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735-020-0012

Application for Title by Possessory Lien Foreclosure

(1) This rule designates the forms and procedures to be used when evidence of a possessory lien foreclosure is submitted to DMV in support of an application for vehicle title.

(2) In addition to all applicable fees, an application for title that is supported by evidence of a possessory lien foreclosure must be accompanied by one of the following certification forms:

(a) **For a landlord's lien pursuant to ORS 87.162**, [A] **a** Certificate of Possessory Lien Foreclosure (DMV Form 735-518) *[for a landlord's lien pursuant to ORS 87.162]*;

(b) **For an abandoned vehicle pursuant to ORS 98.835**, [A] **a** Certificate of Possessory Lien Foreclosure (DMV Form 735-519) *[for an abandoned vehicle pursuant to ORS 98.835]*;

(c) **For a possessory lien for labor or material expended on chattel (mechanic's lien) pursuant to ORS 87.152**, [A] **a** Certificate of Possessory Lien Foreclosure (DMV Form 735-520) *[for a possessory lien for labor or material expended on chattel (mechanic's lien) pursuant to ORS 87.152]*;

(d) **For property abandoned by a tenant pursuant to ORS 90.425**, [A] **a** Certificate of Possessory Lien Foreclosure (DMV Form 735-521) *[for property abandoned by a tenant pursuant to ORS 90.425 and 90.675]*;

(e) **For a lien for towing a vehicle pursuant to ORS 819.160**, [A] **a** Certificate of Possessory Lien Foreclosure (DMV Form 735-6604) *[for a lien for towing a vehicle pursuant to ORS 819.160]*; or

(f) **For towing, care and storage charges of an unlawfully parked vehicle pursuant to ORS 98.812**, [A] **a** Certificate of Possessory Lien Foreclosure (DMV Form 735-6605) *[for storage charges of an unlawfully parked vehicle pursuant to ORS 98.812]*.

(3) A certification form described under section (2) of this rule must be *[completed and signed. The form must]* **the correct form for the type of lien foreclosure**, have a revision date of *[December 1996]* **January 2008** or later~~[.]~~, **and contain the following:**

(a) Information sufficient to identify the vehicle, such as the plate number, including the jurisdiction of issuance if the vehicle is not registered in Oregon, or VIN number;

(b) The printed name of the buyer;

(c) The date of the public auction;

(d) The printed name and address of the lien claimant; and

(e) The signature of the lien claimant. The lien claimant's signature constitutes a certification that the information in the Certificate of Possessory Lien Foreclosure is true and accurate and that the lien claimant complied with all applicable statutory requirements for the possessory lien foreclosure.

(4) A certification form submitted and completed as described under sections (2) and (3) of this rule constitutes proof of ownership for purposes of ORS 803.205.

Stat. Auth.: ORS 184.616, [ORS] 184.619, [ORS] **802.010, 803.045, 803.094**, [ORS] 803.097

Stat. Implemented: ORS 87.152, [ORS] 87.162, [ORS] 87.166, [ORS] 87.172, [ORS] 87.176 - [ORS] 87.206, [ORS] 90.425, [ORS] 90.675, [ORS] 98.805, [ORS] 98.810, [ORS] 98.812, [ORS] 98.818, [ORS] 98.830, [ORS] 98.835, **803.045, 803.094**, [ORS] 803.097, **803.205**, [ORS] 809.720, [ORS] 811.555, [ORS] 811.570, [ORS] 819.110, [ORS] 819.120, [ORS] 819.160 & [ORS] 819.230

735-020-0010

Perfection of Security Interest; Primary Ownership Document

(1) This rule specifies the documents DMV will consider primary ownership documents for the purposes of perfecting a security interest in a vehicle.

(2) Except as provided in section (3) of this rule, a primary ownership document is:

(a) A manufacturer's certificate of origin (MCO) or equivalent document as described in OAR 735-022-0030 through 735-022-0060. This subsection applies to:

(A) A vehicle or camper built by a manufacturer that has never been titled or registered; and

(B) A vehicle or camper built, assembled, or reconstructed using a component kit that has never been titled or registered. The MCO may only be considered a primary ownership document for the vehicle parts contained in the kit.

(b) A current certificate of title or salvage title issued for a vehicle or camper; or

(c) A Certificate to Obtain Title for a Vehicle (U.S. Government Form SF 97), for a vehicle or camper previously owned by the U.S. Government and where interest is being transferred.

(3) Notwithstanding section (2) of this rule, DMV may, at its discretion, consider other documents to be primary ownership documents when:

(a) DMV is satisfied that the original Oregon title has been lost or destroyed, and that there has been a change in interest;

(b) Interest has been transferred by operation of law under Oregon law, or through court action in a court having jurisdiction over persons or property located in Oregon, and the primary ownership documents described in section (2) of this rule are not available;

(c) The security interest is in a vehicle or camper not manufactured for sale in the U.S., and that is not currently registered or titled in the U.S.;

(d) The security interest is in a vehicle or camper last titled or registered outside the U.S.; or

(e) DMV is satisfied that a primary ownership document described in section (2) of this rule was never issued, is not obtainable, or has been surrendered to another jurisdiction.

(4) Documents DMV may determine are primary ownership documents under section (3) of this rule include but are not limited to:

(a) A court judgment or decree from a court having jurisdiction over persons or property located in Oregon that awards ownership of a vehicle or camper as a matter of law;

(b) A sheriff's bill of sale;

- (c) A certificate of possessory lien foreclosure as described in OAR 735-020-0012;
- (d) A completed and signed Inheritance Affidavit (DMV Form 735-516) vesting the interest of a deceased owner in the person designated by all the heirs as the owner of the vehicle or camper;
- (e) A completed and signed Certificate of Ownership of an Assembled Light Trailer or Heavy Trailer (DMV Form 735-6644) for a trailer built by someone other than a manufacturer;
- (f) A completed and signed Application for Replacement Title (DMV Form 735-515) or Application for Replacement Salvage Title (DMV Form 735-230) where:
 - (A) The application is accompanied by an Application for Title and Registration (DMV Form 735-226) that includes a release of interest from anyone listed on the original title that will not be listed on the new title; and
 - (B) Any change in interest is of a type not subject to odometer disclosure requirements under ORS 803.102 and OAR 735-028-0000 through 735-028-0100;
- (g) A completed and signed Certification of Ownership Facts (DMV Form 735-550);
- (h) An Ownership document issued by the U.S. Armed Forces for a vehicle or camper owned by a member of the U.S. Armed Forces;
- (i) A salvage title, salvage bill of sale, or dismantler (wrecker) bill of sale on a vehicle or camper whose title has been surrendered to a jurisdiction; or
- (j) For a vehicle or camper described under subsections (3)(c) and (d) of this rule:
 - (A) A certificate for export purposes issued by a foreign jurisdiction; or
 - (B) A vehicle or camper registration if the vehicle has been registered but is not currently titled.
- (5) When the application for notation of a security interest is for a vehicle or camper that is initially being titled as assembled, reconstructed, or a vehicle replica, the primary ownership document must be specific to the frame or unibody.
- (6) When the application for notation of a security interest is for a vehicle or camper manufactured in more than one stage, the primary ownership document(s) must cover each stage of manufacture.
- (7) DMV may invalidate a primary ownership document as evidence of ownership if it determines:
 - (a) The document is fraudulent or contains false information; or
 - (b) The document does not show the most current ownership interest in the vehicle or camper.
- (8) If, after a title has been issued, it is determined that the evidence of ownership is invalid under section (7) of this rule, DMV may cancel the vehicle title. Before a title is cancelled, DMV will send a notice of the proposed cancellation to the vehicle owner or lessee, security interest holder(s) and lessor (if applicable), as listed in DMV records. A cancellation becomes effective 10 days after the date the notice is deposited with the postal service, unless a hearing is requested within that 10-day period. If a timely hearing is requested, the cancellation will be contingent on the outcome of the hearing.
- (9) A title cancellation under section (8) of this rule automatically invalidates the security interest(s) noted on that title. A new application for notation for perfection of security interest

and valid evidence of ownership must be submitted to DMV before security interest in a vehicle can be perfected pursuant to ORS 803.097.

(10) DMV will not invalidate a primary ownership document as evidence of ownership based solely on missing title requirements (e.g., missing odometer information, and fees).

(11) A document considered by DMV to be a primary ownership document under section (3) of this rule constitutes proof of ownership for purposes of ORS 803.205.

Stat. Auth.: ORS 184.616, 184.619, 801.402, 802.010 & 803.097

Stats. Implemented: ORS 801.402, [&] 803.097 **& 803.205**