



IMPORTANT INFORMATION FOR PROSPECTIVE RENTERS

Revisions to the Real Estate Agency Law

Effective January 1, 2024, the statute in Washington that governs real estate brokerage relationships (RCW 18.86) – otherwise known as the “Agency Law” – will be significantly revised. The revisions modernize the 25-year-old law, provide additional transparency and consumer protections, and acknowledge the importance of representation for prospective renters of residential property.

Key Revisions

For years, real estate brokerage firms were only required to enter into written agreements with property owners to list rental properties, not with prospective renters. Beginning on January 1, 2024, the Agency Law will require firms to enter into a written “brokerage services agreement” with any party the firm represents, both property owners and prospective renters. This change is to ensure that prospective renters (in addition to property owners) clearly understand the terms of the firm’s representation and compensation.

The brokerage services agreement with prospective renters of residential property must include:

- The term of the agreement (with a default term of 60 days and an option for a longer term);
- The name of the broker appointed to be the prospective renter’s agent;
- Whether the agency relationship is exclusive or non-exclusive;
- Whether the prospective renter consents to the individual broker representing both the prospective renter and the property owner in the same transaction to enter a lease or rental agreement for the property (referred to as “limited dual agency”);
- Whether the prospective renter consents to the broker’s designated broker’s/managing broker’s limited dual agency;
- The amount the firm will be compensated and who will pay the compensation; and
- Any other agreements between the parties.

Additional Information

There are other changes to the law that provide additional consumer protections related to the duties that brokers owe to all parties in a transaction.



Revised Pamphlet

The pamphlet entitled [“Real Estate Brokerage in Washington”](#) provides an overview of the revised Agency Law.



Revised Agency Law

[Substitute Senate Bill 5191](#) sets forth the revised Agency Law in its entirety.