

REVISIONS TO THE 2010 OREF RELATED TRANSACTIONAL FORMS

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This summary should not be relied upon in lieu of a thorough review of the documents and provisions by each individual broker and principal broker.

BUYER AND SELLER COUNTER-OFFERS. (OREF-003 and OREF-004) A line has been added so that the brokers can better keep track of the counter-offers through a numbering system

PROMISSORY NOTE. (OREF-060) Checkboxes have been added to select calendar or business days. This change comports with that of the Sale Agreements.

LEAD-BASED PAINT ADDENDUM ("LBP Addendum"). (OREF-021) This change is intended to clarify that the buyer has a right of cancellation if the LBP Addendum is delivered to the buyer *after* execution of the Sale Agreement.¹ Thus, if this LBP Addendum is delivered to a buyer after the offer is accepted by seller, buyer shall have an unconditional, unilateral right to cancel the Real Estate Sale Agreement within ten (10) *calendar* days after delivery of the LBP Addendum by giving seller written notification of cancellation. All earnest money deposits, if any, shall immediately be refunded to buyer. It is strongly recommended that listing brokers involved in the sale of "target housing" (i.e. constructed before 1978) address with their respective clients the importance of promptly assembling any LBP materials (e.g. studies, inspections, reports) and including them with a completed LBP Addendum to deliver to the buyer or buyer's agent. Conversely, it is important for the buyer's agent to determine as the offer is being made whether the buyer will want to have a LBP inspection or assessment. If so, this should be added to the terms of the Sale Agreement. If not, the LBP addendum should clearly show that the inspection is being waived. Note: If the home was constructed before 1978, the paint used almost certainly contained lead. Thus the real issues are (a) whether the pre-1978 paint has been encapsulated by newer, non-lead paint, and (b) whether the buyer intends to make any repairs or other modifications to the home that will make the LBP "friable," i.e. become particulate and airborne, which could become dangerous, especially to children.

SELLER'S PROPERTY DISCLOSURE FORM. (OREF-020) Pursuant to Senate Bill 102, the Oregon Legislature added the following questions about woodstoves and fireplace inserts at Section 5 (*bolded language is new*):

- D. Is there a woodstove **or fireplace insert** included in the sale? Yes No Unknown
*If **yes**, what is the make?
*If **yes**, was it installed with a permit? Yes No Unknown
*If **yes**, is a certification label issued by the United States Environmental Protection Agency (EPA) or the Department of Environmental Quality (DEQ) affixed to it? Yes No Unknown

¹ This approach has been permitted nationally for many years by HUD and the EPA since it complied with actual industry practice, i.e. the LBP Addendum was signed and delivered following execution of the Sale Agreement, but the right of cancellation continued for a 10-day period (or such other period as the parties agreed upon). OREF has always been in compliance.