

SELLER DISCLOSURE STATEMENT †  
IMPROVED PROPERTY

SELLER:

† To be used in transfers of improved residential real property, including residential dwellings up to four units, new construction, condominiums not subject to a public offering statement, certain timeshares, and manufactured and mobile homes. See RCW Chapter 64.06 and Section 43.22.432 for further explanations.

INSTRUCTIONS TO THE SELLER

Please complete the following form. Do not leave any spaces blank. If the question clearly does not apply to the property write "NA." If the answer is "yes" to any asterisked (\*) item(s), please explain on attached sheets. Please refer to the line number(s) of the question(s) when you provide your explanation(s). For your protection you must date and initial each page of this disclosure statement and each attachment. Delivery of the disclosure statement must occur not later than five (5) business days, unless otherwise agreed, after mutual acceptance of a written purchase and sale agreement between Buyer and Seller.

NOTICE TO THE BUYER

THE FOLLOWING DISCLOSURES ARE MADE BY THE SELLER ABOUT THE CONDITION OF THE PROPERTY LOCATED AT

CITY \_\_\_\_\_, COUNTY \_\_\_\_\_ ("THE PROPERTY") OR AS LEGALLY DESCRIBED ON THE

ATTACHED EXHIBIT A. SELLER MAKES THE FOLLOWING DISCLOSURES OF EXISTING MATERIAL FACTS OR MATERIAL DEFECTS TO BUYER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS YOU AND SELLER OTHERWISE AGREE IN WRITING, YOU HAVE THREE (3) BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO YOU TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. IF THE SELLER DOES NOT GIVE YOU A COMPLETED DISCLOSURE STATEMENT, THEN YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A PURCHASE AND SALE AGREEMENT.

THE FOLLOWING ARE DISCLOSURES MADE BY SELLER AND ARE NOT THE REPRESENTATIONS OF ANY REAL ESTATE LICENSEE OR OTHER PARTY. THIS INFORMATION IS FOR DISCLOSURE ONLY AND IS NOT INTENDED TO BE A PART OF ANY WRITTEN AGREEMENT BETWEEN BUYER AND SELLER.

FOR A MORE COMPREHENSIVE EXAMINATION OF THE SPECIFIC CONDITION OF THIS PROPERTY YOU ARE ADVISED TO OBTAIN AND PAY FOR THE SERVICES OF QUALIFIED EXPERTS TO INSPECT THE PROPERTY, WHICH MAY INCLUDE, WITHOUT LIMITATION, ARCHITECTS, ENGINEERS, LAND SURVEYORS, PLUMBERS, ELECTRICIANS, ROOFERS, BUILDING INSPECTORS, ON-SITE WASTEWATER TREATMENT INSPECTORS, OR STRUCTURAL PEST INSPECTORS. THE PROSPECTIVE BUYER AND SELLER MAY WISH TO OBTAIN PROFESSIONAL ADVICE OR INSPECTIONS OF THE PROPERTY OR TO PROVIDE APPROPRIATE PROVISIONS IN A CONTRACT BETWEEN THEM WITH RESPECT TO ANY ADVICE, INSPECTION, DEFECTS OR WARRANTIES.

Seller  is/  is not occupying the property.

I. SELLER'S DISCLOSURES:

\* If you answer "Yes" to a question with an asterisk (\*), please explain your answer and attach documents, if available and not otherwise publicly recorded. If necessary, use an attached sheet.

I. TITLE

	YES	NO	DON'T KNOW
A. Do you have legal authority to sell the property? If no, please explain.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*B. Is title to the property subject to any of the following?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(1) First right of refusal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(2) Option	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(3) Lease or rental agreement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(4) Life estate?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*C. Are there any encroachments, boundary agreements, or boundary disputes?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*D. Is there a private road or easement agreement for access to the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*E. Are there any rights-of-way, easements, or access limitations that may affect the Buyer's use of the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*F. Are there any written agreements for joint maintenance of an easement or right-of-way?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*G. Is there any study, survey project, or notice that would adversely affect the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*H. Are there any pending or existing assessments against the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*I. Are there any zoning violations, nonconforming uses, or any unusual restrictions on the property that would affect future construction or remodeling?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*J. Is there a boundary survey for the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*K. Are there any covenants, conditions, or restrictions recorded against the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PLEASE NOTE: Covenants, conditions, and restrictions which purport to forbid or restrict the conveyance, encumbrance, occupancy, or lease of real property to individuals based on race, creed, color, sex, national origin, familial status, or disability are void, unenforceable, and illegal. RCW 49.60.224.

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**2. WATER**

YES NO DON'T KNOW

57  
58

**A. Household Water**

(1) The source of water for the property is:  Private or publicly owned water system  
 Private well serving only the subject property \*  Other water system

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60  
61

\*If shared, are there any written agreements?

62

\*(2) Is there an easement (recorded or unrecorded) for access to and/or maintenance of the water source?

63

\*(3) Are there any problems or repairs needed?

64

(4) During your ownership, has the source provided an adequate year-round supply of potable water?

65

If no, please explain: \_\_\_\_\_

66

\*(5) Are there any water treatment systems for the property?

67

If yes, are they:  Leased  Owned

68

\*(6) Are there any water rights for the property, associated with its domestic water supply, such as a water right permit, certificate, or claim?

69

(a) If yes, has the water right permit, certificate, or claim been assigned, transferred, or changed?

70

\*(b) If yes, has all or any portion of the water right not been used for five or more successive years?

71

\*(7) Are there any defects in the operation of the water system (e.g. pipes, tank, pump, etc.)?

72

**B. Irrigation Water**

(1) Are there any irrigation water rights for the property, such as a water right permit, certificate, or claim?

73

\*(a) If yes, has all or any portion of the water right not been used for five or more successive years?

74

\*(b) If so, is the certificate available? (If yes, please attach a copy.)

75

\*(c) If so, has the water right permit, certificate, or claim been assigned, transferred, or changed?

76

\*(2) Does the property receive irrigation water from a ditch company, irrigation district, or other entity?

77

If so, please identify the entity that supplies water to the property: \_\_\_\_\_

78

**C. Outdoor Sprinkler System**

(1) Is there an outdoor sprinkler system for the property?

79

\*(2) If yes, are there any defects in the system?

80

\*(3) If yes, is the sprinkler system connected to irrigation water?

81

**3. SEWER/ON-SITE SEWAGE SYSTEM**

**A. The property is served by:**

Public sewer system  On-site sewage system (including pipes, tanks, drainfields, and all other component parts)  
 Other disposal system

82

Please describe: \_\_\_\_\_

83

B. If public sewer system service is available to the property, is the house connected to the sewer main?

84

If no, please explain: \_\_\_\_\_

85

\*C. Is the property subject to any sewage system fees or charges in addition to those covered in your regularly billed sewer or on-site sewage system maintenance service?

86

D. If the property is connected to an on-site sewage system:

\*(1) Was a permit issued for its construction, and was it approved by the local health department or district following its construction?

87

(2) When was it last pumped? \_\_\_\_\_

88

\*(3) Are there any defects in the operation of the on-site sewage system?

89

(4) When was it last inspected? \_\_\_\_\_

90

By whom: \_\_\_\_\_

91

(5) For how many bedrooms was the on-site sewage system approved? \_\_\_\_\_ bedrooms

92

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93

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	YES	NO	DON'T KNOW	
E. Are all plumbing fixtures, including laundry drain, connected to the sewer/on-site sewage system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	112
If no, please explain: _____				113
*F. Have there been any changes or repairs to the on-site sewage system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	114
G. Is the on-site sewage system, including the drainfield, located entirely within the boundaries of the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	115
If no, please explain: _____				116
*H. Does the on-site sewage system require monitoring and maintenance services more frequently than once a year?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	117
				118
				119
				120
				121

**NOTICE: IF THIS RESIDENTIAL REAL PROPERTY DISCLOSURE IS BEING COMPLETED FOR NEW CONSTRUCTION WHICH HAS NEVER BEEN OCCUPIED, SELLER IS NOT REQUIRED TO COMPLETE THE QUESTIONS LISTED IN ITEM 4 (STRUCTURAL) OR ITEM 5 (SYSTEMS AND FIXTURES).**

**4. STRUCTURAL**

*A. Has the roof leaked within the last 5 years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	122
*B. Has the basement flooded or leaked?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	123
*C. Have there been any conversions, additions or remodeling?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	124
*(1) If yes, were all building permits obtained?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	125
*(2) If yes, were all final inspections obtained?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	126
D. Do you know the age of the house?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	127
If yes, year of original construction: _____				128
*E. Has there been any settling, slippage, or sliding of the property or its improvements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	129
*F. Are there any defects with the following: (If yes, please check applicable items and explain.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	130
<input type="checkbox"/> Foundations	<input type="checkbox"/> Decks	<input type="checkbox"/> Exterior Walls		131
<input type="checkbox"/> Chimneys	<input type="checkbox"/> Interior Walls	<input type="checkbox"/> Fire Alarms		132
<input type="checkbox"/> Doors	<input type="checkbox"/> Windows	<input type="checkbox"/> Patio		133
<input type="checkbox"/> Ceilings	<input type="checkbox"/> Slab Floors	<input type="checkbox"/> Driveways		134
<input type="checkbox"/> Pools	<input type="checkbox"/> Hot Tub	<input type="checkbox"/> Sauna		135
<input type="checkbox"/> Sidewalks	<input type="checkbox"/> Outbuildings	<input type="checkbox"/> Fireplaces		136
<input type="checkbox"/> Garage Floors	<input type="checkbox"/> Walkways	<input type="checkbox"/> Wood Stoves		137
<input type="checkbox"/> Siding	<input type="checkbox"/> Other _____			138
*G. Was a structural pest or "whole house" inspection done?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	139
If yes, when and by whom was the inspection completed? _____				140
				141
				142
H. During your ownership, has the property had any wood destroying organism or pest infestation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	143
I. Is the attic insulated?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	144
J. Is the basement insulated?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	145

**5. SYSTEMS AND FIXTURES**

*A. If any of the following systems or fixtures are included with the transfer, are there any defects?				146
If yes, please explain: _____				147
Electrical system, including wiring, switches, outlets, and service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	148
Plumbing system, including pipes, faucets, fixtures, and toilets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	149
Hot water tank	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	150
Garbage disposal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	151
Appliances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	152
Sump pump	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	153
Heating and cooling systems	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	154
Security system <input type="checkbox"/> Owned <input type="checkbox"/> Leased	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	155
Other _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	156
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	YES	NO	DON'T KNOW	
*B. If any of the following fixtures or property is included with the transfer, are they leased? (If yes, please attach copy of lease.)				162
Security System _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	163
Tanks (type): _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	164
Satellite dish _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	165
Other: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	166
*C. Are any of the following kinds of wood burning appliances present at the property?				167
(1) Woodstove?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	168
(2) Fireplace insert?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	169
(3) Pellet stove?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	170
(2) Fireplace?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	171
If yes, are all of the (1) woodstoves or (2) fireplace inserts certified by the U.S. Environmental Protection Agency as clean burning appliances to improve air quality and public health?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	172
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	173
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	174
<b>6. HOMEOWNERS' ASSOCIATION/COMMON INTERESTS</b>				175
A. Is there a Homeowners' Association?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	176
Name of Association and contact information for an officer, director, employee, or other authorized agent, if any, who may provide the association's financial statements, minutes, bylaws, fining policy, and other information that is not publicly available: _____				177
				178
B. Are there regular periodic assessments?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	179
_____ per <input type="checkbox"/> month <input type="checkbox"/> year				180
<input type="checkbox"/> Other _____				181
*C. Are there any pending special assessments?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	182
*D. Are there any shared "common areas" or any joint maintenance agreements (facilities such as walls, fences, landscaping, pools, tennis courts, walkways, or other areas co-owned in undivided interest with others)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	183
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	184
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	185
<b>7. ENVIRONMENTAL</b>				187
*A. Have there been any flooding, standing water, or drainage problems on the property that affect the property or access to the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	188
*B. Does any part of the property contain fill dirt, waste, or other fill material?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	189
*C. Is there any material damage to the property from fire, wind, floods, beach movements, earthquake, expansive soils, or landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	190
D. Are there any shorelines, wetlands, floodplains, or critical areas on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	191
*E. Are there any substances, materials, or products in or on the property that may be environmental concerns, such as asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, or contaminated soil or water?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	192
*F. Has the property been used for commercial or industrial purposes?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	193
*G. Is there any soil or groundwater contamination?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	194
*H. Are there transmission poles or other electrical utility equipment installed, maintained, or buried on the property that do not provide utility service to the structures on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	195
*I. Has the property been used as a legal or illegal dumping site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	197
*J. Has the property been used as an illegal drug manufacturing site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	198
*K. Are there any radio towers in the area that cause interference with cellular telephone reception?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	199
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	200
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	201
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	202
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	203
<b>8. LEAD BASED PAINT (Applicable if the house was built before 1978.)</b>				204
A. Presence of lead-based paint and/or lead-based paint hazards (check one below):				205
<input type="checkbox"/> Known lead-based paint and/or lead-based paint hazards are present in the housing (explain) _____				206
<input type="checkbox"/> Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.				207
B. Records and reports available to the Seller (check one below):				208
<input type="checkbox"/> Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below). _____				209
				210
				211
<input type="checkbox"/> Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.				212
				213
<b>9. MANUFACTURED AND MOBILE HOMES</b>				214
If the property includes a manufactured or mobile home,				215
*A. Did you make any alterations to the home?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	216
If yes, please describe the alterations: _____				217
*B. Did any previous owner make any alterations to the home?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	218
*C. If alterations were made, were permits or variances for these alterations obtained?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	219

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**10. FULL DISCLOSURE BY SELLERS**

**A. Other conditions or defects:**

\*Are there any other existing material defects affecting the property that a prospective buyer should know about?

YES NO DON'T  
KNOW

**B. Verification**

The foregoing answers and attached explanations (if any) are complete and correct to the best of Seller's knowledge and Seller has received a copy hereof. Seller agrees to defend, indemnify and hold real estate licensees harmless from and against any and all claims that the above information is inaccurate. Seller authorizes real estate licensees, if any, to deliver a copy of this disclosure statement to other real estate licensees and all prospective buyers of the property.

Date: \_\_\_\_\_ Date: \_\_\_\_\_

Seller \_\_\_\_\_ Seller \_\_\_\_\_

**NOTICES TO THE BUYER**

**SEX OFFENDER REGISTRATION**

**INFORMATION REGARDING REGISTERED SEX OFFENDERS MAY BE OBTAINED FROM LOCAL LAW ENFORCEMENT AGENCIES. THIS NOTICE IS INTENDED ONLY TO INFORM YOU OF WHERE TO OBTAIN THIS INFORMATION AND IS NOT AN INDICATION OF THE PRESENCE OF REGISTERED SEX OFFENDERS.**

**PROXIMITY TO FARMING**

**THIS NOTICE IS TO INFORM YOU THAT THE REAL PROPERTY YOU ARE CONSIDERING FOR PURCHASE MAY LIE IN CLOSE PROXIMITY TO A FARM. THE OPERATION OF A FARM INVOLVES USUAL AND CUSTOMARY AGRICULTURAL PRACTICES, WHICH ARE PROTECTED UNDER RCW 7.48.305, THE WASHINGTON RIGHT TO FARM ACT.**

**II. BUYER'S ACKNOWLEDGEMENT**

Buyer hereby acknowledges that:

- A. Buyer has a duty to pay diligent attention to any material defects that are known to Buyer or can be known to Buyer by utilizing diligent attention and observation.
- B. The disclosures set forth in this statement and in any amendments to this statement are made only by the Seller and not by any real estate licensee or other party.
- C. Buyer acknowledges that, pursuant to RCW 64.06.050 (2), real estate licensees are not liable for inaccurate information provided by Seller, except to the extent that real estate licensees know of such inaccurate information.
- D. This information is for disclosure only and is not intended to be a part of the written agreement between the Buyer and Seller.
- E. Buyer (which term includes all persons signing the "Buyer's acceptance" portion of this disclosure statement below) has received a copy of this Disclosure Statement (including attachments, if any) bearing Seller's signature(s).
- F. If the house was built prior to 1978, Buyer acknowledges receipt of the pamphlet *Protect Your Family From Lead in Your Home*.

DISCLOSURES CONTAINED IN THIS DISCLOSURE STATEMENT ARE PROVIDED BY SELLER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE. UNLESS BUYER AND SELLER OTHERWISE AGREE IN WRITING, BUYER SHALL HAVE THREE (3) BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A SALE AGREEMENT. BUYER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS DISCLOSURE STATEMENT AND ACKNOWLEDGES THAT THE DISCLOSURES MADE HEREIN ARE THOSE OF THE SELLER ONLY, AND NOT OF ANY REAL ESTATE LICENSEE OR OTHER PARTY.

DATE: \_\_\_\_\_ DATE: \_\_\_\_\_

BUYER: \_\_\_\_\_ BUYER: \_\_\_\_\_

**BUYER'S WAIVER OF RIGHT TO REVOKE OFFER**

Buyer has read and reviewed the Seller's responses to this Seller Disclosure Statement. Buyer approves this statement and waives Buyer's right to revoke Buyer's offer based on this disclosure.

DATE: \_\_\_\_\_ DATE: \_\_\_\_\_

BUYER: \_\_\_\_\_ BUYER: \_\_\_\_\_

**BUYER'S WAIVER OF RIGHT TO RECEIVE COMPLETED SELLER DISCLOSURE STATEMENT**

Buyer has been advised of Buyer's right to receive a completed Seller Disclosure Statement. Buyer waives that right. However, if the answer to any of the questions in the section entitled "Environmental" would be "yes," Buyer may not waive the receipt of the "Environmental" section of the Seller Disclosure Statement.

DATE: \_\_\_\_\_ DATE: \_\_\_\_\_

BUYER: \_\_\_\_\_ BUYER: \_\_\_\_\_

If the answer is "Yes" to any asterisked (\*) items, please explain below (use additional sheets if necessary). Please refer to the line number(s) of the question(s).

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

SELLER'S INITIAL: \_\_\_\_\_ DATE: \_\_\_\_\_ SELLER'S INITIAL: \_\_\_\_\_ DATE: \_\_\_\_\_

## IMPORTANT INFORMATION CONCERNING YOUR DISCLOSURE RIGHTS AND OBLIGATIONS

"Windermere" is a trade name used by independently owned, separately licensed real estate companies.

Seller disclosure is one of the most important parts of a real estate transaction. Sellers need to know what information they are obligated to disclose, and Buyers need to understand their own duty of diligence and investigation. This Memo is provided by Windermere's attorneys as legal information. Real estate agents are not attorneys, and you should consult an attorney if you have any specific disclosure questions.

### Information for Buyers

Most buyers expect far more disclosure from the seller than the law requires. Sellers have no duty to inspect their property or look for defects and may not even consider a condition a defect after living with it for years. Instead, Sellers have a limited duty to disclose material defects that substantially affect the physical condition of or title to the property.

Sellers have no duty to disclose neighborhood conditions or past events at the property. For instance, sellers have no legal duty to disclose the following conditions either at the property or in the neighborhood

- Murders, suicides, rapes or other crimes
- Ongoing criminal or gang activity in the neighborhood
- Registered sex offenders in the neighborhood
- Future development in the area
- Political or religious activities in the area

If these or similar matters are of concern to a buyer, then the buyer must include an inspection and "Neighborhood Review" contingency in any agreement and follow through with the inspection.

Washington law imposes a duty of diligence on the buyer to fully investigate the property and any information provided by the seller. The buyer is charged with the knowledge that the buyer would have obtained with a diligent investigation. For example, a buyer who receives an inspection report identifying a possible defect has a duty to investigate further and may be barred from seeking compensation from the seller if the defect could have been discovered through further inspection.

Even in cases where a seller fails to disclose a material defect and the buyer exercises diligence, recent changes in the law may prevent any claim against the seller. The law now requires the parties to expressly provide in their contracts any remedies for negligent performance, including the negligent failure to disclose the condition of the property. The failure to provide a remedy for negligence is treated the same as agreeing to have none, meaning that the seller is most likely only responsible for fraudulent concealment. The form purchase and sale agreement now requires the parties to agree whether the buyer will have a remedy for seller negligence. This change is discussed below.

### Information for Sellers

Aside from driving a car, selling a house is probably your greatest risk of being sued. Buyers all too often overlook possible problems and are often overwhelmed when they discover a problem with their new home. Although the law provides sellers with many protections, it does not prevent unhappy buyers from starting a lawsuit, and most buyer lawsuits against sellers are not covered by insurance.

Sellers should consider disclosure to be a form of insurance. By disclosing a condition, the seller shifts the burden of investigation to the buyer. By remaining silent, a seller risks the appearance of concealment and a lawsuit.

To prove fraudulent concealment, a buyer only has to prove that the seller had actual knowledge of a hidden defect and failed to disclose it. The buyer does not have to prove a seller's intent to deceive or hide the defect. At the same time, once the seller does disclose an actual or possible defect, the duty shifts to the buyer to exercise diligence and investigate.

Recent changes in the law require buyers and sellers to negotiate a seller's liability for negligence or negligent misrepresentation. The Northwest Multiple Listing Service has amended its form purchase and sale agreement to accommodate these negotiations. Most buyers will expect sellers to exercise reasonable care when selling a home, and a seller who declines to take responsibility for negligence may have difficulty selling a property.

Instead of minimizing disclosures, a savvy seller will try to consider the property from the perspective of a buyer and then disclose what a buyer would want to know. Many of the conditions that lead to lawsuits would have been acceptable to the buyer if they had been disclosed in advance. Other conditions simply are not important enough to the buyer to fully investigate before purchasing a property. To maximize the benefit of disclosure law, sellers may want to make full disclosure of the property and neighborhood even if they have no legal duty to do so. It is better to be over-insured than not insured at all.

### Your Agreement and Disclosure

Paragraph 9 of the form Purchase and Sale Agreement now requires the parties to agree whether the seller can be liable for negligence in completion of a seller disclosure statement. If the parties do not agree, then the seller will not usually be liable for negligence. In other words, if you do not make a choice, the law will make one for you. Even if the parties agree that the buyer will have a remedy for the seller's negligence, the remedy is limited to representations contained in the seller disclosure statement. A buyer would not have a remedy for negligent misrepresentations made outside of the seller disclosure statement (e.g. through marketing materials or conversations with the buyer).

Checking the box that the buyer will have a remedy for the seller's negligence will maintain the legal duties that were well established until recently. Under the law of negligence, sellers are not guarantors of the condition of the property and have no duty to investigate its condition. Negligence requires that the seller be on notice of the defect and failed through inadvertence or mistake to disclose it.

At the same time, even if the contract precludes a buyer's remedy for seller negligence, it is not a defense to a claim for fraudulent concealment. A seller who has actual knowledge of a material defect has a duty to disclose the defect, and no contractual provision can eliminate that duty.

Buyers and Sellers will both benefit if these changes force greater consideration of disclosure and diligence. Buyers and Sellers are encouraged to seek the advice of an attorney if they have questions about disclosure or negligence. Your Windermere agent can refer you to an attorney.

The undersigned client of Windermere acknowledges receipt of this Memo.

\_\_\_\_\_  
Buyer/Seller

\_\_\_\_\_  
Date

\_\_\_\_\_  
Buyer/Seller

\_\_\_\_\_  
Date