



Oregon Revised Statutes

ORS Chapter 87

Statutes Related to Liens

The following Oregon Revised Statutes provide an overview of the laws regulating the Oregon Lien Law at an entry level.

Current and complete versions of the Oregon Revised Statutes are located at https://www.oregonlegislature.gov/bills_laws

Table of Contents

LIENS GENERALLY	1
ORS 87.142 Definitions for ORS 87.142 to 87.490 and 87.910.....	1
ORS 87.146 Priorities of liens.....	2
POSSESSORY CHATTEL LIENS.....	3
ORS 87.152 Possessory Lien for Labor or Material Expended on Chattel	3
ORS 87.166 Attachment of Liens.....	5
ORS 87.172 Time Period Before Foreclosure Allowed.....	5
ORS 87.176 Fees for Storage of Chattel	5
ORS 87.177 Bond or Deposit of Money for Lien for Storage of Chattel	6
ORS 87.178 Foreclosure After Filing of Bond or Deposit of Money	7
ORS 87.179 Determination of Adequacy of Bond	7
ORS 87.181 Release of Lien or Return of Money	8
ORS 87.182 Effect of Prior Security Interest on Method of Foreclosure.....	8
ORS 87.186 Location of Foreclosure Sale	8
ORS 87.192 Notice of Foreclosure Sale to Lien Debtor	8
ORS 87.196 Notice of Foreclosure Sale to Secured Parties	9
ORS 87.202 Statement of Account of Foreclosure Sale	10
ORS 87.206 Disposition of Proceeds of Foreclosure Sale.....	11
ORS 87.212 Liability for Improper Sale of Fungible Chattels.....	12
ORS 87.216 Nonpossessory Lien for Labor or Material Expended on Chattel.....	12
ORS 87.236 Attachment of Liens.....	12
ORS 87.242 Filing Notice of Claim of Lien	12
ORS 87.246 Recording	13
ORS 87.252 Notice to Owner and Holders of Security Interests	13
ORS 87.256 Limitation on Extent of Liens.	14
ORS 87.262 Foreclosure.	14
ORS 87.266 Duration of Liens.....	14
ORS 87.272 Petition for foreclosure without Suit.	14
ORS 87.276 Evidence Admissible	15
ORS 87.282 Waiver of Right to Hearing before Filing of Petition.	15
ORS 87.288 Show Cause Order	15
ORS 87.296 Waiver of Right to Hearing after Issuance of Show Cause Order.....	16

ORS 87.302 Authority of Court on Sustaining Validity of Lien Claim.....	16
ORS 87.306 Foreclosure By Sale without Suit	16
ORS 87.312 Effect of Notice of Foreclosure Sale to Secured Parties.....	17
ORS 87.316 Disposition of Proceeds of Foreclosure Sale.....	17
ORS 87.322 Effect of Prior Security Interest on Foreclosure of Nonpossessory Lien for Labor or Material Expended on Chattel.....	18
ORS 87.326 Protection from Theft and Damage of Chattel Subject to Lien.....	18
ORS 87.332 Injury or Removal of Chattel Subject to Lien	18
ORS 87.336 Costs and Attorney Fees in Foreclosure by Suit	18
ORS 87.342 Bond, Letter of Credit or Deposit of Money to Discharge Lien on Chattel	18
ORS 87.346 Filing Certificate of Lien Satisfaction upon Payment of Claim	19
MISCELLANEOUS PROVISIONS.....	20
ORS 87.910 Cost of Preparing Lien Notice.	20
ORS 87.920 Recording of Document not to Create Lien.....	20
ORS 87.930 Secretary of State to Furnish List of Persons who have Filed Financing Statement	20
Links to DMV Possessory Lien Packet.....	1

Note: The information on ORS Chapter 87 is provided as a courtesy, only.

The Oregon State Board of Towing does not have authority or jurisdiction for liens issued or required under ORS Chapter 87 – EXCEPT when a tow/recovery operator or business knowingly makes a false or fraudulent statement on lien documentation in violation of ORS 822.605, or fails to comply with the lien processes and requirements under ORS Chapter 87.

Towers and tow companies should direct questions regarding Oregon's lien requirements and processes to legal counsel, DMV Business Services, lien services, their local County Court Clerk, or others with specified knowledge of Oregon's lien laws.

LIENS GENERALLY

ORS 87.142 Definitions for ORS 87.142 to 87.490 and 87.910.

As used in ORS 87.142 to 87.490 and 87.910, unless the context otherwise requires:

- (1) "Animal" means any mammal, bird, fish, reptile, amphibian or insect.
- (2) "Chattel" includes movable objects that are capable of being owned, but does not include personal rights not reduced to possession but recoverable by an action at law or suit in equity, money, evidence of debt and negotiable instruments.
- (3) "Electric cooperative" means a cooperative corporation organized under ORS chapter 62 the principal business of which is the construction, maintenance and operation of an electric transmission and distribution system for the benefit of the members of that cooperative corporation and which has no other principal business or purpose.
- (4) "Electric utility" means a corporation engaged in distributing electricity, directly or indirectly, to or for the public and regulated by the Public Utility Commission under ORS chapter 757.
- (5) "Excavation" means a shaft, tunnel, incline, adit, drift or other excavation designed for the use, working or draining of a mine.
- (6) "Fair market value" means, with respect to a chattel sold at a foreclosure sale under this chapter, the price of chattels of the same kind and condition prevailing in the county of sale at the time of sale.
- (7) "Fungible chattels" means chattels of which any unit is the equivalent of any other unit.
- (8) "Improvement" means a road, tramway, trail, flume, ditch, pipeline, building, structure, superstructure or boardinghouse used for or in connection with the working or development of a mine.
- (9) "Irrigation" includes the use of canals, ditches, pipes, pumps, spraying apparatus and other mechanical devices to water land artificially.
- (10) "Mine" means a mine, lode, mining claim or deposit that contains or may contain coal, metal or mineral of any kind.
- (11) "Mortgagee" means a person who has a valid subsisting mortgage of record or trust deed of record securing a loan upon any real property to be charged with a lien under ORS 87.352 to 87.362.
- (12) "Nursery stock" means fruit trees, fruit-tree stock, nut trees, grapevines, fruit bushes, rose bushes, rose stock, forest and ornamental trees, and shrubs both deciduous and evergreen, florists' stock and cuttings, scions and seedlings of fruit or ornamental trees and shrubs, and all other fruit-bearing plants and parts thereof and plant products for propagation or planting.

(13) "Owner" includes:

- (a) A person who has title to a chattel or real property;
- (b) A person who is in possession of a chattel or real property under an agreement for the purchase thereof, whether the title thereto is in the person or the vendor of the person; or
- (c) A person who is in lawful possession of a chattel or real property.

(14) "Person" includes individuals, corporations, associations, firms, partnerships and joint stock companies.

(15) "Security interest" means an interest in a chattel reserved or created by an agreement that secures payment or performance of an obligation as more particularly defined by ORS 71.2010 (2)(ii).

(16) "Timbers" means sawlogs, spars, piles, felled logs and other wood growth that has been cut or separated from land.

(17) "Wood products" includes lumber, slabwood, plywood and other wood products produced from timbers. The term does not include paper or products made from paper. [1975 c.648 §1; 1999 c.940 §1; 2001 c.301 §5; 2009 c.181 §104]

ORS 87.146 Priorities of liens.

(1) Except as provided in subsection (2) of this section:

(a) Liens created by ORS 87.152 to 87.162 have priority over all other liens, security interests and encumbrances on the chattel subject to the lien, except that taxes and duly perfected security interests existing before chattels sought to be subjected to a lien created by ORS 87.162 are brought upon the leased premises have priority over that lien.

(b) Liens created by ORS 87.216 to 87.232 have equal priority. When a judgment is given foreclosing two or more liens created by ORS 87.216 to 87.232 upon the same chattel, the debts secured by those liens shall be satisfied pro rata out of the proceeds of the sale of the property.

(c) With regard to the same chattel, a lien created by ORS 87.216 to 87.232 has priority over a nonpossessory chattel lien created by any other law.

(d) With regard to the same chattel, a lien created by ORS 87.216 is junior and subordinate to a duly perfected security interest in existence when the notice of claim of such lien is filed under ORS 87.242.

(e) With regard to the same chattel, a lien created by ORS 87.222 to 87.232 has priority over a security interest created under ORS chapter 79.

(2)

(a) A personal property tax lien, a chattel lien claimed by the State of Oregon, its agencies or any political subdivision thereof, and a chattel lien claimed by a state officer or employee during the course of official duty pursuant to law have priority over a lien created by ORS 87.152 to 87.162 and 87.216 to 87.232.

(b) A duly perfected security interest of a lessor in any portion of crops or animals to pay or secure payment of rental of the premises upon which those crops or animals are grown, not to exceed 50 percent of those crops or animals, shall not be subject to the lien created by ORS 87.226. [1975 c.648 §2; 2003 c.576 §335]

POSSESSORY CHATTEL LIENS

ORS 87.152 Possessory Lien for Labor or Material Expended on Chattel

(1) Except as provided in subsections (2) and (3) of this section, a person that makes, alters, repairs, transports, stores, pastures, cares for, provides services for, supplies materials for or performs labor on a chattel at the request of the owner or lawful possessor of the chattel has a lien on the chattel in the possession of the person for the reasonable or agreed charges for labor, materials or services of the person, and the person may retain possession of the chattel until the charges are paid.

(2)

(a) Except as provided in subsection (3) of this section, a person may not create, attach, assert or claim a possessory lien on a motor vehicle, as defined in ORS 801.360 ("Motor vehicle."), unless the person performs a service that complies with ORS 646A.480 (Definitions for ORS 646A.480 to 646A.495) to 646A.495 (Owner designee) and that involves making, altering, repairing, transporting, storing, providing services for, supplying material for or performing labor in connection with the motor vehicle and the person:

(A) Is a franchised motor vehicle dealership, as defined in ORS 650.120 (Definitions for ORS 650.120 to 650.170) (5), or a manufacturer, as defined in ORS 650.120 (Definitions for ORS 650.120 to 650.170), of the motor vehicle;

(B) Holds a towing business certificate that the Department of Transportation issued under ORS 822.205 (Certificate), provided that the person creates, attaches, asserts or claims a possessory lien only for transporting or storing the motor vehicle; or
(C) Creates, attaches, asserts or claims the lien against an abandoned motor vehicle.

(b) A person, other than a person that is described in paragraph (a)(A), (B) or (C) of this subsection, shall have in effect a surety bond or irrevocable letter of credit in the amount of \$20,000 before, and shall maintain the surety bond or irrevocable letter of credit during, any period in which the person creates, attaches, asserts or claims a possessory lien on a motor vehicle after making, altering, repairing, transporting, storing, performing services for, supplying materials for or performing labor in connection with the motor vehicle.

(c) Intentionally left blank – Ed.

(A) The surety bond and the irrevocable letter of credit described in paragraph (b) of this subsection must be issued, respectively, by a corporate surety that is authorized to transact business in this state and by a financial institution, as defined in ORS 706.008 (Additional definitions for Bank Act). The corporate surety or the financial institution, as appropriate, shall notify the Department of Transportation of any cancellation of the surety bond or irrevocable letter of credit. The corporate surety remains liable under the surety bond and the financial institution remains obligated under the irrevocable letter of credit until the department receives the notice or until the date of cancellation specified in the notice, whichever is later.

(B) A surety bond or irrevocable letter of credit described in paragraph (b) of this subsection must be:

- (i) Executed to the State of Oregon;
- (ii) Approved by the Attorney General as to form;
- (iii) Filed with and held by the department; and

(iv) Conditioned such as to compensate parties damaged as a result of a use of a possessory lien in connection with a misrepresentation, a fraud or a violation of a duty set forth in ORS 646A.480 (Definitions for ORS 646A.480 to 646A.495) to 646A.495 (Owner designee).

(C) The person described in paragraph (b) of this subsection as subject to the requirement to have in effect a surety bond or irrevocable letter of credit must certify in writing to the department each year that the surety bond or irrevocable letter of credit remains in effect. If another person obtains a recovery against the surety bond or irrevocable letter of credit, the person shall file with the department not later than three business days after the date of the recovery a new surety bond or irrevocable letter of credit in the amount specified in paragraph (b) of this subsection.

(3)

(a) As used in this subsection:

(A) "Auction company" means an entity:

(i) That operates throughout the United States;

(ii) That holds a vehicle dealer certificate that the Department of Transportation issued or renewed under ORS 822.020 (Issuance of certificate) or 822.040 (Privileges granted by certificate), or a dismantler certificate that the department issued or renewed under ORS 822.110 (Dismantler certificate) or 822.125 (Privileges granted by certificate); and

(iii) The primary activity of which, in this state, consists of disposing of totaled motor vehicles.

(B) "Motor vehicle" has the meaning given that term in ORS 801.360 ("Motor vehicle.").

(b) An auction company has a lien on a motor vehicle that the auction company possesses and stored on premises the auction company owns or controls. The auction company may title the motor vehicle in the name of:

(A) The auction company, if the motor vehicle has remained unclaimed on the auction company's premises for more than 30 days;

(B) The insurance company that directed the auction company to take possession of the motor vehicle; or

(C) An organization with an exemption from taxation under section 501(c)(3) of the Internal Revenue Code that directed the auction company to take possession of the motor vehicle.

(c) ORS 87.166 (Attachment of liens) and 87.172 (Time period before foreclosure allowed) to 87.212 (Liability for improper sale of fungible chattels) do not apply to chattel that is subject to this subsection.

(4)

(a) The owner of a motor vehicle may bring an action to recover from a person that refuses, at the owner's demand and without a valid possessory lien created and attached as provided in subsection (2) or (3) of this section, to release the owner's motor vehicle or restore to the owner title to the owner's motor vehicle if the person changed the title:

(A) The greater of \$2,000 or an amount equivalent to twice the value of the motor vehicle, up to a maximum amount of \$20,000; and

(B) The owner's reasonable costs and attorney fees.

(b) In addition to the recovery described in paragraph (a) of this subsection, the owner may obtain:

(A) A judgment that:

(i) Directs the Department of Transportation to restore title to the motor vehicle to the owner and to invalidate the title the person obtained; or

- (ii) Extinguishes the person's interest in the motor vehicle and directs the department to issue title in the name of the plaintiff in the action;
- (B) A judgment that declares that the person's lien is invalid if the person obtained title to the motor vehicle without complying with this section; and
- (C) Reimbursement for any fees the owner pays to the department to reissue the title. [1975 c.648 §3; 2018 c.58 §1; 2019 c.56 §§1,2; 2019 c.344 §1; 2021 c.218 §1]

ORS 87.166 Attachment of Liens

- (1) Except as provided in subsection (2) of this section, the liens created by ORS 87.152 (Possessory lien for labor or material expended on chattel) to 87.162 (Landlord's lien) attach to the chattels described in those sections when:
 - (a) The services or labor are performed or the materials or money are furnished by the lien claimant to the lien debtor; and
 - (b) The charges for the services or labor performed and materials or money furnished are due and the lien debtor either knows or should reasonably know that the charges are due. [1975 c.648 §6]

ORS 87.172 Time Period Before Foreclosure Allowed

- (3) A person claiming a lien under ORS 87.152 (Possessory lien for labor or material expended on chattel) for the cost of removing, towing or storage of a vehicle that is appraised by a person who holds a certificate issued under ORS 819.480 (Vehicle appraiser certificate) to have a value of:
 - (a) \$1,000 or less but more than \$500, must retain the vehicle at least 30 days after the lien attaches to the vehicle before foreclosing the lien.
 - (b) \$500 or less, must retain the vehicle at least 15 days after the lien attaches to the vehicle before foreclosing the lien. [1975 c.648 §7; 1979 c.401 §1; 1981 c.861 §1; 1983 c.338 §881; 1993 c.326 §9; 1995 c.758 §18; 2005 c.738 §7; 2011 c.399 §2]

ORS 87.176 Fees for Storage of Chattel

(1) When the lien claimed under ORS 87.152 (Possessory lien for labor or material expended on chattel) to 87.162 (Landlord's lien) is for other than the storage of a chattel, if the lien claimant incurs expenses in storing the chattel prior to foreclosure, the lien claimant may charge reasonable fees for the storage of the chattel for a period not exceeding six months from the date that the lien attaches to the chattel. A lien claimant seeking to recover storage fees for storage expenses incurred prior to foreclosure shall send a written notice, within 20 days from the date that the storage fees began to accrue, to the lien debtor and every other person that requires notification under ORS 87.196 (Notice of foreclosure sale to secured parties). The claimant shall transmit the notice by certified mail. A person notified under ORS 87.196 (Notice of foreclosure sale to secured parties) need not receive the notice within the 20-day period, but within a reasonable time. If the lien claimant fails to comply with the notice requirements of this subsection, the lien claimant is limited to recovering reasonable fees for the storage of the chattel prior to foreclosure for a period of time not exceeding 20 days from the date that the lien attached to the chattel.

(2) When the lien claimed under ORS 87.152 (Possessory lien for labor or material expended on chattel) to 87.162 (Landlord's lien) is for the storage of a chattel, the lien claimant shall send a written notice stating that storage fees are accruing, within 20 days after the chattel has been

placed in storage, to the lien debtor and every other person that requires notification under ORS 87.196 (Notice of foreclosure sale to secured parties). The claimant shall transmit the notice by certified mail. A person notified under ORS 87.196 (Notice of foreclosure sale to secured parties) need not receive the notice within the 20-day period, but within a reasonable time. If the claimant fails to comply with the notice requirements of this subsection, the amount of the claimant's lien shall be limited to a sum equal to the reasonable storage expenses incurred within the 20-day period. [1975 c.648 §8; 1993 c.385 §1]

ORS 87.177 Bond or Deposit of Money for Lien for Storage of Chattel

(1) When a lien claimed under ORS 87.152 (Possessory lien for labor or material expended on chattel) to 87.162 (Landlord's lien) is for the storage of a chattel and the amount of the lien claimed is \$750 or more, the lien debtor, or any other interested person, may file with the recording officer of the county in which the lien claimant obtained possession of the chattel subject to the lien from the lien debtor a bond executed by a corporation authorized to issue surety bonds in the State of Oregon to the effect that the principal or principals on the bond shall pay the amount of the claim and all costs and attorney fees that are awarded against the chattel on account of the lien. The bond shall be in an amount not less than 200 percent of the amount claimed under the lien for the storage of the chattel.

(2)

(a) In lieu of the surety bond provided for in subsection (1) of this section, when a lien claimed under ORS 87.152 (Possessory lien for labor or material expended on chattel) to 87.162 (Landlord's lien) is for the storage of a chattel and the amount of the lien claimed is \$750 or more, the lien debtor, or any other interested person, may deposit with the treasurer of the county in which the lien claimant obtained possession of the chattel subject to the lien from the lien debtor a sum of money or its equivalent equal in value to 200 percent of the amount claimed under the lien for the storage of the chattel.

(b) The court in which any proceeding to foreclose the lien for the storage of the chattel may be brought may, upon notice and upon motion by a person who makes a deposit under paragraph (a) of this subsection, order the money invested in such manner as the court may direct. A person who makes a deposit under paragraph (a) of this subsection shall be entitled to any income from the investments and the treasurer of the county shall pay the income when received to the depositor without order.

(3) A bond or money may be filed or deposited under subsection (1) or (2) of this section at any time after a lien for the storage of a chattel is claimed under ORS 87.152 (Possessory lien for labor or material expended on chattel) to 87.162 (Landlord's lien) and the amount of the lien claimed is \$750 or more.

(4) A person who files a bond or deposits money under subsections (1) to (3) of this section shall cause to be served upon the lien claimant a notice of the filing or deposit. If the person files a bond, the notice shall include a copy of the bond. The notice shall be filed not later than 20 days after the filing or deposit and shall state the location and time of the filing or deposit.

(5) If a person does not notify the lien claimant as required by subsection (4) of this section, the filing of the bond or the deposit of money is of no effect and the provisions of subsections (1) to

(3) of this section do not apply in a suit to foreclose the lien for which the filing or deposit is made.

(6) When a person files a bond with the recording officer of a county under subsections (1) to (3) of this section and serves notice of the filing upon the lien claimant under subsections (4) and (5) of this section, the person shall file with the same recording officer an affidavit stating that the notice was served.

(7) When a person deposits money with the treasurer of a county under subsections (1) to (3) of this section and serves notice of the deposit upon the lien claimant under subsections (4) and (5) of this section, the person shall file with the recording officer of the same county an affidavit stating that the deposit was made and notice was served. [2003 c.193 §§2,3,4]

ORS 87.178 Foreclosure After Filing of Bond or Deposit of Money

(1) When a lien claimed under ORS 87.152 (Possessory lien for labor or material expended on chattel) to 87.162 (Landlord's lien) is for the storage of a chattel and the amount of the lien claimed is \$750 or more, any suit to foreclose the lien that is commenced or pending after the filing of a bond or deposit of money under ORS 87.177 (Bond or deposit of money for lien for storage of chattel) (1) to (3) shall proceed as if no filing or deposit had been made except that the lien shall attach to the bond or money upon the filing or deposit and the service of notice of the filing or deposit upon the lien claimant. The chattel described in the claim of lien shall thereafter be entirely free of the lien and shall in no way be involved in subsequent proceedings.

(2) When a bond is filed or money is deposited and, in a suit to enforce the lien for which the filing or deposit is made, the court allows the lien, the lien shall be satisfied out of the bond or money. The court shall include as part of its judgment an order for the return to the person who deposited the money of any amount remaining after the lien for the storage of the chattel is satisfied.

(3) When a bond is filed or money is deposited and, in a suit to enforce the lien for which the filing or deposit is made, the court disallows the lien, the court shall include as part of its judgment an order for the return of the bond or money to the person who filed the bond or deposited the money. [2003 c.193 §5]

ORS 87.179 Determination of Adequacy of Bond

(1) If a lien claimant considers the bond filed with a recording officer of a county under ORS 87.177 (Bond or deposit of money for lien for storage of chattel) (1) to (3) inadequate to protect the claim of the lien claimant for some reason other than the amount of the bond, the lien claimant may petition the court in which the suit to foreclose the lien for the storage of the chattel may be brought for a determination of the adequacy of the bond. The petition must be filed within 10 days of receipt of the notice of the filing of the bond under ORS 87.177 (Bond or deposit of money for lien for storage of chattel) (4) and (5). The petition must describe in detail the reasons for the inadequacy.

(2) Not later than two days after the filing of the petition with the court, the lien claimant shall send a notice of the filing and a copy of the petition by registered or certified mail to the person who filed the bond. After a hearing, if the court determines that the bond is inadequate for one

or more of the reasons described by the lien claimant, the court shall order such action as shall make the bond adequate to protect the claim of lien. [2003 c.193 §6]

ORS 87.181 Release of Lien or Return of Money

The county recording officer shall record a written release of the lien for the storage of the chattel or the county treasurer in whose office money is deposited under ORS 87.177 (Bond or deposit of money for lien for storage of chattel) (1) to (3) shall return the money to the person who made the deposit when:

(1) The person who filed the bond or deposited the money presents a certified copy of a court's order for the release of the bond or all or some of the money to that person; or

(2) The person who filed the bond or deposited the money presents a written release of lien signed by the lien claimant. [2003 c.193 §7]

ORS 87.182 Effect of Prior Security Interest on Method of Foreclosure

(1) When a lien created by ORS 87.162 (Landlord's lien) is subordinate to a prior duly perfected security interest in a chattel as provided in ORS 87.146 (Priorities of liens), the lien created by ORS 87.162 (Landlord's lien) shall be foreclosed by suit as provided in ORS chapter 88.

(2) Except as provided in subsection (1) of this section, liens created by ORS 87.152 (Possessory lien for labor or material expended on chattel) to 87.162 (Landlord's lien) may be foreclosed by suit as provided in ORS chapter 88, or by sale of the chattel subject to the lien at public auction to the highest bidder for cash. [1975 c.648 §9]

ORS 87.186 Location of Foreclosure Sale

Foreclosure of liens created by ORS 87.152 (Possessory lien for labor or material expended on chattel) to 87.162 (Landlord's lien) by public sale shall occur in the county in which the lien claimant obtained possession of the chattel subject to the lien from the lien debtor. [1975 c.648 §11]

ORS 87.192 Notice of Foreclosure Sale to Lien Debtor

(1)

(a) Before a lien claimant forecloses by sale a lien created under ORS 87.152 (Possessory lien for labor or material expended on chattel) to 87.162 (Landlord's lien), the lien claimant shall give notice of the foreclosure sale to the lien debtor by first class mail with certificate of mailing, registered mail or certified mail sent to the lien debtor at the lien debtor's last-known address. The lien claimant shall give notice of the foreclosure sale to the lien debtor:

(A) Except as otherwise provided in this paragraph, at least 30 days before the foreclosure sale.

(B) If the lien is for the cost of removing, towing or storing a vehicle that a person who holds a certificate issued under ORS 819.480 (Vehicle appraiser certificate) has appraised at a value of \$1,000 or less, at least 15 days before the foreclosure sale.

(b) If the chattel to be sold at a foreclosure sale is chattel for which the Department of Transportation has issued a certificate of title under ORS 803.045 (Issuance of title), for which the State Marine Board requires a certificate of title under ORS 830.810 (Certificate of title) or for which the Oregon Department of Aviation requires a certificate of registration under ORS

837.040 (Persons required to register aircraft), the lien claimant shall include with the notice described in paragraph (a) of this subsection a copy of an invoice, work or repair order, authorization for towing, official form that authorizes a law enforcement agency to impound the chattel or any other record or document that is evidence of the basis for the lien.

(c) If a lien claimant fails to give notice in accordance with this subsection to a lien debtor concerning chattel described in paragraph (b) of this subsection, the lien claimant is liable to the lien debtor for a sum equal to the fair market value of the chattel sold at the foreclosure sale. The lien debtor may bring an action to recover the sum and reasonable attorney fees.

(2) The lien claimant shall give public notice of the foreclosure sale by posting notice of the foreclosure sale in a public place at or near the front door of the county courthouse of the county in which the sale is to be held and, except as provided in paragraph (b) of this subsection, in a public place at the location where the lien claimant obtained possession of the chattel to be sold from the lien debtor. The following apply to notice under this subsection:

(a) The lien claimant shall give notice under this subsection not later than the time required for notice to a lien debtor under subsection (1) of this section.

(b) This subsection does not require the lien claimant to post notice at the location where the lien claimant obtained the chattel if the chattel is a chattel for which the Department of Transportation has issued a certificate of title under ORS 803.045 (Issuance of title), for which the State Marine Board requires a certificate of title under ORS 830.810 (Certificate of title) or for which the Oregon Department of Aviation requires a certificate of registration under ORS 837.040 (Persons required to register aircraft).

(3) If the chattel to be sold at a foreclosure sale is something other than an abandoned vehicle and has a fair market value of \$1,000 or more, or if the chattel to be sold is an abandoned vehicle and has a fair market value of \$2,500 or more, the lien claimant, in addition to the notice required by subsection (2) of this section, shall have a notice of foreclosure sale printed once a week for two successive weeks in a daily or weekly newspaper, as defined in ORS 193.010 (Definitions for ORS 193.010 and 193.020), published in the county in which the sale is held or, if there is none, in a daily or weekly newspaper, as defined in ORS 193.010 (Definitions for ORS 193.010 and 193.020), generally circulated in the county in which the sale is held.

(4) The notice of foreclosure sale required under this section must contain a particular description of the property to be sold, the name of the owner or reputed owner of the property, the amount due on the lien, the time and the place of the sale and the name of the person foreclosing the lien. *[1975 c.648 §10; 1981 c.861 §2; 1983 c.436 §1; 1983 c.338 §882; 1993 c.326 §10; 1995 c.758 §19; 2005 c.738 §8; 2014 c.65 §1]*

ORS 87.196 Notice of Foreclosure Sale to Secured Parties

(1)

(a) A lien claimant that forecloses by sale a lien created under ORS 87.152 (Possessory lien for labor or material expended on chattel) to 87.162 (Landlord's lien) shall give notice of the foreclosure sale by first class, registered or certified mail. The following apply:

(A) The lien claimant shall give notice to all persons that have filed a financing statement in the office of the Secretary of State, or in the office of the appropriate county officer of the county in which the sale is held, to perfect a security interest in the chattel to be sold.

(B) Notwithstanding subparagraph (A) of this paragraph, if the chattel to be sold at the foreclosure sale is a chattel, other than part of the motor vehicle inventory of a dealer issued a vehicle dealer certificate under ORS 822.020 (Issuance of certificate), for which the Department of Transportation has issued a certificate of title under ORS 803.045 (Issuance of title), for which the State Marine Board requires a certificate of title under ORS 830.810 (Certificate of title) or for which the Oregon Department of Aviation requires a certificate of registration under ORS 837.040 (Persons required to register aircraft), the lien claimant needs to give notice only to persons that the certificate of title or certificate of registration indicates have a security interest or lien in the chattel.

(C) The lien claimant shall give notice under this paragraph at least 30 days before the foreclosure sale, but if the lien claimant claims a lien under ORS 87.152 (Possessory lien for labor or material expended on chattel), the lien claimant shall give the notice required by this subsection:

(i) Not later than the 20th day after the date on which the storage charges begin;

(ii) Not later than the 30th day after the date on which the services provided are completed, if no storage charges are imposed; or

(iii) At least 15 days before the foreclosure sale if the lien is for the cost of removing, towing or storing a vehicle that a person who holds a certificate issued under ORS 819.480 (Vehicle appraiser certificate) has appraised at a value of \$1,000 or less.

(b) A lien claimant that gives notice of a foreclosure sale for chattel described in paragraph (a)(B) of this subsection shall include with the notice a copy of an invoice, work or repair order, authorization for towing, official form that authorizes a law enforcement agency to impound the chattel or any other record or document that is evidence of the basis for the lien.

(2) A person who is entitled to receive notice under subsection (1) of this section may discharge the lien and preserve the person's security interest in the chattel by paying the lien claimant the amount of the lien claim and reasonable expenses the lien claimant actually incurs in foreclosing the lien claim. If the person does not discharge the lien before the day of the foreclosure sale, the foreclosure sale extinguishes the person's security interest in the chattel even if the person does not receive notice under subsection (1) of this section.

(3) If a lien claimant does not give notice in accordance with subsection (1) of this section to a person that claims a security interest or lien on the chattel sold at a foreclosure sale, the lien claimant is liable to the person for a sum equal to the fair market value of the chattel sold at the foreclosure sale or the amount due to the person under the security agreement or lien at the time of the foreclosure sale, whichever amount is less. The secured party or other lien claimant may recover the sum and reasonable attorney fees by an action at law. *[1975 c.648 §14; 1981 c.861 §3; 1983 c.338 §883; 1993 c.326 §11; 1995 c.758 §20; 2005 c.86 §1; 2005 c.738 §9; 2014 c.65 §2; 2017 c.17 §3]*

ORS 87.202 Statement of Account of Foreclosure Sale

(1) A person that forecloses a lien created under ORS 87.152 (Possessory lien for labor or material expended on chattel) to 87.162 (Landlord's lien) by sale shall file a statement of account that the person verifies by oath with the recording officer of the county in which the sale took place if:

(a) The chattel sold at the foreclosure sale has a fair market value of \$1,000 or more; or

(b) The chattel sold at the foreclosure sale is an animal that bears a brand or other mark recorded with the State Department of Agriculture under ORS chapter 604.

(2) The statement of account required under subsection (1) of this section must show:

- (a) The amount of the lien claim and the cost of foreclosing the lien;
- (b) A copy of the published or posted notice of foreclosure sale;
- (c) The amount received for the chattel sold at the sale; and
- (d) The name of each person that received proceeds from the foreclosure sale as described in ORS 87.206 (Disposition of proceeds of foreclosure sale) and the amount each person received.

(3) A person that files a statement of account under this section shall send a copy of the statement by registered or certified mail to the last-known address of the owner of the chattel sold at the foreclosure sale. If the chattel sold at a foreclosure sale is an animal that bears a brand or other mark recorded with the State Department of Agriculture under ORS chapter 604, a person that files a statement of account under this section shall send a copy of the statement to the State Department of Agriculture. *[1975 c.648 §13; 2005 c.86 §2; 2013 c.206 §1]*

ORS 87.206 Disposition of Proceeds of Foreclosure Sale

(1) The proceeds of a sale to foreclose a lien created by ORS 87.152 (Possessory lien for labor or material expended on chattel) to 87.162 (Landlord's lien) shall be applied in the following order:

- (a) To the payment of the reasonable and necessary expenses of the sale;
- (b) To satisfy the indebtedness secured by the lien under which the sale is made;
- (c) Subject to subsection (2) of this section, to satisfy the indebtedness secured by any subordinate lien or security interest, in order of priority, in the chattel; and
- (d) To the treasurer of the county in which the foreclosure sale is made. The payment to the treasurer must be accompanied by a copy of the statement of account described in ORS 87.202 (Statement of account of foreclosure sale).

(2) Proceeds may be applied under subsection (1)(c) of this section if the person who forecloses a lien created by ORS 87.152 (Possessory lien for labor or material expended on chattel) to 87.162 (Landlord's lien) by sale receives a written request for proceeds from the holder of any subordinate lien or security interest before the day of the foreclosure sale. The person foreclosing the lien may require the holder of the subordinate lien or security interest to furnish reasonable proof of the existence of the security interest or lien. If the person foreclosing the lien does not receive proof of the existence of the subordinate security interest or lien, the person is not required to apply proceeds of the sale to satisfy the indebtedness secured by the subordinate security interest or lien.

(3) If a county treasurer receives proceeds under subsection (1) of this section, the county treasurer shall credit the proceeds to the general revenue fund of the county, subject to the right of the lien debtor or the representative of the lien debtor, to reclaim the proceeds at any time within three years of the date of deposit with the treasurer. If the proceeds are not demanded and claimed within the three-year period, the proceeds become the property of the county. *[1975 c.648 §12; 2005 c.86 §3]*

ORS 87.212 Liability for Improper Sale of Fungible Chattels

A person claiming a lien under ORS 87.152 (Possessory lien for labor or material expended on chattel) to 87.162 (Landlord's lien) for the storage of fungible chattels shall not sell more of those chattels than is necessary to pay charges due that person for the storage. If a person unnecessarily sells fungible chattels without the consent of the owner thereof, the person shall, for each offense, forfeit to the owner of the chattels a sum equal to the fair market value of the chattels unnecessarily sold and 50 percent of the fair market value in addition as a penalty. The owner shall recover such value and penalty by an action at law. [1975 c.648 §15]

ORS 87.216 Nonpossessory Lien for Labor or Material Expended on Chattel

A person who makes, alters, repairs, transports, stores, provides services for or performs labor on a chattel at the request of the owner of the chattel has a lien on that chattel for the reasonable or agreed charges for the labor or services the person performs and for the materials the person furnishes in connection therewith. [1975 c.648 §16]

ORS 87.236 Attachment of Liens

(1) The liens created by ORS 87.216 (Nonpossessory lien for labor or material expended on chattel) to 87.232 (Fishing lien and fish worker's lien) attach to the chattels described in those sections. [1975 c.648 §20; 1981 c.674 §1; 1985 c.469 §3]

ORS 87.242 Filing Notice of Claim of Lien

(1) A person claiming a lien created by ORS 87.216 (Nonpossessory lien for labor or material expended on chattel), 87.222 (Logger's, woodworker's and timberland owner's lien) or 87.232 (Fishing lien and fish worker's lien) shall file a written notice of claim of lien with the recording officer of the county in which the lien debtor resides, or, if the lien debtor is a business, the county in which the lien debtor has its principal place of business, not later than 60 days after the close of the furnishing of the labor, services or materials. A person claiming a lien created by ORS 87.226 (Agricultural services lien) shall file a written notice of claim of lien with the Secretary of State not later than 75 days after the close of the furnishing of the labor, services or materials. A person claiming a lien created by ORS 87.705 (Agricultural produce lien) shall file a written notice of claim of lien with the Secretary of State not later than 45 days after the close of the furnishing of the labor, services or materials. A person claiming a lien created by ORS 87.755 (Grain producer's lien) shall file a written notice of claim of lien with the Secretary of State not later than 180 days after the close of the furnishing of the labor, services or materials. The Secretary of State shall include a notice of claim of lien that is filed with the secretary under this subsection in the index maintained by the secretary for filing financing statements pursuant to ORS chapter 79.

(2) The notice of claim of lien required under subsection (1) of this section shall be a statement in writing verified by the attestation under penalty of perjury of the lien claimant and must contain:

- (a) A true statement of the lien claimant's demand after deducting all credits and offsets;
- (b) The name of the owner of the chattel to be charged with the lien;
- (c) A description of the labor, services or materials provided by the lien claimant for the benefit of the owner of the chattel to be charged with the lien;
- (d) A description of the chattel to be charged with the lien sufficient for identification;

- (e) A statement that the amount claimed is a true and bona fide existing debt as of the date of the filing of notice of claim of lien;
- (f) The date on which payment was due to the lien claimant for labor, services or materials;
- (g) The terms of extended payment; and
- (h) Such other information as the Secretary of State may require for the written notice of claim of lien created by ORS 87.226 (Agricultural services lien).

(3) If the person entitled to a lien under ORS 87.216 (Nonpossessory lien for labor or material expended on chattel) to 87.232 (Fishing lien and fish worker's lien) does not properly file a notice of claim of lien within the time required by subsection (1) of this section, the person waives the right to the lien. *[1975 c.648 §21; 1985 c.469 §4; 1987 c.297 §1; 2001 c.301 §7; 2007 c.71 §19; 2011 c.359 §1]*

ORS 87.246 Recording

(1) Except for a notice of a claim for a lien created by ORS 87.226, the recording officer of a county shall record the notices filed under ORS 87.242 in a book kept for that purpose and called "index of liens upon chattels."

(2) Notices filed with the Secretary of State under ORS 87.242 shall:

- (a) Be in a form prescribed by the Secretary of State; and
- (b) Be maintained as public records for a period of time established by the Secretary of State.

(3) Fees for filing notices and requests for copies of such notices shall be established by the Secretary of State under ORS 177.130. Fees described in this subsection shall be nonrefundable. *[1975 c.648 §22; 1987 c.297 §2; 1999 c.464 §3]*

ORS 87.252 Notice to Owner and Holders of Security Interests

(1) When a lien claimant files a notice of claim of lien as required by ORS 87.242, the lien claimant shall send forthwith a copy of the notice to the owner of the chattel to be charged with the lien by registered or certified mail sent to the owner at the owner's last-known address.

(2) When a lien claimant files a notice of claim of lien as required by ORS 87.242, the lien claimant shall send a copy of the notice to all holders of security interests in the chattel to be charged with the lien who duly perfected such security interests by filing notice thereof with the Secretary of State. The notice shall be mailed to holders of perfected security interests within 30 days after the date of filing.

(3) No costs, disbursements or attorney fees otherwise allowable as provided by ORS 87.336 shall be allowed to any party failing to comply with subsections (1) and (2) of this section.

(4) If the total amount of a lien under ORS 87.226 exceeds \$20,000, that part of the lien exceeding \$20,000 is subordinate to any security interest in the crops, animals or proceeds to be charged with the lien, if:

- (a) The holder of the security interest does not receive notice because of the lien claimant's failure to comply with subsection (2) of this section; and
- (b) The holder of the security interest duly perfects the interest before the date on which the lien claimant files a notice of claim of lien. *[1975 c.648 §23; 1985 c.469 §5; 1993 c.352 §1; 2001 c.301 §8]*

ORS 87.256 Limitation on Extent of Liens.

Persons claiming liens created by ORS 87.216 to 87.232 are only entitled to liens for labor, services or materials performed or furnished during the six months immediately preceding the filing of the notice of claim under ORS 87.242. [1975 c.648 §24]

ORS 87.262 Foreclosure.

Except as provided in ORS 87.322, a lien created by ORS 87.216 to 87.232 may be foreclosed by a suit in the circuit court under ORS chapter 88 and other laws regulating the proceedings for the foreclosure of liens generally or may be foreclosed as provided in ORS 87.272 to 87.306. If the lien has attached to proceeds under ORS 87.236, the lien must be foreclosed by suit. [1975 c.648 §25]

ORS 87.266 Duration of Liens.

(1) Except as provided in subsection (2) of this section, if either a suit to foreclose or a proceeding under ORS 87.272 to 87.306 to foreclose a lien created by ORS 87.216 to 87.232 is not commenced in an appropriate court within six months after the notice of claim of lien is filed under ORS 87.242, or if extended payment is provided and the terms thereof are stated in the notice of claim of lien, then within six months after the expiration of the extended payment, the lien shall cease to exist. A lien shall not be continued in force for a longer time than two years from the time the claim for lien is filed under ORS 87.242 by an agreement to extend payment.

(2) If either a suit to foreclose or a proceeding under ORS 87.272 to 87.306 to foreclose a lien created by ORS 87.226 is not commenced in an appropriate court within 18 months after the notice of claim of lien is filed under ORS 87.242 or, if extended payment is provided and the terms thereof are stated in the notice of claim of lien, within six months after the expiration of the extended payment, the lien shall cease to exist. A lien shall not be continued in force for a longer time than two years from the time the claim of lien is filed under ORS 87.242 by an agreement to extend payment. [1975 c.648 §26; 1985 c.469 §6]

ORS 87.272 Petition for foreclosure without Suit.

A person claiming a lien created by ORS 87.216 to 87.232 may obtain an order for the foreclosure of the lien by advertisement and sale by filing with the clerk of the court of the county in which the chattel is then located and from which that order is sought a sworn petition requesting an order for foreclosure of the lien by advertisement and sale and showing, to the best knowledge, information and belief of the lien claimant:

- (1) The name and residence or place of business of the lien debtor;
- (2) The name and residence or place of business of the person in possession of the chattel subject to the lien;
- (3) The description of the chattel subject to the lien in particularity sufficient to make possible its identification, and the lien claimant's estimate of the value and location of the chattel;
- (4) A copy or verbatim recital of the notice of claim of lien filed by the lien claimant under ORS 87.242;

(5) That there is no reasonable probability that the lien debtor can establish a successful defense to the underlying claim of the lien; and

(6) That the person filing the petition under this section has fully complied with the notice and filing requirements of ORS 9.370, 87.142 to 87.490, 87.705, 87.710, 87.910 and 90.120. [1975 c.648 §27]

ORS 87.276 Evidence Admissible

(1) The court shall consider the petition filed under ORS 87.272 and may consider other evidence, including, but not limited to, an affidavit, deposition, exhibit or oral testimony.

(2) If from the petition or other evidence, if any, the court finds that a notice of claim of lien has been filed and that there is probable cause for sustaining the validity of the lien claim, the court shall issue a show cause order as provided in ORS 87.288. The finding under this subsection is subject to dissolution upon hearing. [1975 c.648 §28]

ORS 87.282 Waiver of Right to Hearing before Filing of Petition.

The court shall order that the lien claimant's lien be foreclosed by advertisement and sale if the court finds:

(1) That the lien debtor, by conspicuous words in a writing executed by or on behalf of the lien debtor before filing of the petition under ORS 87.272 or by handwriting of the lien debtor or the lien debtor's agent executed before filing of the petition under ORS 87.272, has declared substantially that the lien debtor is aware of the right to notice and hearing on the question of the probable validity of the underlying lien claim before the lien debtor can be deprived of the property in the possession or control of the lien debtor or in the possession or control of another and that the lien debtor waives that right and agrees that the lien claimant, or one acting on behalf of the lien claimant, may take possession or control of the chattel subject to the lien without first giving notice and opportunity for hearing on the probable validity of the underlying lien claim;

(2) That there is no reason to believe that the waiver or agreement is invalid; and

(3) That the lien debtor has voluntarily, intelligently and knowingly waived that right. [1975 c.648 §29]

ORS 87.288 Show Cause Order

(1) The court shall issue an order directed to the lien debtor and each person having possession or control of the chattel subject to the lien requiring the debtor and each other person to appear for hearing at a time and place fixed by the court to show cause why an order for the foreclosure of the lien claimant's lien by advertisement and sale should not issue.

(2) The show cause order issued under subsection (1) of this section shall be served in the same manner as a summons is served on the lien debtor and on each other person to whom the order is directed.

(3) The order shall:

(a) State that the lien debtor may file affidavits with the court and may present testimony at the hearing; and

(b) State that if the lien debtor fails to appear at the hearing the court may order foreclosure of the lien claimant's lien by advertisement and sale. [1975 c.648 §30]

ORS 87.296 Waiver of Right to Hearing after Issuance of Show Cause Order

If, after service of the order issued under ORS 87.288 (1), the lien debtor by a writing executed by or on behalf of the lien debtor after service of the order expressly declares that the lien debtor is aware that the lien debtor has the right to be heard, that the lien debtor does not want to be heard, that the lien debtor expressly waives the right to be heard, that the lien debtor understands that upon the signing by the lien debtor of the writing the court will order the foreclosure of the lien claimant's lien so that the possession or control of the claimed property will be taken from the lien debtor or another person, the court, without hearing, shall issue the order of foreclosure by advertisement and sale. [1975 c.648 §31]

ORS 87.302 Authority of Court on Sustaining Validity of Lien Claim.

If the court on hearing on a show cause order issued under ORS 87.288 (1), finds that there is probable cause for sustaining the validity of the underlying claim of lien, the court may order foreclosure of the lien by advertisement and sale. [1975 c.648 §32]

ORS 87.306 Foreclosure By Sale without Suit

(1) A lien claimant desiring to foreclose the lien by advertisement and sale shall deliver to the sheriff of the county in which the chattel is then located a certified copy of a court's order issued under ORS 87.282, 87.296 or 87.302 and a copy of the notice of claim of lien, certified by the recording officer of the county where it was filed.

(2) When the lien claimant delivers a certified copy of a court's order and a certified copy of the notice of claim of lien to a sheriff under subsection (1) of this section, the lien claimant, not later than the 30th day before the foreclosure sale, shall also send a copy of that order and notice by registered or certified mail to each person with a lien on the chattel to be sold recorded in the county of sale or with a security interest in the chattel to be sold who has filed a financing statement perfecting that security interest in the office of the Secretary of State or in the office of the appropriate county officer of the county in which the sale is held. If the chattel to be sold at the foreclosure sale is a chattel for which a certificate of title is required by the laws of this state, the lien claimant shall also so notify those persons whom the certificate of title indicates have a security interest or lien in the chattel.

(3) The sheriff shall promptly take the chattel described in the notice of claim of lien into the possession of the sheriff and shall hold it until the foreclosure sale.

(4) After taking possession of a chattel under subsection (3) of this section, a sheriff shall have a notice of foreclosure sale printed once a week for two successive weeks in a daily or weekly newspaper, as defined in ORS 193.010, published in the county in which the sale is held or, if there is none, in a daily or weekly newspaper, as defined in ORS 193.010, generally circulated in the county in which the sale is held. The notice of foreclosure must contain a particular

description of the chattel to be sold, the name of the owner or reputed owner of the chattel, the amount due on the lien, the time and place of the sale and the name of the person foreclosing the lien. After that advertisement but not sooner than the 30th day after the sheriff received a certified copy of the court's order and the certified copy of the notice of claim of lien under subsection (1) of this section, the sheriff shall sell the chattel, or such part thereof as may be necessary, at public auction to the highest bidder for cash. The sheriff shall deliver the chattel to the highest bidder and shall give the highest bidder a bill of sale containing an acknowledgment of payment for the chattel. [1975 c.648 §33]

ORS 87.312 Effect of Notice of Foreclosure Sale to Secured Parties

(1) A person who claims a lien or has a security interest in a chattel to be sold at a foreclosure sale and who is notified under ORS 87.306 (2) may discharge the foreclosing lien claimant's lien and preserve the security interest or lien claim of the person by paying the foreclosing lien claimant the amount of the lien claim and the expenses actually incurred in foreclosing it. If the person does not so discharge the lien before the day of the foreclosure sale, the security interest or lien claim of the person is extinguished.

(2) If the chattel to be sold at a foreclosure sale is a chattel for which a certificate of title is required by the laws of this state and if the lien claimant does not notify a person whom the certificate of title indicates has a security interest or lien in the chattel as required by ORS 87.306 (2), the chattel remains subject to that security interest or lien and the buyer of the chattel at a foreclosure sale held under ORS 9.370, 87.142 to 87.490, 87.705, 87.710, 87.910 and 90.120 takes the chattel subject to the security interest or lien.

(3) If a lien claimant does not notify a person, other than a person indicated on a certificate of title as a secured party or lienholder, who claims a security interest or lien on the chattel sold at a foreclosure sale as required by ORS 87.306 (2), the lien claimant is liable to that person for a sum equal to the fair market value of the chattel sold at the foreclosure sale or the amount due that person under the security agreement or lien at the time of the foreclosure sale, whichever amount is less. The secured party or other lien claimant shall recover that sum by an action at law. [1975 c.648 §34]

ORS 87.316 Disposition of Proceeds of Foreclosure Sale

(1) The proceeds of a sale to foreclose a lien created by ORS 87.216 to 87.232 shall first be applied to the payment of the expenses incurred by the sheriff in obtaining possession of the chattel and advertising and conducting the foreclosure sale, and secondly to the discharge of the lien.

(2) After the payment of expenses and the discharge of the lien, any amount remaining shall be paid by the sheriff to the treasurer of the county in which the foreclosure sale is held. The remainder shall be accompanied by a statement of the lien claim and the sheriff's costs in foreclosing the lien, a copy of the published or posted notice and a statement of the amount received for the chattel sold at the sale. The county treasurer shall credit the remainder to the general revenue fund of the county, subject to the right of the lien debtor, or the representative of the lien debtor, to reclaim the remainder at any time within three years of the date of deposit with the treasurer. If the remainder is not demanded and claimed within such period, it shall become the property of the county. [1975 c.648 §35]

ORS 87.322 Effect of Prior Security Interest on Foreclosure of Nonpossessory Lien for Labor or Material Expended on Chattel

ORS 87.272 to 87.316 do not apply to a lien on a chattel created by ORS 87.216 when that chattel is subject to a prior duly perfected security interest as provided in ORS 87.146 (1)(d). When a lien created by ORS 87.216 is junior and subordinate to a prior duly perfected security interest, that lien shall be foreclosed by suit under ORS chapter 88. In such a suit to foreclose, the holder of the prior security interest shall be made a party defendant to the foreclosure proceeding. The person holding the prior security interest may extinguish the lien created by ORS 87.216 by either a foreclosure proceeding under ORS chapter 88 or a nonjudicial foreclosure proceeding under ORS 79.0601 to 79.0628. *[1975 c.648 §35a; 2001 c.445 §162]*

ORS 87.326 Protection from Theft and Damage of Chattel Subject to Lien

If the property covered by any lien created by ORS 87.216 to 87.232 is in danger of being stolen, damaged or removed from this state, the circuit court for the county in which the lien is filed upon application of the lien claimant, shall appoint the sheriff of such county receiver of the property covered by the lien, and the sheriff shall immediately take all such property into the custody of the sheriff and protect, care for and account for it and dispose of it according to the further order of the court. The sheriff shall be paid actual expenses of receivership from the proceeds of the sale of the property but shall be allowed no remuneration for services. *[1975 c.648 §36]*

ORS 87.332 Injury or Removal of Chattel Subject to Lien

Except for a person holding a prior duly perfected security interest in a chattel subject to a lien created by ORS 87.216, any person to whom a notice of claim of lien has been given as provided in ORS 87.242, 87.252 and 87.306 who dismantles, removes from this state, misdelivers or conceals a chattel or the proceeds of the sale of a chattel upon which there is a valid lien without the written consent of the lien claimant, shall be liable to the lien claimant for damages proximately resulting therefrom, which sum may be recovered in an action at law without instituting foreclosure proceedings. The court shall allow reasonable attorney fees at trial and on appeal to the prevailing party. *[1975 c.648 §37; 1981 c.897 §21]*

ORS 87.336 Costs and Attorney Fees in Foreclosure by Suit

In suits to foreclose the liens created by ORS 87.216 to 87.232, the court shall, upon entering judgment for the lien claimant, allow as part of the lien the moneys paid for the filing or recording of the lien as provided in ORS 87.910. The court shall also allow reasonable attorney fees at trial and on appeal to the prevailing party. *[1975 c.648 §38; 1981 c.897 §22; 1981 c.898 §45]*

ORS 87.342 Bond, Letter of Credit or Deposit of Money to Discharge Lien on Chattel

(1) The owner of a chattel subject to a lien created by ORS 87.216 to 87.232, or any other interested person, may file with the recording officer of the county in whose office the claim of lien is filed a bond executed by a corporation authorized to issue surety bonds in the State of Oregon to the effect that the owner of the chattel against which the lien is claimed shall pay the amount of the claim and all costs and attorney fees which are awarded against the chattel on account of the lien. The bond shall be in an amount not less than 150 percent of the amount

claimed under the lien, and must be filed prior to the commencement of a foreclosure proceeding by the lien claimant.

(2)

(a) In lieu of the surety bond provided for in subsection (1) of this section, a person may deposit with the treasurer of the county in which the claim for lien is filed an irrevocable letter of credit issued by an insured institution, as defined in ORS 706.008, or a sum of money or its equivalent equal in value to 150 percent of the amount claimed under the lien.

(b) When a person deposits money or an irrevocable letter of credit with the treasurer of a county under this subsection, the person shall file with the recording officer of the same county an affidavit stating that the deposit was made.

(3) When a bond is filed under subsection (1) of this section or an irrevocable letter of credit or money deposited and an affidavit filed under subsection (2) of this section, the recording officer shall issue to the owner or other person a certificate stating that the bond, irrevocable letter of credit or money is substituted for the chattel and that the lien on the chattel is discharged. A marginal entry of the discharge and bond, irrevocable letter of credit or money shall be made in the index of liens on chattels containing the original record of the claim of lien.

(4) When a bond is filed under subsection (1) of this section, or money or an irrevocable letter of credit is deposited under subsection (2) of this section, the owner or other person filing the bond or depositing the money or an irrevocable letter of credit shall promptly send a copy of the certificate received from the recording officer under subsection (3) of this section to the lien claimant by registered or certified mail sent to the lien claimant at the last-known address of the lien claimant.

(5) If the lien claimant establishes the validity of the lien claim by a suit to enforce it, the lien claimant is entitled to judgment against the sureties upon the bond, against the irrevocable letter of credit issuer or against the deposited money. *[1975 c.648 §39; 1991 c.331 §17; 1997 c.631 §389; 2003 c.576 §336]*

ORS 87.346 Filing Certificate of Lien Satisfaction upon Payment of Claim

(1) When a person claiming a lien under ORS 87.216 to 87.232 receives full payment of the claim including costs of making, filing and recording the lien and expenses incurred in commencing to foreclose it, the person shall file with the Secretary of State or the recording officer of the county in which the claim of lien is recorded a certificate declaring that full payment has been received from the lien debtor and that the claim of lien is discharged.

(2) Upon receiving the certificate, the Secretary of State or recording officer shall enter it in full length in the index of liens upon chattels.

(3) If any lien claimant, after full payment of the claim, within 10 days after being requested thereto, fails to discharge the claim of lien, the person is liable to the owner of the chattel formerly subject to the lien in the sum of \$100 damages and for all actual damages caused by the failure of the lien claimant to discharge the claim of lien. The owner of the chattel shall recover those damages by an action at law.

(4) Upon the expiration of the 18-month time period allowed by ORS 87.266 (2) for filing either a suit to foreclose or a proceeding under ORS 87.272 to 87.306 to foreclose a lien created by ORS 87.226, the owner of chattels subject to a claim of lien that has ceased to exist pursuant to ORS 87.266 (2) may file with the Secretary of State a notarized certificate indicating:

- (a) The date and location where the claim of lien was filed with the Secretary of State;
- (b) That the lien has expired and is discharged because no suit to foreclose or proceeding under ORS 87.272 to 87.306 has been initiated with respect to such lien claim; and
- (c) That the person filing such certificate has personally contacted the clerk of the circuit court in such county to determine that no suit to foreclose or proceeding under ORS 87.272 to 87.306 has been filed prior to the expiration of the time period set forth in ORS 87.266 (2).

(5) Within 10 days after filing a certificate under subsection (4) of this section, the person filing the certificate shall mail or deliver a true copy thereof to all persons having perfected security interests under ORS chapter 79 in the chattel which is the subject of the lien to which the certificate applies. *[1975 c.648 §40; 1985 c.469 §7; 1987 c.297 §3; 1995 c.658 §67; 2001 c.301 §9]*

MISCELLANEOUS PROVISIONS

ORS 87.910 Cost of Preparing Lien Notice.

A person who files a notice or claim of lien under this chapter may add to the amount of the claim, as contained in the notice, the amount of fees actually paid for the recording or filing of the lien notice, and such amount thereupon shall become part of the lien against the property described in the notice. *[Amended by 1975 c.648 §52; 1981 c.898 §47]*

ORS 87.920 Recording of Document not to Create Lien

Except where filing of the document is specifically required or authorized by statute, no document filed for recording or otherwise with any public officer in this state before or after October 15, 1983, shall create a lien or encumbrance upon or affect the title to the real or personal property of any person or constitute actual or constructive notice to any person of the information contained therein. *[1983 c.763 §62]*

ORS 87.930 Secretary of State to Furnish List of Persons who have Filed Financing Statement

If the Secretary of State receives notice of a lien created under ORS 87.226, 87.705 or 87.755, the Secretary of State, upon request, shall furnish the person who filed the lien with a list of persons who have filed a financing statement under ORS 79.0501 that perfects a security interest in the inventory, proceeds or accounts receivable of the lien debtor or purchaser. The list must include:

- (1) The name and address of the secured party for each statement or notice;
- (2) The filing number and date of filing for the financing statement in the index maintained by the Secretary of State; and
- (3) Other information that the Secretary of State considers necessary or proper. *[2001 c.301 §3; 2007 c.71 §22]*

Links to DMV Possessory Lien Packet

Main DMV Form Page:

<https://www.oregon.gov/odot/DMV/Pages/Form/index.aspx>

Direct link to the Possessory Lien Packet:

<https://www.oregon.gov/odot/Forms/DMV/6828.pdf>

Request for DMV Forms to be Mailed:

<https://www.oregon.gov/odot/Forms/DMV/6110fill.pdf>

**Possessory Lien Packets come in bundles of 25 per package*

The following forms within the Possessory Link Packet are also online:

Form No. 735-518 [Certificate of Possessory Lien Foreclosure \(ORS 87.162 - Landlords Lien\)](#)

Form No. 735-519 [Certificate of Possessory Lien Foreclosure \(ORS 98.830 - Towing Abandoned Vehicle from Private Property\)](#)

Form No. 735-520 [Certificate of Possessory Lien Foreclosure \(ORS 87.152 - Lien for Labor and Materials\)](#)

Form No. 735-521 [Certificate of Possessory Lien Foreclosure \(ORS 90.425 - Lien for Personal Property Abandoned by Tenant\)](#)

Form No. 735-522B [Surety Bond](#)

Form No. 735-6604 [Certificate of Possessory Lien Foreclosure \(ORS 819.160\)](#)

Form No. 735-6605 [Certificate of Possessory Lien Foreclosure \(ORS 98.812\)](#)