

**ADVISORY REGARDING POST-CLOSING SELLER OCCUPANCY**

**Buyers face significant risks associated when the seller retains occupancy of a property after closing.**

A growing trend in the current real estate market involves buyers’ offering the seller to retain occupancy of the property following the closing of the transaction. Such occupancy, often referred to as a “Seller Rent-Back,” is established by the parties’ entering a short-term rental agreement in which the buyer is the landlord and the seller is the tenant.

This type of rental agreement is subject to the Washington Residential Landlord-Tenant Act (the “RLTA”), which affords various protections to tenants. The RLTA was amended in 2021, to further increase protections for tenants. These protections apply even to short-term lease agreements, and a buyer who becomes a landlord by agreeing to a Seller Rent-Back faces numerous risks, including:

- Complicated eviction process in the event the seller fails to vacate, which is both expensive and time consuming – eviction could take 6 months or longer.
- If tenant fails to pay rent, landlord may commence eviction process only after engaging in mandatory mediation and offering the tenant a reasonable repayment plan.

These are requirements imposed by Washington state law. Many localities have their own requirements that introduce additional cost, time, and complexity.

**For all these reasons, buyers should include post-closing possession in an offer only after consulting with a qualified landlord-tenant law attorney about the risks associated with such agreements.**

I have reviewed this notice and understand the necessity to consult qualified legal counsel before entering a Seller Rent-Back agreement.

\_\_\_\_\_  
Buyer Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Buyer Signature

\_\_\_\_\_  
Date