

**A-Engrossed**  
**House Bill 4111**

Ordered by the House February 13  
Including House Amendments dated February 13

Sponsored by Representative WEIDNER, Senator PROZANSKI; Representatives KRIEGER, MATTHEWS, SHEEHAN, J SMITH, THATCHER, THOMPSON, Senator BOQUIST (Presession filed.)

**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.

Changes procedures for local government to sell land or tract and any improvements to enforce unpaid liens for final assessments for local improvements. Establishes minimum sale price based on specified factors. *[Returns amount of sale in excess of debt to debtor.]* **Specifies how proceeds of sale must be applied.**

**Changes information required to be on instrument presented to county clerk for recording.**

Declares emergency, effective on passage.

**A BILL FOR AN ACT**

1  
2 Relating to sale of real property to enforce lien for local improvements; creating new provisions;  
3 amending ORS 205.234, 223.505, 223.520 and 223.525; and declaring an emergency.

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

5 **SECTION 1.** ORS 223.505 is amended to read:

6 223.505. As used in ORS 223.505 to 223.595, *unless the context requires otherwise,*]:

7 (1) **“Lawfully established unit of land” has the meaning given that term in ORS 92.010.**

8 (2) **“Tract” has the meaning given that term in ORS 215.010.**

9 (3) **“Treasurer”** means the officer designated by charter or ordinance of the local government  
10 to collect unpaid liens or **final** assessments, take all steps necessary to enforce delinquent liens or  
11 assessments and to maintain records pertaining to collection proceedings thereon.

12 **SECTION 2.** ORS 223.520 is amended to read:

13 223.520. Upon receipt of the list described in ORS 223.515, the treasurer shall proceed to collect  
14 the unpaid liens or final assessments named in the list by advertising and selling the *[lots or*  
15 *tracts]* **lawfully established units of land or tracts** in the manner now provided by law for the sale  
16 of real property on execution, except as otherwise provided in ORS 223.525 to 223.580 and except  
17 that sale may be made at *[such]* **the** place within the boundaries of the local government *[as may*  
18 *be]* designated in the notice of sale.

19 **SECTION 3.** ORS 223.525 is amended to read:

20 223.525. *[Each piece or tract of land shall be sold, separately, and for a sum equal to but not ex-*  
21 *ceeding the unpaid lien or final assessment thereon and the interest, penalty and cost of advertising*  
22 *and sale. If there is more than one bid the land shall be sold to the bidder first offering to take it for*  
23 *the amount accrued thereon. No levy upon such lots or parcels of land shall be required except that a*  
24 *notice shall be posted four consecutive weeks before the sale upon every lot or parcel.]*

25 (1) **Each lawfully established unit of land or tract must be sold separately and for a sum**

**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 equal to or exceeding the greater of:

2 (a) The amount of the unpaid final assessment plus interest, penalties and the costs of  
3 conducting the sale; or

4 (b) Seventy-five percent of the total assessed value of the real property, as determined  
5 by the assessor of the county in which the land and improvements are located.

6 (2) If more than one bid equals or exceeds the minimum sum for which real property  
7 may be sold under this section, the real property must be sold to the highest bidder.

8 (3) If none of the bids equals or exceeds the minimum sum for which real property may  
9 be sold under this section or the sale is not completed for any other reason, the real property  
10 may be offered for sale as provided in ORS 223.560.

11 (4) If the sum received for the sale of real property under this section exceeds the  
12 amount of the unpaid final assessment, plus interest, penalties and the costs of conducting  
13 the sale, the treasurer shall apply the proceeds of the sale as follows:

14 (a) To the costs of conducting the sale.

15 (b) To the unpaid final assessment or installment secured by the lien and the interest  
16 and penalties.

17 (c) To persons with recorded liens or other interest in the real property in the order of  
18 their priority.

19 (d) To the debtor or the debtor's heirs or assigns.

20 (5) A levy is not required upon lawfully established units of land or tracts on the list  
21 described in ORS 223.515, but a notice of sale must be posted four consecutive weeks before  
22 the sale of each lawfully established unit of land or tract.

23 **SECTION 4.** ORS 205.234 is amended to read:

24 205.234. (1) When an instrument is presented to a county clerk for recording, the first page of  
25 the instrument must contain at least:

26 (a) The names of the transactions as required in ORS 205.236;

27 (b) The names *[and addresses]* of the persons described in ORS 205.125 (1)(a) and (b) and 205.160;

28 (c) The person to whom and, for mailing purposes only, the address to which the instrument will  
29 be delivered as provided in ORS 205.180;

30 (d) For instruments that convey or contract to convey fee title to real estate and for memoranda  
31 of the instruments, the true and actual consideration paid for the transfer as required by ORS  
32 93.030;

33 (e) For instruments that convey or contract to convey fee title to real estate, the tax statement  
34 information required by ORS 93.260;

35 (f) For instruments recorded in the County Clerk Lien Record, the information described in ORS  
36 205.125 (1)(c) and (e); and

37 (g) For instruments that assign a mortgage or trust deed, the name and address of the assignee  
38 mortgagee or assignee trust deed beneficiary.

39 (2) Notwithstanding ORS 205.327, if an instrument presented for recording does not contain the  
40 information required by subsection (1) of this section, a cover sheet may be prepared that contains  
41 the required information. The person that presents the instrument for recording shall prepare the  
42 cover sheet. The cover sheet may be attached to the instrument and must be recorded as a part of  
43 the instrument. Any errors in the cover sheet do not affect the transactions contained in the in-  
44 strument. The cover sheet need not be separately signed or acknowledged.

45 **SECTION 5.** (1) The amendments to ORS 223.505, 223.520 and 223.525 by sections 1 to 3

1 of this 2012 Act apply to the sale of real property placed on the list described in ORS 223.515:

2 (a) One year or less before the effective date of this 2012 Act if the final assessment, lien  
3 or installment that is overdue and unpaid is bonded; and

4 (b) Sixty days or less before the effective date of this 2012 Act if the final assessment,  
5 lien or installment that is overdue and unpaid is not bonded.

6 (2) The amendments to ORS 205.234 by section 4 of this 2012 Act apply to instruments  
7 presented to a county clerk for recordation on or after the effective date of this 2012 Act.

8 **SECTION 6.** This 2012 Act being necessary for the immediate preservation of the public  
9 peace, health and safety, an emergency is declared to exist, and this 2012 Act takes effect  
10 on its passage.

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