Selling an Inherited Home in Oregon

Jamie Eldrett Real Estate | Last updated: July 18, 2026

Inheriting a home means making real decisions during the worst possible season for making them. This guide maps the process in plain language: what has to happen legally before the home can sell, how long it takes, the tax rule that saves most heirs a fortune, and where families get stuck. It describes the road; your attorney drives it.

FIRST QUESTION: DOES THIS ESTATE NEED PROBATE?

Not every inherited home goes through full probate. The path depends on how the home was titled:

- **Living trust:** the successor trustee can generally sell without court involvement. Fastest path.
- **Joint ownership with survivorship, or a recorded transfer-on-death deed:** the home passes outside probate to the surviving owner or named beneficiary.
- **Simple estate affidavit:** Oregon allows a streamlined process when the estate holds no more than $200,000 in real property and $75,000 in personal property. Cheaper and faster than probate, with its own waiting periods.
- **Full probate:** everything else. A court process, typically 6 to 12 months in Oregon.

THE PROBATE TIMELINE

Months 1 to 2: file the petition, the court appoints a personal representative (PR), heirs and creditors get notice. You can prepare the house during this window; you cannot close a sale.

Months 3 to 6: the PR files an inventory within 90 days of appointment; creditors have 4 months to make claims. With court authorization, the home can be listed and sold during this period.

Months 6 to 12: claims resolve, the sale closes, proceeds go to the estate, and the PR distributes them per the will or Oregon's intestate succession rules.

The practical takeaway for the house itself: **listing early and closing late is normal.** A well-run estate sale often goes under contract while the court process finishes around it.

THE TAX RULE WORTH KNOWING: STEPPED-UP BASIS

When you inherit real estate, your cost basis steps up to the fair market value at the date of death, not what your parents paid decades ago. Sell reasonably soon at a price near that value and the taxable capital gain is small or zero, even on a home that appreciated for forty years. This one rule is why "we have to sell fast before taxes eat it" is usually backwards, and why a date-of-death appraisal or broker price opinion is worth ordering early: it documents the stepped-up value.

Separate issue: Oregon levies its own estate tax on estates over $1 million. Estates near or above that line belong in front of a professional before anything sells.

WHERE FAMILIES GET STUCK

- **Multiple heirs, no early conversation.** Price, timing, and whether to sell at all deserve one honest family meeting at the start. When heirs cannot agree, any one of them can force the issue through a court partition action, which is the expensive version of that meeting.
- **Selling authority.** Only the PR (or trustee) can sign. Confirm who holds authority, and that the court has granted it, before anyone signs a listing agreement.
- **The house sits in limbo.** Insurance often lapses or changes category on a vacant home; utilities, yard, and security still need an owner. Assign one person, on purpose.
- **Deferred taxes and liens.** If the owner used Oregon's senior property tax deferral, the deferred balance plus interest is repaid from sale proceeds. Order a payoff figure early so the net-proceeds math is honest.
- **Pricing on memory.** The family's number is often the 2021 market, or the fully-renovated fantasy. Comps as of today, adjusted for condition, are the number the market will pay.

THE TEAM

An estate sale runs on three professionals: a probate attorney for authority and process, an accountant for the basis and estate tax questions, and an agent who has handled estate sales and works at the pace the court allows. Jamie holds the SRES credential, works estate and downsizing sales regularly, and offers a flat-fee **Pricing Session** when what the family needs first is simply an honest number: jamie-the-realtor.com/bespoke-consultations.
