



2.16 SELLER OCCUPANCY ADDENDUM

1 **1. Property Address or Description:** _____

2 **2. Names of Parties to this Agreement:**

3 **Buyer** _____ **Seller** _____
4 **Buyer** _____ **Seller** _____
5 **Buyer** _____ **Seller** _____
6 **Buyer** _____ **Seller** _____

7 **3. Purpose; Use of Form; Agreement Not Subject to Oregon Residential Landlord Tenant Act.** The purpose of this agreement
8 (“Occupancy Agreement”) is to establish the terms and conditions under which Seller may occupy the Property for residential use
9 *after* title has transferred to Buyer as part of the Purchase and Sale Agreement (“Sale Agreement”). Pursuant to ORS 90.110(2), this
10 Occupancy Agreement is not subject to the Oregon Residential Landlord Tenant Act (“ORLTA”) because it is for occupancy of a dwelling
11 unit for no more than **90 Calendar Days** by a Seller after Closing. If the Parties desire an Occupancy Agreement lasting more than **90**
12 **Calendar Days**, the occupancy will be subject to ORLTA and this form should not be used. It is Buyer’s responsibility to confirm that
13 the Occupancy Terms below conform with Buyer’s loan terms.

14 **4. Occupancy Terms.** Buyer grants Seller the right to occupy:

- 15 the entire Property; or
16 a portion of the Property (Describe: _____)

17 beginning at the time of successful Closing and ending at the sooner of (choose one):

- 18 _____ (5:00 p.m. if not filled in) on _____ [Date].
19 _____ (5:00 p.m. if not filled in) _____ Calendar Days after Closing.

20 The Seller’s right to occupy Property will automatically terminate at the end of the term described above, or at the end of **90 Calendar**
21 **Days**, whichever is sooner (“Occupancy Term”).

22 Seller’s right to occupy Property is exclusive and for residential use of the individuals and pets currently living on the Property only.
23 Seller’s right to occupy may not be assigned and the Property may not be sublet. The following exceptions apply to these Occupancy
24 Terms: _____

25 **5. Payment.** Seller shall pay Buyer for the Occupancy Term as follows (choose one):

- 26 a total amount of \$ _____
27 an amount of \$ _____ per day for a total amount of \$ _____

28 Unless otherwise agreed in a **Form 2.2 General Addendum**, Seller shall pay Buyer the total amount through Escrow, to be
29 distributed to Buyer at Closing.

30 **6. Security Deposit.**

- 31 Seller is not obligated to pay a security deposit.
32 Seller shall pay Buyer a security deposit of \$ 1,000.00 through Escrow, to be distributed to Buyer at Closing.
33 Seller shall pay Buyer a security deposit of \$ _____ through Escrow, to be distributed to Buyer at Closing.

34 The terms governing the security deposit are those in this Occupancy Agreement, not those defined by state or local law. The deposit
35 is not required to be held in a trust account. At Closing, Seller shall provide Buyer with Seller’s contact information for returning
36 Security Deposit and for maintaining contact during the Occupancy Term.

37 Buyer shall refund the security deposit to Seller in full within **5 Business Days** or _____ **Business Days** of the end of the
38 Occupancy Term unless Seller has breached a material term of this Occupancy Agreement.

39 If Seller has breached a material term of this Occupancy Agreement, Buyer may retain the portion of the security deposit necessary to
40 cover the damages suffered by Buyer, or any reasonable costs incurred or expected to be incurred by Buyer, due to Seller’s breach
41 including but not limited to the reasonable costs required to bring the Property into the condition required by Section 8 of this

Buyer Initials _____ **Seller Initials** _____

42 Occupancy Agreement and Buyer's reasonable attorneys' fees, costs and expenses incurred in pursuing eviction or otherwise enforcing
43 this agreement. If Buyer retains all or a portion of the security deposit, within **10 Business Days** or _____ **Business Days** after
44 such retention, Buyer shall provide Seller with:

- 45 (i) A written explanation of Seller's breach and any damages suffered by Buyer, along with any supporting evidence;
- 46 (ii) An itemized list of repairs and expenses incurred by Buyer or reasonably expected to be incurred by Buyer, supported by
47 receipts or written estimates; and
- 48 (iii) The balance of any remaining security deposit funds.

49 **7. Seller's Obligations.** Seller shall comply with all laws, covenants, conditions and restrictions related to the Property and shall not
50 interfere with any legal rights of use held by others. Seller shall not engage in any unlawful activities on or about the Property and
51 shall not interfere with the peaceful enjoyment of others' properties. Seller shall not engage in any dangerous activities or store any
52 dangerous products that could cause damage to the Property or increase the likelihood of a Property casualty. Seller shall not make
53 any improvements or alterations to the Property without express written consent of Buyer. Seller shall keep the Property free of all
54 liens not otherwise accepted by Buyer at Closing and shall indemnify Buyer from the same and pay any reasonable costs and attorney
55 fees associated with removal of said liens. Seller shall maintain functioning smoke and carbon monoxide detectors as described in the
56 Sale Agreement.

57 **8. Property Condition at Time of Possession; Responsibilities of Buyer and Seller.** The terms of the Closing, Possession, Property
58 Condition, Cleaning section in the underlying Sale Agreement carry forward under this agreement, including but not limited to Seller's
59 obligation to deliver Property and all its included components in substantially the same condition as when Buyer submitted Buyer's
60 offer to purchase. As a part of this obligation, Seller's duty shall include maintaining the Property during the term of Seller's occupancy.
61 This includes Seller's duty to repair or replace any system or appliance that becomes inoperative or malfunctions prior to Possession
62 with the following exceptions:

- 63 (i) to the extent that the system or appliance is eligible for coverage under a home warranty, Buyer and Seller shall work
64 collaboratively to have the system or appliance repaired or replaced through the application of the home warranty, and Seller
65 shall pay any applicable deductible or service fee;
- 66 (ii) damage to the Property that is covered under Buyer's property and casualty insurance policy shall be the responsibility of
67 Buyer. However, if the damage was the result of negligent, reckless or willful conduct of the Seller, Seller shall pay any deductible
68 associated with Buyer's property and casualty insurance claim.

69 Buyer and Seller should carefully review the Sale Agreement. Seller understands that, unless otherwise agreed in writing or listed as
70 an exception in this paragraph, Seller is responsible for the repair or replacement of any systems, components or appliances that fail
71 during Seller's occupancy.

72 **9. Buyer's Remedies and Right to Evict.** If Seller fails to vacate Property by the end of the Occupancy Term or otherwise is in default
73 under this Occupancy Agreement, Buyer may file an eviction action with the court pursuant to ORS 105.105 to 105.168 after at least
74 24 hours written notice of the termination of the occupancy. Seller will be liable to Buyer for twice the actual damages suffered by
75 Buyer as a result of Seller's failure to vacate, plus all reasonable attorneys' fees, costs and expenses incurred in pursuing eviction, at
76 trial, on appeal, at mediation and at arbitration. Pursuant to ORS 91.130, Buyer's right to pursue an eviction action under this section
77 does not create a landlord-tenant relationship. All remedies other than eviction will be pursued according to the Dispute Resolution
78 terms of the underlying Sale Agreement. "Curable Default" provisions under the underlying Sale Agreement requiring use of **Form 5.1**
79 or **5.2 Notice of Default** do not apply to this Occupancy Agreement.

80 **10. Early Vacancy by Seller.** Seller shall provide Buyer at least 24 hours written notice if Seller intends to vacate the Property prior to
81 the end of the Occupancy Term. Unless otherwise agreed in writing, Seller remains fully obligated under this Occupancy Agreement
82 for the entire Occupancy Term, including but not limited to Seller's Property maintenance and insurance obligations and Seller is not
83 entitled to a refund or proration for early vacancy.

84 **11. Buyer Access.** Seller shall make the Property available to Buyer at reasonable times and with reasonable notice for Buyer to inspect
85 the Property.

86 **12. Injury to Other Persons or Property.** Seller is solely liable for any injury that occurs to other persons on the Property or resulting
87 from activities taking place at the Property, and damage that occurs to the real or personal Property of others as a result of seller's
88 use of the Property. Seller agrees to indemnify and hold harmless Buyer, Buyer's and Seller's Agents and their firms, and all employees

Buyer Initials _____ Seller Initials _____



89 and representatives of those firms from any and all claims, suits or judgments, including all reasonable attorneys' fees, costs and
90 expenses incurred at trial, on appeal, at mediation and at arbitration, resulting from Seller's occupancy and use of the Property.

91 **13. Insurance.** Seller shall obtain a renter's insurance policy for Seller's Occupancy Term with liability coverage of \$1,000,000 or
92 \$ _____ listing Buyer as an additional named insured or additional named interest. Seller shall provide
93 proof of insurance to Buyer at least **2 Business Days** or _____ **Business Days** prior to Closing. Buyer shall obtain a
94 homeowner's property and casualty insurance policy covering at least the replacement cost value of the Property. The Parties may
95 obtain additional insurance coverages and before signing this Occupancy Agreement should carefully review this entire Occupancy
96 Agreement with their insurance professionals and discuss potential coverages that may be beneficial. Buyer's and Seller's Agents are
97 not experts in insurance coverage and the Parties agree that they have not relied on any insurance related advice from said agents.
98 Buyer and Seller shall cooperate with each other with respect to filing any insurance claims. Seller shall cooperate with Buyer's efforts
99 to repair Property after any casualty event. If a casualty event occurs during the Occupancy Term, Buyer may terminate this Occupancy
100 Agreement by providing 48 hours written notice of termination to Seller.

101 **14. Utilities.** Seller shall be responsible for paying, on time, for all Utilities, including the replacement cost of any consumable fuel used
102 during the Occupancy Term, are the responsibility of Seller through the end of the Occupancy Term.

103 **15. Death of the Parties.** This Occupancy Agreement survives the death of either or both Parties and is binding on their successors
104 and estates.

105 **16. Dispute Resolution.** All disputes shall be resolved according to the dispute resolution provisions of the underlying Sale Agreement
106 except in the event of Seller's failure to vacate, in which case pursuant to ORS 91.130 Buyer may evict Seller under ORS 105.105 to
107 ORS 105.168.

108 **17. Encumbrances.** Seller shall not permit the grant, creation or existence of any lien or encumbrance on the Property due to Seller's
109 actions during the Occupancy Term unless expressly permitted by Buyer in writing.

110 **18. No Waiver.** Buyer's rights shall not be affected by failure to enforce any terms or to insist on compliance with any obligation in
111 this Occupancy Agreement either at law or in equity. No waiver of a default shall be considered a waiver of a later default or waiver
112 of any clause of this Occupancy Agreement.

113 **19. Changes to Agreement; Role of Parties and Agents After Closing.** Amendments to this Occupancy Agreement must be in writing
114 and signed by the parties. All discussions, negotiations and amendments related to this Occupancy Agreement that occur after Closing
115 shall be conducted directly by the parties. Buyer's and Seller's Agents, and their respective firms and employees have no role in this
116 Occupancy Agreement or in the relationship between the parties after Closing. After Closing, Buyer is the legal owner of the Property.
117 Seller has no rights related to the Property other than those given by this Occupancy Agreement.

118 **20. Exchange of Keys.**

119 Seller to deliver keys to Buyer at the end of the Occupancy Term.

120 Seller to deliver one set of keys to Buyer at Closing and the remaining keys at the end of the Occupancy Term.

121 Additional instructions: _____
122 _____

123 **21. Release of Real Estate Agents and Brokerages.** Seller and Buyer release and agree to indemnify and hold harmless all real estate
124 brokerages, their agents and employees from any and all claims arising as a result of this Occupancy Agreement or the Seller's
125 possession of the Property.

126 **22. Additional Provisions:** _____
127 _____
128 _____

129 **23. By signing below, the Parties agree to the terms of this addendum and make it part of the above referenced Sale Agreement:**

130 Buyer: _____ Dated: _____ Seller: _____ Dated: _____
131 Buyer: _____ Dated: _____ Seller: _____ Dated: _____
132 Buyer: _____ Dated: _____ Seller: _____ Dated: _____
133 Buyer: _____ Dated: _____ Seller: _____ Dated: _____