MARION COUNTY BOARD OF COMMISSIONERS

Board Session Agenda Review Form

Meeting date: 9/30/2026

Department: Finance

Title: Policy 809 & procedures 809-A and 809-B Board Order

Management Update/Work Session Date: Work Session - 6/17/2026

Audio/Visual aids ☐

Time Required: 5 min

Contact: John Carlson

Phone: 503-373-4364

Requested Action:

Approve revisions to Policy 809 & procedure 809-A and adoption of procedure 809-B.

Issue, Description & Background:

In September 2025, Oregon House Bill 2089, now codified in Oregon Revised Statutes (ORS) 312.500–312.560, became law. This legislation followed the Tyler v. Hennepin County Supreme Court case and affects all tax foreclosed property sales involving claimants who received a one-year notice of redemption under ORS 312.125 that expired on or after May 25, 2023.

In response to this change, Marion County Finance updated Policy 809 and Procedure 809-A to reflect the revised requirements for the sale of tax-foreclosed property. Additionally, Procedure 809-B was drafted to address the sale of tax-foreclosed property and the distribution of surplus proceeds in accordance with this new legislation.

Financial Impacts:

All surplus funds from the sale of tax foreclosed property will now be sent to the Oregon State Treasury for any potential claimant(s) of surplus funds.

Impacts to Department & External Agencies:

NA

List of attachments:

Policy 809 and procedures 809-A & 809-B

Presenter:

John Carlson

Department Head Signature:

Jeff D White

BEFORE THE BOARD OF COMMISSIONERS

FOR MARION COUNTY, OREGON

In the Matter of Revising Administrative)
Policy 809 and Administrative Procedure)
809-A and Adopting Administrative Procedure)
809-B)

ORDER No. ____________

This matter came before the Marion County Board of Commissioners at its regularly scheduled public meeting Wednesday, September 30, 2026, to consider the revision and adoption of certain administrative policies related to the foreclosure process.

WHEREAS, the board adopted Policy 809, Sale of Excess Tax Foreclosed and Surplus Real Property in November 2011; and

WHEREAS, the board adopted Administrative Procedure 809-A, Sale of Excess Tax Foreclosed and Surplus Real Property in November 2011; and

WHEREAS, Oregon House Bill 2089 now codified in ORS chapter 312 requires changes to the disposition of tax foreclosed property and distribution of surplus funds; and

WHEREAS, the Board finds it appropriate to adopt revised administrative policy 809 and revised procedure 809-A, and new procedure 809-B to ensure consistency, accuracy, and alignment with Oregon Law; now, therefore,

IT IS HEREBY ORDERED that Marion County Administrative Policy 809, Sale of Excess Tax Foreclosed and Surplus Real Property and Procedures 809-A & 809-B attached hereto, are adopted.

DATED at Salem, Oregon, this 30th day of September 2026

MARION COUNTY BOARD OF COMMISSIONERS

____
Colm Willis, Chair

____
Kevin Cameron, Vice Chair

____
Danielle Bethell, Commissioner

Attachments: Policy #809 & Procedures 809-A & 809-B

ADMINISTRATIVE POLICIES

SECTION:	Property Management	**POLICY #:**	809
TITLE:	Sale and Disposition of Excess Tax Foreclosed and Surplus Real Property in accordance with ORS 271,275 & 312	**PROCEDURE #:**	809-A & B
		ORDER #:	18-108
DEPT:	Finance	**PROGRAM:**	N/A
ADOPTED: 11/11	**REVIEWED:**	**REVISED:**	09/26

PURPOSE: The purpose of this policy is to establish standards for the sale of excess tax foreclosed and surplus real property.

AUTHORITY: The Marion County Board of Commissioners may establish rules and regulations in reference to managing the interest and business of the county under ORS 203.010, 203.035 and 203.111.

The Marion County Board of Commissioners expresses the governing body's formal, organizational position of fundamental issues or specific repetitive situations through formally adopted, written policy statements. The policy statements serve to provide rules for public officials on the conduct of county business.

The Marion County Board of Commissioners' Administrative Policies and Procedures manual outlines the forms and process through which the board takes formal action on administrative policy. It is the official record of county administrative policy.

ORS Chapter 275- County Lands, ORS Chapter 312- Foreclosure of Property Liens, and ORS Chapter 271-Use of Public Lands govern the county's process for tax foreclosure and the disposition of excess tax foreclosed and surplus real property.

APPLICABILITY: All county departments.

GENERAL POLICY: It is Marion County's policy to first review all property obtained by the county to determine any county needs, such as right-of-way, easement, program use, etc. Once all county needs have been identified and executed, any property remaining and available for sale is determined to be excess property. The county's primary goal for excess property is to have it reinstated to the county tax roll or into public use. To achieve those goals, the county will offer parcels of excess tax foreclosed and surplus real property for sale, with a minimum sale price sufficient to at least recover unpaid property taxes on the property and any costs incurred by the county while in ownership of the property. The Board of Commissioners has established a preference for the order of priority for the use or sale of excess tax foreclosed and surplus real property as follows:

1. Retention by the county for ongoing county use.
2. Sale to prior owner if requested and qualified.
3. Sale to neighboring property owners subject to statutory limitations.
4. Sale at public auction.
5. Sale by private sale.

The county may also choose to consider the sale or transfer of tax foreclosed or surplus real property to a local municipality within Marion County when the municipality submits a written request to the board of commissioners requesting such consideration. Sale or transfer of property to a municipality may occur at any point in the above noted "order of priority" for property sales. In determining a sales price for sale or transfer of property to a local municipality, the price is solely at the board's discretion. However, as a general guideline, it is the county's goal to obtain a price that at least recovers the amount of previously unpaid property taxes and any other costs incurred by the county during ownership of the property to the extent affordable by the local municipality.

In accordance with ORS Chapter 271.330, the county, upon written request may also choose to consider to relinquish title to excess tax foreclosed or surplus property to a qualifying non-profit or municipality for low income housing, social services, or child care services. In addition, the county may convey real property title to a non-profit or municipality for the creation of open space, parks or natural areas for perpetual public use.

The board reserves the right to determine a different order of priority in any given circumstance to best meet the needs of the county, local taxing districts, and the public interest.

Tax foreclosed real properties are deeded to the county in accordance with ORS Chapter 312 for the nonpayment of real property taxes. Surplus real property is county owned property that was acquired by the county through purchase or donation and the board of commissioners has decided that the property is not required to be kept for any county purpose. This policy and the associated procedures shall be utilized for the sale of both excess tax foreclosed real property and surplus real property.

POLICY GUIDELINES:

1. RESPONSIBILITIES

1.1. <u>Selling Surplus and Tax Foreclosed Property:</u>

1.1.1. Marion County shall sell excess tax foreclosed real property and surplus real property in a fair and equitable manner, in accordance with ORS Chapter 275, ORS Chapter 271, ORS Chapter 312 and as set forth in this policy and the associated procedures.

1.1.2. All properties are sold "as is". The county does not guarantee or warrant that any parcel is usable for any particular purpose.

1.1.3. The Board of Commissioners will consider the best interests of the taxing districts and the county when deciding appropriate action to be taken on any sale of real property.

1.2. Reserves the Right to Retain:

1.2.1. In any event, Marion County reserves the right to retain any piece of property or any interest in a piece of property if doing so is deemed to be in the public interest.

1.3. Property Transfer by Quitclaim Deed:

1.3.1. Marion County makes no representation about the value, zoning, suitability for any purpose, building feasibility, environmental condition, wetland designation, forest zones, easements, city ordinances and regulations or any other matters.

1.3.2. Marion County transfers any interest it may hold in properties by quitclaim deed, not warranty deed.

1.4. Tax foreclosure property sale proceeds, for which the property deeded prior to October 23, 2017, are distributed in accordance with ORS Chapter 275.275-Distribution of Proceeds.

1.5. Tax foreclosure property sale surplus, for which the claimant received a one-year notice of redemption under ORS Chapter 312.125 that expired on or after May 25, 2023, shall be managed in accordance with ORS Chapter 312.530.

2. EXCEPTIONS

The board of commissioners may grant exceptions to this policy. Exceptions will be based on the best interests of the public, the county, and the taxing districts.

3. IMPLEMENTATION

The Finance Department shall implement this policy with the review and approval of the board of commissioners.

4. PERIODIC REVIEW

The Finance Department shall review this policy at least every three years, or more often if needed, and update as necessary.

Adopted: 11/11

Revised: 09/26

ADMINISTRATIVE PROCEDURES

TITLE: Sale of Excess Tax Foreclosed and Surplus Real Property		**PROCEDURE #:**	809-A
DEPT: Finance		**PROGRAM:**	N/A
EFFECTIVE DATE: 11/11	**REVIEWED:**	**REVISED:**	09/26

OBJECTIVE: To establish procedures for selling parcels of excess tax foreclosed and surplus real property to the prior owner of record, the adjacent property owners, the general public, or local municipalities, in a fair and equitable manner for the benefit of the taxing districts, the county, and the public interest.

Procedure 809-A specifically applies to the sale of all tax-foreclosed or excess property deeded to the county prior to October 23, 2017. Procedure 809-B applies strictly to tax foreclosures in which the surplus claimant received a one-year redemption expiration notice under ORS 312.125 on or after May 25, 2023, and implements the amendments established in House Bill 2089 (2025) (effective September 26, 2025).

REFERENCE: Policy # 809

POLICY STATEMENT: It is Marion County's policy to first review all property obtained by the county to determine any county needs, such as right-of-way, easement, program use, etc. Once all county needs have been identified and executed, any property remaining and available for sale is determined to be excess property. The county's primary goal for excess property is to have it reinstated to the county tax roll or into public use. To achieve those goals, the county will offer parcels of excess tax foreclosed and surplus real property for sale, with a minimum sale price sufficient to at least recover unpaid property taxes on the property and any costs incurred by the county while in ownership of the property. The Board of Commissioners has established a preference for the order of priority for the use or sale of excess tax foreclosed and surplus real property as follows:

1. Retention by the county for ongoing county use.
2. Sale to prior owner if requested and qualified.
3. Sale to neighboring property owners subject to statutory limitations.
4. Sale at public auction.
5. Sale by private sale.

The county may also choose to consider the sale or transfer of tax foreclosed or surplus real property to a local municipality within Marion County when the municipality submits a written request to the board of commissioners requesting such consideration. Sale or transfer of property to a municipality may occur at any point in the above noted "order of priority" for property sales. In determining a sales price for sale or transfer of property to a local municipality, the price is solely at the board's discretion. However, as a general guideline, it is the county's goal to obtain a price that at least recovers the amount of previously unpaid property taxes and any other costs incurred by the county during ownership of the property to the extent affordable by the local municipality.

In accordance with ORS Chapter 271.330, the county, upon written request may also choose to consider to relinquish title to excess tax foreclosed or surplus property to a qualifying non-profit or municipality for low income housing, social services, or child care services. In addition, the county may convey real property title to a non-profit or municipality for the creation of open space, parks or natural areas for perpetual public use.

The board reserves the right to determine a different order of priority in any given circumstance to best meet the needs of the county, local taxing districts, and the public interest.

Tax foreclosed real properties are deeded to the county in accordance with ORS Chapter 312 for the nonpayment of real property taxes. Surplus real property is county owned property that was acquired by the county through purchase or donation and the board of commissioners has decided that the property is not required to be kept for any county purpose. Policy 809 and Procedure 809-A shall be utilized for the sale of excess tax foreclosed real property which deeded prior to October 23, 2017 and all excess surplus real property regardless of the date it was acquired or deeded to the county.

APPLICABILITY: All county departments.

PROCEDURES:

1. The Finance Department will oversee all property to be offered for sale by Marion County.

2. A listing of buildable real property or real property with a real market value of $15,000 or greater, proposed to be sold, will be distributed at least annually to all county departments for review and recommendation as to whether the property is to be kept, exchanged, set aside for right-of-way or other action taken. Prior to any sales, Marion County Public Works shall receive a list containing every property, proposed to be sold, regardless of buildable status, real market value or condition in order to determine if retention of said property is in the best interests of Marion County.
   - 2.1. Each incorporated city within the county will receive information regarding any properties to be sold that are found within the city's boundaries.
   - 2.2. If a city has an interest in one or more of the properties, the city may submit a written request to purchase the property to the Finance Department.
   - 2.3. The Finance Department shall follow procedures in accordance with ORS Chapter 271 and as set forth in these procedures.

3. Properties may also be offered for sale to the prior owner of record.
   - 3.1. If the prior owner of record of the property indicates an interest to reacquire a tax foreclosed property, the Finance Department shall follow procedures in accordance with ORS Chapter 275.180 and as set forth in these procedures.

4. The Board of Commissioners shall make all final decisions regarding the sale of excess tax foreclosed and surplus real property including any and all situations of conflict or of multiple requests for the same piece of property.

5. Properties that are not retained by the county or sold to the prior owner may be sold at public auction or by private sale as set forth in the associated statutes ORS Chapters 275.110 and 275.225 and in sections 9 and 10 of these procedures.

6. Properties not sold as set forth in section 5 may be offered for sale or transfer to a local municipality as set forth in section 10.5 of these procedures.

7. The following guidelines are to be followed for all properties being considered for sale by Marion County:
   - 7.1. All property shall be sold "AS IS". Marion County transfers by quitclaim deed its interest in the property and makes no representation about the value, zoning, suitability for any purpose, building feasibility, environmental condition, wetland designation, forest zones, easements, city ordinances and regulations or any other matter.
   - 7.2. Property sales shall be for cash or land sale contract as follows:
     - 7.2.1. Sale for a purchase price of $5,000 or less shall be for cash only.
     - 7.2.2. Some sales may require the purchase to be cash only if the property has been advertised as "Cash Only".
     - 7.2.3. Contracts may be offered for sales of a purchase price of $5,001-$9,999 and shall be paid in monthly payments for no more than 2 years.
     - 7.2.4. Contracts may be offered for sales of a purchase price of $10,000-$19,999 and shall be paid in monthly payments for no more than 5 years.
     - 7.2.5. Contracts may be offered for sales of a purchase price of $20,000 or over and shall be paid in monthly payments for no more than 10 years.
     - 7.2.6. The interest rate for land sale contracts shall be set at prime rate, on the day of the sale, plus 3%. The monthly payment will be calculated by the Marion County Finance Department and will include principal and interest.
     - 7.2.7. A 25% down payment is required for any land sale contract. Specific information on whether a down payment is refundable is detailed in each of the various sale procedures.
     - 7.2.8. The Finance Department shall review the land sale contract with the purchaser and have purchaser sign a land sale contract summary acknowledging that the purchaser understands the contract.
   - 7.3. Marion County reserves the right to refuse to enter into a contract with any buyer who has failed to perform his or her obligations on any previous purchase of real property from Marion County.
   - 7.4. Marion County reserves the right to retain any real property or any interest in a piece of property it deems to be in the public interest to do so.
   - 7.5. In unique situations involving land sale contracts, staff may seek Board direction on contract terms, including provisions for resale to prior owners of record subject to statutory limitation guidelines.

8. Sale of Excess Tax Foreclosed Real Property to the Prior Owner of Record
    - 8.1. If the prior owner of record has an interest in reacquiring the property, the property may be sold as described below:
        - 8.1.1. The prior owner of record shall request to purchase the property by submitting a letter to the board of commissioners, via the Finance Department.
        - 8.1.2. The letter shall detail the specifics of why the prior owner wants to purchase the property and explain how they have the financial ability to purchase the property from the county and keep the property taxes current.
        - 8.1.3. If the board of commissioners denies the request, sale of the property shall follow the guidelines of Policy 809.
        - 8.1.4. If the board approves the request to sell the property to the prior owner of record, the Finance Department shall execute the sale.
    - 8.2. The sale price shall be the total of the amount of:
        - 8.2.1. Taxes and interest accrued against the property at the time the property was deeded to the county;
        - 8.2.2. Plus 9% per annum on the accrued taxes and interest since the county's date of acquisition;
        - 8.2.3. Plus any taxes and interest which would have accrued through the date of purchase but for the county's ownership; and
            - 8.2.3.1. If the date of purchase is on or after July 1st, estimated property taxes for the new tax roll that will be Certified in October of that same year.
            - 8.2.3.2. And any accrued delinquent interest at 9% (0.75% each month or part of the month) on that new tax year.
        - 8.2.4. Any fees assessed by the tax collector and an administrative fee of 15% of the purchase price.

9. Sale of Excess Tax Foreclosed and Surplus Real Property at Public Auction
    - 9.1. The Finance Department shall recommend to the board of commissioners a list of properties to be sold at auction.
    - 9.2. In accordance with ORS Chapter 275, the board of commissioners shall enter an order for the sale, with the public notice containing the list of properties and the setting of the public auction date.
        - 9.2.1. A public notice of the sale shall be published in a newspaper within the county once a week for four consecutive weeks prior to the auction and the auction will be held no earlier than ten days after the last advertisement.
        - 9.2.2. The public notice shall contain the time and location of the sale; the date of the order directing the sale; and the list of properties to be sold detailing the tax lot number, street address or a description of location, approximate acreage, real market value, and minimum bid for each property.
    - 9.3. The above noted list of properties and the rules of the auction will also be noticed on Marion County's website, Property Auction Information page http://www.co.marion.or.us/FIN/Pages/propertyinfo.aspx when there is an auction scheduled and the public notice has been published.
        - 9.3.1. The Finance Department will also maintain a notification list to notify interested prospective buyers of an upcoming auction.

9.4. A reference guide will be available at the Marion County Finance Department's reception desk for a nominal fee and can also be obtained on the county website.
  9.4.1. This guide will contain a reference map, legal description and other pertinent information as available.
  9.4.2. The guide is only a reference for prospective buyers to make their own determination as to the existence, value and usability of the interest in the property the county is offering for sale.
9.5. Prospective buyers are responsible for researching any and all conditions concerning the properties offered.
  9.5.1. Marion County makes no representation about the value, zoning, suitability for any purpose, building feasibility, environmental condition, wetland designation, forest zones, easements, city ordinances and regulations or any other matters.
  9.5.2. The county transfers any interest it may hold in these properties by quitclaim deed, not warranty deed.
9.6. Property will be auctioned by the sheriff or his duly appointed representative at a designated location.
  9.6.1. Bidders shall register prior to the auction to receive a bidder's identification number.
  9.6.2. The auctioneer will not recognize unregistered bidders.
9.7. Properties are normally sold with the minimum bid set at 75% of the current real market value (RMV) as estimated by the county and verified by physical inspection by the assessor's office or qualified appraiser or realtor within 120 days of the date of the public auction, unless specifically advertised otherwise.
  9.7.1. When property left unsold from a previously offered auction is to be offered for sale at a future auction, the minimum bid may be set at an additional discount as recommended by the Finance Department.
9.8. Bidding:
  9.8.1. Bids less than the advertised minimum bid will not be accepted.
  9.8.2. Bidding shall be increments of $100.00.
  9.8.3. If no satisfactory bid is received for the parcel announced for sale, the parcel shall be removed from the sale and the parcel shall not be offered again at the same auction.
  9.8.4. After bids have been called for three times and no further acceptable bids are offered, the auctioneer shall sell the parcel to the highest bidder.
  9.8.5. The sale will terminate after bids have been called for on all parcels whether the parcels have or have not been sold.
9.9. Successful bidders will be required to sign a certificate of sale immediately after the close of the auction and a copy will be provided.
  9.9.1. The certificate of sale shall include the terms of the sale and the name that is to be recorded on the deed.
  9.9.2. When a corporation signs the certificate of sale, Marion County will require evidence that the person signing is the president or authorized signer along with the corporation resolutions authorizing the transaction.
9.10. Marion County reserves the right to remove any property from public sale and/or retain any real properties when it deems it to be in the best interest of the county and the public.
9.11. Sales will be for cash and/or land sale contract as designated for each property.
9.12. A 25% non-refundable down payment is required on all sales.
9.13. Payment shall be received within one day after the close of the auction and shall be by cash, cashier check, money order or certified check.

- 9.14. Failure to present the 25% down payment within one day of the closure of the auction is a breach of contract.
- 9.15. Personal checks will be accepted provided a certified bank check is furnished to replace the personal check within 24 hours after the termination of the sale.
  - 9.15.1. Failure to replace the personal check is also a breach of contract.
- 9.16. Cash sales require a 25% non-refundable down payment.
  - 9.16.1. The full payment of the bid sale must be received within 30 days from the date of the auction.
  - 9.16.2. If the buyer fails to consummate the sale, the down payment will be retained by Marion County. The property will then be offered to the next high bidder.
  - 9.16.3. If the second high bidder does not exercise the purchase option, the property shall be placed on the available property list or offered at future auctions by recommendation from the Finance Department.
- 9.17. Properties identified in the newspaper advertisement as "CASH ONLY" sales shall not be offered on contract nor will a sale for a purchase price of $5,000 or less be offered on contract.
- 9.18. Land sale contracts require a 25% non-refundable down payment.
  - 9.18.1. If a buyer fails to enter into a contract within 30 days, the down payment will be retained by Marion County and the property will be offered to the next high bidder.
  - 9.18.2. If the second high bidder does not exercise the purchase option, the property shall be placed on the available property list or offered at future auctions by recommendation from the Finance Department.

10. Sale of Excess Tax Foreclosed and Surplus Real Property By Private Sale
- 10.1. The Finance Department shall be responsible for the overall planning and execution of private sales through sales negotiations or offered through a sealed bid process.
- 10.2. A private sale shall be utilized for the sale of three different categories of property:
  - 10.2.1. Property unsold after public auction in accordance with ORS Chapter 275.200 when the Finance Department deems it to be in the best interest of the county and the taxing districts;
  - 10.2.2. Property to be offered to only the adjacent property owner(s) and sold in accordance with ORS Chapter 275.225 and pursuant to these procedures; and
  - 10.2.3. Property sold or transferred to a local municipality in accordance with ORS Chapter 271.310 and ORS Chapter 271.330.
- 10.3. Private Sale of Property Unsold After Auction by Sealed Bid
  - 10.3.1. This sale type may be utilized when the county has property unsold from an auction and the Finance Department deems that it is in the best interest of the county and the taxing districts to sell the property by sealed bid to the general public.
  - 10.3.2. The list of properties to be offered for sale will be available at the Marion County Finance Department reception desk and on the Marion County website, Property Auction Information page. http://www.co.marion.or.us/FIN/Pages/propertyinfo.aspx
  - 10.3.3. A reference guide containing a reference map, legal description of the property, and other pertinent information will be available at the Finance Department reception desk for a nominal fee and will be posted on the county's website.
    - 10.3.3.1. The guide is only a reference for prospective buyers to make their own determination as to the existence, value and usability of the interest in the property the county is offering for sale.
    - 10.3.3.2. Prospective buyers are responsible for researching any and all conditions concerning the properties offered.

10.3.4. All offers to purchase available real property must be submitted in the following manner:

10.3.4.1. All offers must be submitted in writing using the sealed bid form found on the Marion County Finance Department website or image copies thereof and

Mailed to: Marion County, Finance Department
PO Box 14500
Salem OR 97309

- OR -

Delivered to: Marion County, Finance Department
555 Court St NE, Suite 4247
Salem OR 97301

10.3.4.2. A Finance Department representative shall notate the envelope with the date and time that the envelope has been received.

10.3.4.3. All offers must be sealed in an envelope.

10.3.4.4. Each offer must be for a single parcel of real property.

10.3.4.5. The exterior of the envelope must set forth the name, address and telephone number of the maker of the offer, the date of the offer and the tax lot number for the real property.

10.3.4.6. If the offer is to be mailed, the envelope with the offer shall be placed inside another envelope that has the county's mailing address.

10.3.4.7. All offers of $5,000 or less must be accompanied by a cashier's check, certified check or money order in the full amount offered for the real property.

10.3.4.8. Offers on properties to be sold by cash that are greater than $5,000 must be accompanied by a cashier's check, money order or certified check for at least 25% of the bid amount as a down payment.

10.3.4.9. This down payment will be refunded if the offer is not accepted by the board of commissioners.

10.3.4.10. The payment in full amount of the offer is due and payable within 30 days from the date of the board of commissioner's decision to sell (accept the offer). If the buyer fails to make payment in full to complete the sale, then the down payment will be forfeited to Marion County.

10.3.4.11. Offers on properties to be sold on contract that are greater than $5,000 must be accompanied by a cashier's check, certified check or money order for at least 25% of the amount bid, as a down payment.

10.3.4.12. This down payment will be refunded if the offer is not accepted by the board of commissioners.

10.3.4.13. Contracts will be executed no later than 30 days after the board of commissioner's decision to sell (accept the offer).

10.3.4.14. Failure to enter into a contract within 30 days will cause the down payment to be forfeited to Marion County.

10.3.4.15. All offers must be physically received before the close of the last business day of the sale as advertised.

10.3.4.16. On the first business day following the close of the sale, two Finance Department representatives will open all offers, document the offers as submitted and prepare a recommendation to the board of commissioners for action at the next available board meeting.

10.3.4.17. If identical offers are received within the deadline prescribed herein, the valid offer received first in time will be the offer considered by the board of commissioners.

10.3.4.18. No offer for less than 15% of the minimum bid set for the real property at the preceding public auction at which the real property was offered will be considered as a valid offer in accordance with ORS Chapter 275.200.

10.4. Private Sale to Adjacent Property Owner(s) by Sealed Bid

10.4.1. Properties that meet the following conditions may only be offered for sale to the adjacent property owner(s) if:

10.4.1.1. The property has a real market value of less than $15,000 as listed on the assessment roll; and

10.4.1.2. The property is unsuited for the construction or placement of a dwelling under applicable zoning ordinances and building codes.

10.4.2. The Finance Department shall send a letter detailing the sale to all adjacent property owners of the subject county owned property.

10.4.3. Adjacent property owners interested in purchasing the subject property shall submit their bid as specified in section 10.3.4. above.

10.4.4. If identical offers are received within the deadline prescribed herein, the valid offer received first in time will be the offer considered by the board of commissioners.

10.4.5. The successful bidder shall be required to consolidate the parcel with their current tax lot(s) as applicable. The Finance Department shall assist the bidder to accomplish this action with the assessor's office.

10.4.6. In unique circumstances, staff may seek direction from the board on the disposition of properties satisfying the conditions set forth in section 10.4.1 above.

10.5. Private Sale to a Local Municipality or Nonprofit

10.5.1. A local municipality or non-profit may make a request to purchase excess tax foreclosed or surplus real property. A request must be submitted in writing to the Marion County Board of Commissioners or the Marion County Finance Department.

10.5.2. Excess tax foreclosed and surplus real property may be transferred or sold to a local municipality providing that the property shall be used for a public purpose for not less than 20 years.

10.5.3. Excess tax foreclosed and surplus real property may be transferred to a nonprofit corporation only under specific circumstances as defined in ORS 271.330(2)(a)(low income housing, social services, or child care services) and(3)(open space, parks, or natural areas).

10.5.4. All such sales and transfers must be advertised in a newspaper of general circulation in the county for a minimum of two successive weeks indicating the intent to sell or transfer the property and set a public hearing date to hear any potential objections.

10.5.5. The real property shall be conveyed by deed, subject to a reversionary interest (when applicable) retained by Marion County in the event the property is not used for a public purpose. The reversionary interest may be waived by the board of commissioners.

10.5.6. The board of commissioners may determine the price at which the property will be sold with no minimum amount required by statute.

- 10.5.7. The board of commissioners will consider the best interests of the taxing districts and the county when deciding the appropriate action to take in response to any offer.
- 10.5.8. The Finance Department will submit all valid offers to the board of commissioners with a staff recommendation as appropriate.
- 10.5.9. If the Finance Department has not physically received an offer that meets any specified criteria, or if no offer is accepted by the board of commissioners, the property will remain available for the next sale.
- 10.5.10. If an offer is accepted, no subsequent offers for that property will be considered.
- 10.5.11. All offers submitted and accepted by the board of commissioners are binding; no money submitted will be refunded if the board of commissioners accepts the offer.
- 10.5.12. The person/entity making the offer is responsible for applicable recording fees.
  - 10.5.12.1. All fees must be paid within 10 days of the date of the Marion County Board of Commissioners acceptance of the offer and notification is made to the maker of the offer.

11. Marion County reserves the right to remove any property from public sale and/or retain any real properties when it deems it to be in the best interest of the public.

Marion County
OREGON

ADMINISTRATIVE PROCEDURES

TITLE: Sale and disposition of tax foreclosed real property subject to ORS 312.500 to 312.560		**PROCEDURE #:**	809-B
DEPT: Finance		**PROGRAM:**	N/A
EFFECTIVE DATE: 09/26	**REVIEWED:**	**REVISED:**	N/A

OBJECTIVE: This procedure establishes guidelines for managing tax foreclosed real property, including the disposition of property deeded to the County, methods of sale or retention, and the determination and payment of surplus proceeds to the Oregon State Treasury. It is adopted in accordance with ORS 312 and applies to claims arising from the sale of such property when the claimant received a one-year notice of redemption under ORS 312.125 that expired on or after May 25, 2023.

REFERENCE: Policy # 809

POLICY STATEMENT: Marion County reviews all property acquired through tax foreclosure to identify potential internal uses, including right-of-way, easements, or programmatic purposes. The Finance Department will present these properties to the Board of Commissioners for direction regarding notification to county departments and outside entities. After coordinating identified needs with appropriate county departments or other governmental entities, the County evaluates the property's current value in accordance with ORS Chapter 312. Prior property owners or claimants shall be compensated for any surplus funds, as outlined in this policy, that is retained by the county or transferred to any other public or nonprofit entity.

The County's primary goal is to manage property in such a method that will maximize the public benefit, clearly identify any surplus funds, and comply with the ORS Chapter 312 requirements for determining and notifying potential claimants of any surplus funds. To obtain these results, Marion County follows the sale procedures outlined in ORS Chapter 275 and ORS Chapter 312.

The Board of Commissioners has established the following order of priority for the use or sale of tax foreclosed real property:

1. Retention by the County for ongoing county use or other public purposes.
2. Sale to prior owner if requested and qualified.
3. Sale to adjacent property owners as applicable.
4. Sale at public auction or by real estate agent as applicable.
5. Sale by private sealed bid sale as applicable.

Pursuant to ORS 312.520, the County may elect to retain tax foreclosed property for public benefit. If the County does so, it shall obtain an appraisal from a licensed appraiser that is unaffiliated with the County. In addition, pursuant to ORS 271.330, the County may, upon written request, convey tax foreclosed property to a qualifying nonprofit organization or municipality for low-income housing, social services, or child care services. The County may also convey property for the creation of open space, parks, or natural areas for perpetual public use. In any event, unless otherwise approved by the Board, the entity receiving the tax foreclosed property must purchase the property at its fair market value.

The Board reserves the right to establish an alternative order of priority when necessary to best serve the interests of the County, local taxing districts, and the public.

APPLICABILITY: All county departments.

PROCEDURES:

1. The Finance Department will oversee all property to be offered for sale by Marion County.
   1.1. The Department will present these properties to the Board of Commissioners for direction regarding notification to county departments and outside entities.

2. A listing of buildable real property, or real property with a real market value of $15,000 or greater, proposed for sale shall be distributed at least annually to all County departments for review and recommendation regarding whether such property should be retained, exchanged, set aside for right-of-way, or otherwise utilized. Prior to any sale, Marion County Public Works shall receive a list of all properties proposed for sale, regardless of buildable status, real market value, or condition, to determine whether retention of the property is in the best interests of the County.
   2.1. Each incorporated city within the County shall receive notice of any properties proposed for sale that are located within its boundaries.
   2.2. A city may submit a written request to the Finance Department to purchase one or more of these properties. The purchase price must be equal to or greater than the fair market value.
   2.3. The Finance Department shall follow the procedures set forth herein in accordance with ORS Chapters 271, 275 & 312.

3. Properties may also be offered for sale to the prior owner of record.
   3.1. If the prior owner of record expresses interest in reacquiring a tax foreclosed property, the Finance Department shall follow the procedures set forth herein in accordance with ORS 275.180.

4. The Board of Commissioners shall make all final decisions regarding the disposition of tax foreclosed real property, including the resolution of conflicts or competing requests for the same property.

5. Properties that are not retained by the County, sold to the prior owner or sold to a municipality or nonprofit, may be disposed of through a real estate broker or agency, public auction, or private sale, as set forth in ORS Chapters 275.110, 275.225, and 312.520, and Section 11 of this procedure.

6. Properties not sold as set forth in Section 5 may be retained; offered for sale to the prior owner; or sold or transferred to a local municipality or nonprofit, in accordance with Sections 10 and 12.6 of these procedures.

7. The county reserves the right to withdraw any property from any type of sale or transfer and retain said property when it determines such action is in the best interest of the public. If the County determines to retain said property, the County shall retain the property for its fair market value.

8. The following guidelines apply to all properties considered for sale by auction or private sale:
   - 8.1. All property shall be sold "AS IS." Marion County conveys its interest in the property by quitclaim deed and makes no representations regarding value, zoning, suitability for any purpose, building feasibility, environmental condition, wetland designation, forest zones, easements, city ordinances and regulations, or any other matter.
   - 8.2. Property offered at auction shall be sold as a cash-only transaction unless land sale contracts are authorized by the Board of Commissioners and specified in the auction board order.
   - 8.3. Sales to the prior owner of record or claimant are eligible for a land sale contract as set forth in Section 8.4.
   - 8.4. If a property is sold under a land sale contract, the following requirements apply:
     - 8.4.1. Sales with a purchase price of $5,000 or less shall be cash only.
     - 8.4.2. Sales with a purchase price of $5,001–$9,999 may be offered under a land sale contract with monthly payments over a term not to exceed two years.
     - 8.4.3. Sales with a purchase price of $10,000–$19,999 may be offered under a land sale contract with monthly payments over a term not to exceed five years.
     - 8.4.4. Sales with a purchase price of $20,000 or more may be offered under a land sale contract with monthly payments over a term not to exceed ten years.
     - 8.4.5. The interest rate for land sale contracts shall be the prime rate as of the date of sale, plus 3%. Monthly payments shall be calculated by the Marion County Finance Department and shall include principal and interest.
     - 8.4.6. A 25% non-refundable down payment is required for all land sale contracts.
     - 8.4.7. The Finance Department shall review the land sale contract with the purchaser, and the purchaser shall sign a contract summary acknowledging understanding of the land sale contract.
     - 8.4.8. If a purchaser fails to execute a contract within 30 days, the down payment shall be retained by Marion County and the property shall be offered to the next highest bidder, if applicable.
   - 8.5. Marion County reserves the right to refuse to enter into a contract with any purchaser who has failed to perform its obligations under any prior real property transaction with the County.
   - 8.6. In unique situations involving land sale contracts, staff may seek Board direction on contract terms, including provisions for resale to prior owners of record subject to statutory limitation guidelines.

9. The disposition of tax foreclosed property in accordance with ORS 312.500 to 312.560, shall include the following requirements:
   - 9.1. After expiration of the redemption period, the County may elect to retain the property for public purposes or transfer title to a nonprofit organization for public benefit or sold to a local municipality.
     - 9.1.1. If the County does so, it shall obtain an appraisal from a licensed appraiser that is unaffiliated with the County.
     - 9.1.2. The fair market value shall be the greater of the appraised value or the real market value (RMV) as of the date the property was deeded to the county under ORS 312.200.
   - 9.2. For property not retained by the county and that is located in a residential zone that was the former owner's primary residence, the County shall:
     - 9.2.1. List the property for sale with a real estate broker or agent who does not hold elected or appointed office and is not employed by any government entity.
     - 9.2.2. Obtain an appraisal from a licensed appraiser unaffiliated with the County if the real market value of the property, as shown on the most recent tax statement, exceeds $250,000.
     - 9.2.3. The list price must be the highest price at which the property is reasonably expected to sell.
   - 9.3. In accordance with ORS 312.520, the County must conduct a public, high-bid auction for the sale of the property if:
     - 9.3.1. After three attempts, the County is unable to enter into an agreement with a real estate broker or agent for the sale of the property.
     - 9.3.2. The real estate broker or agent is unable to sell the property within 12 months after listing.
     - 9.3.3. The property is not retained for public purposes, not transferred to a nonprofit organization for public benefit or a municipality and is not located in a residential zone and was the former owner's primary residence.
     - 9.3.4. The property shall be sold to the highest bidder at auction if the bid exceeds the outstanding taxes and other allowable costs.
     - 9.3.5. Auctions must include the following:
       - 9.3.5.1. Advertisements in a multiple listing service for at least 30 days prior to the auction date.
       - 9.3.5.2. If a private party is engaged to operate and advertise the auction, a limited fee to the private party in an amount equal to 3% of the surplus related to the property.
       - 9.3.5.3. A minimum starting bid of two-thirds of the property's fair market value.
       - 9.3.5.4. Fair market value shall be determined as of the date the property was deeded to the County and is the greater of:
         (a) The real market value for ad valorem property tax purposes as shown on the most recent tax statement; or
         (b) For property required to be appraised, the appraised value if greater than the real market value.
     - 9.3.6. For properties that fail to sell at auction under sections 9.3.4 through 9.3.5 above, the County shall conduct a second high-bid auction with a starting bid equal to the outstanding taxes and other allowable costs chargeable against the property.

9.3.7. For properties that fail to sell at auction a second time, the County may forgive the outstanding taxes and other allowable costs chargeable against the property and retain the property for public purposes, transfer title to a nonprofit organization for public benefit or sell to a city or local municipality.

9.3.7.1. Property subject to Section 9.3.7 may be sold in accordance with the methods outlined in Policy 809-A. In such situation(s) no surplus distribution is required.

9.3.8. Upon the sale of foreclosed property, the County Treasurer shall deposit the gross sales proceeds in a separate, interest-bearing account until the surplus amount has been determined. Any interest earned shall be included in the amount distributed.

10. Sale of Tax Foreclosed Real Property to the Prior Owner(s) of Record

10.1. If the prior owner(s) of record seeks to reacquire the property, the property may be sold as follows:

10.1.1. The prior owner of record shall submit a written request to purchase the property to the Board of Commissioners through the Finance Department.

10.1.2. The request letter must describe the reasons for seeking to repurchase the property and demonstrate the financial ability to complete the purchase and maintain current property taxes.

10.1.3. If the Board of Commissioners denies the request, the sale of the property shall proceed in accordance with section 9 above.

10.1.4. If the Board approves the request to sell the property to the prior owner of record, the Finance Department shall execute the sale.

10.2. The sale price shall be the sum of:

10.2.1. Taxes and interest accrued against the property at the time it was deeded to the County;

10.2.2. Interest at a rate of 9% per annum on the accrued taxes and interest from the County’s date of acquisition;

10.2.3. Plus any taxes and interest that would have accrued through the date of purchase but for the County’s ownership, including:

10.2.3.1. If the date of purchase is on or after July 1, the estimated property taxes for the upcoming tax year to be certified in October of that same year; and

10.2.3.2. Any delinquent interest accrued at 9% per annum (0.75% per month or portion thereof) for that tax year;

10.2.4. Any fees assessed by the tax collector, plus an administrative fee equal to 15% of the purchase price.

10.2.5. The County may offer a land sale contract for the repurchase of property by the “claimant” as that term is defined in ORS 312.500(1) and section 13.1 below or the “former owner” as that term is defined in ORS 312.500(2).

10.2.6. Sales back to prior owners of record is not a surplus-generating transaction under ORS 312.500 or 312.530. Any interest accrued under a land sale contract shall be deposited into the tax title fund and applied toward reimbursement of County administrative costs.

11. Sale of Tax Foreclosed Real Property at Public Auction
    - 11.1. The Finance Department shall determine whether properties are eligible for sale at public auction and recommend to the Board of Commissioners properties to be sold.
    - 11.2. In accordance with ORS Chapter 275, and in addition to the requirements outlined in section 9.3 of this policy, the Board of Commissioners shall enter an order for the sale, with the public notice containing the list of properties and the setting of the public auction date.
        - 11.2.1. A public notice of the sale shall be published in a newspaper within the county once a week for four consecutive weeks prior to the auction and the auction will be held no earlier than ten days after the last advertisement.
        - 11.2.2. The public notice shall contain the time and location of the sale; the date of the order directing the sale; and the list of properties to be sold detailing the tax lot number, street address or a description of location, approximate acreage and minimum bid for each property.
    - 11.3. The list of properties and auction rules shall also be posted on Marion County's Property Auction Information webpage when an auction is scheduled and required notices have been published.
        - 11.3.1. Webpage: http://www.co.marion.or.us/FIN/Pages/propertyinfo.aspx shall provide property sale information.
        - 11.3.2. The Finance Department will also maintain a notification list to notify interested prospective buyers of an upcoming auction.
    - 11.4. Prospective buyers are responsible for researching any and all conditions concerning the properties offered.
        - 11.4.1. Marion County makes no representation about the value, zoning, suitability for any purpose, building feasibility, environmental condition, wetland designation, forest zones, easements, city ordinances and regulations or any other matters.
        - 11.4.2. The County transfers any interest it may hold in these properties by quitclaim deed.
    - 11.5. Property shall be auctioned by the sheriff or a duly authorized representative at a designated location.
        - 11.5.1. Bidders shall register prior to receiving a bidder's identification number and will then be eligible to place a bid.
        - 11.5.2. The auctioneer will not recognize unregistered bidders.
    - 11.6. Bidding:
        - 11.6.1. Bids less than the advertised minimum bid will not be accepted.
        - 11.6.2. Bidding shall be increments of $100.00.
        - 11.6.3. If no satisfactory bid is received for the parcel announced for sale, the parcel shall be removed from the sale and the parcel shall not be offered again at the same auction.
        - 11.6.4. After bids have been called for three times and no further acceptable bids are offered, the auctioneer shall sell the parcel to the highest bidder, subject to section 9.3.4 above.
        - 11.6.5. The sale will terminate after bids have been called for on all parcels whether the parcels have or have not been sold.
    - 11.7. Successful bidders will be required to sign a certificate of sale immediately after the close of the auction and a copy will be provided.
        - 11.7.1. The certificate of sale shall include the terms of the sale and the name that is to be recorded on the deed.

11.7.2. When a corporation signs the certificate of sale, Marion County will require evidence that the person signing is the president or authorized signer along with the corporation resolutions authorizing the transaction.

11.8. Marion County reserves the right to remove any property from public sale and/or retain any real property when it deems it to be in the best interest of the county and the public.

11.9. Sales shall be for cash unless a land sale contract is authorized by order of the Board.

11.10. A 25% non-refundable down payment is required on all sales.

11.11. Payment shall be made within one day after the closing of the auction by cash, cashier's check, money order, or certified check.

11.12. Failure to submit the 25% down payment within one day of the closure of the auction is a breach of contract.

11.13. Personal checks will be accepted provided a certified bank check is furnished to replace the personal check within 24 hours after the closing of the sale.

11.13.1. Failure to replace the personal check is also a breach of contract.

11.14. Cash sales require a 25% non-refundable down payment.

11.14.1. The full payment of the bid sale must be received within 30 days from the date of the auction.

11.14.2. If the buyer fails to consummate the sale, the down payment will be retained by Marion County. The property will then be offered to the next high bidder.

11.14.3. If the second high bidder does not exercise the purchase option, the property shall proceed in accordance with section 9 or 12 above.

12. The Sale of Tax Foreclosed Real Property by Private Sale via sealed bid

12.1. This section applies to property that fails to sell at auction under ORS 312.520 (3) or (4).

12.2. The Finance Department shall oversee and conduct private sales through negotiated transactions or a sealed bid process.

12.3. A private sale may be used for the following categories of property:

12.3.1. Property remaining unsold after a public auction conducted in accordance with section 9.3.7 above, when the Finance Department determines that a private sale is in the best interest of the County;

12.3.2. Property offered exclusively to adjacent property owners and sold in accordance with ORS 275.225 and these procedures; and

12.3.3. Property sold or transferred to a local municipality in accordance with ORS 271.310 and ORS 271.330.

12.4. Private Sale of Property Unsold After Auction under section 9.3.7 above by Sealed Bid

12.4.1. This method may be used for property remaining unsold after auction conducted pursuant to section 9.3.7 above when the Finance Department determines that a sealed bid sale is in the best interest of the County.

12.4.2. The list of available properties shall be provided at the Finance Department and on the County's Property Auction Information webpage: http://www.co.marion.or.us/FIN/Pages/propertyinfo.aspx

12.4.3. A reference guide, including maps and other relevant information, may be made available for a nominal fee and posted on the County's website.

12.4.3.1. The guide is for informational purposes only and does not constitute a representation of the existence, value, or usability of the property.

12.4.3.2. Prospective buyers are responsible for conducting their own due diligence.

12.4.4. All offers shall be submitted as follows:

12.4.4.1. All offers must be submitted in writing using the County's sealed bid form and delivered or mailed to the Finance Department at the addresses designated by the county.

Mailed to: Marion County, Finance Department
PO Box 14500
Salem OR 97309

- OR -

Delivered to: Marion County, Finance Department
555 Court St NE, Suite 4247
Salem OR 97301

12.4.4.2. Each offer must be sealed in an envelope and clearly labeled with the bidder's name, address, telephone number, date of the offer, and tax lot number.

12.4.4.3. Each offer shall be for a single parcel.

12.4.4.4. The Finance Department shall notate the envelope with the date and time that the envelope was received.

12.4.4.5. Offers of $5,000 or less must include full payment in the form of a cashier's check, certified check, or money order.

12.4.4.6. Offers greater than $5,000 must include a deposit of at least 25% of the bid amount.

12.4.4.7. All deposits shall be refunded if the offer is not accepted.

12.4.4.8. The balance of the purchase price shall be paid within 30 days of Board approval. Failure to complete payment shall result in forfeiture of the deposit.

12.4.4.9. For approved land sale contracts, a downpayment of at least 25% is required.

12.4.4.10. Contracts shall be executed within 30 days of Board approval. Failure to execute the contract shall result in forfeiture of the deposit.

12.4.4.11. Offers must be received by the deadline stated in the sale notice.

12.4.4.12. Following the closing date, Finance Department staff shall open and record all offers and submit a recommendation, at the next available Management update, to the Board of Commissioners.

12.4.4.13. If identical offers are received by the prescribed deadline, the offer received first will be considered by the Board of Commissioners.

12.4.4.14. No offer for less than 15% of the minimum bid set for the real property at the preceding public auction at which the real property was offered will be considered as a valid offer in accordance with ORS 275.200.

12.4.4.15. Additionally, this offer must not be less than the outstanding taxes and other allowable costs chargeable against the property in accordance with ORS 312.520.

12.5. Private Sale to Adjacent Property Owner(s) by Sealed Bid

- 12.5.1. Property may be offered exclusively to adjacent property owner(s) if it meets the following conditions:
  - 12.5.1.1. The property has a real market value of less than $15,000 as shown on the assessment roll; and
  - 12.5.1.2. The property is not suitable for the construction or placement of a dwelling under applicable zoning ordinances and building codes.
- 12.5.2. The Finance Department shall provide notice of the sale to all adjacent property owners of the County-owned property.
- 12.5.3. Interested adjacent property owners shall submit bids in accordance with Section 12.4.4.
- 12.5.4. If identical offers are received within the deadline prescribed herein, the valid offer received first in time will be considered by the Board of Commissioners.
- 12.5.5. The successful bidder shall be required to consolidate the taxes of the purchased parcel with the bidder's existing tax lot or lots, as applicable. The Finance Department shall coordinate with the Assessor's Office to facilitate this process.
- 12.5.6. In unique circumstances, staff may seek direction from the board on the disposition of property satisfying the conditions set forth in section 12.4 above.

12.6. Private Sale to a Local Municipality or Nonprofit

- 12.6.1. A local municipality or nonprofit may submit a written request to purchase tax foreclosed real property to the Board of Commissioners through the Finance Department.
- 12.6.2. The county may elect to retain any property for public purposes or transfer title to the property to a nonprofit organization for purposes of public benefit as described in ORS 312.520(1)(a)(A) and sections 9.1, 12.6.3, and 12.6.4 of this policy.
- 12.6.3. Property may be sold or transferred to a local municipality, provided that the property is used for a public purpose for a period of not less than 20 years as described in ORS 271.330(1)
- 12.6.4. Property may be transferred to a nonprofit corporation only under the circumstances described in ORS 271.330(2)(a) (low-income housing, social services, or child care services) and ORS 271.330(3) (open space, parks, or natural areas).
- 12.6.5. All such sales and transfers shall be advertised in a newspaper of general circulation within the County for at least two consecutive weeks, stating the County's intent to sell or transfer the property and establishing a public hearing date to receive any objections.
- 12.6.6. The property shall be conveyed by deed, subject to a reversionary interest retained by the County, when applicable, if the property is not used for a public purpose. The Board of Commissioners may waive this reversionary interest.
- 12.6.7. The Board of Commissioners shall determine the sale price, which shall not be less than the established fair market value.
- 12.6.8. In evaluating offers, the Board shall consider the best interests of the County.
- 12.6.9. The Finance Department shall submit all valid offers to the Board of Commissioners with a staff recommendation, as appropriate.
- 12.6.10. If no qualifying offer is received, or if no offer is accepted, the property shall remain available for future disposition.
- 12.6.11. Once an offer is accepted, no subsequent offers for that property shall be considered.

12.6.12. Offers accepted by the Board of Commissioners are binding, and any funds submitted shall be nonrefundable upon acceptance.
12.6.13. The person or entity submitting the offer is responsible for all applicable recording fees.
12.6.14. All required fees shall be paid within 10 days of the Board's acceptance of the offer and notice to the purchaser.

13. Claim of Surplus in accordance with ORS 312.540
  13.1. A "claimant" means:
    13.1.1. The owner of the real property as of the date the property was sold to the County for delinquent taxes under ORS 312.100; or
    13.1.2. The former owner's estate, heirs, devisees, attorney-in-fact, trustee, guardian, custodian, bankruptcy estate, or a successor in interest that has acquired substantially all of the former owner's assets by intestate succession, probate, merger, acquisition, dissolution, or takeover.
  13.2. A claimant is entitled to a return of a surplus, if any, in the amount determined under this policy, as of the date on which the County disposes of the claimant's property.
  13.3. A claim for surplus shall be filed with the State Treasurer.

14. Notice of Surplus in accordance with ORS 312.550
  14.1. Within 60 days after the date on which a claim for surplus may arise, the County shall deliver notice of the surplus to:
    14.1.1. The claimant at the claimant's last known address;
    14.1.2. The State Treasury's Estates Administration Program;
    14.1.3. The Department of Revenue;
    14.1.4. The Department of Justice; and
    14.1.5. The municipality, if any, in which the property is located.
  14.2. The notice shall include:
    14.2.1. At the top of the notice in capital letters, in at least 14-point type, the following statement:

> NOTICE: YOU ARE ENTITLED TO A REFUND OF MONEY HELD BY THE COUNTY. TO RECEIVE MORE INFORMATION AND ASSISTANCE, CONTACT THE OREGON STATE TREASURY AT 867 HAWTHORNE AVE SE, SALEM, OR 97301 (503-378-4000). THERE ARE GOVERNMENT AGENCIES AND NONPROFIT ORGANIZATIONS THAT CAN GIVE YOU INFORMATION ABOUT FORECLOSURE AND HELP YOU DECIDE WHAT TO DO. FOR GENERAL INFORMATION AT NO COST TO YOU, CONTACT A CERTIFIED HOUSING COUNSELOR. YOU CAN FIND A HOUSING COUNSELOR NEAR YOU AT HTTPS://WWW.HUD.GOV/STATES/OREGON#HOMEOWNERSHIP. YOU MAY ALSO WANT TO TALK TO A LAWYER. YOU CAN REACH THE OREGON STATE BAR'S LAWYER REFERRAL SERVICE AT 800-452-7636 (TOLL-FREE IN OREGON) OR VISIT THE WEBSITE AT WWW.OSBAR.ORG. FREE LEGAL ASSISTANCE MAY ALSO BE AVAILABLE TO INDIVIDUALS WITH LOW INCOMES. FOR MORE INFORMATION AND A DIRECTORY OF

LEGAL AID PROGRAMS, GO TO WWW.OREGONLAWHELP.ORG.

14.2.2. The following information, in clear and understandable terms:

14.2.2.1. The amount of the surplus that the County has determined is owed to the claimant;

14.2.2.2. An explanation of who may be a claimant in accordance with ORS 312.500;

14.2.2.3. An explanation of the process by which a claimant may file a claim;

14.2.2.4. The claimant's right to seek a writ of review of the surplus from the county circuit court under ORS 34.010 to 34.100 and the deadline for filing for the writ, and

14.2.2.5. A referral, in the five most commonly spoken languages in Oregon other than English, to the website of the Unclaimed Property program of the State Treasury at https://unclaimed.oregon.gov. The translated referral must include the statement, "This is a notice about important rights related to your property."

14.2.3. The following information must be made available on the County's website:

14.2.3.1. The surplus amount

14.2.3.2. A description of the property to which the surplus relates

14.2.3.3. The name(s) of the claimant(s), and

14.2.3.4. Information about the process by which a claimant may file a claim under ORS 312.540.

15. Determining a Surplus in accordance with ORS 312.530:

15.1. The amount of surplus must be determined within 60 days after the date the proceeds from the sale of the property are deposited in the interest-bearing account.

15.2. In determining the surplus, the value of the property shall be determined as follows:

15.2.1. For property retained by the County or transferred to a nonprofit organization, the fair market value as described in Section 9.3.5.4 above;

15.2.2. For property sold to a bona fide purchaser, the stated consideration on the deed, including property sold:

15.2.2.1. Through a real estate broker or agent; or

15.2.2.2. At public auction;

15.2.3. For property that fails to sell at auction, the amount forgiven in outstanding taxes and other allowable costs.

15.3. In determining a surplus, the allowable costs that the County may charge against the property include:

15.3.1. The amount of the judgment under ORS 312.090 and accruing post-judgment interest;

15.3.2. The amount of taxes and interest on the taxes that would have been due following the judgment during the redemption period and through the earlier of:

15.3.2.1. The date on which the County sold or conveyed the property to a third party, or

15.3.2.2. The date on which the claim is made;

15.3.3. Additional costs that the County may claim under ORS 275.275(1)(a) to (c);

15.3.4. Costs to reimburse the claim of a municipal corporation that has filed a claim notice under ORS 275.130;

15.3.5. Penalties allowed under ORS 312.990, or the actual costs paid by the County to mitigate or abate a nuisance that was caused or permitted by the negligence or neglect of the former owner, and

15.3.6. In lieu of the penalty and fee under ORS 312.120, the reasonable fees related to the foreclosure and the efforts to dispose of the property, including the costs of legal fees, delivering notices, County staff time, court filing fees, appraisals, professional real estate commission and auction fees.

15.4. The County shall provide a claimant with an itemized accounting of all allowable costs deducted when determining the surplus.