



ADMINISTRATIVE RULE REVIEW

	Rule No. 150-311-0656	
	Page Page 1 of 2	Last Revised Date August 13, 2020
New Rule	NOTICE OF INTENDED ACTION	
Permanent Rule	Bulletin Dated October 2020	Hearing Scheduled October 27, 2020

PURPOSE: Clarify what information will be considered and required for the senior and disabled deferral program home equity test required by ORS 311.700 for homes subject to certain reverse mortgages.

1 **150-311-0656**

2 **Deferral criteria when applying with a reverse mortgage**

3 (1) For purposes of this rule:

4 (a) “Debt” means the current balances due on all liens, judgments, or other outstanding obligations or  
5 encumbrances of any kind against the property, regardless of priority.

6 (b) “Home value” means the real market value shown on the last certified tax roll for the homestead,  
7 adjusted by multiplying by the year-over-year percentage change in the Federal Housing Finance Agency  
8 House Price Index for Oregon, fourth quarter. Information provided by the deferral applicant for use in  
9 determining their home value may also be considered at the discretion of the department.

10 (2) For homesteads that were in the property tax deferral program before July 1, 2011 and subject to a  
11 reverse mortgage entered into before 2011, no equity test is required and sections (3) to (6) of this rule  
12 are not applicable.

13 (3) For homesteads subject to reverse mortgages entered into on or after July 1, 2011, and before January  
14 1, 2017, the homestead must meet an equity test set forth in ORS 311.700(3)(b) at the time of application  
15 for deferral. The equity percentage of the property shall be determined as described in section (4) of this  
16 rule.

17 (4) Equity equals the home value minus the debt. The equity percentage is calculated by dividing the  
18 equity by the home value.

19 (5) To assist the department in calculating the equity percentage in the property, deferral program  
20 applicants must provide the department with all the following information along with the application:

21 (a) A mortgage statement for each mortgage currently secured against the house that is issued no more  
22 than one month prior to the date the application is submitted which shows the current balance due.

23 (b) The most recent statement(s) of all other debts secured against the property showing the current  
24 balance(s) due.



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- 1 (6) The department may require a title encumbrance report issued by a title company be provided by the
- 2 applicant at any time.
- 3 [Publications: Contact the Oregon Department of Revenue for information about how to obtain a copy of
- 4 the publication referred to or incorporated by reference in this rule pursuant to ORS 183.360(2) and ORS
- 5 183.355(1)(b).]
- 6 **Stat. Auth.:** ORS 305.100
- 7 **Stats. Implemented:** ORS 311.700