

Senate Bill 572

Sponsored by Senator PROZANSKI (at the request of Scott Rohter)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Provides that property sold to satisfy lien or assessment must be offered initially for assessed value or fair market value. Provides that property may not be sold for less than 80 percent of assessed value or fair market value.

A BILL FOR AN ACT

1
2 Relating to sales of property subject to lien; amending ORS 223.525.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 223.525 is amended to read:

5 *223.525. [Each piece or tract of land shall be sold, separately, and for a sum equal to but not ex-*
6 *ceeding the unpaid lien or final assessment thereon and the interest, penalty and cost of advertising*
7 *and sale. If there is more than one bid the land shall be sold to the bidder first offering to take it for*
8 *the amount accrued thereon. No levy upon such lots or parcels of land shall be required except that a*
9 *notice shall be posted four consecutive weeks before the sale upon every lot or parcel.]*

10 **(1) A piece or tract of land and improvements on the land sold under ORS 223.505 to**
11 **223.590 must be initially offered for sale for an amount equal to the lesser of:**

12 **(a) The total assessed value of the land and improvements on the land, as determined by**
13 **the assessor of the county in which the land is located; or**

14 **(b) The fair market value, as determined by an independent real estate appraisal.**

15 **(2) If bids for the land and the improvements on the land do not equal or exceed an**
16 **amount described in subsection (1) of this section, a second sale must be held not later than**
17 **90 days after the initial sale. At the second sale, the land and the improvements on the land**
18 **may be offered for not less than 90 percent of the lesser value described in subsection (1)**
19 **of this section.**

20 **(3) If the land and the improvements on the land are not sold in the second sale described**
21 **in subsection (2) of this section, a third sale must be held not later than 180 days after the**
22 **initial sale. At the third sale, the land and the improvements on the land may be offered for**
23 **not less than 80 percent of the lesser value described in subsection (1) of this section.**

24 **(4) Land and improvements on the land may not be sold under this section for less than**
25 **80 percent of the lesser value described in subsection (1) of this section.**

26 **(5) If there is more than one bid in a sale conducted under this section, the land and the**
27 **improvements on the land must be sold to the person who bids the highest amount for the**
28 **land and the improvements on the land.**

29 **(6) An amount received on the sale of the land and the improvements on the land that**
30 **exceeds the amount of an unpaid lien or assessment, including the penalties and interest**
31 **associated with the lien or assessment and the costs of conducting the sale, must be re-**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **turned to the debtor or to the debtor's heirs or assigns.**

2 **(7) A levy upon the land and improvements on the land is not required. However, for four**
3 **consecutive weeks before a sale under this section a notice must be posted on the land and**
4 **the improvements on the land that are subject to the sale.**

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