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Registration of Foreclosure Properties

Any lender(s) or other responsible party(ies) of a foreclosure property shall register that property with the City of Orting within ten (10) days of the property becoming a foreclosure property within the meaning of this chapter by submitting an application pursuant to this chapter. All registrations are valid for one year. Once registered, the lender(s) or other responsible party(ies) shall renew the registration of the foreclosure property with the City every twelve (12) months, until the property is no longer a foreclosure property within the meaning of this chapter. A separate registration is required for each property. (OMC 5-11 attached)

The following documentation must be submitted with the completed application:

- Proof of ownership, or financial interest, such as a lien or loan.
- Documentation which adequately demonstrates the property is foreclosed, pending foreclosure, or subject to foreclosure, trustee's sale, Tax Assessor's lien sale or other legal proceedings. The adequacy of the documentation provided shall be at the City's discretion.

Send the complete registration form including ownership and foreclosure documents to:

Executive Assistant Danielle Charchenko | dcharchenko@cityoforting.org

Name of Property Owner: _____

Physical Address: _____

Mailing Address: _____

Phone Number: (____) _____ Email: _____

Name of Lender: _____

Physical Address: _____

Mailing Address: _____

Phone Number: (____) _____ Email: _____

24 Hour Emergency Contact: _____

Physical Address: _____

Mailing Address: _____

Phone Number: (____) _____ Email: _____

Applicant Signature: _____ Date: _____

5-11-1: PURPOSE:

It is the purpose and intent of the City of Orting, through the adoption of this chapter, to establish a Foreclosure Property Registration Program in order to protect the community from the deterioration, crime, and decline in value in neighborhoods caused by properties in various stages of the foreclosure process, and to identify, regulate, limit, and reduce the number of those properties within the City of Orting. It is the policy and intent of the City to establish a requirement that the lender or other responsible party(ies) of properties that are in the foreclosure process register those properties with the City, as set forth in this chapter, in order to protect the neighborhoods from the negative impacts of absentee ownership and lack of adequate maintenance and security for properties in the foreclosure process. (Ord. 2018-1034, 9-26-2018)

5-11-2: DEFINITIONS:

As used in this chapter, the following terms have the meanings indicated unless the context clearly indicates otherwise:

ENFORCEMENT OFFICER OR CODE ENFORCEMENT OFFICERS: Refers to the City's Code Enforcement Officer (defined at section [1-13-2](#) of this Code) or his or her designee, the City Administrator or his or her designee, or the building official or his or her designee.

EVIDENCE OF FORECLOSURE STATUS: Means any condition that on its own or combined with other conditions present would lead a reasonable person to believe that the property is a foreclosure property. Such conditions include, but are not limited to, overgrown and/or dead vegetation; accumulation of newspapers, circulars, flyers and/or mail; past due utility notices and/or disconnected utilities; accumulation of trash, junk, and/or debris; statements by neighbors, passersby, delivery agents, or government employees that the property is in foreclosure; the presence of boards over doors, windows or other openings in violation of applicable Building Code; and for residential properties, the absence of window coverings such as curtains, blinds, and/or shutters; the absence of furnishings and/or personal items consistent with residential habitation.

FORECLOSURE: Means the legal processes described in title 61, Revised Code of Washington, in which a mortgagee or other lien holder terminates a property owner's equitable right of redemption to obtain legal and equitable title to the real property pledged as security for a debt or the real property subject to the lien. For purposes of this section, the foreclosure process is not concluded until the property obtained by the mortgagee, lien holder, or their designee, by certificate of title or other means, is sold to a non-related, bona fide purchaser in an arms'-length transaction to satisfy the debt or lien.

FORECLOSURE PROPERTY: Means a property that is: a) under a current notice of default and/or notice of trustee's sale; b) the subject of a pending Tax Assessor's lien sale; c) the subject of a foreclosure sale where the title was retained by the beneficiary of a deed of trust involved in the foreclosure; d) a property title to which has been transferred under a deed in lieu of foreclosure/sale; or e) subject to a contract forfeiture. Property acquired by a government agency at a tax foreclosure sale under chapter 84.64 Revised Code of Washington is not "foreclosure property" within the meaning of this section. For purposes of this section, a property remains a foreclosure property until it is sold at an arms'-length transaction to a non-related bona fide purchaser or until the foreclosure action has been dismissed and any default has been cured.

LENDER: Means any person who makes, extends, holds, or services a real estate loan agreement and includes, but is not limited to, mortgagees; beneficiaries under deeds of trust; underwriters under deeds of trust; vendors under conditional land sales contracts; trustees and a successor in interest to any mortgagee, beneficiary, vendor or trustee and any other lien holder on the property. The term also includes any mortgagee, beneficiary or trustee that accepts a deed in lieu of foreclosure.

OWNER: Means any individual or group of natural persons, partnership, association, corporation or other entity having legal or beneficial title in real property including any borrower.

PROPERTY: Means any unimproved or improved, residential or commercial real property, or portion thereof, situated in the City, and includes the buildings or structures located on the property regardless of condition.

RESPONSIBLE PARTY: Means any person, partnership, association, corporation, or fiduciary having legal or equitable title to or any interest in any real property, including but not limited to an owner, and lender, as defined in this chapter, as well as individual property manager, property management company, or similar person or entity, responsible for and having the authority to make decisions and required expenditures concerning, the maintenance and security of a foreclosure property and the abatement of nuisance conditions at the property.

VACANT: Means a subject property that is not legally occupied. (Ord. 2018-1034, 9-26-2018)

5-11-3: REGISTRY ESTABLISHED; PROCEDURES:

The City shall establish and maintain a Foreclosure Property Registry to implement the terms of this chapter. The registry shall be maintained by the Building Department, in conjunction with the Code Enforcement Department, who shall develop procedures to implement this section which are consistent with and do not conflict with this chapter, this Code, or Washington law.

A. Registration Of Foreclosure Properties:

1. **Inspection Required:** Any lender who holds a security interest on a property located within the City of Orting which is under a current notice of default, is under a current notice of trustee's sale, is the subject of a pending Tax Assessor's lien sale, has been the subject of a foreclosure where the title was retained by the beneficiary of the deed of trust involved in the foreclosure, or was transferred under a deed in lieu of foreclosure/sale must perform an inspection of the property to determine whether the property is vacant within fourteen (14) days of the notice of default or other applicable proceedings to begin the foreclosure process. The Enforcement Officer can also inspect the property and trigger the registration process. If the property is found to be vacant or shows evidence of vacancy, it is deemed abandoned and shall be registered with the City in accordance with this chapter.

2. **Registration Required:** Any lender(s) or other responsible party(ies) of a foreclosure property as defined in this chapter shall register that property with the City of Orting within ten (10) days of the property becoming a foreclosure property within the meaning of this chapter by submitting an application pursuant to this chapter. All registrations are valid for one year. Once registered, the lender(s) or other responsible party(ies) shall renew the registration of the foreclosure property with the City every twelve (12) months, until the property is no longer a foreclosure property within the meaning of this chapter. A separate registration is required for each property.

3. **Application For Registry:** The content of the registration application shall include:

- a. Proof of ownership, or financial interest, such as a lien or loan;
- b. The name, address, phone number, and email address for the owner, lender, and responsible party and twenty four (24) hour contact phone number of the respective entity; and
- c. Documentation which adequately demonstrates the property is foreclosed, pending foreclosure, or subject to foreclosure, trustee's sale, Tax Assessor's lien sale or other legal proceedings. The adequacy of the documentation provided shall be at the City's discretion.

4. **Notice Of Change:** The lender, owner, or responsible party shall notify the City within ten (10) days of the date of any change in the information contained in the registration. Lenders, owners, or responsible parties who have existing foreclosure properties upon enactment of this chapter shall have thirty (30) calendar days from the effective date to register the property with City. A separate registration is required for each property.

5. **Registration Fee:** Upon application for the registry, the lender, owner, or responsible party shall remit an initial registration fee to the City, the amount of which shall be set by resolution of the City Council.

B. Removal From Registry: A property may only be removed from the foreclosure property registry upon the lender's, owner's, or responsible party's written certification that: 1) the mortgage or lien on the property has been satisfied or legally discharged, 2) the property is no longer in mortgage default, or 3) the foreclosure property has been sold to a non-related party in a bona-fide, arms' length transaction. The following shall not be a valid basis for removal from the registry: a lender's statement that it no longer desires to pursue foreclosure; evidence of dismissal of lis pendens and/or summary of final judgment and/or certificate of title, or similar documentation, such as deed in lieu of foreclosure.

C. Transfer Of Ownership: If the mortgage on a registered foreclosure property is transferred, the transferee shall be subject to the requirements of this section and shall, within five (5) days of the transfer of the mortgage, register the property as a new registration in accordance with this section. Any previously unpaid registration fees are the responsibility of the transferee and are due and payable upon the new registration.

D. Sale Of Foreclosure Property: If the mortgagee sells a foreclosure property in an arms'-length transaction to a non-related person or entity, the transferee is subject to the terms of this section and shall register the property as a new registration under this section within five (5) days of the sale. Any previously unpaid registration fees shall be the responsibility of the new owner. For purposes of this chapter, a transfer to another entity which is under common ownership with the lender, as determined in the sole discretion of the City, is not an arms' length transaction. (Ord. 2018-1034, 9-26-2018)

5-11-4: MAINTENANCE AND MONITORING OF REGISTERED PROPERTIES:

A. Minimum Property Inspection And Maintenance Requirements: While a foreclosure property is registered, the lender or responsible party shall be required to inspect the foreclosure property monthly, or more frequently as necessary to prevent the creation of a nuisance, and shall:

1. Maintain and keep foreclosure property free of conditions including, but not limited to: weeds, dry brush, dead vegetation, trash, junk, debris, building materials and junk vehicles, accumulation of newspapers, circulars, flyers, notices (except those required by Federal, State, or local law), and discarded personal items including, but not limited to, furniture, clothing, or large and small appliances;

2. Graffiti, tagging, or similar markings shall be removed or painted over with an exterior grade paint that matches and/or coordinates with the color of the exterior of the structure;

3. Secure ponds, pools and hot tubs and ensure that they do not become a public nuisance;

4. Secure the foreclosure property to prevent access by unauthorized persons, including, but not limited to, the following: the closure and locking of windows, doors (walk-through, sliding and garage), gates, and any other opening of such size that it may allow a child or any other person to access the interior of the property and/or structure(s). Securing also includes boarding as applicable. Preferred material for boarding shall be painted with an exterior grade paint that matches and/or coordinates with the color of the exterior of the structure, or is of a material that mimics glazed windows and intact doors;

5. Post the property with no trespassing signs and current emergency contact information for the agent; and

6. Take any other action necessary to prevent giving the appearance that the property is abandoned.

B. City Monitoring Of Registered Properties: Upon registration, the City will provide regular monitoring of foreclosure properties including, but not limited to, periodic site visitation. The City's monitoring of foreclosure properties does not relieve the lender or other responsible party from monitoring and maintaining the property as required by this chapter. As part of the foreclosure property registration, the owner, lender, or responsible party, or other person having legal authority for the property shall authorize the City to enter onto the property for monitoring purposes. (Ord. 2018-1034, 9-26-2018)

5-11-5: PENALTY:

Any violation of this chapter shall be subject to enforcement under the procedures set out in title 1, chapter 13 of this Code, and the person(s) responsible for the violation(s) shall incur a civil monetary penalty of one hundred dollars (\$100.00) for each day of continued non-compliance. Payment of a monetary penalty pursuant to this chapter does not relieve the person(s) responsible for the violation of the duty to correct the violation. Enforcement action taken by this City in accordance with this chapter may be appealed in accordance with the procedures set out in title 1, chapters 13 and 12 of this Code. (Ord. 2018-1034, 9-26-2018)