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# Real Property Foreclosure

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Foreclosure is a legal proceeding by which the county enforces payment of real property taxes. The county acquires legal title to a property if the taxes aren't paid by a certain date. In Oregon, real property is subject to foreclosure three years after the taxes become delinquent.

## When are taxes delinquent?

Property taxes can be paid in full by November 15 or in three installments: November 15, February 15, and May 15. If the taxes aren't paid in full by May 16 they are delinquent.

- May 16 of the following year they are one year delinquent;
- May 16 of the next year they are two years delinquent;
- May 16 of the year after they are three years delinquent.

The property is subject to foreclosure when the taxes are three years delinquent.

## Foreclosure procedures

A description of the foreclosure process follows. **If you have any questions about a foreclosure proceeding on your property, contact your county tax collector.**

## Delinquency notices

If your taxes are delinquent, you will receive notices informing you about the foreclosure process.

- The tax statement you receive each year shows the current year's taxes and delinquent taxes. The statement also shows the delinquent year that causes the property to be subject to foreclosure.
- If the tax on your property is unpaid after May 15 of any year, you will get a delinquency notice telling you the date after which foreclosure proceedings begin.

- The county tax collector must send another delinquency notice by both regular and certified mail before the foreclosure list is published in the newspaper.

## Foreclosure list

A list of all properties subject to foreclosure is prepared in July of each year for accounts with property taxes three years delinquent.

- If you pay the full tax and interest for the year(s) causing foreclosure, your property can be removed from the foreclosure list before it is published.

## Publication of the foreclosure list

The foreclosure list is published in a general circulation local newspaper in the county on the date that application for judgment is filed with the court, which occurs in August. Notice of foreclosure may also be made by personal service.

- After the foreclosure list is given to the newspaper for publication, and prior to judgment by the court, you can remove your property from the list and proceeding by paying the full tax and interest for the year(s) causing foreclosure plus a penalty of 5 percent of the total tax and interest owed on the property. An answer and defense may be filed with the court within 30 days after the publication of the foreclosure list.

## Judgment

The same day the foreclosure list is published in the newspaper, the district attorney applies for a judgment through the circuit court.

- If you believe the property should not be included in the foreclosure process, you must file your reasons with the court within 30 days after the publication.
- After a minimum of 30 days from the date the application was filed, the circuit court may issue

the judgment and order sale of the property to the county.

### Redemption period

Once judgment is granted by the circuit court, a two-year redemption period begins.

- To redeem your property during this period, you must pay all taxes and interest for all years shown on the judgment and decree, the 5 percent penalty, interest on the judgment, plus a \$50 redemption fee.

Interest on the total amount of judgment and decree is 9 percent per year.

- When one year remains in the redemption period, the county sends a notice by certified and first class mail to all persons with a legally recorded interest in the property. Once the county sends the certified notice, the redemption fee may increase. The county will do a title search on the property before it sends the notice. If the title search costs the county more than \$50, you must pay the actual cost.
- Only the following can redeem property:
  - (1) A person with an interest in the property at the date of judgment.
  - (2) An heir or devisee of a person with an interest in the property,
  - (3) Property lienholder of record, such as a mortgage company, or
  - (4) A municipal corporation, such as a city or sewer district, with a lien on the property.

### End of the redemption period

Ten to thirty days before the end of the redemption period, the county tax collector publishes, a “Notice of Expiration of Redemption Period,” in two weekly issues of a newspaper.

- You keep title to your property up to the time the tax collector deeds the property to the county. If you damage or destroy the property in any way during the redemption period, you could lose your rights to own the property.

### Property deeded to the county

At the end of the redemption period, the tax collector deeds the property to the county and all taxes are canceled.

- When the tax collector deeds the property to the county, you lose all rights to the property. If you want to acquire the property, contact the county.

### Have questions? Need help?

**General tax information** ..... [www.oregon.gov/dor](http://www.oregon.gov/dor)  
Salem ..... (503) 378-4988  
Toll-free from an Oregon prefix..... 1 (800) 356-4222

**Asistencia en español:**  
En Salem o fuera de Oregon ..... (503) 378-4988  
Gratis de prefijo de Oregon..... 1 (800) 356-4222

**TTY (hearing or speech impaired; machine only):**  
Salem area or outside Oregon ..... (503) 945-8617  
Toll-free from an Oregon prefix..... 1 (800) 886-7204

**Americans with Disabilities Act (ADA):** Call one of the help numbers above for information in alternative formats.