

## **Subscriber Update: Special Issue: Monday, February 12, 2017**

- **Mid-Year Changes to OREF Sales Agreements: zipLogix to Upload in Next 2 Weeks**
- **4 FREE CE: Available Through Close of April 2017**
- **May 10, Webinar on Contingent Right to Purchase**
- **OREF Residential Sale Agreement: What Sellers and Buyers Need to Know brochure**

### **Mid-Year Changes to OREF Sale Agreements: zipLogix to Upload in Next 2 Weeks**

Annually, the Oregon Forms Library is updated with the Forms Changes Summary posted on approximately December 10, and the new Oregon Forms library is then uploaded to the zipLogix zipForm® program on December 28. Throughout the year, the Forms Committee may update amendment(s) to the Oregon Forms Library as necessary. These updates can be Oregon legislative driven and associated administrative rule-making and/or forms with immediate need of updates. These February 2017, changes have been committee and OREF approved; thank you to subscribers for your feedback during the January 2017, Forms Changes seminars and webinars!

The corrections posted below are the soon to be **amended uploads (next two weeks**—these have been advanced to the zipLogix development team for formatting and upload to your Library) in all **OREF Sale Agreements: # 001, Residential; # 005, Farms, Ranches; # 007, New Construction; # 008, Vacant Land; # 011, Condominium.**

### **The three changes to be aware per the February 2017, Oregon Forms Library amendments include the following:**

- Section 15.1, Seller Advisory: Oregon State Tax Withholding Obligations
- Section 5.3, Buyer Representation Regarding Financing
- Section 9, Title Insurance
  - Amendment only New Construction Sale Agreement in the Title Insurance Section.

**15.1 Seller Advisory: Oregon State Tax Withholding Obligations:** ~~Seller is  is not  a permanent resident of the State of Oregon.~~ Subject to certain exceptions, Escrow is required to withhold a portion of the Seller's proceeds if Seller is a non-resident individual or corporation as defined under Oregon law. Buyer and Seller agree to cooperate with Escrow by executing and delivering any instrument, affidavit or statement as requested, and to perform any acts reasonable or necessary to carry out the provision of Oregon law.

**5.3 BUYER REPRESENTATION REGARDING FINANCING:** ~~As of the date of signing this Agreement,~~ Buyer makes the following representations to Seller:

(1) Buyer's completed loan application, as hereinafter defined, shall be submitted to the Lender that provided the Pre-Approval Letter, a copy of which has been delivered to Seller, or will be, pursuant to Section 4C, above.

(2) Buyer shall submit to Buyer's Lender a completed loan application for purchase of the Property not later than \_\_\_\_ business days (three [3] if not filled in) following the date Buyer and Seller have signed and accepted this Agreement. A "completed loan application" shall include the following information: (i) Buyer's name(s); (ii) Buyer's income(s); (iii) Buyer's social security number(s); (iv) the Property address; (v) an estimate of the value of the Property; and (vi) the loan amount sought.

(3) Buyer agrees that if Buyer intends to proceed with the loan transaction, Buyer will so notify Lender within \_\_\_\_business days (three [3] if not filled in - but not to exceed ten [10]) in such form as required by said Lender, following Buyer's receipt of Lender's Loan Estimate. ~~Upon request,~~ Buyer ~~or Buyer's Agent~~ shall promptly notify Seller ~~or Seller's Agent~~ of the date of Buyer's signed notice of intent to proceed with the loan.

(4) Buyer will thereafter complete all paperwork requested by Lender in a timely manner, and exercise best efforts (including payment of all application, appraisal and processing fees, where applicable) to obtain the loan.

(5) Buyer understands and agrees that Buyer may not replace the Lender or Loan Program already selected, without Seller's written consent, which may be withheld in Seller's sole discretion.

~~(6) Following submission of the loan application, Buyer agrees to keep Seller promptly informed of all material non-confidential developments regarding Buyer's financing and the timing of Closing. The following circumstances shall constitute a "Notice of Event": (a) Buyer does not submit the loan application to the Lender that provided the Pre-Approval Letter; (b) Buyer rejects the terms of the Loan Estimate from Buyer's Lender; (c) Buyer fails or refuses to notify Buyer's Lender of Buyer's intent to proceed within the time period selected in Section 5.3 (3), above. Within 48 hours following the occurrence of a Notice of Event, Buyer or Buyer's Agent shall notify Seller or Seller's Agent in writing, and the parties shall thereafter have \_\_\_ business days (two [2] if not filled in) within which to reach agreement upon another Lender for Buyer to identify, and the terms and timing thereof. Notwithstanding the preceding sentence, Seller shall have no obligation to agree to any terms different than those originally contained in this Sale Agreement that was signed and accepted by the parties. If no such written agreement is reached between Buyer and Seller, this transaction shall be terminated, and Seller shall retain Buyer's earnest money deposit, pursuant to Section 26 below.~~

**9. TITLE INSURANCE:** When this Agreement is signed and accepted by Buyer and Seller, Seller will, at Seller's sole expense, promptly order from the title insurance company selected at Section 28 below, a preliminary title report and copies of all documents of record ("the Report and Documents of Record") for the Property, and furnish them to Buyer at Buyer's contact location as defined at Section 37(3) below. Unless otherwise provided herein, this transaction is subject to Buyer's review and approval of the Report and Documents of Record (**If, upon receipt, the Report and Documents of Record are not fully understood, Buyer should immediately contact the title insurance company for further information or seek competent legal advice.**) The Buyer's and Seller's Agents are not qualified to advise on specific legal or title issues.) Upon receipt of the Report and Documents of Record Buyer shall have \_\_ business days (five [5] if not filled in) within which to notify Seller, in writing, of any matters disclosed in the Report and Documents of Record which is/are unacceptable ("the Objections"). Buyer's failure to timely object in writing, shall constitute acceptance of the Report and/or Documents of Record. However, Buyer's failure to timely object shall not relieve Seller of the duty to convey marketable title to the Property pursuant to Section 35, below. If, within \_\_ business days (five [5] if not filled in) following Seller's receipt of the Objections, Seller fails to remove or correct the matters identified therein, or fails to give written assurances reasonably satisfactory to Buyer, that they will be removed or corrected prior to Closing, all earnest money shall be promptly refunded to Buyer, and this transaction shall be terminated. This contingency is solely for Buyer's benefit and may be waived by Buyer in writing. Within thirty (30) days after Closing, the title insurance company shall furnish to Buyer, an owner's standard form policy of title insurance insuring marketable title in the Property to Buyer in the amount of the Purchase Price, free and clear of the Objections, if any, and all other title exceptions agreed to be removed as part of this transaction. **Subject to the requirement of the Homebuyer Protection Act (Section 21), if Buyer requires an early-issue policy of title insurance, Buyer / Seller shall pay the additional premium. (Note: This Section 9 provides that Seller will pay for Buyer's standard owner's policy of title insurance. In some areas of the country, such a payment might be regarded as a "seller concession." Under the TILA/RESPA Integrated Disclosure Rules ["the Rules"], there are limitations, regulations and disclosure requirements on "seller concessions", unless the product or service paid for by the Seller was one customarily paid by sellers in residential sales transactions. In Oregon, sellers customarily and routinely pay for their buyer's standard owner's policy of title insurance. Accordingly, unless the terms of this Section 9 are modified in writing by Buyer and Seller, the parties acknowledge, agree and so instruct Escrow, that in this transaction, Seller's payment of Buyer's standard owner's policy of title insurance is not a "seller concession" under the Rules or any other federal law.)**

#### **4 FREE CE Available Through April 2017**

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- *Before/After Occupancy*
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- *2017 Residential Sale Agreement and Matrix—Clause by Clause # 001 MX*

#### **May 10, OREF Webinar, Contingent Right to Purchase. Registration opens April 10!**

The second quarterly webinar of four annual offerings will be on the topic of Contingencies.

Forms discussed will be # 083 A, # 083 A and # 084. **Instructors** will be Jeff Wiren of Premiere Property Group, LLC, and Steve Russell of Windermere Stellar. **Cost** is \$19 per computer per location. Log on to <http://orefonline.com/events/> <http://orefonline.com/events/> to preview the syllabus. NOTE—**Registration will open after April 10.**

***OREF Residential Sale Agreement: What Sellers and Buyers Need to Know brochure*** is undergoing amendments. We anticipate that this resource will be amended with the latest February 2017, changes by February 20, per English version and by March 1, for the Spanish version (as it will take an extra week to ten days for translation. Thank you for your patience! The soon to be uploaded version will still be located on the Resources link page.

**Next Issue:** March 2017