

House Bill 3453

Sponsored by Representative PIERCY (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.

Changes procedures for foreclosure sale. Establishes minimum sale price based on specified factors. Returns amount of sale in excess of debt to debtor.

A BILL FOR AN ACT

1 Relating to sale of real property in foreclosure; amending ORS 223.525.

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

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

4 *223.525. [Each piece or tract of land shall be sold, separately, and for a sum equal to but not ex-*
5 *ceeding the unpaid lien or final assessment thereon and the interest, penalty and cost of advertising*
6 *and sale. If there is more than one bid the land shall be sold to the bidder first offering to take it for*
7 *the amount accrued thereon. No levy upon such lots or parcels of land shall be required except that a*
8 *notice shall be posted four consecutive weeks before the sale upon every lot or parcel.]*

9 (1) **Each piece or tract of land shall be sold, separately, and in an amount equal to the**
10 **lesser of:**

11 (a) **The market value of the land and all improvements thereon and including interest,**
12 **penalties and the costs of conducting the sale;**

13 (b) **The total assessed value of the property as determined by the assessor of the county**
14 **in which the property is located; or**

15 (c) **The fair market value as determined by an independent real estate appraisal.**

16 (2) **In the event that no bids for the property equal an amount described in subsection**
17 **(1) of this section, a second sale shall be held not less than 180 days after the initial sale.**
18 **At a second sale, the property may be offered for 90 percent of the least value described in**
19 **subsection (1) of this section.**

20 (3) **In the event the property is not sold at a second sale as described in subsection (2)**
21 **of this section, a third sale shall be held not less than one year after the initial sale. At a**
22 **third sale, the property may be offered for not less than 80 percent of the least value de-**
23 **scribed in subsection (1) of this section.**

24 (4) **Property shall not be sold under this section for less than 80 percent of the least value**
25 **described in subsection (1) of this section.**

26 (5) **If there is more than one bid, the land shall be sold to the person who bids the highest**
27 **amount for the property.**

28 (6) **Any amount received on the sale of real or personal property that exceeds the amount**
29 **of the unpaid lien or assessment, including penalties, interest and the costs of conducting**
30 **the sale, shall be returned to the debtor or the debtor's heirs or assigns.**

31 (7) **No levy upon such lots or parcels of land shall be required except that a notice shall**
be posted four consecutive weeks before the sale upon every lot or parcel.

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.