows:

35 In case of any conflict between Title 23B RCW or chapter 23.86,
36 24.03A, 24.06, or 25.15 RCW and this chapter, this chapter controls.

1 **Sec. 6.** RCW 64.90.010 and 2024 c 321 s 301 are each amended to
2 read as follows:

3 The definitions in this section apply throughout this chapter
4 unless the context clearly requires otherwise.

5 (1) "Affiliate of a declarant" means any person who controls, is
6 controlled by, or is under common control with a declarant. For
7 purposes of this subsection:

8 (a) A person controls a declarant if the person:

9 (i) Is a general partner, managing member, officer, director, or
10 employer of the declarant;

11 (ii) Directly or indirectly or acting in concert with one or more
12 other persons, or through one or more subsidiaries, owns, controls,
13 holds with power to vote, or holds proxies representing more than 20
14 percent of the voting interest in the declarant;

15 (iii) Controls in any manner the election or appointment of a
16 majority of the directors, managing members, or general partners of
17 the declarant; or

18 (iv) Has contributed more than 20 percent of the capital of the
19 declarant.

20 (b) A person is controlled by a declarant if the declarant:

21 (i) Is a general partner, managing member, officer, director, or
22 employer of the person;

23 (ii) Directly or indirectly or acting in concert with one or more
24 other persons, or through one or more subsidiaries, owns, controls,
25 holds with power to vote, or holds proxies representing more than 20
26 percent of the voting interest in the person;

27 (iii) Controls in any manner the election or appointment of a
28 majority of the directors, managing members, or general partners of
29 the person; or

30 (iv) Has contributed more than 20 percent of the capital of the
31 person.

32 (c) Control does not exist if the powers described in this
33 subsection (1) are held solely as security for an obligation and are
34 not exercised.

35 (2) "Allocated interests" means the following interests allocated
36 to each unit:

37 (a) In a condominium, the undivided interest in the common
38 elements, the common expense liability, and votes in the association;

39 (b) In a cooperative, the common expense liability, the ownership
40 interest, and votes in the association; and

1 (c) In a plat community and miscellaneous community, the common
2 expense liability and the votes in the association, and also the
3 undivided interest in the common elements if owned in common by the
4 unit owners rather than an association.

5 (3) "Assessment" means all sums chargeable by the association
6 against a unit, including any assessments levied pursuant to RCW
7 64.90.480, fines or fees levied or imposed by the association
8 pursuant to this chapter or the governing documents, interest and
9 late charges on any delinquent account, and all costs of collection
10 incurred by the association in connection with the collection of a
11 delinquent owner's account, including reasonable attorneys' fees.

12 (4) "Association" or "unit owners association" means the unit
13 owners association organized under RCW 64.90.400 and, to the extent
14 necessary to construe sections of this chapter made applicable to
15 common interest communities pursuant to RCW 64.90.365, 64.90.090, or
16 64.90.370, the association organized or created to administer such
17 common interest communities.

18 (5) "Ballot" means a record designed to cast or register a vote
19 or consent in a form provided or accepted by the association.

20 (6) "Board" means the body, regardless of name, designated in the
21 declaration, map, or organizational documents, with primary authority
22 to manage the affairs of the association.

23 (7) "Common elements" means:

24 (a) In a condominium or cooperative, all portions of the common
25 interest community other than the units;

26 (b) In a plat community or miscellaneous community, any real
27 estate other than a unit within a plat community or miscellaneous
28 community that is owned or leased either by the association or in
29 common by the unit owners rather than an association; and

30 (c) In all common interest communities, any other interests in
31 real estate for the benefit of any unit owners that are subject to
32 the declaration.

33 (8) "Common expense" means ~~((any expense of the association,~~
34 ~~including allocations to reserves, allocated to all of the unit~~
35 ~~owners in accordance with common expense liability)) expenditures~~
36 ~~made by, or financial liabilities of, the association, together with~~
37 any allocations to reserves.

38 (9) "Common expense liability" means the liability for common
39 expenses allocated to each unit pursuant to RCW 64.90.235.

1 (10) "Common interest community" means real estate described in a
2 declaration with respect to which a person, by virtue of the person's
3 ownership of a unit, is obligated to pay for a share of real estate
4 taxes, insurance premiums, maintenance, or improvement of, or
5 services or other expenses related to, common elements, other units,
6 or other real estate described in the declaration. "Common interest
7 community" does not include an arrangement described in RCW 64.90.110
8 or 64.90.115. A common interest community may be a part of another
9 common interest community.

10 (11) "Condominium" means a common interest community in which
11 portions of the real estate are designated for separate ownership and
12 the remainder of the real estate is designated for common ownership
13 solely by the owners of those portions. A common interest community
14 is not a condominium unless the undivided interests in the common
15 elements are vested in the unit owners.

16 (12) "Condominium notice" means the notice given to tenants
17 pursuant to subsection (13)(c) of this section.

18 (13)(a) "Conversion building" means a building:

19 (i) That at any time before creation of the common interest
20 community was lawfully occupied wholly or partially by a tenant or
21 subtenant for residential purposes pursuant to a rental agreement,
22 oral or written, express or implied, who did not receive a
23 (~~condominium~~) notice pursuant to (c) of this subsection prior to
24 entering into the rental agreement or lawfully taking occupancy,
25 whichever event occurred first; or

26 (ii) That at any time within the 12 months preceding the first
27 acceptance of an agreement with the declarant to convey, or the first
28 conveyance of, any unit in the building, whichever event occurred
29 first, to any person who was not a declarant or dealer, or affiliate
30 of a declarant or dealer, was lawfully occupied wholly or partially
31 by a tenant or subtenant for residential purposes pursuant to a
32 rental agreement, oral or written, express or implied, who did not
33 receive a condominium notice prior to entering into the rental
34 agreement or lawfully taking occupancy, whichever event occurred
35 first.

36 (b) A building in a common interest community is a conversion
37 building only if:

38 (i) The building contains more than two attached dwelling units
39 as defined in RCW 64.55.010(1); and

1 (ii) Acceptance of an agreement to convey, or conveyance of, any
2 unit in the building to any person who was not a declarant or dealer,
3 or affiliate of a declarant or dealer, did not occur prior to July 1,
4 2018.

5 (c) The notice referred to in (a)(i) and (ii) of this subsection
6 must be in writing and must state: "The unit you will be occupying
7 is, or may become, part of a common interest community and subject to
8 sale."

9 (14) "Convey" or "conveyance" means, with respect to a unit, any
10 transfer of ownership of the unit, including a transfer by deed or by
11 real estate contract and, with respect to a unit in a leasehold
12 common interest community or a proprietary lease in a cooperative, a
13 transfer by lease or assignment of the unit, but does not include the
14 creation, transfer, or release of a security interest.

15 (15) "Cooperative" means a common interest community in which the
16 real estate is owned by an association, each member of which is
17 entitled by virtue of the member's ownership interest in the
18 association and by a proprietary lease to exclusive possession of a
19 unit.

20 (16) "Dealer" means a person who, together with such person's
21 affiliates, owns or has a right to acquire either six or more units
22 in a common interest community or 50 percent or more of the units in
23 a common interest community containing more than two units.

24 (17) "Declarant" means:

25 (a) Any person who executes as declarant a declaration;

26 (b) Any person who reserves or succeeds to any special declarant
27 right in a declaration;

28 (c) Any person who exercises special declarant rights or to whom
29 special declarant rights are transferred of record. The holding or
30 exercise of rights to maintain sales offices, signs advertising the
31 common interest community, and models, and related right of access,
32 does not confer the status of being a declarant; or

33 (d) Any person who is the owner of a fee interest in the real
34 estate that is subjected to the declaration at the time of the
35 recording of an instrument pursuant to RCW 64.90.425 and who directly
36 or through one or more affiliates is materially involved in the
37 construction, marketing, or sale of units in the common interest
38 community created by the recording of the instrument.

39 (18) "Declarant control" means the right of the declarant or
40 persons designated by the declarant to appoint or remove any officer

1 or board member of the association or to veto or approve a proposed
2 action of any board or association, pursuant to RCW 64.90.415(1) (a).

3 (19) "Declaration" means the instrument, however denominated,
4 that creates a common interest community, including any amendments to
5 the instrument.

6 (20) "Development rights" means any right or combination of
7 rights reserved by a declarant in the declaration to:

8 (a) Add real estate or improvements to a common interest
9 community;

10 (b) Create units, common elements, or limited common elements
11 within a common interest community;

12 (c) Subdivide or combine units or convert units into common
13 elements;

14 (d) Withdraw real estate from a common interest community; or

15 (e) Reallocate limited common elements with respect to units that
16 have not been conveyed by the declarant.

17 (21) "Effective age" means the difference between the useful life
18 and remaining useful life.

19 (22) "Electronic" means relating to technology having electrical,
20 digital, magnetic, wireless, optical, electromagnetic, or similar
21 capabilities.

22 (23) "Electronic transmission" or "electronically transmitted"
23 means any electronic communication (a) not directly involving the
24 physical transfer of a record in a tangible medium and (b) that may
25 be retained, retrieved, and reviewed by the sender and the recipient
26 of the communication, and that may be directly reproduced in a
27 tangible medium by a sender and recipient.

28 (24) "Eligible mortgagee" means the holder of a security interest
29 on a unit that has filed with the secretary of the association a
30 written request that it be given copies of notices of any action by
31 the association that requires the consent of mortgagees.

32 (25) "Foreclosure" means a statutory forfeiture or a judicial or
33 nonjudicial foreclosure of a security interest or a deed or other
34 conveyance in lieu of a security interest.

35 (26) "Full funding plan" means a reserve funding goal of
36 achieving 100 percent fully funded reserves by the end of the 30-year
37 study period described under RCW 64.90.550, in which the reserve
38 account balance equals the sum of the estimated costs required to
39 maintain, repair, or replace the deteriorated portions of all reserve
40 components.

1 (27) "Fully funded balance" means the current value of the
2 deteriorated portion, not the total replacement value, of all the
3 reserve components. The fully funded balance for each reserve
4 component is calculated by multiplying the current replacement cost
5 of that reserve component by its effective age, then dividing the
6 result by that reserve component's useful life. The sum total of all
7 reserve components' fully funded balances is the association's fully
8 funded balance.

9 (28) "Governing documents" means the organizational documents,
10 map, declaration, rules, or other written instrument by which the
11 association has the authority to exercise any of the powers provided
12 for in this chapter or to manage, maintain, or otherwise affect the
13 property under its jurisdiction.

14 (29) "Identifying number" means a symbol or address that
15 identifies only one unit or limited common element in a common
16 interest community.

17 (30) "Leasehold common interest community" means a common
18 interest community in which all or a portion of the real estate is
19 subject to a lease the expiration or termination of which will
20 terminate the common interest community or reduce its size.

21 (31) "Limited common element" means a portion of the common
22 elements allocated by the declaration or by operation of RCW
23 64.90.210 (1)(b) or (3) for the exclusive use of one or more, but
24 fewer than all, of the unit owners.

25 (32) "Map" means: (a) With respect to a plat community, the plat
26 as defined in RCW 58.17.020 and complying with the requirements of
27 Title 58 RCW, and (b) with respect to a condominium, cooperative, or
28 miscellaneous community, a map prepared in accordance with the
29 requirements of RCW 64.90.245.

30 (33) "Master association" means:

31 (a) A unit owners association that serves more than one common
32 interest community; or

33 (b) An organization that holds a power delegated under RCW
34 64.90.300(1)(a).

35 (34) "Miscellaneous community" means a common interest community
36 in which units are lawfully created in a manner not inconsistent with
37 chapter 58.17 RCW and that is not a condominium, cooperative, or plat
38 community.

39 (35) "Nominal reserve costs" means that the current estimated
40 total replacement costs of the reserve components are less than 50

1 percent of the annual budgeted expenses of the association, excluding
2 contributions to the reserve fund, for a condominium or cooperative
3 containing horizontal unit boundaries, and less than 75 percent of
4 the annual budgeted expenses of the association, excluding
5 contributions to the reserve fund, for all other common interest
6 communities.

7 (36) "Organizational documents" means the instruments filed with
8 the secretary of state to create an entity and the instruments
9 governing the internal affairs of the entity including, but not
10 limited to, any articles of incorporation, certificate of formation,
11 bylaws, and limited liability company or partnership agreement.

12 (37) "Person" means an individual, corporation, business trust,
13 estate, the trustee or beneficiary of a trust that is not a business
14 trust, partnership, limited liability company, association, joint
15 venture, public corporation, government, or governmental subdivision,
16 agency, or instrumentality, or any other legal entity.

17 (38) "Plat community" means a common interest community in which
18 units have been created by subdivision or short subdivision as both
19 are defined in RCW 58.17.020 and in which the boundaries of units are
20 established pursuant to chapter 58.17 RCW.

21 (39) "Proprietary lease" means a written and recordable lease
22 that is executed and acknowledged by the association as lessor and
23 that otherwise complies with requirements applicable to a residential
24 lease of more than one year and pursuant to which a member is
25 entitled to exclusive possession of a unit in a cooperative. A
26 proprietary lease governed under this chapter is not subject to
27 chapter 59.18 RCW except as provided in the declaration.

28 (40) "Purchaser" means a person, other than a declarant or a
29 dealer, which by means of a voluntary transfer acquires a legal or
30 equitable interest in a unit other than as security for an
31 obligation.

32 (41) "Qualified financial institution" means a bank, savings
33 association, or credit union whose deposits are insured by the
34 federal government.

35 (42) "Real estate" means any leasehold or other estate or
36 interest in, over, or under land, including structures, fixtures, and
37 other improvements and interests that by custom, usage, or law pass
38 with a conveyance of land though not described in the contract of
39 sale or instrument of conveyance. "Real estate" includes parcels with

1 or without upper or lower boundaries and spaces that may be filled
2 with air or water.

3 (43) "Real estate contract" has the same meaning as defined in
4 RCW 61.30.010.

5 (44) "Record," when used as a noun, means information inscribed
6 on a tangible medium or contained in an electronic transmission.

7 (45) "Remaining useful life" means the estimated time, in years,
8 before a reserve component will require major maintenance, repair, or
9 replacement to perform its intended function.

10 (46) "Replacement cost" means the estimated total cost to
11 maintain, repair, or replace a reserve component to its original
12 functional condition.

13 (47) "Reserve component" means a physical component of the common
14 interest community which the association is obligated to maintain,
15 repair, or replace, which has an estimated useful life of less than
16 30 years, and for which the cost of such maintenance, repair, or
17 replacement is infrequent, significant, and impractical to include in
18 an annual budget.

19 (48) "Reserve study professional" means an independent person who
20 is suitably qualified by knowledge, skill, experience, training, or
21 education to prepare a reserve study in accordance with RCW 64.90.545
22 and 64.90.550. For the purposes of this subsection, "independent"
23 means a person who is not an employee, officer, or director, and has
24 no pecuniary interest in the declarant, association, or any other
25 party for whom the reserve study is prepared.

26 (49) "Residential purposes" means use for dwelling or
27 recreational purposes, or both.

28 (50) "Rule" means a policy, guideline, restriction, procedure, or
29 regulation of an association, however denominated, that is not set
30 forth in the declaration or organizational documents.

31 (51) "Security interest" means an interest in real estate or
32 personal property, created by contract or conveyance that secures
33 payment or performance of an obligation. "Security interest" includes
34 a lien created by a mortgage, deed of trust, real estate contract,
35 lease intended as security, assignment of lease or rents intended as
36 security, pledge of an ownership interest in an association, and any
37 other consensual lien or title retention contract intended as
38 security for an obligation.

39 (52) "Special declarant rights" means rights reserved for the
40 benefit of a declarant to:

1 (a) Complete any improvements the declarant is not obligated to
2 make that are indicated on the map or described in the declaration or
3 the public offering statement;

4 (b) Exercise any development right, pursuant to RCW 64.90.250;

5 (c) Maintain sales offices, management offices, signs advertising
6 the common interest community, and models, pursuant to RCW 64.90.275;

7 (d) Use easements through the common elements for the purpose of
8 making improvements within the common interest community or within
9 real estate that may be added to the common interest community,
10 pursuant to RCW 64.90.280;

11 (e) Make the common interest community subject to a master
12 association, pursuant to RCW 64.90.300;

13 (f) Merge or consolidate a common interest community with another
14 common interest community, pursuant to RCW 64.90.310;

15 (g) Appoint or remove any officer or board member of the
16 association or any master association or to veto or approve a
17 proposed action of any board or association, pursuant to RCW
18 64.90.415(1);

19 (h) Control any construction, design review, or aesthetic
20 standards committee or process, pursuant to RCW 64.90.505(3);

21 (i) Attend meetings of the unit owners and, except during an
22 executive session, the board, pursuant to RCW 64.90.445;

23 (j) Have access to the records of the association to the same
24 extent as a unit owner, pursuant to RCW 64.90.495.

25 (53) "Specially allocated expense" means any common expense of
26 the association, including allocations to reserves, allocated on a
27 basis other than the common expense liability pursuant to RCW
28 64.90.480.

29 (54) "Survey" has the same meaning as defined in RCW 58.09.020.

30 (55) "Tangible medium" means a writing, copy of a writing,
31 facsimile, or a physical reproduction, each on paper or on other
32 tangible material.

33 (56) "Timeshare" has the same meaning as defined in RCW
34 64.36.010.

35 (57) "Transition meeting" means the meeting held pursuant to RCW
36 64.90.415(4).

37 (58)(a) "Unit" means a physical portion of the common interest
38 community designated for separate ownership or occupancy, the
39 boundaries of which are described pursuant to RCW 64.90.225(1)(d).

1 (b) If a unit in a cooperative is owned by a unit owner or is
2 sold, conveyed, voluntarily or involuntarily encumbered, or otherwise
3 transferred by a unit owner, the interest in that unit that is owned,
4 sold, conveyed, encumbered, or otherwise transferred is the right to
5 possession of that unit under a proprietary lease, coupled with the
6 allocated interests of that unit, and the association's interest in
7 that unit is not affected.

8 (c) Except as provided in the declaration, a mobile home or
9 manufactured home for which title has been eliminated pursuant to
10 chapter 65.20 RCW is part of the unit described in the title
11 elimination documents.

12 (59)(a) "Unit owner" means (i) a declarant or other person that
13 owns a unit or (ii) a lessee of a unit in a leasehold common interest
14 community whose lease expires simultaneously with any lease the
15 expiration or termination of which will remove the unit from the
16 common interest community, but does not include a person having an
17 interest in a unit solely as security for an obligation.

18 (b) "Unit owner" also means the vendee, not the vendor, of a unit
19 under a recorded real estate contract.

20 (c) In a condominium, plat community, or miscellaneous community,
21 the declarant is the unit owner of any unit created by the
22 declaration. In a cooperative, the declarant is treated as the unit
23 owner of any unit to which allocated interests have been allocated
24 until that unit has been conveyed to another person.

25 (60) "Useful life" means the estimated time during which a
26 reserve component is expected to perform its intended function
27 without major maintenance, repair, or replacement.

28 (61) "Writing" does not include an electronic transmission.

29 (62) "Written" means embodied in a tangible medium.

30 **Sec. 7.** RCW 64.90.015 and 2018 c 277 s 103 are each amended to
31 read as follows:

32 (1) Except as expressly provided in this chapter, the effect of
33 the provisions of this chapter may not be varied by agreement((~~r~~));
34 the governing documents may not vary a provision of this chapter that
35 gives a right to or imposes an obligation or liability on a unit
36 owner, declarant, association, or board; and rights conferred by this
37 chapter may not be waived. Except as provided otherwise in RCW
38 64.90.110, a declarant may not act under a power of attorney, or use

1 any other device, to evade the limitations or prohibitions of this
2 chapter or the declaration.

3 (2) The governing documents may vary the following provisions as
4 provided in the provision:

5 (a) RCW 64.90.020(1), concerning classification of a cooperative
6 unit as real estate or personal property;

7 (b) RCW 64.90.030 (2) and (3), concerning reallocation of
8 allocated interests and allocation of proceeds after a taking by
9 eminent domain;

10 (c) RCW 64.90.360(4), 64.90.370, and 64.90.100, concerning
11 elections regarding applicability of this chapter;

12 (d) RCW 64.90.100 (1), (2), and (3), concerning communities
13 restricted to nonresidential uses;

14 (e) RCW 64.90.200(3) (a) and (b), concerning the timing of the
15 conveyance of common elements to the association, and the vesting of
16 real estate owned by the association on termination;

17 (f) RCW 64.90.210, concerning boundaries between units and common
18 elements;

19 (g) RCW 64.90.240 (2) and (3), concerning reallocation of limited
20 common elements;

21 (h) RCW 64.90.245(11), concerning horizontal boundaries of units;

22 (i) RCW 64.90.255, concerning alterations of units and common
23 elements made by unit owners;

24 (j) RCW 64.90.260 (1) and (2), concerning relocation of
25 boundaries between units;

26 (k) RCW 64.90.265 (1) and (2), concerning subdivision and
27 combination of units;

28 (l) RCW 64.90.275, concerning sales offices, management offices,
29 models, and signs maintained by a declarant;

30 (m) RCW 64.90.280 (1) and (3), concerning easements through, and
31 rights to use, common elements;

32 (n) RCW 64.90.285 (1) and (8), concerning the percentage of votes
33 and consents required to amend the declaration;

34 (o) RCW 64.90.290 (1) and (8), concerning the percentage of votes
35 required to terminate a common interest community and priority of
36 creditors of a cooperative;

37 (p) RCW 64.90.360(4) (a), concerning small communities;

38 (q) RCW 64.90.405 (4) (c) and (5) (c), concerning an association's
39 assignment of rights to future income, the number of votes required

1 to reject a proposal to borrow funds, and the right to terminate a
2 lease or evict a tenant;

3 (r) RCW 64.90.410 (1) and (2), concerning the board acting on
4 behalf of the association and the election of officers by the board;

5 (s) RCW 64.90.420(2), concerning costs of audits;

6 (t) RCW 64.90.435(1)(b), concerning election of officers by unit
7 owners;

8 (u) RCW 64.90.440 (1) and (4), concerning responsibility for
9 maintenance, repair, and replacement of units and common elements and
10 treatment of income or proceeds from real estate subject to
11 development rights;

12 (v) RCW 64.90.445 (1)(b) and (2)(h), concerning meetings;

13 (w) RCW 64.90.450, concerning quorum requirements for meetings;

14 (x) RCW 64.90.455 (3), (4), (5), and (8), concerning unit owner
15 voting;

16 (y) RCW 64.90.465 (1), (2), and (7), concerning the percentage of
17 votes required to convey or encumber common elements and the effect
18 of conveyance or encumbrance of common elements;

19 (z) RCW 64.90.470 (2) and (11), concerning insurance where the
20 units are attached, and insurance for a nonresidential common
21 interest community;

22 (aa) RCW 64.90.475(2), concerning payment of surplus funds of the
23 association;

24 (bb) RCW 64.90.485(7), concerning priority and foreclosure of
25 liens held by two or more associations;

26 (cc) RCW 64.90.505 (1) and (3), concerning the adoption of rules;

27 (dd) RCW 64.90.520(4), concerning the board's ability to remove
28 an officer elected by the board;

29 (ee) RCW 64.90.525(1), concerning the percentage of votes
30 required to reject a budget; and

31 (ff) RCW 64.90.545(2), concerning applicability of reserve study
32 requirements to certain types of common interest communities.

33 **Sec. 8.** RCW 64.90.210 and 2018 c 277 s 203 are each amended to
34 read as follows:

35 ~~((1))~~ Except as provided by the declaration or, in the case of
36 a plat community or miscellaneous community, by the map:

37 (1)(a) If walls, floors, or ceilings are designated as boundaries
38 of a unit, all lath, furring, wallboard, plasterboard, plaster,
39 paneling, tiles, wallpaper, paint, finished flooring, and any other

1 materials constituting any part of the finished surfaces thereof are
2 a part of the unit, and all other portions of the walls, floors, or
3 ceilings are a part of the common elements.

4 (b) If any chute, flue, duct, wire, conduit, bearing wall,
5 bearing column, or any other fixture lies partially within and
6 partially outside the designated boundaries of a unit, any portion
7 thereof serving only that unit is a limited common element allocated
8 solely to that unit, and any portion thereof serving more than one
9 unit or any portion of the common elements is a part of the common
10 elements.

11 (2) Subject to subsection (1)(b) of this section, all spaces,
12 interior partitions, and other fixtures and improvements within the
13 boundaries of a unit are a part of the unit.

14 (3) Any fireplaces, shutters, awnings, window boxes, doorsteps,
15 stoops, porches, balconies, decks, patios, and all exterior doors and
16 windows or other fixtures designed to serve a single unit, but
17 located outside the unit's boundaries, are limited common elements
18 allocated exclusively to that unit.

19 **Sec. 9.** RCW 64.90.300 and 2024 c 321 s 203 are each amended to
20 read as follows:

21 (1) A declaration may:

22 (a) Delegate a power under RCW 64.90.405(~~((1))~~) from the unit
23 owners association to a master association;

24 (b) Provide for exercise of the powers under RCW 64.90.405(~~((1))~~)
25 by a master association that also serves as the unit owners
26 association for the common interest community; and

27 (c) Reserve a special declarant right to make the common interest
28 community subject to a master association.

29 (2) All provisions of this chapter applicable to unit owners
30 associations apply to the master association, except as modified by
31 this section.

32 (3) A unit owners association may delegate a power under RCW
33 64.90.405(~~((1))~~) to a master association without amending the
34 declaration. The board of the unit owners association shall give
35 notice to the unit owners of a proposed delegation and include a
36 statement that unit owners may object in a record to the delegation
37 not later than 30 days after delivery of the notice. The delegation
38 becomes effective if the board does not receive a timely objection
39 from unit owners of units to which at least 10 percent of the votes

1 in the association are allocated. If the board receives a timely
2 objection by at least 10 percent of the votes, the delegation becomes
3 effective only if the unit owners vote under RCW 64.90.455 to approve
4 the delegation by a majority vote. The delegation is not effective
5 until the master association accepts the delegation.

6 (4) A delegation under subsection (1)(a) of this section may be
7 revoked only by an amendment to the declaration.

8 (5) At a meeting of the unit owners which lists in the notice of
9 the meeting the subject of delegation of powers from the board to a
10 master association, the unit owners may revoke the delegation by a
11 majority of the votes cast at the meeting. The effect of revocation
12 on the rights and obligations of parties under a contract between a
13 unit owners association and a master association is determined by law
14 of this state other than this chapter.

15 (6) Unless it is acting in the capacity of a unit owners
16 association, a master association may exercise the powers set forth
17 in RCW 64.90.405(1)(b) only to the extent expressly permitted in the
18 declarations of common interest communities that are part of the
19 master association or expressly described in the delegations of power
20 from those common interest communities to the master association.

21 (7) After a unit owners association delegates a power to a master
22 association, the unit owners association, its board members, and its
23 officers are not liable for an act or omission of the master
24 association with respect to the delegated power.

25 (8) The rights and responsibilities of unit owners with respect
26 to the unit owners association set forth in RCW 64.90.410, 64.90.445,
27 64.90.450, 64.90.455, 64.90.465, and 64.90.505 apply in the conduct
28 of the affairs of a master association only to persons who elect the
29 board of a master association, whether or not those persons are
30 otherwise unit owners within the meaning of this chapter.

31 (9) Not later than 90 days after termination of a period of
32 declarant control of the master association, the board of the master
33 association must be elected in one of the following ways:

34 (a) The unit owners of all common interest communities subject to
35 the master association may elect all members of the master
36 association's board; or

37 (b) The unit owners in, or the board of, each common interest
38 community subject to the master association elect one or more members
39 of the master association's board if the instruments governing the
40 master association apportion the seats on the board to each common

1 interest community in a manner roughly proportional to the number of
2 units in each common interest community.

3 (10) A period of declarant control of the master association
4 under subsection (9) of this section terminates not later than the
5 earlier of:

6 (a) The termination under RCW 64.90.415 of all periods of
7 declarant control of all common interest communities subject to the
8 master association under RCW 64.90.415; or

9 (b) 60 days after conveyance to unit owners other than a
10 declarant of 75 percent of the units that may be created in all
11 common interest communities subject to the master association.

12 **Sec. 10.** RCW 64.90.360 and 2024 c 321 s 506 are each amended to
13 read as follows:

14 (1) Except as provided otherwise in this section, RCW 64.90.365
15 and 64.90.375, this chapter applies to all common interest
16 communities.

17 (2) Before January 1, 2028, this chapter applies only to:

18 (a) A common interest community created on or after July 1, 2018;
19 and

20 (b) A common interest community created before July 1, 2018, that
21 amends its declaration to elect to be subject to this chapter.

22 (3) Chapters 58.19, 64.32, 64.34, and 64.38 RCW:

23 (a) Do not apply to common interest communities subject to this
24 chapter; and

25 (b) Apply to a common interest community created before July 1,
26 2018, only until the community becomes subject to this chapter.

27 (4) (a) Unless the declaration provides that this entire chapter
28 is applicable, a plat community or miscellaneous community that is
29 not subject to any development right is subject only to RCW

30 64.90.010, 64.90.015, 64.90.020, 64.90.025, ((and)) 64.90.030,
31 64.90.050, 64.90.060, 64.90.065, 64.90.070, 64.90.085, 64.90.100,
32 64.90.110, 64.90.210, 64.90.225, 64.90.230, 64.90.235, 64.90.240,
33 64.90.245, 64.90.255, 64.90.260, 64.90.265, 64.90.280, 64.90.285,
34 64.90.290, 64.90.300, 64.90.340, 64.90.350, 64.90.360, 64.90.400,
35 64.90.405, 64.90.410, 64.90.415, 64.90.420, 64.90.435, 64.90.445,
36 64.90.450, 64.90.455, 64.90.465, 64.90.480, 64.90.485, 64.90.490,
37 64.90.495, 64.90.502, 64.90.505, 64.90.510, 64.90.511, 64.90.5111,
38 64.90.512, 64.90.513, 64.90.515, 64.90.518, 64.90.520, 64.90.525,
39 64.90.530, 64.90.535, 64.90.540, 64.90.545, 64.90.550, 64.90.555,

1 64.90.560, 64.90.565, 64.90.570, 64.90.575, 64.90.580, 64.90.585,
2 64.90.640, and 64.90.685, if the community: (i) Contains no more than
3 ((12)) 50 units; and (ii) provides in its declaration that the annual
4 average assessment of all units restricted to residential purposes,
5 exclusive of optional user fees ((and any insurance premiums paid by
6 the association)), may not exceed ((\$300)) \$1,000, as adjusted
7 pursuant to RCW 64.90.065.

8 (b) The exemption provided in this subsection applies only if:

9 (i) The declarant reasonably believes in good faith that the
10 maximum stated assessment will be sufficient to pay the expenses of
11 the association for the community; and

12 (ii) The declaration provides that the assessment may not be
13 increased above the limitation in (a) (ii) of this subsection prior to
14 the transition meeting without the consent of unit owners, other than
15 the declarant, holding 90 percent of the votes in the association.

16 (5) Before January 1, 2028, except as otherwise provided in RCW
17 ((64.90.080)) 64.90.365, this chapter does not apply to any common
18 interest community created within this state on or after July 1,
19 2018, if:

20 (a) That common interest community is made part of a common
21 interest community created in this state prior to July 1, 2018,
22 pursuant to a right expressly set forth in the declaration of the
23 preexisting common interest community; and

24 (b) The declaration creating that common interest community
25 expressly subjects that common interest community to the declaration
26 of the preexisting common interest community pursuant to such right
27 described in (a) of this subsection.

28 **Sec. 11.** RCW 64.90.365 and 2024 c 321 s 508 are each amended to
29 read as follows:

30 (1) Except for a plat community or miscellaneous community
31 described in RCW 64.90.360(4) and a nonresidential or mixed-use
32 common interest community described in RCW 64.90.100, the following
33 sections apply to a common interest community created before July 1,
34 2018, and any inconsistent provisions of chapter 58.19, 64.32, 64.34,
35 or 64.38 RCW do not apply:

36 (a) RCW 64.90.370;

37 (b) RCW 64.90.405(1) (b) and (c);

38 (c) RCW 64.90.445;

39 (d) RCW 64.90.480(10);

1 (e) RCW 64.90.502;
2 (f) RCW 64.90.513;
3 (g) RCW 64.90.525;
4 ~~((d))~~ (h) RCW 64.90.545; ~~((and~~
5 ~~(e))~~) (i) RCW 64.90.580; and
6 (j) RCW 64.90.010, to the extent necessary to construe this
7 subsection.

8 (2) Except to the extent provided in this subsection, the
9 sections listed in subsection (1) of this section apply only to
10 events and circumstances occurring on or after July 1, 2018, and do
11 not invalidate existing provisions of the governing documents of
12 those common interest communities existing on July 1, 2018. To
13 protect the public interest, RCW ~~((64.90.095))~~ 64.90.370 and
14 64.90.525 supersede existing provisions of the governing documents of
15 all plat communities and miscellaneous communities previously subject
16 to chapter 64.38 RCW.

17 (3) This section does not apply to a common interest community
18 that becomes subject to this chapter under RCW 64.90.360(1) or by
19 election under RCW 64.90.360(4), 64.90.370(1)(b), or 64.90.100.

20 **Sec. 12.** RCW 64.90.405 and 2024 c 321 s 311 are each amended to
21 read as follows:

- 22 (1) An association must:
- 23 (a) Adopt organizational documents;
 - 24 (b) Adopt budgets as provided in RCW 64.90.525;
 - 25 (c) Impose assessments for common expenses ~~((and—specially~~
26 ~~allocated—expenses))~~ on the unit owners as provided in RCW
27 64.90.480(1) and 64.90.525;
 - 28 (d) Prepare financial statements as provided in RCW 64.90.530;
 - 29 and
 - 30 (e) Deposit and maintain the funds of the association in accounts
31 as provided in RCW 64.90.530.

- 32 (2) Except as provided otherwise in subsection (4) of this
33 section and subject to the provisions of the declaration, the
34 association may:
- 35 (a) Amend organizational documents and adopt and amend rules;
 - 36 (b) Amend budgets under RCW 64.90.525;
 - 37 (c) Hire and discharge managing agents and other employees,
38 agents, and independent contractors;

1 (d) Institute, defend, or intervene in litigation or in
2 arbitration, mediation, or administrative proceedings or any other
3 legal proceeding in its own name on behalf of itself or two or more
4 unit owners on matters affecting the common interest community;

5 (e) Make contracts and incur liabilities subject to subsection
6 (4) of this section;

7 (f) Regulate the use, maintenance, repair, replacement, and
8 modification of common elements;

9 (g) Cause additional improvements to be made as a part of the
10 common elements;

11 (h) Acquire, hold, encumber, and convey in its own name any
12 right, title, or interest to real estate or personal property, but:

13 (i) Common elements in a condominium, plat community, or
14 miscellaneous community may be conveyed or subjected to a security
15 interest pursuant to RCW 64.90.465 only; and

16 (ii) Part of a cooperative may be conveyed, or all or part of a
17 cooperative may be subjected to a security interest pursuant to RCW
18 64.90.465 only;

19 (i) Grant easements, leases, and licenses through or over the
20 common elements, but a grant to a unit owner that benefits the unit
21 owner's unit is allowed only by reallocation under RCW 64.90.240(3)
22 of the common elements to a limited common element, and petition for
23 or consent to the vacation of streets and alleys. Notwithstanding the
24 foregoing, a reallocation shall not be required in regard to the
25 installation of an electric vehicle charging station on the common
26 elements;

27 (j) Impose and collect any reasonable payments, fees, or charges
28 for:

29 (i) The use, rental, or operation of the common elements, other
30 than limited common elements described in RCW 64.90.210 (1)(b) and
31 (3);

32 (ii) Services provided to unit owners; and

33 (iii) Moving in, moving out, or transferring title to units to
34 the extent provided for in the declaration;

35 (k) Collect assessments and impose and collect reasonable charges
36 for late payment of assessments;

37 (l) Enforce the governing documents and, after notice and
38 opportunity to be heard, impose and collect reasonable fines for
39 violations of the governing documents in accordance with a previously
40 established schedule of fines adopted by the board of directors and

1 furnished to the owners pursuant to the requirements for notice in
2 RCW 64.90.505;

3 (m) Impose and collect reasonable charges for the preparation and
4 recordation of amendments to the declaration, resale certificates
5 required under RCW 64.90.640, lender questionnaires, or statements of
6 unpaid assessments;

7 (n) Provide for the indemnification of its officers and board
8 members, to the extent provided in RCW 23B.17.030;

9 (o) Maintain directors' and officers' liability insurance;

10 (p) Subject to subsection (4) of this section, assign its right
11 to future income, including the right to receive assessments;

12 (q) Join in a petition for the establishment of a parking and
13 business improvement area, participate in the ratepayers' board or
14 other advisory body set up by the legislative authority for operation
15 of a parking and business improvement area, and pay special
16 assessments levied by the legislative authority on a parking and
17 business improvement area encompassing the condominium property for
18 activities and projects that benefit the condominium directly or
19 indirectly;

20 (r) Establish and administer a reserve account as described in
21 RCW 64.90.535;

22 (s) Prepare a reserve study as described in RCW 64.90.545;

23 (t) Exercise any other powers conferred by the declaration or
24 organizational documents;

25 (u) Exercise all other powers that may be exercised in this state
26 by the same type of entity as the association;

27 (v) Exercise any other powers necessary and proper for the
28 governance and operation of the association;

29 (w) Require that disputes between the association and unit owners
30 or between two or more unit owners regarding the common interest
31 community, other than those governed by chapter 64.50 RCW, be
32 submitted to nonbinding alternative dispute resolution as a
33 prerequisite to commencement of a judicial proceeding; and

34 (x) Suspend any right or privilege of a unit owner who fails to
35 pay an assessment which suspension may be imposed for a reasonable
36 amount of time not to exceed one business day after the association
37 receives full payment of the delinquent assessment and the board has
38 received confirmation of payment and cleared funds, but may not:

1 (i) Deny a unit owner or other occupant access to the owner's
2 unit, or any limited common elements allocated only to that unit, or
3 any common elements necessary to access the unit;

4 (ii) Suspend a unit owner's right to vote; or

5 (iii) Withhold services provided to a unit or a unit owner by the
6 association if the effect of withholding the service would be to
7 endanger the health, safety, or property of any person.

8 (3) The declaration may not limit the power of the association
9 beyond the limit authorized in subsection (2)(w) of this section to:

10 (a) Deal with the declarant if the limit is more restrictive than
11 the limit imposed on the power of the association to deal with other
12 persons; or

13 (b) Institute litigation or an arbitration, mediation, or
14 administrative proceeding against any person, subject to the
15 following:

16 (i) The association must comply with chapter 64.50 RCW, if
17 applicable, before instituting any proceeding described in chapter
18 64.50 RCW in connection with construction defects; and

19 (ii) The board must promptly provide notice to the unit owners of
20 any legal proceeding in which the association is a party other than
21 proceedings involving enforcement of rules or to recover unpaid
22 assessments or other sums due the association.

23 (4) Any borrowing by an association that is to be secured by an
24 assignment of the association's right to receive future income
25 pursuant to subsection (2)(e) and (p) of this section requires
26 ratification by the unit owners as provided in this subsection.

27 (a) The board must provide notice of the intent to borrow to all
28 unit owners. The notice must include the purpose and maximum amount
29 of the loan, the estimated amount and term of any assessments
30 required to repay the loan, a reasonably detailed projection of how
31 the money will be expended, and the interest rate and term of the
32 loan.

33 (b) In the notice, the board must set a date for a meeting of the
34 unit owners, which must not be less than 14 and no more than 50 days
35 after mailing of the notice, to consider ratification of the
36 borrowing.

37 (c) Unless at that meeting, whether or not a quorum is present,
38 unit owners holding a majority of the votes in the association or any
39 larger percentage specified in the declaration reject the proposal to

1 borrow funds, the association may proceed to borrow the funds in
2 substantial accordance with the terms contained in the notice.

3 (5) If a tenant of a unit owner violates the governing documents,
4 in addition to exercising any of its powers against the unit owner,
5 the association may:

6 (a) Exercise directly against the tenant the powers described in
7 subsection (2)(1) of this section;

8 (b) After giving notice to the tenant and the unit owner and an
9 opportunity to be heard, levy reasonable fines against the tenant and
10 unit owner for the violation; and

11 (c) Enforce any other rights against the tenant for the violation
12 that the unit owner as the landlord could lawfully have exercised
13 under the lease or that the association could lawfully have exercised
14 directly against the unit owner, or both; but the association does
15 not have the right to terminate a lease or evict a tenant unless
16 permitted by the declaration. The rights referred to in this
17 subsection (5)(c) may be exercised only if the tenant or unit owner
18 fails to cure the violation within 10 days after the association
19 notifies the tenant and unit owner of that violation.

20 (6) Unless a lease otherwise provides, this section does not:

21 (a) Affect rights that the unit owner has to enforce the lease or
22 that the association has under other law; or

23 (b) Permit the association to enforce a lease to which it is not
24 a party in the absence of a violation of the governing documents.

25 (7) The board may determine whether to take enforcement action by
26 exercising the association's power to impose sanctions or commencing
27 an action for a violation of the governing documents, including
28 whether to compromise any claim for unpaid assessments or other claim
29 made by or against it.

30 (8) The board does not have a duty to take enforcement action if
31 it determines that, under the facts and circumstances presented:

32 (a) The association's legal position does not justify taking any
33 or further enforcement action;

34 (b) The covenant, restriction, or rule being enforced is, or is
35 likely to be construed as, inconsistent with law;

36 (c) Although a violation may exist or may have occurred, it is
37 not so material as to be objectionable to a reasonable person or to
38 justify expending the association's resources; or

39 (d) It is not in the association's best interests to pursue an
40 enforcement action.

1 (9) The board's decision under subsections (7) and (8) of this
2 section to not pursue enforcement under one set of circumstances does
3 not prevent the board from taking enforcement action under another
4 set of circumstances, but the board may not be arbitrary or
5 capricious in taking enforcement action.

6 **Sec. 13.** RCW 64.90.410 and 2024 c 321 s 312 are each amended to
7 read as follows:

8 (1)(a) Except as provided otherwise in the governing documents,
9 subsection (4) of this section, or other provisions of this chapter,
10 the board may act on behalf of the association.

11 (b) In the performance of their duties, officers and board
12 members must exercise the degree of care and loyalty to the
13 association required of an officer or director of a corporation
14 organized, are subject to the conflict of interest rules governing
15 directors and officers, and are entitled to the immunities from
16 liability available to officers and directors under chapter 24.06
17 RCW. The standards of care and loyalty, and conflict of interest
18 rules and immunities described in this section apply regardless of
19 the form in which the association is organized.

20 (2)(a) Except as provided otherwise in RCW 64.90.300(9),
21 effective as of the transition meeting held in accordance with RCW
22 64.90.415(4), the board must be comprised of at least three members,
23 at least a majority of whom must be unit owners. However, the number
24 of board members need not exceed the number of units then in the
25 common interest community.

26 (b) Unless the declaration or organizational documents provide
27 for the election of officers by the unit owners, the board must elect
28 the officers.

29 (c) Unless provided otherwise in the declaration or
30 organizational documents, board members and officers must take office
31 upon adjournment of the meeting at which they were elected or
32 appointed or, if not elected or appointed at a meeting, at the time
33 of such election or appointment, and must serve until their successor
34 takes office.

35 (d) In determining the qualifications of any officer or board
36 member of the association, "unit owner" includes, unless the
37 declaration or organizational documents provide otherwise, any board
38 member, officer, member, partner, or trustee of any person, who is,

1 either alone or in conjunction with another person or persons, a unit
2 owner.

3 (e) Any officer or board member of the association who would not
4 be eligible to serve as such if he or she were not a board member,
5 officer, partner in, or trustee of such a person is disqualified from
6 continuing in office if he or she ceases to have any such affiliation
7 with that person or that person would have been disqualified from
8 continuing in such office as a natural person.

9 (3) Except when voting as a unit owner, the declarant may not
10 appoint or elect any person or to serve itself as a voting, ex
11 officio or nonvoting board member following the transition meeting.

12 (4) The board may not, without vote or agreement of the unit
13 owners:

14 (a) Amend the declaration, except as provided in RCW 64.90.285;

15 (b) Amend the organizational documents of the association;

16 (c) Terminate the common interest community;

17 (d) Elect members of the board, but may fill vacancies in its
18 membership not resulting from removal for the unexpired portion of
19 any term or, if earlier, until the next regularly scheduled election
20 of board members; or

21 (e) Determine the qualifications, powers, duties, or terms of
22 office of board members.

23 (5) The board must adopt budgets as provided in RCW 64.90.525.

24 (6) Except for committees appointed by the declarant pursuant to
25 special declarant rights, all committees of the association must be
26 appointed by the board. Committees authorized to exercise any power
27 reserved to the board must include at least two board members who
28 have exclusive voting power for that committee. Committees that are
29 not so composed may not exercise the authority of the board and are
30 advisory only.

31 (7) A declaration may provide for the appointment of specified
32 positions on the board by persons other than the unit owners or the
33 declarant or an affiliate of the declarant during or after the period
34 of declarant control. It also may provide a method for filling
35 vacancies in those positions, other than by election by the unit
36 owners. However, after the period of declarant control, appointed
37 members:

38 (a) May not comprise more than one-third of the board; and

39 (b) Have no greater authority than any other board member.

1 **Sec. 14.** RCW 64.90.435 and 2018 c 277 s 308 are each amended to
2 read as follows:

3 (1) Unless provided for in the declaration, the organizational
4 documents of the association must:

5 (a) Provide the number of board members and the titles of the
6 officers of the association;

7 (b) Provide for election by the board or, if the declaration
8 requires, by the unit owners of a president, treasurer, secretary,
9 and any other officers of the association the organizational
10 documents specify;

11 (c) Specify the qualifications, powers and duties, terms of
12 office, and manner of electing and removing board members and
13 officers and filling vacancies in accordance with RCW 64.90.410;

14 (d) (~~Specify~~) If applicable, specify the powers the board or
15 officers may delegate to other persons or to a managing agent;

16 (e) Specify a method for the unit owners to amend the
17 organizational documents;

18 (f) Describe the budget ratification process required under RCW
19 64.90.525, if not provided in the declaration;

20 (g) Contain any provision necessary to satisfy requirements in
21 this chapter or the declaration concerning meetings, voting, quorums,
22 and other activities of the association; and

23 (h) Provide for any matter required by law of this state other
24 than this chapter to appear in the organizational documents of
25 organizations of the same type as the association.

26 (2) Subject to the declaration and this chapter, the
27 organizational documents may provide for any other necessary or
28 appropriate matters.

29 **Sec. 15.** RCW 64.90.445 and 2024 c 321 s 316 are each amended to
30 read as follows:

31 (1) The following requirements apply to unit owner meetings:

32 (a) A meeting of the association must be held at least once each
33 year. Failure to hold an annual meeting does not cause a forfeiture
34 or give cause for dissolution of the association and does not affect
35 otherwise valid association acts.

36 (b) (i) An association must hold a special meeting of unit owners
37 to address any matter affecting the common interest community or the
38 association if its president, a majority of the board, or unit owners
39 having at least 20 percent, or any lower percentage specified in the

1 organizational documents, of the votes in the association request
2 that the secretary call the meeting.

3 (ii) If the association does not provide notice to unit owners of
4 a special meeting within 30 days after the requisite number or
5 percentage of unit owners request the secretary to do so, the
6 requesting members may directly provide notice to all the unit owners
7 of the meeting. The unit owners may discuss at a special meeting a
8 matter not described in the notice under (c) of this subsection but
9 may not take action on the matter without the consent of all unit
10 owners.

11 (c) An association must provide notice to unit owners of the
12 time, date, and place of each annual and special unit owners meeting
13 not less than 14 days and not more than 50 days before the meeting
14 date. Notice may be by any means described in RCW 64.90.515. The
15 notice of any meeting must state the time, date, and place of the
16 meeting and the items on the agenda, including:

17 (i) The text of any proposed amendment to the declaration or
18 organizational documents; and

19 ~~((Any changes in the previously approved budget that result
20 in a change in the assessment obligations; and~~

21 ~~((iii))) Any proposal to remove a board member or, if the
22 declaration or organizational documents provide for the election of
23 officers by the unit owners, any proposal to remove an officer.~~

24 (d) Unit owners must be given a reasonable opportunity at any
25 meeting to comment regarding any matter affecting the common interest
26 community or the association.

27 (e) A meeting of unit owners is not required to be held at a
28 physical location if(~~(~~

29 ~~(i) The)) the meeting is conducted (~~(by a means of communication
30 that enables owners in different locations to communicate in real
31 time to the same extent as if they were physically present in the
32 same location, provided that such means of communication must have an
33 option for owners to communicate by telephone; and~~~~

34 ~~(ii) The declaration or organizational documents do not require
35 that the owners meet at a physical location)) in accordance with
36 subsection (3) of this section.~~

37 (f) In the notice for a meeting held at a physical location, the
38 board may notify all unit owners that they may participate remotely
39 in the meeting by a means of communication described in (~~(e) of~~
40 ~~this)) subsection (3) of this section.~~

1 (2) The following requirements apply to meetings of the board and
2 committees authorized to act for the board:

3 (a) Meetings must be open to the unit owners except during
4 executive sessions, but the board may expel or prohibit attendance by
5 any person who, after warning by the chair of the meeting, disrupts
6 the meeting. The board and those committees may hold an executive
7 session only during a regular or special meeting of the board or a
8 committee. A final vote or action may not be taken during an
9 executive session.

10 (b) An executive session may be held only to:

11 (i) Consult with the association's attorney concerning legal
12 matters;

13 (ii) Discuss existing or potential litigation or mediation,
14 arbitration, or administrative proceedings;

15 (iii) Discuss labor or personnel matters;

16 (iv) Discuss contracts, leases, and other commercial transactions
17 to purchase or provide goods or services currently being negotiated,
18 including the review of bids or proposals, if premature general
19 knowledge of those matters would place the association at a
20 disadvantage; or

21 (v) Prevent public knowledge of the matter to be discussed if the
22 board or committee determines that public knowledge would violate the
23 privacy of any person.

24 (c) For purposes of this subsection, a gathering of members of
25 the board or committees at which the board or committee members do
26 not conduct association business is not a meeting of the board or
27 committee. Board members and committee members may not use incidental
28 or social gatherings to evade the open meeting requirements of this
29 subsection.

30 (d) During the period of declarant control, the board must meet
31 at least four times a year. At least one of those meetings must be
32 held at the common interest community or at a place convenient to the
33 community. After the transition meeting, unless the organizational
34 documents provide otherwise, and except as otherwise provided in
35 subsection (3) of this section, all board meetings must be at the
36 common interest community or at a place convenient to the common
37 interest community (~~unless the unit owners amend the bylaws to vary~~
38 ~~the location of those meetings~~)).

39 (e) At each board meeting, the board must provide a reasonable
40 opportunity for unit owners to comment regarding matters affecting

1 the common interest community and the association. The board must
2 provide at least 15 minutes at the beginning of each meeting for unit
3 owners to comment about agenda items before the board votes. The
4 board may place reasonable time restrictions of not less than 90
5 seconds per owner per unit, except that the time per owner per unit
6 may be reduced and allocated equally if more than 10 unit owners wish
7 to comment.

8 (f) Unless the meeting is included in a schedule given to the
9 unit owners, the secretary or other officer specified in the
10 organizational documents must provide notice of each board meeting to
11 each board member and to the unit owners. The notice must be given at
12 least 14 days before the meeting and must state the time, date,
13 place, and agenda of the meeting. Notwithstanding the foregoing,
14 notice of a meeting to address an event or condition that could not
15 have been reasonably foreseen and for which it is impracticable to
16 provide notice as otherwise required by this chapter must be given at
17 least seven days before the meeting and by means of electronic
18 communication to unit owners whose electronic address or phone number
19 is known to the association.

20 (g) If any materials are distributed to the board before the
21 meeting, the board must make copies of those materials reasonably
22 available to the unit owners, except that the board need not make
23 available copies of unapproved minutes or materials that are to be
24 considered in executive session.

25 (h) ~~((Unless the organizational))~~ Notwithstanding the governing
26 documents ((provide otherwise)), fewer than all board members may
27 participate in a regular or special meeting by or conduct a meeting
28 through the use of any means of communication by which all board
29 members participating can hear each other during the meeting. A board
30 member participating in a meeting by these means is deemed to be
31 present in person at the meeting.

32 ~~((i) Unless the organizational documents provide otherwise, the~~
33 ~~board may meet by participation of all board members by telephonic,~~
34 ~~video, or other conferencing process if:~~

35 ~~(i) The meeting notice states the conferencing process to be used~~
36 ~~and provides information explaining how unit owners may participate~~
37 ~~in the conference directly or by meeting at a central location or~~
38 ~~conference connection; and~~

1 ~~(ii) The process provides all unit owners the opportunity to hear~~
2 ~~or perceive the discussion and to comment as provided in (e) of this~~
3 ~~subsection.~~

4 ~~(j) After the transition meeting, unit owners may amend the~~
5 ~~organizational documents to vary the procedures for meetings~~
6 ~~described in (i) of this subsection.~~

7 ~~(k))~~ (i) Prior to the transition meeting, without a meeting, the
8 board may act by unanimous consent as documented in a record by all
9 its members. Actions taken by unanimous consent must be kept as a
10 record of the association with the meeting minutes. After the
11 transition meeting, the board may act by unanimous consent only to
12 undertake ministerial actions, actions subject to ratification by the
13 unit owners, or to implement actions previously taken at a meeting of
14 the board.

15 ~~((l))~~ (j) A board member who is present at a board meeting at
16 which any action is taken is presumed to have assented to the action
17 taken unless the board member's dissent or abstention to such action
18 is lodged with the person acting as the secretary of the meeting
19 before adjournment of the meeting or provided in a record to the
20 secretary of the association immediately after adjournment of the
21 meeting. The right to dissent or abstain does not apply to a board
22 member who voted in favor of such action at the meeting.

23 ~~((m))~~ (k) A board member may not vote by proxy or absentee
24 ballot.

25 ~~((n))~~ (l) Even if an action by the board is not in compliance
26 with this section, it is valid unless set aside by a court. An action
27 seeking relief for failure of the board to comply with this section
28 may not be brought more than 90 days after the minutes of the board
29 of the meeting at which the action was taken are approved or the
30 record of that action is distributed to unit owners, whichever is
31 later.

32 (3) Notwithstanding the governing documents, any meeting may be
33 held by telephonic, video, or other conferencing process if:

34 (a) The meeting notice states the conferencing process to be used
35 and provides information explaining how to participate in the
36 conference;

37 (b) The process provides all participants the opportunity to hear
38 or perceive the discussion and to comment as provided in subsection
39 (2)(e) of this section;

1 (c) Any votes of the board members are conducted by roll call or
2 other verbal vote; and

3 (d) Any person entitled to participate in the meeting is given
4 the option of participating by telephone.

5 (4) Minutes of all unit owner meetings and board meetings,
6 excluding executive sessions, must be maintained in a record. The
7 decision on each matter voted upon at a board meeting or unit owner
8 meeting must be recorded in the minutes.

9 **Sec. 16.** RCW 64.90.455 and 2024 c 321 s 317 are each amended to
10 read as follows:

11 (1) Unit owners may vote at a meeting under subsection (2) or (3)
12 of this section or, when a vote is conducted without a meeting, by
13 ballot in the manner provided in subsection (4) of this section.

14 (2) At a meeting of unit owners the following requirements apply:

15 (a) Unless the declaration or bylaws otherwise provide, and
16 except as provided in subsection (9) of this section, unit owners or
17 their proxy holders may vote by voice vote, show of hands, standing,
18 written ballot, or any other method authorized at the meeting.

19 (b) If unit owners attend the meeting by a means of communication
20 under RCW 64.90.445(1) (e) or (f), the association shall implement
21 reasonable measures to verify the identity of each unit owner
22 attending remotely.

23 (c) Whenever proposals or board members are to be voted upon at a
24 meeting, a unit owner may vote by duly executed absentee ballot if:

25 (i) The name of each candidate and the text of each proposal to
26 be voted upon are set forth in a writing accompanying or contained in
27 the notice of meeting; and

28 (ii) A ballot is provided by the association for such purpose.
29 Any ballot provided by the association for election of board members
30 by the unit owners must designate a blank space for unit owners to
31 cast a vote for one or more candidates.

32 (d) When a unit owner votes by absentee ballot under (c) of this
33 subsection, the association must be able to verify that the ballot is
34 cast by the unit owner having the right to do so.

35 (3) Unless the declaration or organizational documents otherwise
36 provide, unit owners may vote by proxy subject to the following
37 requirements:

1 (a) Votes allocated to a unit may be cast pursuant to a directed
2 or undirected proxy duly executed by a unit owner in the same manner
3 as provided in RCW 24.06.110.

4 (b) When a unit owner votes by proxy, the association shall
5 implement reasonable measures to verify the identity of the unit
6 owner and the proxy holder.

7 (c) A unit owner may revoke a proxy given pursuant to this
8 section only by actual notice of revocation to the secretary or the
9 person presiding over a meeting of the association or by delivery of
10 a subsequent proxy. The death or disability of a unit owner does not
11 revoke a proxy given by the unit owner unless the person presiding
12 over the meeting has actual notice of the death or disability.

13 (d) A proxy is void if it is not dated or purports to be
14 revocable without notice.

15 (e) Unless stated otherwise in the proxy, a proxy terminates 11
16 months after its date of issuance.

17 (4) Unless the declaration or organizational documents otherwise
18 provide, an association may conduct a vote without a meeting. The
19 following requirements apply:

20 (a) The association must notify the unit owners that the vote
21 will be taken by ballot without a meeting.

22 (b) The notice under (a) of this subsection must state:

23 (i) The time and date by which a ballot must be delivered to the
24 association to be counted, which may not be fewer than 14 days after
25 the date of the notice, and which deadline may be extended in
26 accordance with (g) of this subsection;

27 (ii) The percent of votes necessary to approve each matter other
28 than election of board members; and

29 (iii) The time, date, and manner by which unit owners wishing to
30 deliver information to all unit owners regarding the subject of the
31 vote may do so.

32 (c) The association must deliver with the notice under (a) of
33 this subsection:

34 (i) Instructions for casting a ballot;

35 (ii) A ballot in a tangible medium to every unit owner except a
36 unit owner that has consented in a record to electronic voting; and

37 (iii) If the association allows electronic voting, instructions
38 for electronic voting.

39 (d) The ballot must set forth each proposed action and provide an
40 opportunity to vote for or against the action. Any ballot provided by

1 the association for election of board members by the unit owners must
2 designate a blank space for unit owners to cast a vote for one or
3 more candidates.

4 (e) A unit owner may revoke a ballot cast pursuant to this
5 section before the date and time under (b) of this subsection by
6 which the ballot must be delivered to the association only by actual
7 notice to the association of revocation. The death or disability of a
8 unit owner does not revoke a ballot unless the association has actual
9 notice of the death or disability prior to the date set forth in
10 (b)(i) of this subsection.

11 (f) Approval by ballot pursuant to this subsection is valid only
12 if the number of votes cast by ballot equals or exceeds the quorum
13 required to be present at a meeting authorizing the action.

14 (g) If the association does not receive a sufficient number of
15 votes to constitute a quorum or to approve the proposal by the date
16 and time established for return of ballots, the board may extend the
17 deadline for a reasonable period not to exceed 11 months upon further
18 notice to all members in accordance with (b) of this subsection. In
19 that event, all votes previously cast on the proposal must be counted
20 unless subsequently revoked as provided in this section.

21 (h) A ballot or revocation is not effective until received by the
22 association.

23 (i) The association must give notice to unit owners of any action
24 taken pursuant to this subsection within a reasonable time after the
25 action is taken.

26 (j) When an action is taken pursuant to this subsection, a record
27 of the action, including the ballots or a report of the persons
28 appointed to tabulate such ballots, must be kept with the minutes of
29 meetings of the association.

30 (k) The association shall implement reasonable measures to verify
31 that each ballot in a tangible medium and electronic ballot is cast
32 by the unit owner having a right to do so.

33 (l) A unit owner consents to electronic voting by delivering to
34 the association a record indicating such consent or by casting an
35 electronic ballot.

36 (m) An association that allows electronic ballots shall create a
37 record of electronic votes capable of retention, retrieval, and
38 review.

1 (5) If the governing documents require that votes on specified
2 matters affecting the common interest community be cast by lessees
3 rather than unit owners of leased units:

4 (a) This section applies to lessees as if they were unit owners;

5 (b) Unit owners that have leased their units to other persons may
6 not cast votes on those specified matters; and

7 (c) Lessees are entitled to notice of meetings, access to
8 records, and other rights respecting those matters as if they were
9 unit owners.

10 (6) Unit owners must also be given notice of all meetings at
11 which lessees may be entitled to vote.

12 (7) In any vote of the unit owners, votes allocated to a unit
13 owned by the association must be cast in the same proportion as the
14 votes cast on the matter by unit owners other than the association.

15 (8) (a) Unless a different number or fraction of the votes in an
16 association is required by this chapter or the declaration, a
17 majority of the votes cast determines the outcome of a vote taken at
18 a meeting or without a meeting.

19 (b) If a unit is owned by more than one person and:

20 (i) Only one owner casts a vote, that vote must be counted as
21 casting all votes allocated to the unit by the declaration; and

22 (ii) More than one owner casts a vote for the unit, no vote from
23 any owner of the unit may be counted unless the declaration provides
24 a manner for allocating votes cast by multiple owners of a unit.

25 (9) (a) Notwithstanding any other law or provision of the
26 governing documents, the following votes of unit owners shall be
27 conducted by secret ballot:

28 ~~((a))~~ (i) Election of board members; ~~((b) removal)~~

29 (ii) Removal of board members or, if the declaration or
30 organizational documents provide for the election of officers by the
31 unit owners, the removal of officers; ~~((e) amendments)~~ or

32 (iii) Amendments to the ~~(declaration or)~~ governing documents ~~((~~
33 or ~~(d) unit owner approval of an amendment to the declaration for the~~
34 reallocation of a common element as a limited common element for the
35 exclusive use of an owner's unit pursuant to RCW 64.90.240)).

36 (b) At a meeting of unit owners held pursuant to this section,
37 the secret ballots physically received by the association must be
38 opened and counted and the results of the secret ballots received by
39 the association by electronic means must be reviewed, announced, and
40 recorded in the meeting minutes. A quorum is not required to be

1 present when the secret ballots physically received by the
2 association are opened and counted or the results of the secret
3 ballots received by the association by electronic means are reviewed,
4 announced, and recorded in the meeting minutes.

5 (c) The incumbent members of the board and each person whose name
6 is placed on the ballot as a candidate for membership on the board
7 may not possess, be given access to, or participate in the opening or
8 counting of the secret ballots that the association physically
9 receives, or the collection of data regarding the secret ballots that
10 the association receives by electronic means, before those secret
11 ballots have been opened and counted or reviewed, announced, and
12 recorded in the meeting minutes, as applicable, at a meeting of the
13 association.

14 **Sec. 17.** RCW 64.90.475 and 2018 c 277 s 316 are each amended to
15 read as follows:

16 (1) The association must establish and maintain its accounts and
17 records in a manner that will enable it to credit assessments for
18 common expenses ~~((and specially allocated expenses))~~, including
19 allocations to reserves, and other income to the association, and to
20 charge expenditures, to the account of the appropriate units in
21 accordance with the provisions of the declaration.

22 (2) To assure that the unit owners are correctly assessed for the
23 actual expenses of the association, the accounts of the association
24 must be reconciled at least annually unless the board determines that
25 a reconciliation would not result in a material savings to any unit
26 owner. Unless provided otherwise in the declaration, any surplus
27 funds of the association remaining after the payment of or provision
28 for common expenses and any prepayment of reserves must be paid
29 annually to the unit owners in proportion to their common expense
30 liabilities or credited to them to reduce their future common expense
31 assessments.

32 **Sec. 18.** RCW 64.90.480 and 2024 c 321 s 207 are each amended to
33 read as follows:

34 (1)(a) Assessments for common expenses ~~((and those specially~~
35 ~~allocated expenses that are subject to inclusion in a budget))~~ must
36 be made at least annually based on a budget adopted at least annually
37 by the association in the manner provided in RCW 64.90.525.

1 (b) Assessments for common expenses (~~and specially allocated~~
2 ~~expenses~~) must commence on all units that have been created upon the
3 conveyance of the first unit in the common interest community;
4 however, the declarant may delay commencement of assessments for some
5 or all common expenses (~~or specially allocated expenses~~), in which
6 event the declarant must pay all of the common expenses (~~or~~
7 ~~specially allocated expenses~~) that have been delayed. In a common
8 interest community in which units may be added pursuant to reserved
9 development rights, the declarant may delay commencement of
10 assessments for such units in the same manner.

11 (2) The declaration may provide that, upon closing of the first
12 conveyance of each unit to a purchaser or first occupancy of a unit,
13 whichever occurs first, the association may assess and collect a
14 working capital contribution for such unit. The working capital
15 contribution may be collected prior to the commencement of common
16 assessments under subsection (1) of this section. A working capital
17 contribution may not be used to defray expenses that are the
18 obligation of the declarant.

19 (3) Except as provided otherwise in this section, all common
20 expenses must be assessed against all the units in accordance with
21 their common expense liabilities, subject to the right of the
22 declarant to delay commencement of certain common expenses under
23 subsections (1) and (2) of this section. Any past due assessment or
24 installment of past due assessment bears interest at the rate
25 established by the association pursuant to RCW 64.90.485.

26 (4) The declaration may provide that any of the following common
27 expenses of the association must be assessed against the units on
28 some basis other than common expense liability. If and to the extent
29 the declaration so provides, the association must assess:

30 (a) Expenses associated with the operation, maintenance, repair,
31 or replacement of any specified limited common element against the
32 units to which that limited common element is assigned, equally or in
33 any other proportion that the declaration provides;

34 (b) Expenses specified in the declaration as benefiting fewer
35 than all of the units or their unit owners exclusively against the
36 units benefited in proportion to their common expense liability or in
37 any other proportion that the declaration provides, but if the common
38 expense is for the maintenance, repair, or replacement of a common
39 element other than a limited common element, the expense may be

1 assessed exclusively against them only if the declaration reasonably
2 identifies the common expense by specific listing or category;

3 (c) The costs of insurance in proportion to risk; and

4 (d) The costs of one or more specified services or utilities in
5 proportion to respective usage, whether metered, billed in bulk based
6 on unit count, or reasonably estimated, or upon the same basis as
7 such (~~utility~~) charges are made by the service or utility provider.

8 (5) Assessments to pay a judgment against the association may be
9 made only against the units in the common interest community at the
10 time the judgment was entered, in proportion to their common expense
11 liabilities.

12 (6) The association may assess exclusively against a unit owner's
13 unit common expenses, including expenses relating to damage to or
14 loss of property, caused by the:

15 (a) Willful misconduct or gross negligence of the unit owner or
16 the unit owner's tenant, guest, invitee, or occupant;

17 (b) Failure of the unit owner to comply with a maintenance
18 standard prescribed by the declaration or a rule, if the standard
19 contains a statement that an owner may be liable for damage or loss
20 caused by failure to comply with the standard; or

21 (c) Negligence of the unit owner or the unit owner's tenant,
22 guest, invitee, or occupant, if the declaration contains a statement
23 that an owner may be liable for damage or loss caused by such
24 negligence.

25 (7) Before an association makes an assessment under subsection
26 (6) of this section, the association must give notice to the unit
27 owner and provide an opportunity for a hearing. The assessment is
28 limited to the expense the association incurred under subsection (6)
29 of this section less any insured proceeds received by the
30 association, whether the difference results from the application of a
31 deductible or otherwise.

32 (8) In the event of a loss or damage to a unit that would be
33 covered by the association's property insurance policy, excluding
34 policies for earthquake, flood, or similar losses that have higher
35 than standard deductibles, but that is within the deductible under
36 that policy and if the declaration so provides, the association may
37 assess the amount of the loss up to the deductible against that unit.
38 This subsection does not prevent a unit owner from asserting a claim
39 against another person for the amount assessed if that other person
40 would be liable for the damages under general legal principles.

1 (9) If common expense liabilities are reallocated, assessments
2 and any installment of assessments not yet due must be recalculated
3 in accordance with the reallocated common expense liabilities.

4 (10) An association must provide at least one method of accepting
5 payment of assessments from unit owners at no charge or as a common
6 expense.

7 **Sec. 19.** RCW 64.90.485 and 2024 c 321 s 319 are each amended to
8 read as follows:

9 (1) The association has a statutory lien on each unit for any
10 unpaid assessment against the unit from the time such assessment is
11 due.

12 (2) A lien under this section has priority over all other liens
13 and encumbrances on a unit except:

14 (a) Liens and encumbrances recorded before the recordation of the
15 declaration and, in a cooperative, liens and encumbrances that the
16 association creates, assumes, or takes subject to;

17 (b) Except as otherwise provided in subsection (3) of this
18 section, a security interest on the unit recorded before the date on
19 which the unpaid assessment became due or, in a cooperative, a
20 security interest encumbering only the unit owner's interest and
21 perfected before the date on which the unpaid assessment became due;
22 and

23 (c) Liens for real estate taxes and other state or local
24 governmental assessments or charges against the unit or cooperative.

25 (3)(a) A lien under this section also has priority over the
26 security interests described in subsection (2)(b) of this section to
27 the extent of an amount equal to the following:

28 (i) The common expense assessments, excluding any amounts for
29 capital improvements, based on the periodic budget adopted by the
30 association pursuant to RCW 64.90.480(1), (~~along with any specially~~
31 ~~allocated assessments that are properly assessable against the unit~~
32 ~~under such periodic budget,)) which would have become due in the
33 absence of acceleration during the six months immediately preceding
34 the institution of proceedings to foreclose either the association's
35 lien or a security interest described in subsection (2)(b) of this
36 section;~~

37 (ii) The association's actual costs and reasonable attorneys'
38 fees incurred in foreclosing its lien but incurred after the giving
39 of the notice described in (a)(iii) of this subsection; provided,

1 however, that the costs and reasonable attorneys' fees that will have
2 priority under this subsection (3)(a)(ii) shall not exceed \$2,000 or
3 an amount equal to the amounts described in (a)(i) of this
4 subsection, whichever is less;

5 (iii) The amounts described in (a)(ii) of this subsection shall
6 be prior only to the security interest of the holder of a security
7 interest on the unit recorded before the date on which the unpaid
8 assessment became due and only if the association has given that
9 holder not less than 60 days' prior written notice that the owner of
10 the unit is in default in payment of an assessment. The notice shall
11 contain:

12 (A) Name of the borrower;

13 (B) Recording date of the trust deed or mortgage;

14 (C) Recording information;

15 (D) Name of (~~condominium~~) common interest community, unit
16 owner, and unit designation stated in the declaration or applicable
17 supplemental declaration;

18 (E) Amount of unpaid assessment; and

19 (F) A statement that failure to, within 60 days of the written
20 notice, submit the association payment of six months of assessments
21 as described in (a)(i) of this subsection will result in the priority
22 of the amounts described in (a)(ii) of this subsection; and

23 (iv) Upon payment of the amounts described in (a)(i) and (ii) of
24 this subsection by the holder of a security interest, the
25 association's lien described in this subsection (3)(a) shall
26 thereafter be fully subordinated to the lien of such holder's
27 security interest on the unit.

28 (b) For the purposes of this subsection:

29 (i) "Institution of proceedings" means either:

30 (A) The date of recording of a notice of trustee's sale by a deed
31 of trust beneficiary;

32 (B) The date of commencement, pursuant to applicable court rules,
33 of an action for judicial foreclosure either by the association or by
34 the holder of a recorded security interest; or

35 (C) The date of recording of a notice of intention to forfeit in
36 a real estate contract forfeiture proceeding by the vendor under a
37 real estate contract.

38 (ii) "Capital improvements" does not include making, in the
39 ordinary course of management, repairs to common elements or
40 replacements of the common elements with substantially similar items,

1 subject to: (A) Availability of materials and products, (B)
2 prevailing law, or (C) sound engineering and construction standards
3 then prevailing.

4 (c) The adoption of a periodic budget that purports to allocate
5 to a unit any fines, late charges, interest, attorneys' fees and
6 costs incurred for services unrelated to the foreclosure of the
7 association's lien, other collection charges, or specially allocated
8 assessments assessed under RCW 64.90.480(6) (~~or (7)~~) does not cause
9 any such items to be included in the priority amount affecting such
10 unit.

11 (4) Subsections (2) and (3) of this section do not affect the
12 priority of mechanics' or material suppliers' liens to the extent
13 that law of this state other than chapter 277, Laws of 2018 gives
14 priority to such liens, or the priority of liens for other
15 assessments made by the association.

16 (5) A lien under this section is not subject to chapter 6.13 RCW.

17 (6) If the association forecloses its lien under this section
18 nonjudicially pursuant to chapter 61.24 RCW, as provided under
19 subsection (13) of this section, the association is not entitled to
20 the lien priority provided for under subsection (3) of this section,
21 and is subject to the limitations on deficiency judgments as provided
22 in chapter 61.24 RCW.

23 (7) Unless the declaration provides otherwise, if two or more
24 associations have liens for assessments created at any time on the
25 same property, those liens have equal priority as to each other, and
26 any foreclosure of one such lien shall not affect the lien of the
27 other.

28 (8) Recording of the declaration constitutes record notice and
29 perfection of the statutory lien created under this section. Further
30 notice or recordation of any claim of lien for assessment under this
31 section is not required, but is not prohibited.

32 (9) A lien for unpaid assessments and the personal liability for
33 payment of those assessments are extinguished unless proceedings to
34 enforce the lien or collect the debt are instituted within six years
35 after the full amount of the assessments sought to be recovered
36 becomes due.

37 (10) This section does not prohibit actions against unit owners
38 to recover sums for which subsection (1) of this section creates a
39 lien or prohibit an association from taking a deed in lieu of
40 foreclosure.

1 (11) The association upon written request must furnish to a unit
2 owner or a mortgagee a statement signed by an officer or authorized
3 agent of the association setting forth the amount of unpaid
4 assessments or the priority amount against that unit, or both. The
5 statement must be furnished within 15 days after receipt of the
6 request and is binding on the association, the board, and every unit
7 owner unless, and to the extent, known by the recipient to be false.
8 The liability of a recipient who reasonably relies upon the statement
9 must not exceed the amount set forth in any statement furnished
10 pursuant to this section or RCW 64.90.640(1)(b).

11 (12) In a cooperative, upon nonpayment of an assessment on a
12 unit, the unit owner may be evicted in the same manner as provided by
13 law in the case of an unlawful holdover by a commercial tenant, and
14 the lien may be foreclosed as provided under this section.

15 (13) The association's lien may be foreclosed in accordance with
16 (a) and (b) of this subsection.

17 (a) In a common interest community other than a cooperative, the
18 association's lien may be foreclosed judicially in accordance with
19 chapter 61.12 RCW, subject to any rights of redemption under chapter
20 6.23 RCW.

21 (b) The lien may be enforced nonjudicially in the manner set
22 forth in chapter 61.24 RCW for nonjudicial foreclosure of deeds of
23 trust if the declaration: Contains a grant of the common interest
24 community in trust to a trustee qualified under RCW 61.24.010 to
25 secure the obligations of the unit owners to the association for the
26 payment of assessments, contains a power of sale, provides in its
27 terms that the units are not used principally for agricultural
28 purposes, and provides that the power of sale is operative in the
29 case of a default in the obligation to pay assessments. The
30 association or its authorized representative may purchase the unit at
31 the foreclosure sale and acquire, hold, lease, mortgage, or convey
32 the unit. Upon an express waiver in the complaint of any right to a
33 deficiency judgment in a judicial foreclosure action, the period of
34 redemption is eight months.

35 (c) In a cooperative in which the unit owners' interests in the
36 units are real estate, the association's lien must be foreclosed in
37 like manner as a mortgage on real estate or by power of sale under
38 (b) of this subsection.

39 (d) In a cooperative in which the unit owners' interests in the
40 units are personal property, the association's lien must be

1 foreclosed in like manner as a security interest under chapter 62A.9A
2 RCW.

3 (e) No member of the association's board, or their immediate
4 family members or affiliates, are eligible to bid for or purchase,
5 directly or indirectly, any interest in a unit at a foreclosure of
6 the association's lien. For the purposes of this subsection,
7 "immediate family member" includes spouses, domestic partners,
8 children, siblings, parents, parents-in-law, and stepfamily members;
9 and "affiliate" of a board member includes any person controlled by
10 the board member, including any entity in which the board member is a
11 general partner, managing member, majority member, officer, or
12 director. Nothing in this subsection prohibits an association from
13 bidding for or purchasing interest in a unit at a foreclosure of the
14 association's lien.

15 (14) If the unit owner's interest in a unit in a cooperative is
16 real estate, the following requirements apply:

17 (a) The association, upon nonpayment of assessments and
18 compliance with this subsection, may sell that unit at a public sale
19 or by private negotiation, and at any time and place. The association
20 must give to the unit owner and any lessee of the unit owner
21 reasonable notice in a record of the time, date, and place of any
22 public sale or, if a private sale is intended, of the intention of
23 entering into a contract to sell and of the time and date after which
24 a private conveyance may be made. Such notice must also be sent to
25 any other person that has a recorded interest in the unit that would
26 be cut off by the sale, but only if the recorded interest was on
27 record seven weeks before the date specified in the notice as the
28 date of any public sale or seven weeks before the date specified in
29 the notice as the date after which a private sale may be made. The
30 notices required under this subsection may be sent to any address
31 reasonable in the circumstances. A sale may not be held until five
32 weeks after the sending of the notice. The association may buy at any
33 public sale and, if the sale is conducted by a fiduciary or other
34 person not related to the association, at a private sale.

35 (b) Unless otherwise agreed to or as stated in this section, the
36 unit owner is liable for any deficiency in a foreclosure sale.

37 (c) The proceeds of a foreclosure sale must be applied in the
38 following order:

39 (i) The reasonable expenses of sale;

1 (ii) The reasonable expenses of securing possession before sale;
2 the reasonable expenses of holding, maintaining, and preparing the
3 unit for sale, including payment of taxes and other governmental
4 charges and premiums on insurance; and, to the extent provided for by
5 agreement between the association and the unit owner, reasonable
6 attorneys' fees, costs, and other legal expenses incurred by the
7 association;

8 (iii) Satisfaction of the association's lien;

9 (iv) Satisfaction in the order of priority of any subordinate
10 claim of record; and

11 (v) Remittance of any excess to the unit owner.

12 (d) A good-faith purchaser for value acquires the unit free of
13 the association's debt that gave rise to the lien under which the
14 foreclosure sale occurred and any subordinate interest, even though
15 the association or other person conducting the sale failed to comply
16 with this section. The person conducting the sale must execute a
17 conveyance to the purchaser sufficient to convey the unit and stating
18 that it is executed by the person after a foreclosure of the
19 association's lien by power of sale and that the person was empowered
20 to make the sale. Signature and title or authority of the person
21 signing the conveyance as grantor and a recital of the facts of
22 nonpayment of the assessment and of the giving of the notices
23 required under this subsection are sufficient proof of the facts
24 recited and of the authority to sign. Further proof of authority is
25 not required even though the association is named as grantee in the
26 conveyance.

27 (e) At any time before the association has conveyed a unit in a
28 cooperative or entered into a contract for its conveyance under the
29 power of sale, the unit owners or the holder of any subordinate
30 security interest may cure the unit owner's default and prevent sale
31 or other conveyance by tendering the performance due under the
32 security agreement, including any amounts due because of exercise of
33 a right to accelerate, plus the reasonable expenses of proceeding to
34 foreclosure incurred to the time of tender, including reasonable
35 attorneys' fees and costs of the creditor.

36 (15) In an action by an association to collect assessments or to
37 foreclose a lien on a unit under this section, the court may appoint
38 a receiver to collect all sums alleged to be due and owing to a unit
39 owner before commencement or during pendency of the action. The
40 receivership is governed under chapter 7.60 RCW. During pendency of

1 the action, the court may order the receiver to pay sums held by the
2 receiver to the association for any assessments against the unit. The
3 exercise of rights under this subsection by the association does not
4 affect the priority of preexisting liens on the unit.

5 (16) Except as provided in subsection (3) of this section, the
6 holder of a mortgage or other purchaser of a unit who obtains the
7 right of possession of the unit through foreclosure is not liable for
8 assessments or installments of assessments that became due prior to
9 such right of possession. Such unpaid assessments are deemed to be
10 common expenses collectible from all the unit owners, including such
11 mortgagee or other purchaser of the unit. Foreclosure of a mortgage
12 does not relieve the prior unit owner of personal liability for
13 assessments accruing against the unit prior to the date of such sale
14 as provided in this subsection.

15 (17) In addition to constituting a lien on the unit, each
16 assessment is the joint and several obligation of the unit owner of
17 the unit to which the same are assessed as of the time the assessment
18 is due. A unit owner may not exempt himself or herself from liability
19 for assessments. In a voluntary conveyance other than by foreclosure,
20 the grantee of a unit is jointly and severally liable with the
21 grantor for all unpaid assessments against the grantor up to the time
22 of the grantor's conveyance, without prejudice to the grantee's right
23 to recover from the grantor the amounts paid by the grantee. Suit to
24 recover a personal judgment for any delinquent assessment is
25 maintainable in any court of competent jurisdiction without
26 foreclosing or waiving the lien securing such sums.

27 (18) The association may from time to time establish reasonable
28 late charges and a rate of interest to be charged, not to exceed the
29 maximum rate calculated under RCW 19.52.020, on all subsequent
30 delinquent assessments or installments of assessments. If the
31 association does not establish such a rate, delinquent assessments
32 bear interest from the date of delinquency at the maximum rate
33 calculated under RCW 19.52.020 on the date on which the assessments
34 became delinquent.

35 (19) The association is entitled to recover any costs and
36 reasonable attorneys' fees incurred in connection with the collection
37 of delinquent assessments, whether or not such collection activities
38 result in a suit being commenced or prosecuted to judgment. The
39 prevailing party is also entitled to recover costs and reasonable

1 attorneys' fees in such suits, including any appeals, if it prevails
2 on appeal and in the enforcement of a judgment.

3 (20) To the extent not inconsistent with this section, the
4 declaration may provide for such additional remedies for collection
5 of assessments as may be permitted by law.

6 (21)(a) When the association mails to the unit owner by first-
7 class mail the first notice of delinquency for past due assessments
8 to the unit address and to any other address that the owner has
9 provided to the association, the association shall include a first
10 preforeclosure notice that states as follows:

11 **THIS IS A NOTICE OF DELINQUENCY FOR PAST DUE ASSESSMENTS**
12 **FROM THE UNIT OWNERS ASSOCIATION TO WHICH YOUR HOME BELONGS.**
13 **THIS NOTICE IS ONE STEP IN A PROCESS THAT COULD RESULT IN YOUR LOSING**
14 **YOUR HOME.**
15 **CONTACT A HOUSING COUNSELOR OR AN ATTORNEY LICENSED IN WASHINGTON NOW**
16 to assess your situation and refer you to mediation if you might
17 benefit. **DO NOT DELAY.**
18 **BE CAREFUL** of people who claim they can help you. There are many
19 individuals and businesses that prey upon borrowers in distress.
20 **REFER TO THE CONTACTS BELOW** for sources of assistance.

21 **SEEKING ASSISTANCE**

22 Housing counselors and legal assistance may be available at
23 little or no cost to you. If you would like assistance in determining
24 your rights and opportunities to keep your house, you may contact the
25 following:

26 The statewide foreclosure hotline for assistance and referral to
27 housing counselors recommended by the Housing Finance Commission

28 Telephone: Website:

29 The United States Department of Housing and Urban Development

30 Telephone: Website:

31 The statewide civil legal aid hotline for assistance and
32 referrals to other housing counselors and attorneys

33 Telephone: Website:

34 The association shall obtain the toll-free numbers and website
35 information from the department of commerce for inclusion in the
36 notice.

37 (b) If, when a delinquent account is referred to an association's
38 attorney, the first preforeclosure notice required under (a) of this
39 subsection has not yet been mailed to the unit owner, the association

1 or the association's attorney shall mail the first preforeclosure
2 notice to the unit owner in order to satisfy the requirement in (a)
3 of this subsection.

4 (c) Mailing the first preforeclosure notice pursuant to (a) of
5 this subsection does not satisfy the requirement in subsection
6 (22)(b) of this section to mail a second preforeclosure notice at or
7 after the date that assessments have become past due for at least 90
8 days. The second preforeclosure notice may not be mailed sooner than
9 60 days after the first preforeclosure notice is mailed.

10 (22) An association may not commence an action to foreclose a
11 lien on a unit under this section unless:

12 (a) The unit owner, at the time the action is commenced, owes at
13 least a sum equal to the greater of:

14 (i) Three months or more of assessments, not including fines,
15 late charges, interest, attorneys' fees, or costs incurred by the
16 association in connection with the collection of a delinquent owner's
17 account; or

18 (ii) \$2,000 of assessments, not including fines, late charges,
19 interest, attorneys' fees, or costs incurred by the association in
20 connection with the collection of a delinquent owner's account;

21 (b) At or after the date that assessments have become past due
22 for at least 90 days, but no sooner than 60 days after the first
23 preforeclosure notice required in subsection (21)(a) of this section
24 is mailed, the association has mailed, by first-class mail, to the
25 owner, at the unit address and to any other address which the owner
26 has provided to the association, a second notice of delinquency,
27 which must include a second preforeclosure notice that contains the
28 same information as the first preforeclosure notice provided to the
29 owner pursuant to subsection (21)(a) of this section. The second
30 preforeclosure notice may not be mailed sooner than 60 days after the
31 first preforeclosure notice required in subsection (21)(a) of this
32 section is mailed;

33 (c) At least 90 days have elapsed from the date the minimum
34 amount required in (a) of this subsection has accrued; and

35 (d) The board approves commencement of a foreclosure action
36 specifically against that unit.

37 (23) Every aspect of a collection, foreclosure, sale, or other
38 conveyance under this section, including the method, advertising,
39 time, date, place, and terms, must be commercially reasonable.

1 **Sec. 20.** RCW 64.90.513 and 2022 c 27 s 4 are each amended to
2 read as follows:

3 (1)(a) A unit owners association may not adopt or enforce a
4 restriction, covenant, condition, bylaw, rule, regulation, provision
5 of a governing document, or master deed provision that:

6 (i) Effectively prohibits or unreasonably restricts the
7 installation or use of an electric vehicle charging station in
8 compliance with the requirements of this section and for the personal
9 noncommercial use of a unit owner, within the boundaries of a unit or
10 in a designated parking space; or

11 (ii) Is in conflict with the provisions of this section.

12 (b) Nothing in this section prohibits an association from
13 imposing reasonable restrictions on electric vehicle charging
14 stations. However, it is the policy of the state to promote,
15 encourage, and remove obstacles to the use of electric vehicle
16 charging stations.

17 (c) Notwithstanding (a) or (b) of this subsection, an association
18 of single-family homes, site condominiums, or a planned use
19 development where the units are not immediately adjacent may not
20 restrict the installation of an electric vehicle charging station
21 unless the electric vehicle charging station:

22 (i) Is installed within or upon a common element;

23 (ii) Is connected to a common electrical power supply; or

24 (iii) Is installed outside the envelope of a primary or secondary
25 dwelling or the unit's garage and is visible from the street, alley,
26 or ground floor of another unit.

27 (2) A unit owners association may require a unit owner to submit
28 an application for approval for the installation of an electric
29 vehicle charging station before installing the charging station
30 unless such installation is exempt from restrictions pursuant to
31 subsection (1)(c) of this section.

32 (3)(a) If approval is required for the installation or use of an
33 electric vehicle charging station subject to subsection (2) of this
34 section, the application for approval must be processed and approved
35 in the same manner as an application for approval of an architectural
36 modification.

37 (b) The approval or denial of an application must be in writing
38 and must not be willfully avoided or delayed.

39 (c) If an application is not denied in writing within 60 days
40 from the date of receipt of the application, the application is

1 deemed approved, unless that delay is the result of a reasonable
2 request for additional information.

3 (d) An association may not assess or charge a unit owner a fee
4 for the placement of an electric vehicle charging station. An
5 association may charge a reasonable fee for processing the
6 application to approve the installation of an electric vehicle
7 charging station, but only if such a fee exists for all applications
8 for approval of architectural modifications.

9 (4) If approval is required for the installation or use of an
10 electric vehicle charging station subject to subsection (2) of this
11 section, a unit owners association must approve the installation
12 within the boundaries of a unit or in a designated parking space if
13 the installation is reasonably possible and the unit owner agrees in
14 writing to:

15 (a) Comply with the association's reasonable architectural
16 standards applicable to the installation of the electric vehicle
17 charging station;

18 (b) Engage an electrical contractor familiar with the standards
19 for the installation of electric vehicle infrastructure to assess the
20 existing infrastructure necessary to support the proposed electric
21 vehicle charging station, identify additional infrastructure needs,
22 and install the electric vehicle charging station;

23 (c)(i) Provide, within the time specified in (c)(ii) of this
24 subsection, a certificate of insurance naming the association as an
25 additional insured on the unit owner's insurance policy for any claim
26 related to the installation, inspection, maintenance, or use of the
27 electric vehicle charging station in a common interest community
28 other than an association of single-family homes, site condominiums,
29 or a planned use development where the units are not immediately
30 adjacent;

31 (ii) A certificate of insurance required under (c)(i) of this
32 subsection must be provided within 14 days after the association
33 approves the installation of the electric vehicle charging station.
34 Reimbursement for an increased insurance premium amount under (c)(i)
35 of this subsection must be provided within 14 days after the unit
36 owner receives the association's invoice for the amount attributable
37 to the charging station;

38 (d) Register the electric vehicle charging station with the
39 association within 30 days after installation;

1 (e) Pay for the electricity usage associated with the electric
2 vehicle charging station and the required means to facilitate payment
3 for the electricity; and

4 (f) Comply with the requirements of this section.

5 (5)(a) A unit owner must obtain any permit or approval for an
6 electric vehicle charging station as required by the local government
7 in which the common interest community is located and comply with all
8 relevant building codes and safety standards.

9 (b) An electric vehicle charging station must meet all applicable
10 health and safety standards and requirements imposed by national,
11 state, or local authorities, and all other applicable zoning, land
12 use or other ordinances, building codes, or land use permits.

13 (6)(a) Unless otherwise agreed to by written contract with the
14 unit owners association, a unit owner is responsible for the costs of
15 installing an electric vehicle charging station.

16 (b) Electric vehicle charging station equipment that is installed
17 at the unit owner's cost and is removable without damage to the
18 property owned by others may be removed at the unit owner's cost.
19 Nothing in this subsection requires the association to purchase the
20 electric vehicle charging station.

21 (7) ((A)) When an installed electric vehicle charging station is
22 not exempt from restrictions pursuant to subsection (1)(c) of this
23 section, a unit owner must disclose to any prospective buyers of the
24 unit:

25 (a) The existence of an electric vehicle charging station and the
26 related responsibilities of the owner under this section; and

27 (b) Whether the electric vehicle charging station is removable
28 and whether the owner intends to remove the charging station.

29 (8) ((The)) Notwithstanding the governing documents and without
30 regard for when an electric vehicle charging station was first put
31 into service and the location of any components thereof, the owner
32 and each successive owner of an electric vehicle charging station
33 exclusively serving the owner's unit is responsible for:

34 (a) Costs for the inspection, maintenance, repair, and
35 replacement of the electric vehicle charging station up until the
36 station is removed;

37 (b) Costs for damage to the electric vehicle charging station,
38 any unit, common element, or limited common element resulting from
39 the installation, use, inspection, maintenance, repair, removal, or
40 replacement of the electric vehicle charging station;

1 (c) The cost of electricity associated with the electric vehicle
2 charging station;

3 (d) Obtaining and maintaining an insurance policy that meets the
4 requirements in subsection (4) (c) of this section;

5 (e) If the owner decides to remove the electric vehicle charging
6 station, costs for the removal and the restoration of the common
7 element or limited common element after the removal; and

8 (f) Removing the electric vehicle charging station if reasonably
9 necessary for the inspection, repair, maintenance, or replacement of
10 the common element or limited common element.

11 (9) A unit owners association may install an electric vehicle
12 charging station in the common elements for the use of all unit
13 owners and, in that case, the association must develop appropriate
14 terms of use for the charging station.

15 (10)(a) A unit owners association that willfully violates this
16 section is liable to the unit owner for actual damages, and shall pay
17 a civil penalty to the unit owner in an amount not to exceed \$1,000.

18 (b) In any action by a unit owner requesting to have an electric
19 vehicle charging station installed and seeking to enforce compliance
20 with this section, the court shall award reasonable attorneys' fees
21 and costs to any prevailing unit owner.

22 (11) The definitions in this subsection apply throughout this
23 section unless the context clearly requires otherwise.

24 (a) "Designated parking space" means a parking space that is
25 specifically designated for use by a particular unit owner, including
26 a garage, a deeded parking space, and a parking space in a limited
27 common element that is restricted for use by one or more unit owners.

28 (b) "Electric vehicle charging station" means a station that
29 delivers electricity from a source outside an electric vehicle into
30 one or more electric vehicles. An electric vehicle charging station
31 may include several charge points simultaneously connecting several
32 electric vehicles to the station and any related equipment needed to
33 facilitate charging plug-in electric vehicles.

34 (c) "Reasonable restriction" means a restriction that does not
35 significantly increase the cost of an electric vehicle charging
36 station or significantly decrease its efficiency or specified
37 performance.

38 **Sec. 21.** RCW 64.90.525 and 2018 c 277 s 326 are each amended to
39 read as follows:

1 (1) (a) Within thirty days after adoption of any proposed budget
2 for the common interest community, the board must provide a copy of
3 the budget to all the unit owners and set a date for a meeting of the
4 unit owners to consider ratification of the budget not less than
5 fourteen nor more than fifty days after providing the budget. Unless
6 at that meeting the unit owners of units to which a majority of the
7 votes in the association are allocated or any larger percentage
8 specified in the declaration reject the budget, the budget and the
9 assessments against the units included in the budget are ratified,
10 whether or not a quorum is present.

11 (b) If the proposed budget is rejected or the required notice is
12 not given, the periodic budget last ratified by the unit owners
13 continues until the unit owners ratify a subsequent budget proposed
14 by the board.

15 (2) The budget must include:

16 (a) The projected income to the association by category;

17 (b) The projected common expenses (~~and those specially allocated~~
18 ~~expenses that are subject to being budgeted, both~~) by category;

19 (c) The amount of the assessments per unit and the date the
20 assessments are due;

21 (d) The current amount of regular assessments budgeted for
22 contribution to the reserve account;

23 (e) A statement of whether the association has a reserve study
24 that meets the requirements of RCW 64.90.550 and, if so, the extent
25 to which the budget meets or deviates from the recommendations of
26 that reserve study; and

27 (f) The current deficiency or surplus in reserve funding
28 expressed on a per unit basis.

29 (3) The board, at any time, may propose a special assessment. The
30 assessment is effective only if the board follows the procedures for
31 ratification of a budget described in subsection (1) of this section
32 and the unit owners do not reject the proposed assessment. The board
33 may provide that the special assessment may be due and payable in
34 installments over any period it determines and may provide a discount
35 for early payment.

36 **Sec. 22.** RCW 64.90.530 and 2018 c 277 s 327 are each amended to
37 read as follows:

1 (1) The association must prepare, or cause to be prepared, at
2 least annually, a financial statement of the association in
3 accordance with accrual based accounting practices.

4 (2) The financial statements of associations with annual
5 assessments of (~~fifty thousand dollars~~) \$50,000 or more must be
6 audited at least annually by a certified public accountant. In the
7 case of an association with annual assessments of less than (~~fifty~~
8 ~~thousand dollars~~) \$50,000, an annual audit is also required but may
9 be waived annually by unit owners other than the declarant of units
10 to which a majority of the votes in the association are allocated,
11 excluding the votes allocated to units owned by the declarant.

12 (3) The association must keep all funds of the association in the
13 name of the association with a qualified financial institution,
14 except as provided in RCW 64.90.535. The funds must not be commingled
15 with the funds of any other association or with the funds of any
16 managing agent of the association or any other person, or be kept in
17 any trust account or custodial account in the name of any trustee or
18 custodian.

19 (4) A managing agent who accepts or receives funds belonging to
20 the association must promptly deposit all such funds into an account
21 maintained by the association as provided in subsection (3) of this
22 section or RCW 64.90.535, as appropriate.

23 **Sec. 23.** RCW 64.90.535 and 2018 c 277 s 328 are each amended to
24 read as follows:

25 (1) An association required to obtain a reserve study pursuant to
26 RCW 64.90.545 must establish one or more accounts for the deposit of
27 funds, if any, for the replacement costs of reserve components. (~~Any~~
28 ~~reserve account must be an income-earning account maintained under~~
29 ~~the direct control of the board, and the board is responsible for~~
30 ~~administering the reserve account.))~~ Reserve accounts must be
31 maintained such that reserve funds are not commingled with other
32 funds of the association.

33 (2)(a) Except as otherwise provided in this subsection, reserve
34 funds must be held in an interest-bearing account at a financial
35 institution domiciled in the United States that is regulated by FINRA
36 or by the office of the comptroller of the currency. The reserve
37 account must be maintained by the board and titled solely in the name
38 of the association, with authorized signatories for the account added

1 or removed only at the direction of the board. The board is
2 responsible for administering the reserve account.

3 (b) (i) Notwithstanding any contrary requirements of this section
4 and the governing documents, reserve funds may be held in cash or
5 invested in money market funds, certificates of deposit, or United
6 States treasury bills, notes, or bonds. Any decision by the board to
7 hold funds in certificates of deposit or United States treasury
8 bills, notes, or bonds must consider all factors enumerated by RCW
9 11.100.020(3).

10 (ii) Decisions related to reserve funds held pursuant to this
11 subsection (2)(b) must be made by the board, except the board may
12 delegate decisions for maintaining funds in timed deposit durations
13 less than or equal to 100 days. Such decisions must adhere to a duly
14 adopted policy or resolution approved by the board that:

15 (A) Incorporates the factors enumerated by RCW 11.100.020(3);

16 (B) Complies with this chapter; and

17 (C) Complies with any greater requirements imposed by the
18 governing documents.

19 (c) Unless provided otherwise by the governing documents, reserve
20 funds may be invested in securities, provided that:

21 (i) (A) Except as provided in (c) (i) (B) of this subsection, new
22 investments in securities, including reinvestments: (I) May only be
23 made when the total value of reserve funds is equal to or greater
24 than \$250,000; and (II) may not be made if the total value of reserve
25 funds held in accounts described in (b) of this subsection would be
26 less than 50 percent upon making the new investment.

27 (B) The owners of units to which at least 75 percent of the votes
28 in the association are allocated may vote to invest, including
29 reinvestments, up to 100 percent of any available reserve funds
30 subject to the additional requirements of this section;

31 (ii) The investments are approved as part of the budget
32 ratification process under RCW 64.90.525;

33 (iii) The investments are administered according to the standards
34 established by RCW 11.100.020; and

35 (iv) The investments are administered by a qualified third-party
36 fiduciary or directly by the board in consultation with an
37 independent, qualified investment adviser as defined in RCW
38 21.20.005.

39 (d) For purposes of this subsection:

40 (i) "FINRA" has the same meaning as defined in RCW 48.23.015;

1 (ii) "Independent" means a person who:

2 (A) Is not an employee, officer, or director of the association;

3 (B) Is not an immediate family member or affiliate, as these
4 terms are defined in RCW 64.90.485, of an employee, officer, or
5 director of the association; and

6 (C) Has no pecuniary interest in the association.

7 (iii) "Securities" has the same meaning as "security" as defined
8 in RCW 21.20.005, but does not include accounts described in (a) or
9 (b)(i) of this subsection.

10 (3) Except for investments and transfers between separate reserve
11 accounts held by the same association, every disbursement of reserve
12 funds requires:

13 (a) The signature of at least two persons who are officers or
14 directors of the association; and

15 (b) Documentation of the expenses with supporting invoices
16 including:

17 (i) Assigned components of the reserve study relating to the
18 disbursement and their classification such as, but not limited to,
19 common elements, residential common elements, or commercial common
20 elements;

21 (ii) A statement that the disbursement is related to one or more
22 reserve components not currently included in the reserve study and
23 their classification such as, but not limited to, common elements,
24 residential common elements, commercial common elements; or

25 (iii) A statement indicating a disbursement to borrow from the
26 reserve that includes the repayment plan required by RCW
27 64.90.540(1).

28 **Sec. 24.** RCW 64.90.580 and 2024 c 128 s 4 are each amended to
29 read as follows:

30 (1)(a) A unit owners association may not adopt or enforce a
31 restriction, covenant, condition, bylaw, rule, regulation, provision
32 of a governing document, or master deed provision that:

33 (i) Effectively prohibits or unreasonably restricts the
34 installation or use of a heat pump in compliance with the
35 requirements of this section and for the personal use of a unit owner
36 within the boundaries of a unit; or

37 (ii) Is in conflict with the provisions of this section.

38 (b) Nothing in this section prohibits an association from
39 imposing reasonable restrictions on heat pumps.

1 (c) This section must not be construed to permit installation by
2 a unit owner of heat pump equipment on or in common elements without
3 approval of the board which shall not be unreasonably withheld.

4 (2) A unit owners association may require a unit owner to submit
5 an application for approval for the installation of a heat pump
6 before installing the heat pump.

7 (3)(a) If approval is required for the installation of a heat
8 pump, the application for approval must be processed and approved in
9 the same manner as an application for approval of an architectural
10 modification.

11 (b) The approval or denial of an application must be in writing
12 and must not be willfully avoided or delayed.

13 (c) If an application is not denied in writing within 60 days
14 from the date of receipt of the application, the application is
15 deemed approved, unless that delay is the result of a reasonable
16 request for additional information.

17 (d) An association may not assess or charge a unit owner a fee
18 for the installation of a heat pump. An association may charge a
19 reasonable fee for processing the application to approve the
20 installation of a heat pump, but only if such a fee exists for all
21 applications for approval of architectural modifications.

22 (4) If approval is required for the installation of a heat pump,
23 a unit owners association must approve the installation if the
24 installation is reasonably possible and the unit owner agrees in
25 writing to:

26 (a) Comply with the association's reasonable architectural
27 standards applicable to the installation of the heat pump;

28 (b) Engage a heating, ventilation, and air conditioning (HVAC)
29 contractor familiar with the standards for the installation of heat
30 pumps to assess the existing infrastructure necessary to support the
31 proposed heat pump, identify additional infrastructure needs, and
32 install the heat pump; and

33 (c) Comply with the requirements of this section.

34 (5)(a) A unit owner must obtain any permit or approval for a heat
35 pump as required by the local government in which the common interest
36 community is located and comply with all relevant building codes and
37 safety standards.

38 (b) A heat pump must meet all applicable health and safety
39 standards and requirements imposed by national, state, or local

1 authorities, and all other applicable zoning, land use or other
2 ordinances, building codes, or land use permits.

3 (6) (a) Unless otherwise agreed to by written contract with the
4 unit owners association, a unit owner is responsible for the costs of
5 installing a heat pump.

6 (b) Heat pump equipment that is installed at the unit owner's
7 cost and is removable without damage to the property owned by others
8 may be removed at the unit owner's cost.

9 (7) (~~the~~) Notwithstanding the governing documents and without
10 regard for when a heat pump was first put into service and the
11 location of any components thereof, the unit owner and each
12 successive owner of (~~the~~) a heat pump exclusively serving the
13 owner's unit is responsible for:

14 (a) Costs for the inspection, maintenance, repair, and
15 replacement of the heat pump up until the heat pump is removed;

16 (b) Costs for damage to the heat pump, any unit, common element,
17 or limited common element resulting from the installation,
18 inspection, use, maintenance, repair, removal, or replacement of the
19 heat pump;

20 (c) If the unit owner decides to remove the heat pump, costs for
21 the removal and the restoration of the common elements or limited
22 common elements after the removal; and

23 (d) Removing heat pump equipment if reasonably necessary for the
24 inspection, repair, maintenance, or replacement of the common element
25 or limited common element.

26 (8) (a) A unit owners association that willfully violates this
27 section is liable to the unit owner for actual damages, and shall pay
28 a civil penalty to the unit owner in an amount not to exceed \$1,000.

29 (b) In any action by a unit owner requesting to have a heat pump
30 installed and seeking to enforce compliance with this section, the
31 court shall award reasonable attorneys' fees and costs to any
32 prevailing unit owner.

33 (9) For the purposes of this section:

34 (a) "Heat pump" means a heating or refrigerating system used to
35 transfer heat. The heat pump condenser and evaporator may change
36 roles to transfer heat in either direction. By receiving the flow of
37 air or other fluid, a heat pump is used to cool or heat.

38 (b) "Reasonable restriction" means a restriction that does not
39 significantly increase the cost of a heat pump or significantly
40 decrease its efficiency or specified performance.

1 **Sec. 25.** RCW 64.90.600 and 2018 c 277 s 401 are each amended to
2 read as follows:

3 (1) RCW 64.90.605 through 64.90.695 apply to all units subject to
4 this chapter, except as provided in subsections (2) and (3) of this
5 section.

6 (2) RCW 64.90.605 through 64.90.695 do not apply in the case of:

7 (a) A conveyance by gift, devise, or descent;

8 (b) A conveyance pursuant to court order;

9 (c) A conveyance by a government or governmental agency;

10 (d) A conveyance by foreclosure;

11 (e) A conveyance of all of the units in a common interest
12 community in a single transaction;

13 (f) A conveyance to other than a purchaser;

14 (g) An agreement to convey that may be canceled at any time and
15 for any reason by the purchaser without penalty;

16 (h) A conveyance of a unit restricted to nonresidential uses,
17 except and to the extent otherwise agreed to in writing by the seller
18 and purchaser of that unit.

19 (3) RCW 64.90.665, 64.90.670, 64.90.675, 64.90.680, 64.90.690,
20 and 64.90.695 apply only to condominiums created under this chapter,
21 and do not apply to other common interest communities.

22 (4) RCW 64.90.640 applies to all units subject to this chapter
23 unless the buyer of a unit within a common interest community has
24 expressly waived the receipt of a resale certificate because it is
25 unavailable. For purposes of this subsection and RCW 64.90.640(1), a
26 resale certificate is unavailable if:

27 (a) The seller attests that the association failed to provide the
28 resale certificate within 10 days of request and delivery of payment
29 pursuant to the requirements of RCW 64.90.640(2);

30 (b) The seller indicates in the seller disclosure statement
31 required by chapter 64.06 RCW that there is no homeowners association
32 and no regular periodic assessments;

33 (c) The seller attests that to the best of the seller's
34 knowledge, the association has not sent notice of an annual meeting,
35 budget ratification, or assessments, or attempted to enforce the
36 covenants in the last five years or since the seller purchased the
37 property, whichever is less; or

38 (d) The seller attests that they have made three good faith
39 attempts to request the resale certificate and remit payment to the

1 association or its authorized agent and has not received a response
2 within three business days.

3 **Sec. 26.** RCW 64.90.610 and 2024 c 321 s 327 are each amended to
4 read as follows:

5 (1) A public offering statement must contain the following
6 information:

7 (a) The name and address of the declarant;

8 (b) The name and address or location of the management company,
9 if any;

10 (c) The relationship of the management company to the declarant,
11 if any;

12 (d) The name and address of the common interest community;

13 (e) A statement whether the common interest community is a
14 condominium, cooperative, plat community, or miscellaneous community;

15 (f) A list, current as of the date the public offering statement
16 is prepared, of up to the five most recent common interest
17 communities in which at least one unit was sold by the declarant or
18 an affiliate of the declarant within the past five years, including
19 the names of the common interest communities and their addresses;

20 (g) The nature of the interest being offered for sale;

21 (h) A general description of the common interest community,
22 including to the extent known to the declarant, the types and number
23 of buildings that the declarant anticipates including in the common
24 interest community and the declarant's schedule of commencement and
25 completion of such buildings and principal common amenities;

26 (i) The status of construction of the units and common elements,
27 including estimated dates of completion if not completed;

28 (j) The number of existing units in the common interest
29 community;

30 (k) Brief descriptions of (i) the existing principal common
31 amenities, (ii) those amenities that will be added to the common
32 interest community, and (iii) those amenities that may be added to
33 the common interest community;

34 (l) A brief description of the limited common elements, other
35 than those described in RCW 64.90.210 (1)(b) and (3), that may be
36 allocated to the units being offered for sale;

37 (m) The identification of any rights of persons other than unit
38 owners to use any of the common elements, and a description of the
39 terms of such use;

1 (n) The identification of any real property not in the common
2 interest community that unit owners have a right to use and a
3 description of the terms of such use;

4 (o) Any services the declarant provides or expenses that the
5 declarant pays that are not reflected in the budget, but that the
6 declarant expects may become at any subsequent time a common expense
7 of the association, and the projected common expense attributable to
8 each of those services or expenses;

9 (p) An estimate of any assessment or payment required by the
10 declaration to be paid by the purchaser of a unit at closing;

11 (q) A brief description of any liens or monetary encumbrances on
12 the title to the common elements that will not be discharged at
13 closing;

14 (r) A brief description or a copy of any express construction
15 warranties to be provided to the purchaser;

16 (s) A statement, as required under RCW 64.35.210, as to whether
17 the units or common elements of the common interest community are
18 covered by a qualified warranty;

19 (t) If applicable to the common interest community, a statement
20 whether the common interest community contains any multiunit
21 residential building subject to chapter 64.55 RCW and, if so,
22 whether:

23 (i) The building enclosure has been designed and inspected to the
24 extent required under RCW 64.55.010 through 64.55.090; and

25 (ii) Any repairs required under RCW 64.55.090 have been made;

26 (u) A statement of any unsatisfied judgments or pending suits
27 against the association and the status of any pending suits material
28 to the common interest community of which the declarant has actual
29 knowledge;

30 (v) A statement of any litigation brought by an owners
31 association, unit owner, or governmental entity in which the
32 declarant or any affiliate of the declarant has been a defendant
33 arising out of the construction, sale, or administration of any
34 common interest community within the previous five years, together
35 with the results of the litigation, if known;

36 (w) A brief description of:

37 (i) Any restrictions on use or occupancy of the units contained
38 in the governing documents;

39 (ii) Any restrictions on the renting or leasing of units by the
40 declarant or other unit owners contained in the governing documents;

1 (iii) Any rights of first refusal to lease or purchase any unit
2 or any of the common elements contained in the governing documents;
3 and

4 (iv) Any restriction on the amount for which a unit may be sold
5 or on the amount that may be received by a unit owner on sale;

6 (x) A description of the insurance coverage provided for the
7 benefit of unit owners;

8 (y) Any current or expected fees or charges not included in the
9 common expenses to be paid by unit owners for the use of the common
10 elements and other facilities related to the common interest
11 community, together with any fees or charges not included in the
12 common expenses to be paid by unit owners to any master or other
13 association;

14 (z) The extent, if any, to which bonds or other assurances from
15 third parties have been provided for completion of all improvements
16 that the declarant is obligated to build pursuant to RCW 64.90.695;

17 (aa) In a cooperative, a statement whether the unit owners are
18 entitled, for federal, state, and local income tax purposes, to a
19 pass-through of any deductions for payments made by the association
20 for real estate taxes and interest paid to the holder of a security
21 interest encumbering the cooperative;

22 (bb) In a cooperative, a statement as to the effect on every unit
23 owner's interest in the cooperative if the association fails to pay
24 real estate taxes or payments due to the holder of a security
25 interest encumbering the cooperative;

26 (cc) In a leasehold common interest community, a statement
27 whether the expiration or termination of any lease may terminate the
28 common interest community or reduce its size, the recording number of
29 any such lease or a statement of where the complete lease may be
30 inspected, the date on which such lease is scheduled to expire, a
31 description of the real estate subject to such lease, a statement
32 whether the unit owners have a right to redeem the reversion, a
33 statement whether the unit owners have a right to remove any
34 improvements at the expiration or termination of such lease, a
35 statement of any rights of the unit owners to renew such lease, and a
36 reference to the sections of the declaration where such information
37 may be found;

38 (dd) A summary of, and information on how to obtain a full copy
39 of, any reserve study and a statement as to whether or not it was

1 prepared in accordance with RCW 64.90.545 and 64.90.550 or the
2 governing documents;

3 (ee) A brief description of any arrangement described in RCW
4 64.90.110 binding the association;

5 (ff) The estimated current common expense liability for the units
6 being offered;

7 (gg) Except for real property taxes, real property assessments
8 and utility liens, any assessments, fees, or other charges known to
9 the declarant and which, if not paid, may constitute a lien against
10 any unit or common elements in favor of any governmental agency;

11 (hh) A brief description of any parts of the common interest
12 community, other than the owner's unit, which any owner must
13 maintain;

14 (ii) Whether timesharing is permitted or prohibited, and, if
15 permitted, a statement that the purchaser of a timeshare unit is
16 entitled to receive the disclosure document required under chapter
17 64.36 RCW;

18 (jj) If the common interest community is subject to any special
19 declarant rights, the information required under RCW 64.90.615;

20 (kk) Any liens on real estate to be conveyed to the association
21 required to be disclosed pursuant to RCW 64.90.650(3)(b);

22 (ll) A list of any physical hazards known to the declarant that
23 particularly affect the common interest community or the immediate
24 vicinity in which the common interest community is located and which
25 are not readily ascertainable by the purchaser;

26 (mm) Any building code violation of which the declarant has
27 actual knowledge and which has not been corrected;

28 (nn) If the common interest community contains one or more
29 conversion buildings, the information required under RCW 64.90.620
30 and 64.90.655(6)(a);

31 (oo) If the public offering statement is related to conveyance of
32 a unit in a multiunit residential building as defined in RCW
33 64.55.010, for which the final certificate of occupancy was issued
34 more than 60 calendar months prior to the preparation of the public
35 offering statement either: A copy of a report prepared by an
36 independent, licensed architect or engineer or a statement by the
37 declarant based on such report that describes, to the extent
38 reasonably ascertainable, the present condition of all structural
39 components and mechanical and electrical installations of the

1 conversion buildings material to the use and enjoyment of the
2 conversion buildings;

3 (pp) Any other information and cross-references that the
4 declarant believes will be helpful in describing the common interest
5 community to the recipients of the public offering statement, all of
6 which may be included or not included at the option of the declarant;

7 (qq) A description of any age-related occupancy restrictions
8 affecting the common interest community; and

9 (rr) In a condominium, plat community, or miscellaneous community
10 containing a unit not having horizontal boundaries described in the
11 declaration, a statement whether the unit may be sold without consent
12 of all the unit owners after termination of the common interest
13 community under RCW 64.90.290.

14 (2) The public offering statement must begin with notices
15 substantially in the following forms and in conspicuous type:

16 (a) "RIGHT TO CANCEL. (1) You are entitled to receive a copy of
17 this public offering statement and all material amendments to this
18 public offering statement before conveyance of your unit. Under RCW
19 64.90.635, you have the right to cancel your contract for the
20 purchase of your unit within seven days after first receiving this
21 public offering statement. If this public offering statement is first
22 provided to you more than seven days before you sign your contract
23 for the purchase of your unit, you have no right to cancel your
24 contract. If this public offering statement is first provided to you
25 seven days or less before you sign your contract for the purchase of
26 your unit, you have the right to cancel, before conveyance of the
27 unit, the executed contract by delivering, no later than the seventh
28 day after first receiving this public offering statement, a notice of
29 cancellation pursuant to section (3) of this notice. If this public
30 offering statement is first provided to you less than seven days
31 before the closing date for the conveyance of your unit, you may,
32 before conveyance of your unit to you, extend the closing date to a
33 date not more than seven days after you first received this public
34 offering statement, so that you may have seven days to cancel your
35 contract for the purchase of your unit.

36 (2) You have no right to cancel your contract upon receipt of an
37 amendment to this public offering statement; however, this does not
38 eliminate any right to rescind your contract, due to the disclosure
39 of the information in the amendment, that is otherwise available to
40 you under generally applicable contract law.

1 (3) If you elect to cancel your contract pursuant to this notice,
2 you may do so by hand-delivering notice of cancellation, or by
3 mailing notice of cancellation by prepaid United States mail, to the
4 seller at the address set forth in this public offering statement or
5 at the address of the seller's registered agent for service of
6 process. The date of such notice is the date of receipt, if hand-
7 delivered, or the date of deposit in the United States mail, if
8 mailed. Cancellation is without penalty, and all payments made to the
9 seller by you before cancellation must be refunded promptly."

10 (b) "OTHER DOCUMENTS CREATING BINDING LEGAL OBLIGATIONS. This
11 public offering statement is a summary of some of the significant
12 aspects of purchasing a unit in this common interest community. The
13 governing documents and the purchase agreement are complex, contain
14 other important information, and create binding legal obligations.
15 You should consider seeking the assistance of legal counsel."

16 (c) "OTHER REPRESENTATIONS. You may not rely on any statement,
17 promise, model, depiction, or description unless it is (1) contained
18 in the public offering statement delivered to you or (2) made in
19 writing signed by the declarant or dealer or the declarant's or
20 dealer's agent identified in the public offering statement. A
21 statement of opinion, or a commendation of the real estate, its
22 quality, or its value, does not create a warranty, and a statement,
23 affirmation, promise, model, depiction, or description does not
24 create a warranty if it discloses that it is only proposed, is not
25 representative, or is subject to change."

26 (d) "MODEL UNITS. Model units are intended to provide you with a
27 general idea of what a finished unit might look like. Units being
28 offered for sale may vary from the model unit in terms of floor plan,
29 fixtures, finishes, and equipment. You are advised to obtain specific
30 information about the unit you are considering purchasing."

31 (e) "RESERVE STUDY. The association [does] [does not] have a
32 current reserve study. Any reserve study should be reviewed
33 carefully. It may not include all reserve components that will
34 require major maintenance, repair, or replacement in future years,
35 and may not include regular contributions to a reserve account for
36 the cost of such maintenance, repair, or replacement. You may
37 encounter certain risks, including being required to pay as a special
38 assessment your share of expenses for the cost of major maintenance,
39 repair, or replacement of a reserve component, as a result of the
40 failure to: (1) Have a current reserve study or fully funded

1 reserves, (2) include a component in a reserve study, or (3) provide
2 any or sufficient contributions to a reserve account for a
3 component."

4 (f) "DEPOSITS AND PAYMENTS. Only earnest money and reservation
5 deposits are required to be placed in an escrow or trust account. Any
6 other payments you make to the seller of a unit are at risk and may
7 be lost if the seller defaults."

8 (g) "CONSTRUCTION DEFECT CLAIMS. Chapter 64.50 RCW contains
9 important requirements you must follow before you may file a lawsuit
10 for defective construction against the seller or builder of your
11 home. Forty-five days before you file your lawsuit, you must deliver
12 to the seller or builder a written notice of any construction
13 conditions you allege are defective and provide your seller or
14 builder the opportunity to make an offer to repair or pay for the
15 defects. You are not obligated to accept any offer made by the
16 builder or seller. There are strict deadlines and procedures under
17 state law, and failure to follow them may affect your ability to file
18 a lawsuit."

19 (h) "ASSOCIATION INSURANCE. The extent to which association
20 insurance provides coverage for the benefit of unit owners (including
21 furnishings, fixtures, and equipment in a unit) is determined by the
22 provisions of the declaration and the association's insurance policy,
23 which may be modified from time to time. You and your personal
24 insurance agent should read the declaration and the association's
25 policy prior to closing to determine what insurance is required of
26 the association and unit owners, unit owners' rights and duties, what
27 is and is not covered by the association's policy, and what
28 additional insurance you should obtain."

29 (i) "QUALIFIED WARRANTY. Your unit [is] [is not] covered by a
30 qualified warranty under chapter 64.35 RCW."

31 (j) "THIS UNIT IS LOCATED WITHIN A COMMON INTEREST COMMUNITY AND
32 IS SUBJECT TO THE DECLARATION, BYLAWS, RULES, AND OTHER WRITTEN
33 INSTRUMENTS GRANTING AUTHORITY TO THE ASSOCIATION AS ADOPTED (THE
34 "GOVERNING DOCUMENTS").

35 THE PURCHASER OF THIS UNIT WILL BE REQUIRED TO BE A MEMBER OF THE
36 ASSOCIATION AND WILL BE SUBJECT TO THE GOVERNING DOCUMENTS.

37 THE GOVERNING DOCUMENTS WILL IMPOSE FINANCIAL OBLIGATIONS UPON
38 THE OWNER OF THE UNIT, INCLUDING AN OBLIGATION TO PAY ASSESSMENTS TO
39 THE ASSOCIATION WHICH MAY INCLUDE REGULAR AND SPECIAL ASSESSMENTS,

1 FINES, FEES, INTEREST, LATE CHARGES, AND COSTS OF COLLECTION,
2 INCLUDING REASONABLE ATTORNEYS' FEES.

3 THE ASSOCIATION HAS A STATUTORY LIEN ON EACH INDIVIDUAL UNIT FOR
4 ANY UNPAID ASSESSMENT FROM THE TIME IT IS DUE. FAILURE TO PAY
5 ASSESSMENTS COULD RESULT IN THE FILING OF A LIEN ON THE UNIT AND LOSS
6 OF THE UNIT THROUGH FORECLOSURE.

7 THE GOVERNING DOCUMENTS MAY PROHIBIT OWNERS FROM MAKING CHANGES
8 TO THE UNIT WITHOUT REVIEW AND THE APPROVAL OF THE ASSOCIATION, AND
9 MAY ALSO IMPOSE RESTRICTIONS ON THE USE OF (~~(THE)~~) THE UNIT,
10 DISPLAY OF SIGNS, CERTAIN BEHAVIORS, AND OTHER ITEMS.

11 PURCHASERS OF THIS UNIT SHOULD CAREFULLY REVIEW THE FINANCIAL
12 OBLIGATIONS OF MEMBERS OF THE ASSOCIATION, THE CURRENT STATE OF THE
13 ASSOCIATION'S FINANCES, THE CURRENT RESERVE STUDY, IF ANY, THE
14 GOVERNING DOCUMENTS, AND THE OTHER INFORMATION AVAILABLE IN THE
15 RESALE CERTIFICATE. THE GOVERNING DOCUMENTS CONTAIN IMPORTANT
16 INFORMATION AND CREATE BINDING LEGAL OBLIGATIONS. YOU SHOULD CONSIDER
17 SEEKING THE ASSISTANCE OF LEGAL COUNSEL."

18 (3) The public offering statement must include copies of each of
19 the following documents: The declaration; the map; the organizational
20 documents; the rules, if any; the current or proposed budget for the
21 association; a dated balance sheet of the association; any inspection
22 and repair report or reports prepared in accordance with the
23 requirements of RCW 64.55.090; and any qualified warranty provided to
24 a purchaser by a declarant together with a history of claims under
25 the qualified warranty. If any of these documents are not in final
26 form, the documents must be marked "draft" and, before closing the
27 sale of a unit, the purchaser must be given notice of any material
28 changes to the draft documents.

29 (4) A declarant must promptly amend the public offering statement
30 to reflect any material change in the information required under this
31 section.

32 **Sec. 27.** RCW 64.90.635 and 2024 c 321 s 328 are each amended to
33 read as follows:

34 (1) A person required to deliver a public offering statement
35 pursuant to RCW 64.90.605(3)(a) shall provide a purchaser with a copy
36 of the public offering statement and all amendments thereto before
37 conveyance of the unit(~~(, and not later than the date of any contract~~
38 ~~of sale)~~). The purchaser may cancel a contract for the purchase of
39 the unit within seven days after first receiving the public offering

1 statement. If the public offering statement is first provided to a
2 purchaser more than seven days before execution of a contract for the
3 purchase of a unit, the purchaser does not have the right under this
4 section to cancel the executed contract. If the public offering
5 statement is first provided to a purchaser seven days or less before
6 the purchaser signs a contract for the purchase of a unit, the
7 purchaser, before conveyance of the unit to the purchaser, may cancel
8 the contract by delivering, no later than the seventh day after first
9 receiving the public offering statement, a notice of cancellation,
10 delivered pursuant to subsection (3) of this section. If the public
11 offering statement is first provided to a purchaser less than seven
12 days before the closing date for the conveyance of that unit, the
13 purchaser may, before conveyance of the unit to the purchaser, extend
14 the closing date to a date not more than seven days after the
15 purchaser first received the public offering statement.

16 (2) A purchaser does not have the right under this section to
17 cancel a contract upon receipt of an amendment to a public offering
18 statement. This subsection does not eliminate any right that is
19 otherwise available to the purchaser under generally applicable
20 contract law to rescind the contract due to a material change in the
21 information disclosed in the amendment.

22 (3) If a purchaser elects to cancel a contract under subsection
23 (1) of this section, the purchaser may do so by hand-delivering
24 notice of cancellation, or by mailing notice of cancellation by
25 prepaid United States mail, to the declarant at the address set forth
26 in the public offering statement or at the address of the declarant's
27 registered agent for service of process. The date of such notice is
28 the date of receipt of delivery, if hand-delivered, or the date of
29 deposit in the United States mail, if mailed. Cancellation is without
30 penalty, and all payments made to the seller by the purchaser before
31 cancellation must be refunded promptly. There is no liability for
32 failure to deliver any amendment unless such failure would have
33 entitled the purchaser under generally applicable legal principles to
34 cancel the contract for the purchase of the unit had the undisclosed
35 information been evident to the purchaser before the closing of the
36 purchase.

37 (4) The language of the notice required under RCW 64.90.610(2)(a)
38 must not be construed to modify the rights set forth in this section.

1 **Sec. 28.** RCW 64.90.640 and 2024 c 321 s 329 are each amended to
2 read as follows:

3 (1) Except in the case of a sale when delivery of a public
4 offering statement is required, or unless exempt under RCW
5 64.90.600(2) or unless the buyer of a unit within a common interest
6 community has expressly waived the right to receive a resale
7 certificate because it is unavailable as provided in RCW
8 64.90.600(4), a unit owner must furnish to a purchaser before
9 execution of any contract for sale of a unit, or otherwise before
10 conveyance, a resale certificate, signed by an officer or authorized
11 agent of the association and based on the books and records of the
12 association and the actual knowledge of the person signing the
13 certificate, containing:

14 (a) A statement disclosing any right of first refusal or other
15 restraint on the free alienability of the unit contained in the
16 declaration;

17 (b) With respect to the selling unit owner's unit, a statement
18 setting forth the amount of any assessment currently due, any
19 delinquent assessments, and a statement of any special assessments
20 that have been levied and have not been paid even though not yet due;

21 (c) A statement, which must be current to within 45 days, of any
22 assessments against any unit in the condominium that are past due
23 over 30 days;

24 (d) A statement, which must be current to within 45 days, of any
25 monetary obligation of the association that is past due over 30 days;

26 (e) A statement of any other fees payable to the association by
27 unit owners;

28 (f) A statement of any expenditure or anticipated repair or
29 replacement cost reasonably anticipated to be in excess of five
30 percent of the board-approved annual budget of the association,
31 regardless of whether the unit owners are entitled to approve such
32 cost;

33 (g) A statement whether the association does or does not have a
34 reserve study prepared in accordance with RCW 64.90.545 and
35 64.90.550;

36 (h) The annual financial statement of the association, including
37 the audit report if it has been prepared, for the year immediately
38 preceding the current year;

39 (i) The most recent balance sheet and revenue and expense
40 statement, if any, of the association;

1 (j) The current operating budget of the association;

2 (k) A statement of any unsatisfied judgments against the
3 association and the status of any legal actions in which the
4 association is a party or a claimant as defined in RCW 64.50.010;

5 (l) A statement describing any insurance coverage carried by the
6 association and contact information for the association's insurance
7 broker or agent;

8 (m) A statement as to whether the board has given or received
9 notice in a record that any existing uses, occupancies, alterations,
10 or improvements in or to the seller's unit or to the limited common
11 elements allocated to the unit violate any provision of the governing
12 documents;

13 (n) A statement of the number of units, if any, still owned by
14 the declarant, whether the declarant has transferred control of the
15 association to the unit owners, and the date of such transfer;

16 (o) A statement as to whether the board has received notice in a
17 record from a governmental agency of any violation of environmental,
18 health, or building codes with respect to the seller's unit, the
19 limited common elements allocated to that unit, or any other portion
20 of the common interest community that has not been cured;

21 (p) A statement of the remaining term of any leasehold estate
22 affecting the common interest community and the provisions governing
23 any extension or renewal of the leasehold estate;

24 (q) A statement of any restrictions in the declaration affecting
25 the amount that may be received by a unit owner upon sale;

26 (r) In a cooperative, an accountant's statement, if any was
27 prepared, as to the deductibility for federal income tax purposes by
28 the unit owner of real estate taxes and interest paid by the
29 association;

30 (s) A statement describing any pending sale or encumbrance of
31 common elements;

32 (t) A statement disclosing the effect on the unit to be conveyed
33 of any restriction on the right to use or occupy the unit, including
34 a restriction on a lease or other rental of the unit;

35 (u) A copy of the declaration, the organizational documents, the
36 rules or regulations of the association, the minutes of board
37 meetings and association meetings, except for any information exempt
38 from disclosure under RCW 64.90.495(3), for the last 12 months, a
39 summary of the current reserve study for the association, and any
40 other information reasonably requested by mortgagees of prospective

1 purchasers of units. Information requested generally by the federal
2 national mortgage association, the federal home loan bank board, the
3 government national mortgage association, the veterans
4 administration, or the department of housing and urban development is
5 deemed reasonable if the information is reasonably available to the
6 association;

7 (v) A statement whether the units or common elements of the
8 common interest community are covered by a qualified warranty under
9 chapter 64.35 RCW and, if so, a history of claims known to the
10 association as having been made under any such warranty;

11 (w) A description of any age-related occupancy restrictions
12 affecting the common interest community;

13 (x) A statement describing any requirements related to electric
14 vehicle charging stations located in the unit or the limited common
15 elements allocated to the unit, including application status,
16 insurance information, maintenance responsibilities, and any
17 associated costs;

18 (y) If the association does not have a reserve study that has
19 been prepared in accordance with RCW 64.90.545 and 64.90.550 or its
20 governing documents, the following disclosure:

21 "This association does not have a current reserve study. The lack
22 of a current reserve study poses certain risks to you, the purchaser.
23 Insufficient reserves may, under some circumstances, require you to
24 pay on demand as a special assessment your share of common expenses
25 for the cost of major maintenance, repair, or replacement of a common
26 element."; and

27 (z) The resale certificate must include a notice in substantially
28 the following form and in conspicuous type:

29 "THIS UNIT IS LOCATED WITHIN A COMMON INTEREST COMMUNITY
30 AND IS SUBJECT TO THE DECLARATION, BYLAWS, RULES, AND
31 OTHER WRITTEN INSTRUMENTS GRANTING AUTHORITY TO THE
32 ASSOCIATION AS ADOPTED (THE "GOVERNING DOCUMENTS").

33 THE PURCHASER OF THIS UNIT WILL BE REQUIRED TO BE A
34 MEMBER OF THE ASSOCIATION AND WILL BE SUBJECT TO THE
35 GOVERNING DOCUMENTS.

36 THE GOVERNING DOCUMENTS WILL IMPOSE FINANCIAL OBLIGATIONS
37 UPON THE OWNER OF THE UNIT, INCLUDING AN OBLIGATION TO
38 PAY ASSESSMENTS TO THE ASSOCIATION WHICH MAY INCLUDE
39 REGULAR AND SPECIAL ASSESSMENTS, FINES, FEES, INTEREST,

1 LATE CHARGES, AND COSTS OF COLLECTION, INCLUDING
2 REASONABLE ATTORNEYS' FEES.

3 THE ASSOCIATION HAS A STATUTORY LIEN ON EACH INDIVIDUAL
4 UNIT FOR ANY UNPAID ASSESSMENT FROM THE TIME IT IS DUE.
5 FAILURE TO PAY ASSESSMENTS COULD RESULT IN THE FILING OF
6 A LIEN ON THE UNIT AND LOSS OF THE UNIT THROUGH
7 FORECLOSURE.

8 THE GOVERNING DOCUMENTS MAY PROHIBIT OWNERS FROM MAKING
9 CHANGES TO THE UNIT WITHOUT REVIEW AND THE APPROVAL OF
10 THE ASSOCIATION, AND MAY ALSO IMPOSE RESTRICTIONS ON THE
11 USE OF (~~(THE)~~) THE UNIT, DISPLAY OF SIGNS, CERTAIN
12 BEHAVIORS, AND OTHER ITEMS.

13 PURCHASERS OF THIS UNIT SHOULD CAREFULLY REVIEW THE
14 FINANCIAL OBLIGATIONS OF MEMBERS OF THE ASSOCIATION, THE
15 CURRENT STATE OF THE ASSOCIATION'S FINANCES, THE CURRENT
16 RESERVE STUDY, IF ANY, THE GOVERNING DOCUMENTS, AND THE
17 OTHER INFORMATION AVAILABLE IN THE RESALE CERTIFICATE.
18 THE GOVERNING DOCUMENTS CONTAIN IMPORTANT INFORMATION AND
19 CREATE BINDING LEGAL OBLIGATIONS. YOU SHOULD CONSIDER
20 SEEKING THE ASSISTANCE OF LEGAL COUNSEL."

21 (2) The association, within 10 days after a request by a unit
22 owner, and subject to the payment of any fees imposed pursuant to RCW
23 64.90.405(2)(m), must furnish a resale certificate signed by an
24 officer or authorized agent of the association and containing the
25 information necessary to enable the unit owner to comply with this
26 section. For the purposes of this chapter, a reasonable charge for
27 the preparation of a resale certificate may not exceed \$275. The
28 association may charge a unit owner a nominal fee not to exceed \$100
29 for updating a resale certificate within six months of the unit
30 owner's request. A unit owner is not liable to the purchaser for any
31 erroneous information provided by the association and included in the
32 certificate.

33 (3)(a) A purchaser is not liable for any unpaid assessment or fee
34 greater than the amount set forth in the certificate prepared by the
35 association.

36 (b) (~~(A unit owner is not liable to a purchaser for the failure
37 or delay of the association to provide the certificate in a timely
38 manner, but the purchase contract is voidable by the purchaser until
39 the certificate has been provided and for five days thereafter or
40 until conveyance, whichever occurs first.)~~) The purchaser may cancel

1 a contract for the purchase of the unit within five days after first
2 receiving the resale certificate. If the resale certificate is first
3 provided to a purchaser more than five days before execution of a
4 contract for the purchase of a unit, the purchaser does not have the
5 right under this section to cancel the executed contract. If the
6 resale certificate is first provided to a purchaser five days or less
7 before the purchaser signs a contract for the purchase of a unit, the
8 purchaser, before conveyance of the unit to the purchaser, may cancel
9 the contract by delivering, no later than the fifth day after first
10 receiving the resale certificate, a notice of cancellation to the
11 seller. If the resale certificate is first provided to a purchaser
12 less than five days before the closing date for the conveyance of
13 that unit, the purchaser may, before conveyance of the unit to the
14 purchaser, extend the closing date to a date not more than five days
15 after the purchaser first received the resale certificate.

16 **Sec. 29.** RCW 64.90.665 and 2018 c 277 s 414 are each amended to
17 read as follows:

18 (1) Subject to subsections (2) and (3) of this section, express
19 warranties made by any declarant or dealer to a purchaser of a unit
20 in a condominium, if relied upon by the purchaser in purchasing the
21 unit, are created as follows:

22 (a) Any written affirmation of fact or written promise that
23 relates to the unit, its use, or rights appurtenant to the unit or
24 its use, improvements to the condominium that would directly benefit
25 the unit, or the right to use or have the benefit of facilities not
26 located in the condominium creates an express warranty that the unit
27 and related rights and uses will not materially deviate from the
28 affirmation or promise.

29 (b) Any written description of the physical characteristics of
30 the condominium at the time the purchase agreement is executed,
31 including plans and specifications of or for improvements, creates an
32 express warranty that the condominium will conform to the written
33 description in all material respects.

34 (c) Any written description of the quantity or extent of the real
35 estate comprising the condominium, including plats or surveys,
36 creates an express warranty that the condominium will conform to the
37 description, subject to customary tolerances.

1 (d) A written statement that a purchaser may put a unit only to a
2 specified use is an express warranty that the specified use is
3 lawful.

4 (2) Subject to subsection (3) of this section, neither formal
5 words, such as "warranty" or "guarantee," nor a specific intention to
6 make a warranty are necessary to create an express warranty, but a
7 statement of opinion or a commendation of the real estate, its
8 quality, or its value does not create a warranty, and a statement,
9 affirmation, promise, model, depiction, or description does not
10 create a warranty if it discloses that it is only proposed, is not
11 representative, or is subject to change.

12 (3) A purchaser may not rely on any statement, affirmation,
13 promise, model, depiction, or description unless it is contained in
14 the public offering statement delivered to the purchaser or made in a
15 record signed by the declarant or dealer, or the declarant's or
16 dealer's agent identified in the public offering statement.

17 (4) Any conveyance of a unit transfers to the purchaser all
18 express warranties of quality made by the declarant or dealer.

19 **Sec. 30.** RCW 61.24.030 and 2023 c 206 s 2 are each amended to
20 read as follows:

21 It shall be requisite to a trustee's sale:

22 (1) That the deed of trust contains a power of sale;

23 (2) That the deed of trust contains a statement that the real
24 property conveyed is not used principally for agricultural purposes;
25 provided, if the statement is false on the date the deed of trust was
26 granted or amended to include that statement, and false on the date
27 of the trustee's sale, then the deed of trust must be foreclosed
28 judicially. Real property is used for agricultural purposes if it is
29 used in an operation that produces crops, livestock, or aquatic
30 goods;

31 (3) That a default has occurred in the obligation secured or a
32 covenant of the grantor, which by the terms of the deed of trust
33 makes operative the power to sell;

34 (4) That no action commenced by the beneficiary of the deed of
35 trust is now pending to seek satisfaction of an obligation secured by
36 the deed of trust in any court by reason of the grantor's default on
37 the obligation secured: PROVIDED, That (a) the seeking of the
38 appointment of a receiver, or the filing of a civil case to obtain
39 court approval to access, secure, maintain, and preserve property

1 from waste or nuisance, shall not constitute an action for purposes
2 of this chapter; and (b) if a receiver is appointed, the grantor
3 shall be entitled to any rents or profits derived from property
4 subject to a homestead as defined in RCW 6.13.010. If the deed of
5 trust was granted to secure a commercial loan, this subsection shall
6 not apply to actions brought to enforce any other lien or security
7 interest granted to secure the obligation secured by the deed of
8 trust being foreclosed;

9 (5) That the deed of trust has been recorded in each county in
10 which the land or some part thereof is situated;

11 (6) That prior to the date of the notice of trustee's sale and
12 continuing thereafter through the date of the trustee's sale, the
13 trustee must maintain a street address in this state where personal
14 service of process may be made, and the trustee must maintain a
15 physical presence and have telephone service at such address;

16 (7) (a) That, for residential real property of up to four units,
17 before the notice of trustee's sale is recorded, transmitted, or
18 served, the trustee shall have proof that the beneficiary is the
19 holder of any promissory note or other obligation secured by the deed
20 of trust. A declaration by the beneficiary made under the penalty of
21 perjury stating that the beneficiary is the holder of any promissory
22 note or other obligation secured by the deed of trust shall be
23 sufficient proof as required under this subsection.

24 (b) Unless the trustee has violated his or her duty under RCW
25 61.24.010(4), the trustee is entitled to rely on the beneficiary's
26 declaration as evidence of proof required under this subsection.

27 (c) This subsection (7) does not apply to association
28 beneficiaries subject to chapter 64.32, 64.34, or 64.38 RCW;

29 (8) That at least 30 days before notice of sale shall be
30 recorded, transmitted or served, written notice of default and, for
31 residential real property of up to four units, the beneficiary
32 declaration specified in subsection (7)(a) of this section shall be
33 transmitted by the beneficiary or trustee to the borrower and grantor
34 at their last known addresses by both first-class and either
35 registered or certified mail, return receipt requested, and the
36 beneficiary or trustee shall cause to be posted in a conspicuous
37 place on the premises, a copy of the notice, or personally served on
38 the borrower and grantor. This notice shall contain the following
39 information:

1 (a) A description of the property which is then subject to the
2 deed of trust;

3 (b) A statement identifying each county in which the deed of
4 trust is recorded and the document number given to the deed of trust
5 upon recording by each county auditor or recording officer;

6 (c) A statement that the beneficiary has declared the borrower or
7 grantor to be in default, and a concise statement of the default
8 alleged;

9 (d) An itemized account of the amount or amounts in arrears if
10 the default alleged is failure to make payments;

11 (e) An itemized account of all other specific charges, costs, or
12 fees that the borrower, grantor, or any guarantor is or may be
13 obliged to pay to reinstate the deed of trust before the recording of
14 the notice of sale;

15 (f) A statement showing the total of (d) and (e) of this
16 subsection, designated clearly and conspicuously as the amount
17 necessary to reinstate the note and deed of trust before the
18 recording of the notice of sale;

19 (g) A statement that failure to cure the alleged default within
20 30 days of the date of mailing of the notice, or if personally
21 served, within 30 days of the date of personal service thereof, may
22 lead to recordation, transmittal, and publication of a notice of
23 sale, and that the property described in (a) of this subsection may
24 be sold at public auction at a date no less than 120 days in the
25 future, or no less than 150 days in the future if the borrower
26 received a letter under RCW 61.24.031;

27 (h) A statement that the effect of the recordation, transmittal,
28 and publication of a notice of sale will be to (i) increase the costs
29 and fees and (ii) publicize the default and advertise the grantor's
30 property for sale;

31 (i) A statement that the effect of the sale of the grantor's
32 property by the trustee will be to deprive the grantor of all their
33 interest in the property described in (a) of this subsection;

34 (j) A statement that the borrower, grantor, and any guarantor has
35 recourse to the courts pursuant to RCW 61.24.130 to contest the
36 alleged default on any proper ground;

37 (k) In the event the property secured by the deed of trust is
38 residential real property of up to four units, a statement,
39 prominently set out at the beginning of the notice, which shall state
40 as follows:

1 **"THIS NOTICE IS ONE STEP IN A PROCESS THAT COULD RESULT IN YOUR**
2 **LOSING YOUR HOME.**

3 You may be eligible for mediation in front of a neutral third party
4 to help save your home.

5 **CONTACT A HOUSING COUNSELOR OR AN ATTORNEY LICENSED IN WASHINGTON NOW**
6 to assess your situation and refer you to mediation if you might
7 benefit. Mediation **MUST** be requested between the time you receive the
8 Notice of Default and no later than **90 calendar days BEFORE the date**
9 **of sale** listed in the Notice of Trustee Sale. If an amended Notice of
10 Trustee Sale is recorded providing a 45-day notice of the sale,
11 mediation must be requested no later than **25 calendar days BEFORE the**
12 **date of sale** listed in the amended Notice of Trustee Sale.

13 **DO NOT DELAY.** If you do nothing, a notice of sale may be issued as
14 soon as 30 days from the date of this notice of default. The notice
15 of sale will provide a minimum of 120 days' notice of the date of the
16 actual foreclosure sale.

17 **BE CAREFUL** of people who claim they can help you. There are many
18 individuals and businesses that prey upon borrowers in distress.

19 **REFER TO THE CONTACTS BELOW** for sources of assistance.

20 **SEEKING ASSISTANCE**

21 Housing counselors and legal assistance may be available at little or
22 no cost to you. If you would like assistance in determining your
23 rights and opportunities to keep your house, you may contact the
24 following:

25 The statewide foreclosure hotline for assistance and referral to
26 housing counselors recommended by the Housing Finance Commission
27 Telephone: Website:

28 The United States Department of Housing and Urban Development
29 Telephone: Website:

30 The statewide civil legal aid hotline for assistance and referrals to
31 other housing counselors and attorneys
32 Telephone: Website:"

33 The beneficiary or trustee shall obtain the toll-free numbers and
34 website information from the department for inclusion in the notice;

35 (1) In the event the property secured by the deed of trust is
36 residential real property of up to four units, the name and address
37 of the holder of any promissory note or other obligation secured by

1 the deed of trust and the name, address, and telephone number of a
2 party acting as a servicer of the obligations secured by the deed of
3 trust;

4 (m) For notices issued after June 30, 2018, on the top of the
5 first page of the notice:

6 (i) The current beneficiary of the deed of trust;

7 (ii) The current mortgage servicer for the deed of trust; and

8 (iii) The current trustee for the deed of trust;

9 (9) That, for residential real property of up to four units,
10 before the notice of the trustee's sale is recorded, transmitted, or
11 served, the beneficiary has complied with RCW 61.24.031 and, if
12 applicable, RCW 61.24.163;

13 (10) That, in the case where the borrower or grantor is known to
14 the mortgage servicer or trustee to be deceased, the notice required
15 under subsection (8) of this section must be sent to any spouse,
16 child, or parent of the borrower or grantor known to the trustee or
17 mortgage servicer, and to any owner of record of the property, at any
18 address provided to the trustee or mortgage servicer, and to the
19 property addressed to the heirs and devisees of the borrower.

20 (a) If the name or address of any spouse, child, or parent of
21 such deceased borrower or grantor cannot be ascertained with use of
22 reasonable diligence, the trustee must execute and record with the
23 notice of sale a declaration attesting to the same.

24 (b) Reasonable diligence for the purposes of this subsection (10)
25 means the trustee shall search in the county where the property is
26 located, the public records and information for any obituary, will,
27 death certificate, or case in probate within the county for the
28 borrower and grantor;

29 (11) Upon written notice identifying the property address and the
30 name of the borrower to the servicer or trustee by someone claiming
31 to be a successor in interest to the borrower's or grantor's property
32 rights, but who is not a party to the loan or promissory note or
33 other obligation secured by the deed of trust, a trustee shall not
34 record a notice of sale pursuant to RCW 61.24.040 until the trustee
35 or mortgage servicer completes the following:

36 (a) Acknowledges the notice in writing and requests reasonable
37 documentation of the death of the borrower or grantor from the
38 claimant including, but not limited to, a death certificate or other
39 written evidence of the death of the borrower or grantor. Other
40 written evidence of the death of the borrower or grantor may include

1 an obituary, a published death notice, or documentation of an open
2 probate action for the estate of the borrower or grantor. The
3 claimant must be allowed 30 days from the date of this request to
4 present this documentation. If the trustee or mortgage servicer has
5 already obtained sufficient proof of the borrower's death, it may
6 proceed by acknowledging the claimant's notice in writing and issuing
7 a request under (b) of this subsection.

8 (b) If the mortgage servicer or trustee obtains or receives
9 written documentation of the death of the borrower or grantor from
10 the claimant, or otherwise independently confirms the death of the
11 borrower or grantor, then the servicer or trustee must request in
12 writing documentation from the claimant demonstrating the ownership
13 interest of the claimant in the real property. A claimant has 60 days
14 from the date of the request to present this documentation.
15 Documentation demonstrating the ownership interest of the claimant in
16 the real property includes, but is not limited to, one of the
17 following:

18 (i) Excerpts of a trust document noting the claimant as a
19 beneficiary of a trust with title to the real property;

20 (ii) A will of the borrower or grantor listing the claimant as an
21 heir or devisee with respect to the real property;

22 (iii) A probate order or finding of heirship issued by any court
23 documenting the claimant as an heir or devisee or awarding the real
24 property to the claimant;

25 (iv) A recorded lack of probate affidavit signed by any heir
26 listing the claimant as an heir of the borrower or grantor pursuant
27 to the laws of intestacy;

28 (v) A deed, such as a personal representative's deed, trustee's
29 deed issued on behalf of a trust, statutory warranty deed, transfer
30 on death deed, or other deed, giving any ownership interest to the
31 claimant resulting from the death of the borrower or grantor or
32 executed by the borrower or grantor for estate planning purposes; and

33 (vi) Other proof documenting the claimant as an heir of the
34 borrower or grantor pursuant to state rules of intestacy set forth in
35 chapter 11.04 RCW.

36 (c) If the mortgage servicer or trustee receives written
37 documentation demonstrating the ownership interest of the claimant
38 prior to the expiration of the 60 days provided in (b) of this
39 subsection, then the servicer or trustee must, within 20 days of
40 receipt of proof of ownership interest, provide the claimant with, at

1 a minimum, the loan balance, interest rate and interest reset dates
2 and amounts, balloon payments if any, prepayment penalties if any,
3 the basis for the default, the monthly payment amount, reinstatement
4 amounts or conditions, payoff amounts, and information on how and
5 where payments should be made. The mortgage servicers shall also
6 provide the claimant application materials and information, or a
7 description of the process, necessary to request a loan assumption
8 and modification.

9 (d) Upon receipt by the trustee or the mortgage servicer of the
10 documentation establishing claimant's ownership interest in the real
11 property, that claimant shall be deemed a "successor in interest" for
12 the purposes of this section.

13 (e) There may be more than one successor in interest to the
14 borrower's property rights. The trustee and mortgage servicer shall
15 apply the provisions of this section to each successor in interest.
16 In the case of multiple successors in interest, where one or more do
17 not wish to assume the loan as coborrowers or coapplicants, a
18 mortgage servicer may require any nonapplicant successor in interest
19 to consent in writing to the application for loan assumption.

20 (f) The existence of a successor in interest under this section
21 does not impose an affirmative duty on a mortgage servicer or alter
22 any obligation the mortgage servicer has to provide a loan
23 modification to the successor in interest. If a successor in interest
24 assumes the loan, he or she may be required to otherwise qualify for
25 available foreclosure prevention alternatives offered by the mortgage
26 servicer.

27 (g) (c), (e), and (f) of this subsection (11) do not apply to
28 association beneficiaries subject to chapter 64.32, 64.34, (~~(e)~~)
29 64.38, or 64.90 RCW; and

30 (12) Nothing in this section shall prejudice the right of the
31 mortgage servicer or beneficiary from discontinuing any foreclosure
32 action initiated under the deed of trust act in favor of other
33 allowed methods for pursuit of foreclosure of the security interest
34 or deed of trust security interest.

35 NEW SECTION. **Sec. 31.** The following acts or parts of acts, as
36 now existing or hereafter amended, are each repealed, effective
37 January 1, 2026:

38 (1) RCW 64.32.290 (Electric vehicle charging stations) and 2022 c
39 27 s 1;

- 1 (2) RCW 64.32.350 (Heat pumps) and 2024 c 128 s 1;
2 (3) RCW 64.34.332 (Meetings) and 2021 c 227 s 5 & 1989 c 43 s
3 3-109;
4 (4) RCW 64.34.393 (Heat pumps) and 2024 c 128 s 2;
5 (5) RCW 64.34.395 (Electric vehicle charging stations) and 2022 c
6 27 s 2;
7 (6) RCW 64.38.035 (Association meetings—Notice—Board of
8 directors) and 2021 c 227 s 10, 2014 c 20 s 1, 2013 c 108 s 1, & 1995
9 c 283 s 7;
10 (7) RCW 64.38.062 (Electric vehicle charging stations) and 2022 c
11 27 s 3; and
12 (8) RCW 64.38.180 (Heat pumps) and 2024 c 128 s 3.

13 NEW SECTION. **Sec. 32.** RCW 64.90.509 (Governing documents, may
14 not vary provision of chapter—Exceptions) and 2024 c 321 s 303 are
15 each repealed.

16 NEW SECTION. **Sec. 33.** 2024 c 337 s 4 is repealed.

17 NEW SECTION. **Sec. 34.** (1) Sections 2 through 4, 11, 18, 20, and
18 24 of this act take effect January 1, 2026.

19 (2) Section 33 of this act takes effect January 1, 2028.

20 NEW SECTION. **Sec. 35.** Section 30 of this act expires January 1,
21 2028.

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