

RCW 61.24.005 Definitions. (Effective until January 1, 2026.)

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

(1) "Affiliate of beneficiary" means any entity which controls, is controlled by, or is under common control with a beneficiary.

(2) "Beneficiary" means the holder of the instrument or document evidencing the obligations secured by the deed of trust, excluding persons holding the same as security for a different obligation.

(3) "Borrower" means a person or a general partner in a partnership, including a joint venture, that is liable for all or part of the obligations secured by the deed of trust under the instrument or other document that is the principal evidence of such obligations, or the person's successors if they are liable for those obligations under a written agreement with the beneficiary.

(4) "Commercial loan" means a loan that is not made primarily for personal, family, or household purposes.

(5) "Department" means the department of commerce or its designee.

(6) "Fair value" means the value of the property encumbered by a deed of trust that is sold pursuant to a trustee's sale. This value shall be determined by the court or other appropriate adjudicator by reference to the most probable price, as of the date of the trustee's sale, which would be paid in cash or other immediately available funds, after deduction of prior liens and encumbrances with interest to the date of the trustee's sale, for which the property would sell on such date after reasonable exposure in the market under conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under duress.

(7) "Grantor" means a person, or its successors, who executes a deed of trust to encumber the person's interest in property as security for the performance of all or part of the borrower's obligations.

(8) "Guarantor" means any person and its successors who is not a borrower and who guarantees any of the obligations secured by a deed of trust in any written agreement other than the deed of trust.

(9) "Housing counselor" means a housing counselor that has been approved by the United States department of housing and urban development or approved by the Washington state housing finance commission.

(10) "Owner-occupied" means property that is the principal residence of the borrower.

(11) "Person" means any natural person, or legal or governmental entity.

(12) "Record" and "recorded" includes the appropriate registration proceedings, in the instance of registered land.

(13) "Residential real property" means property consisting solely of a single-family residence, a residential condominium unit, or a residential cooperative unit. For the purposes of the application of RCW 61.24.163, residential real property includes residential real property of up to four units.

(14) "Senior beneficiary" means the beneficiary of a deed of trust that has priority over any other deeds of trust encumbering the same residential real property.

(15) "Tenant-occupied property" means property consisting solely of residential real property that is the principal residence of a tenant subject to chapter 59.18 RCW or other building with four or

fewer residential units that is the principal residence of a tenant subject to chapter 59.18 RCW.

(16) "Trustee" means the person designated as the trustee in the deed of trust or appointed under RCW 61.24.010(2).

(17) "Trustee's sale" means a nonjudicial sale under a deed of trust undertaken pursuant to this chapter. [2021 c 151 s 2; 2014 c 164 s 1. Prior: 2011 c 364 s 3; 2011 c 58 s 3; prior: 2009 c 292 s 1; 1998 c 295 s 1.]

Effective date—2021 c 151 ss 1-4, 6-8, and 10: "Sections 1 through 4, 6 through 8, and 10 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately [May 3, 2021]." [2021 c 151 s 15.]

Findings—Intent—2021 c 151: "The legislature finds that whether mediation, reporting, and payment provisions of the foreclosure fairness act apply to any particular beneficiary in a given year is tied to the number of trustee's sales and number of notices of trustee's sale recorded in the preceding year. The legislature further finds that, due to the federal foreclosure moratorium in place from at least March of 2020 through December of 2020 and into the year 2021, it is likely that, absent legislative action, the mediation, reporting, and payment provisions of the foreclosure fairness act will apply to very few if any beneficiaries in calendar year 2021 or 2022 because the threshold numbers that trigger application of these provisions will not be met. The legislature therefore intends to put in place a temporary stopgap remedy so that vital assistance provisions of the foreclosure fairness act are not lost at the very time that foreclosure activity is likely to be increasing." [2021 c 151 s 1.]

Findings—Intent—2011 c 58: "(1) The legislature finds and declares that:

(a) The rate of home foreclosures continues to rise to unprecedented levels, both for prime and subprime loans, and a new wave of foreclosures has occurred due to rising unemployment, job loss, and higher adjustable loan payments;

(b) Prolonged foreclosures contribute to the decline in the state's housing market, loss of property values, and other loss of revenue to the state;

(c) In recent years, the legislature has enacted procedures to help encourage and strengthen the communication between homeowners and lenders and to assist homeowners in navigating through the foreclosure process; however, Washington's nonjudicial foreclosure process does not have a mechanism for homeowners to readily access a neutral third party to assist them in a fair and timely way; and

(d) Several jurisdictions across the nation have foreclosure mediation programs that provide a cost-effective process for the homeowner and lender, with the assistance of a trained mediator, to reach a mutually acceptable resolution that avoids foreclosure.

(2) Therefore, the legislature intends to:

(a) Encourage homeowners to utilize the skills and professional judgment of housing counselors as early as possible in the foreclosure process;

(b) Create a framework for homeowners and beneficiaries to communicate with each other to reach a resolution and avoid foreclosure whenever possible; and

(c) Provide a process for foreclosure mediation when a housing counselor or attorney determines that mediation is appropriate. For mediation to be effective, the parties should attend the mediation (in person, telephonically, through an agent, or otherwise), provide the necessary documentation in a timely manner, willingly share information, actively present, discuss, and explore options to avoid foreclosure, negotiate willingly and cooperatively, maintain a professional and cooperative demeanor, cooperate with the mediator, and keep any agreements made in mediation." [2011 c 58 s 1.]

Short title—2011 c 58: "This act may be known and cited as the foreclosure fairness act." [2011 c 58 s 2.]

RCW 61.24.005 Definitions. (Effective January 1, 2026, until January 1, 2028.) The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Affiliate of beneficiary" means any entity which controls, is controlled by, or is under common control with a beneficiary.

(2) "Assessment" means all sums chargeable by the association against a unit, including any assessments levied for common expenses, fines or fees levied or imposed by the association pursuant to chapters 64.32, 64.34, 64.38, and 64.90 RCW or the governing documents, interest and late charges on any delinquent account, and all costs of collection incurred by the association in connection with the collection of a delinquent owner's account, including reasonable attorneys' fees.

(3) "Association" means an association subject to chapter 64.32, 64.34, 64.38, or 64.90 RCW.

(4) "Beneficiary" means the holder of the instrument or document evidencing the obligations secured by the deed of trust, excluding persons holding the same as security for a different obligation.

(5) "Borrower" means a person or a general partner in a partnership, including a joint venture, that is liable for all or part of the obligations secured by the deed of trust under the instrument or other document that is the principal evidence of such obligations, or the person's successors if they are liable for those obligations under a written agreement with the beneficiary.

(6) "Commercial loan" means a loan that is not made primarily for personal, family, or household purposes.

(7) "Department" means the department of commerce or its designee.

(8) "Fair value" means the value of the property encumbered by a deed of trust that is sold pursuant to a trustee's sale. This value shall be determined by the court or other appropriate adjudicator by reference to the most probable price, as of the date of the trustee's sale, which would be paid in cash or other immediately available funds, after deduction of prior liens and encumbrances with interest to the date of the trustee's sale, for which the property would sell on such date after reasonable exposure in the market under conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under duress.

(9) "Grantor" means a person, or its successors, who executes a deed of trust to encumber the person's interest in property as security for the performance of all or part of the borrower's obligations.

(10) "Guarantor" means any person and its successors who is not a borrower and who guarantees any of the obligations secured by a deed of trust in any written agreement other than the deed of trust.

(11) "Housing counselor" means a housing counselor that has been approved by the United States department of housing and urban development or approved by the Washington state housing finance commission.

(12) "Notice of delinquency" means a notice of delinquency as that phrase is used in chapters 64.32, 64.34, 64.38, and 64.90 RCW.

(13) "Owner-occupied" means property that is the principal residence of the borrower.

(14) "Person" means any natural person, or legal or governmental entity.

(15) "Record" and "recorded" includes the appropriate registration proceedings, in the instance of registered land.

(16) "Residential real property" means property consisting solely of a single-family residence, a residential condominium unit, or a residential cooperative unit. For the purposes of the application of RCW 61.24.163, residential real property includes residential real property of up to four units.

(17) "Senior beneficiary" means the beneficiary of a deed of trust that has priority over any other deeds of trust encumbering the same residential real property.

(18) "Tenant-occupied property" means property consisting solely of residential real property that is the principal residence of a tenant subject to chapter 59.18 RCW or other building with four or fewer residential units that is the principal residence of a tenant subject to chapter 59.18 RCW.

(19) "Trustee" means the person designated as the trustee in the deed of trust or appointed under RCW 61.24.010(2).

(20) "Trustee's sale" means a nonjudicial sale under a deed of trust undertaken pursuant to this chapter.

(21) "Unit owner" means an owner of an apartment, unit, or lot in an association subject to chapter 64.32, 64.34, 64.38, or 64.90 RCW. [2025 c 393 s 1; 2021 c 151 s 2; 2014 c 164 s 1. Prior: 2011 c 364 s 3; 2011 c 58 s 3; prior: 2009 c 292 s 1; 1998 c 295 s 1.]

Effective dates—2025 c 393 ss 1-4, 5-7, and 11-14: "(1) Sections 1 through 4 and 11 through 14 of this act take effect January 1, 2026.

(2) Sections 5 through 7 of this act take effect January 1, 2028." [2025 c 393 s 19.]

Expiration date—2025 c 393 ss 1, 2, 4, 11-13, and 15-17: "Sections 1, 2, 4, 11 through 13, and 15 through 17 of this act expire January 1, 2028." [2025 c 393 s 20.]

Effective date—2021 c 151 ss 1-4, 6-8, and 10: "Sections 1 through 4, 6 through 8, and 10 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately [May 3, 2021]." [2021 c 151 s 15.]

Findings—Intent—2021 c 151: "The legislature finds that whether mediation, reporting, and payment provisions of the foreclosure fairness act apply to any particular beneficiary in a given year is tied to the number of trustee's sales and number of notices of trustee's sale recorded in the preceding year. The legislature further finds that, due to the federal foreclosure moratorium in place from at least March of 2020 through December of 2020 and into the year 2021, it is likely that, absent legislative action, the mediation, reporting, and payment provisions of the foreclosure fairness act will apply to very few if any beneficiaries in calendar year 2021 or 2022 because the threshold numbers that trigger application of these provisions will not be met. The legislature therefore intends to put in place a temporary stopgap remedy so that vital assistance provisions of the foreclosure fairness act are not lost at the very time that foreclosure activity is likely to be increasing." [2021 c 151 s 1.]

Findings—Intent—2011 c 58: "(1) The legislature finds and declares that:

(a) The rate of home foreclosures continues to rise to unprecedented levels, both for prime and subprime loans, and a new wave of foreclosures has occurred due to rising unemployment, job loss, and higher adjustable loan payments;

(b) Prolonged foreclosures contribute to the decline in the state's housing market, loss of property values, and other loss of revenue to the state;

(c) In recent years, the legislature has enacted procedures to help encourage and strengthen the communication between homeowners and lenders and to assist homeowners in navigating through the foreclosure process; however, Washington's nonjudicial foreclosure process does not have a mechanism for homeowners to readily access a neutral third party to assist them in a fair and timely way; and

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(2) "Assessment" means all sums chargeable by the association against a unit, including any assessments levied for common expenses, fines or fees levied or imposed by the association pursuant to chapter 64.90 RCW or the governing documents, interest and late charges on any delinquent account, and all costs of collection incurred by the association in connection with the collection of a delinquent owner's account, including reasonable attorneys' fees.

(3) "Association" means an association subject to chapter 64.90 RCW.

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(12) "Notice of delinquency" means a notice of delinquency as that phrase is used in chapter 64.90 RCW.

(13) "Owner-occupied" means property that is the principal residence of the borrower.

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(21) "Unit owner" means an owner of a unit in an association subject to chapter 64.90 RCW. [2025 c 393 s 7; 2021 c 151 s 2; 2014 c 164 s 1. Prior: 2011 c 364 s 3; 2011 c 58 s 3; prior: 2009 c 292 s 1; 1998 c 295 s 1.]

Effective dates—2025 c 393 ss 1-4, 5-7, and 11-14: See note following RCW 61.24.005.

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