

Requested by Representative JAVADI

**PROPOSED AMENDMENTS TO  
HOUSE BILL 3545**

1 In line 2 of the printed bill, after the semicolon insert “creating new  
2 provisions; amending ORS 94.709 and 100.450;”.

3 Delete lines 6 through 21 and insert:

4 **“SECTION 2. (1) As used in this section:**

5 **“(a) ‘Assessment’ has the meaning given that term in ORS 94.550  
6 or 100.005, as applicable.**

7 **“(b) ‘Association’ means a homeowners association as defined in  
8 ORS 94.550 or an association of unit owners as defined in ORS 100.005.**

9 **“(c) ‘Subject property’ means property that is subject to assessment  
10 by an association.**

11 **“(2)(a) Assessments shall accrue on subject property that has been  
12 deeded to a county under ORS 312.200 for the period beginning on the  
13 date on which the subject property is so deeded and ending on the  
14 earliest of the date on which:**

15 **“(A) The county transfers title to the subject property to another  
16 owner by sale or under ORS 271.330;**

17 **“(B) The county enters into a lease agreement for the subject  
18 property; or**

19 **“(C) The county determines that it will permanently retain title to  
20 the subject property.**

21 **“(b) Assessments that accrue as described in this subsection give**

1 rise to a lien against the subject property.

2 “(c) The amount of assessments secured by the lien shall not in-  
3 clude costs or fee increases for payment of a fine, penalty, settlement  
4 or attorney fees that are the result of a violation of local, state or  
5 federal law by the association that imposes the assessments.

6 “(3)(a) Assessments that accrue during the period described in sub-  
7 section (2) of this section are the liability of:

8 “(A) The owner that receives title to the subject property as de-  
9 scribed in subsection (2)(a)(A) of this section; or

10 “(B) The county if:

11 “(i) The county enters into a lease agreement for the subject prop-  
12 erty; or

13 “(ii) The county determines that it will permanently retain title to  
14 the subject property.

15 “(b) The lien must be satisfied by:

16 “(A) An owner described in paragraph (a)(A) of this subsection no  
17 later than the date on which the title to the subject property is re-  
18 ceived.

19 “(B) The county no later than thirty days following the date on  
20 which it enters into a lease agreement or determines that it will per-  
21 manently retain title to the subject property.

22 “(4) The association that imposes the assessments on subject prop-  
23 erty:

24 “(a) May record any lien that arises under this section; and

25 “(b) Shall provide the county with notice of the assessments in ac-  
26 cordance with the association’s dues schedule.

27 “SECTION 3. ORS 94.709 is amended to read:

28 “94.709. (1) Whenever a homeowners association levies any assessment  
29 against a lot, the association shall have a lien upon the individual lot for  
30 any unpaid assessments. The lien includes interest, late charges, attorney

1 fees, costs or other amounts imposed under the declaration or bylaws or  
2 other recorded governing document. The lien is prior to a homestead ex-  
3 emption and all other liens or encumbrances upon the lot except:

4 “(a) Tax and assessment liens; and

5 “(b) A first mortgage or trust deed of record.

6 “(2) Recording of the declaration constitutes record notice and perfection  
7 of the lien for assessments. No further recording of a claim of lien for as-  
8 sessments or notice of a claim of lien under this section is required to perfect  
9 the association’s lien. The association shall record a notice of claim of lien  
10 for assessments under this section in the deed records of the county in which  
11 a lot is located before any suit to foreclose may proceed under subsection (4)  
12 of this section. The notice shall contain:

13 “(a) A true statement of the amount due for the unpaid assessments after  
14 deducting all just credits and offsets;

15 “(b) The name of the owner of the lot, or reputed owner, if known;

16 “(c) The name of the association;

17 “(d) The description of the lot as provided in ORS 93.600; and

18 “(e) A statement that if the owner of the lot thereafter fails to pay any  
19 assessments when due, as long as the original or any subsequent unpaid as-  
20 sessment remains unpaid, the unpaid amount of assessments automatically  
21 continue to accumulate with interest without the necessity of further re-  
22 cording.

23 “(3) The notice shall be verified by the oath of some person having  
24 knowledge of the facts and shall be recorded by the county recording officer.  
25 The record shall be indexed as other liens are required by law to be indexed.

26 “(4)(a) The proceedings to foreclose liens created by this section shall  
27 conform as nearly as possible to the proceedings to foreclose liens created  
28 by ORS 87.010 except, notwithstanding ORS 87.055, a lien may be continued  
29 in force for a period of time not to exceed six years from the date the as-  
30 sessment is due. For the purpose of determining the date the assessment is

1 due in those cases when subsequent unpaid assessments have accumulated  
2 under a notice recorded as provided in subsection (2) of this section, the as-  
3 sessment and claim regarding each unpaid assessment shall be deemed to  
4 have been levied at the time the unpaid assessment became due.

5 “(b) The lien may be enforced by the board of directors acting on behalf  
6 of the association.

7 “(5) Unless the declaration or bylaws provide otherwise, fees, late  
8 charges, fines and interest imposed pursuant to ORS 94.630 (1)(L), (n) and (o)  
9 are enforceable as assessments under this section.

10 “(6) This section does not prohibit an association from pursuing an action  
11 to recover sums for which subsection (1) of this section creates a lien or from  
12 taking a deed in lieu of foreclosure in satisfaction of the lien.

13 “(7) An action to recover a money judgment for unpaid assessments may  
14 be maintained without foreclosing or waiving the lien for unpaid assess-  
15 ments. A judgment entered on the action does not extinguish the lien. Pay-  
16 ment of the judgment operates to satisfy the lien, or a portion of the lien,  
17 to the extent of the payment received.

18 **“(8) Notwithstanding any provision of this section to the contrary,**  
19 **a lien against a lot deeded to a county by tax foreclosure under ORS**  
20 **312.200 shall arise and be recorded, enforced or foreclosed in accord-**  
21 **ance with section 2 of this 2025 Act.**

22 **“SECTION 4.** ORS 100.450 is amended to read:

23 “100.450. (1) Whenever an association of unit owners levies any assess-  
24 ment against a unit, the association of unit owners shall have a lien upon  
25 the individual unit and the undivided interest in the common elements  
26 appertaining to such unit for any unpaid assessments. The lien includes in-  
27 terest, late charges, attorney fees, costs or other amounts levied under the  
28 declaration or bylaws. The lien is prior to a homestead exemption and all  
29 other liens or encumbrances upon the unit except:

30 “(a) Tax and assessment liens; and

1       “(b) A first mortgage or trust deed of record unless:

2       “(A) The condominium consists of fewer than seven units, all of which  
3 are to be used for nonresidential purposes;

4       “(B) The declaration provides that the lien of any mortgage or trust deed  
5 of record affecting the property shall be subordinate to the lien of the asso-  
6 ciation provided under subsection (1) of this section; and

7       “(C) The holder of any mortgage or trust deed of record affecting the  
8 property when the declaration is recorded executes a separate subordination  
9 of the holder’s interest to the declaration which is attached as an exhibit  
10 and which states that the holder understands that the declaration subordi-  
11 nates the holder’s lien to the assessment lien of the association provided  
12 under subsection (1) of this section.

13       “(2) Recording of the declaration constitutes record notice and perfection  
14 of the lien for assessments. No further recording of a claim of lien for as-  
15 sessments or notice of a claim of lien under this section is required to perfect  
16 the association’s lien. The association shall record a notice of claim of lien  
17 for assessments under this section in the deed records of the county in which  
18 the unit is located before any suit to foreclose may proceed under subsection  
19 (4) of this section. The notice shall contain:

20       “(a) A true statement of the amount due for the unpaid assessments after  
21 deducting all just credits and offsets;

22       “(b) The name of the owner of the unit, or reputed owner, if known;

23       “(c) The name of the condominium and the designation of the unit as  
24 stated in the declaration or applicable supplemental declaration; and

25       “(d) A statement that if the owner of the unit thereafter fails to pay any  
26 assessments when due, as long as the original or any subsequent unpaid as-  
27 sessment remains unpaid, the unpaid amount of assessments automatically  
28 continue to accumulate with interest without the necessity of further re-  
29 cording.

30       “(3) The notice shall be verified by the oath of some person having

1 knowledge of the facts and shall be recorded by the county recording officer.  
2 The record shall be indexed as other liens are required by law to be indexed.

3 “(4)(a) The proceedings to foreclose liens created by this section shall  
4 conform as nearly as possible to the proceedings to foreclose liens created  
5 by ORS 87.010 except, notwithstanding ORS 87.055, a lien may be continued  
6 in force for a period of time not to exceed six years from the date the as-  
7 sessment is due. For the purpose of determining the date the assessment is  
8 due in those cases when subsequent unpaid assessments have accumulated  
9 under a notice recorded as provided in subsection (2) of this section, the as-  
10 sessment and claim regarding each unpaid assessment shall be deemed to  
11 have been levied at the time the unpaid assessment became due.

12 “(b) The lien may be enforced by the board of directors acting on behalf  
13 of the association of unit owners.

14 “(c) An action to recover a money judgment for unpaid assessments may  
15 be maintained without foreclosing or waiving the lien securing the claim for  
16 unpaid assessments. A judgment entered on the action does not extinguish  
17 the lien. Payment on the judgment operates to satisfy the lien, or a portion  
18 of the lien, to the extent of the payment received.

19 “(d) An action to foreclose a lien under this section or recover a money  
20 judgment for unpaid assessments may not be maintained unless the Condo-  
21 minium Information Report and the Annual Report described in ORS 100.250  
22 are designated current as provided in ORS 100.255.

23 “(5) Unless the declaration or bylaws provides otherwise, fees, late  
24 charges, fines and interest imposed pursuant to ORS 100.405 (4)(j), (k), (L)  
25 and (m) are enforceable as assessments under this section.

26 “(6) With respect to condominium units also constituting timeshare  
27 property as defined by ORS 94.803, liens created by this section shall be as-  
28 sessed to the timeshare owners in the timeshare property according to the  
29 method for determining each owner’s liability for common expenses under the  
30 timeshare instrument and shall be enforced individually against each

1 timeshare owner in the condominium unit.

2 “(7) Notwithstanding the priority established for a lien for unpaid as-  
3 sessments and interest under subsection (1) of this section, the lien shall also  
4 be prior to the lien of a first mortgage or trust deed of record for the unit  
5 and the undivided interest in the common elements, if:

6 “(a) The association of unit owners for the condominium in which the  
7 unit is located has given the lender under the mortgage or trust deed 90 days  
8 prior written notice that the owner of the unit is in default in payment of  
9 an assessment. The notice shall contain:

10 “(A) Name of borrower;

11 “(B) Recording date of trust deed or mortgage;

12 “(C) Recording information;

13 “(D) Name of condominium, unit owner and unit designation stated in the  
14 declaration or applicable supplemental declaration; and

15 “(E) Amount of unpaid assessment.

16 “(b) The notice under paragraph (a) of this subsection shall set forth the  
17 following in 10-point type:

18 “ \_\_\_\_\_  
19 NOTICE: The lien of the association may become prior to that of the  
20 lender pursuant to ORS 100.450.

21 “ \_\_\_\_\_

22 “(c) The lender has not initiated judicial action to foreclose the mortgage  
23 or requested issuance of a trustee’s notice of sale under the trust deed or  
24 accepted a deed in lieu of foreclosure in the circumstances described in ORS  
25 100.465 prior to the expiration of 90 days following the notice by the unit  
26 owners’ association.

27 “(d) The unit owners’ association has provided the lender, upon request,  
28 with copies of any liens filed on the unit, a statement of the assessments and  
29 interest remaining unpaid on the unit and other documents which the lender  
30 may reasonably request.

1       “(e) The borrower is in default under the terms of the mortgage or trust  
2 deed as to principal and interest.

3       “(f) A copy of the notice described in paragraph (a) of this subsection,  
4 together with an affidavit of notice by a person having knowledge of the  
5 facts, has been recorded in the manner prescribed in subsection (3) of this  
6 section. The affidavit shall recite the date and the person to whom the notice  
7 was given.

8       **“(8) Notwithstanding any provision of this section to the contrary,  
9 a lien against a unit deeded to a county by tax foreclosure under ORS  
10 312.200 shall arise and be recorded, enforced or foreclosed in accord-  
11 ance with section 2 of this 2025 Act.**

12       **“SECTION 5. (1) Section 2 of this 2025 Act applies to subject prop-  
13 erty deeded to a county under ORS 312.200 on or after the effective  
14 date of this 2025 Act.**

15       **“(2) Notwithstanding subsection (1) of this section, for subject  
16 property to which a county holds title by operation of ORS 312.200 as  
17 of the effective date of this 2025 Act, the assessment accrual period  
18 under section 2 (2) of this 2025 Act shall begin on the effective date  
19 of this 2025 Act unless, before the effective date of this 2025 Act:**

20       **“(a) The county has determined to permanently retain title to the  
21 subject property; or**

22       **“(b) The county has entered into a lease agreement for the subject  
23 property.**

24       **“SECTION 6. This 2025 Act takes effect on the 91st day after the  
25 date on which the 2025 regular session of the Eighty-third Legislative  
26 Assembly adjourns sine die.”.**

27