

As Introduced

**133rd General Assembly
Regular Session
2019-2020**

H. B. No. 705

Representative Miller, A.

A BILL

To amend sections 3767.41, 3767.50, 3767.99, 1
5721.17, 5721.18, 5721.19, 5721.192, 5723.05, 2
and 5723.18 of the Revised Code to amend the law 3
regarding public nuisances and blight 4
foreclosure actions and to declare an emergency. 5

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 3767.41, 3767.50, 3767.99, 6
5721.17, 5721.18, 5721.19, 5721.192, 5723.05, and 5723.18 of the 7
Revised Code be amended to read as follows: 8

Sec. 3767.41. (A) As used in this section: 9

(1) "Building" means, except as otherwise provided in this 10
division, any building or structure that is used or intended to 11
be used for residential purposes. "Building" includes, but is 12
not limited to, a building or structure in which any floor is 13
used for retail stores, shops, salesrooms, markets, or similar 14
commercial uses, or for offices, banks, civic administration 15
activities, professional services, or similar business or civic 16
uses, and in which the other floors are used, or designed and 17
intended to be used, for residential purposes. "Building" does 18
not include any building or structure that is occupied by its 19

owner and that contains three or fewer residential units. 20

(2) (a) "Public nuisance" means a building that is a menace 21
to the public health, welfare, or safety; that is structurally 22
unsafe, unsanitary, or not provided with adequate safe egress; 23
that constitutes a fire hazard, is otherwise dangerous to human 24
life, or is otherwise no longer fit and habitable; or that, in 25
relation to its existing use, constitutes a hazard to the public 26
health, welfare, or safety by reason of inadequate maintenance, 27
dilapidation, obsolescence, or abandonment. 28

(b) "Public nuisance" as it applies to subsidized housing 29
means subsidized housing that fails to meet the following 30
standards as specified in the federal rules governing each 31
standard: 32

(i) Each building on the site is structurally sound, 33
secure, habitable, and in good repair, as defined in 24 C.F.R. 34
5.703(b); 35

(ii) Each building's domestic water, electrical system, 36
elevators, emergency power, fire protection, HVAC, and sanitary 37
system is free of health and safety hazards, functionally 38
adequate, operable, and in good repair, as defined in 24 C.F.R. 39
5.703(c); 40

(iii) Each dwelling unit within the building is 41
structurally sound, habitable, and in good repair, and all areas 42
and aspects of the dwelling unit are free of health and safety 43
hazards, functionally adequate, operable, and in good repair, as 44
defined in 24 C.F.R. 5.703(d) (1); 45

(iv) Where applicable, the dwelling unit has hot and cold 46
running water, including an adequate source of potable water, as 47
defined in 24 C.F.R. 5.703(d) (2); 48

(v) If the dwelling unit includes its own sanitary facility, it is in proper operating condition, usable in privacy, and adequate for personal hygiene, and the disposal of human waste, as defined in 24 C.F.R. 5.703(d) (3);

(vi) The common areas are structurally sound, secure, and functionally adequate for the purposes intended. The basement, garage, carport, restrooms, closets, utility, mechanical, community rooms, daycare, halls, corridors, stairs, kitchens, laundry rooms, office, porch, patio, balcony, and trash collection areas are free of health and safety hazards, operable, and in good repair. All common area ceilings, doors, floors, HVAC, lighting, smoke detectors, stairs, walls, and windows, to the extent applicable, are free of health and safety hazards, operable, and in good repair, as defined in 24 C.F.R. 5.703(e);

(vii) All areas and components of the housing are free of health and safety hazards. These areas include, but are not limited to, air quality, electrical hazards, elevators, emergency/fire exits, flammable materials, garbage and debris, handrail hazards, infestation, and lead-based paint, as defined in 24 C.F.R. 5.703(f).

(3) "Abate" or "abatement" in connection with any building means the removal or correction of any conditions that constitute a public nuisance and the making of any other improvements that are needed to effect a rehabilitation of the building that is consistent with maintaining safe and habitable conditions over its remaining useful life. "Abatement" does not include the closing or boarding up of any building that is found to be a public nuisance.

(4) "Interested party" means any owner, mortgagee,

lienholder, tenant, or person that possesses an interest of 79
record in any property that becomes subject to the jurisdiction 80
of a court pursuant to this section, and any applicant for the 81
appointment of a receiver pursuant to this section. 82

(5) "Neighbor" means any owner of property, including, but 83
not limited to, any person who is purchasing property by land 84
installment contract or under a duly executed purchase contract, 85
that is located within five hundred feet of any property that 86
becomes subject to the jurisdiction of a court pursuant to this 87
section, and any occupant of a building that is so located. 88

(6) "Tenant" has the same meaning as in section 5321.01 of 89
the Revised Code. 90

(7) "Subsidized housing" means a property consisting of 91
more than four dwelling units that, in whole or in part, 92
receives project-based assistance pursuant to a contract under 93
any of the following federal housing programs: 94

(a) The new construction or substantial rehabilitation 95
program under section 8(b)(2) of the "United States Housing Act 96
of 1937," Pub. L. No. 75-412, 50 Stat. 888, 42 U.S.C. 1437f(b) 97
(2) as that program was in effect immediately before the first 98
day of October, 1983; 99

(b) The moderate rehabilitation program under section 8(e) 100
(2) of the "United States Housing Act of 1937," Pub. L. No. 75- 101
412, 50 Stat. 888, 42 U.S.C. 1437f(e)(2); 102

(c) The loan management assistance program under section 8 103
of the "United States Housing Act of 1937," Pub. L. No. 75-412, 104
50 Stat. 888, 42 U.S.C. 1437f; 105

(d) The rent supplement program under section 101 of the 106
"Housing and Urban Development Act of 1965," Pub. L. No. 89-174, 107

79 Stat. 667, 12 U.S.C. 1701s;	108
(e) Section 8 of the "United States Housing Act of 1937,"	109
Pub. L. No. 75-412, 50 Stat. 888, 42 U.S.C. 1437f, following	110
conversion from assistance under section 101 of the "Housing and	111
Urban Development Act of 1965," Pub. L. No. 89-174, 79 Stat.	112
667, 12 U.S.C. 1701s;	113
(f) The program of supportive housing for the elderly	114
under section 202 of the "Housing Act of 1959," Pub. L. No. 86-	115
372, 73 Stat. 654, 12 U.S.C. 1701q;	116
(g) The program of supportive housing for persons with	117
disabilities under section 811 of the "National Affordable	118
Housing Act of 1990," Pub. L. No. 101-625, 104 Stat. 4313, 42	119
U.S.C. 8013;	120
(h) The rental assistance program under section 521 of the	121
"United States Housing Act of 1949," Pub. L. No. 90-448, 82	122
Stat. 551, as amended by Pub. L. No. 93-383, 88 Stat. 696, 42	123
U.S.C. 1490a.	124
(8) "Project-based assistance" means the assistance is	125
attached to the property and provides rental assistance only on	126
behalf of tenants who reside in that property.	127
(9) "Landlord" has the same meaning as in section 5321.01	128
of the Revised Code.	129
(B) (1) (a) In any civil action to enforce any local	130
building, housing, air pollution, sanitation, health, fire,	131
zoning, or safety code, ordinance, resolution, or regulation	132
applicable to buildings, that is commenced in a court of common	133
pleas, municipal court, housing or environmental division of a	134
municipal court, or county court, or in any civil action for	135
abatement commenced in a court of common pleas, municipal court,	136

housing or environmental division of a municipal court, or 137
county court, by a municipal corporation or township in which 138
the building involved is located, by any neighbor, tenant, or by 139
a nonprofit corporation that is duly organized and has as one of 140
its goals the improvement of housing conditions in the county or 141
municipal corporation in which the building involved is located, 142
if a building is alleged to be a public nuisance, the municipal 143
corporation, township, neighbor, tenant, or nonprofit 144
corporation may apply in its complaint for an injunction or 145
other order as described in division (C) (1) of this section, or 146
for the relief described in division (C) (2) of this section, 147
including, if necessary, the appointment of a receiver as 148
described in divisions (C) (2) and (3) of this section, or for 149
both such an injunction or other order and such relief. The 150
municipal corporation, township, neighbor, tenant, or nonprofit 151
corporation commencing the action is not liable for the costs, 152
expenses, and fees of any receiver appointed pursuant to 153
divisions (C) (2) and (3) of this section. 154

(b) Prior to commencing a civil action for abatement when 155
the property alleged to be a public nuisance is subsidized 156
housing, the municipal corporation, township, neighbor, tenant, 157
or nonprofit corporation commencing the action shall provide the 158
landlord of that property with written notice that specifies one 159
or more defective conditions that constitute a public nuisance 160
as that term applies to subsidized housing and states that if 161
the landlord fails to remedy the condition within ~~sixty~~thirty 162
days of the service of the notice, a claim pursuant to this 163
section may be brought on the basis that the property 164
constitutes a public nuisance in subsidized housing. Any party 165
authorized to bring an action against the landlord shall make 166
reasonable attempts to serve the notice in the manner prescribed 167

in the Rules of Civil Procedure to the landlord or the 168
landlord's agent for the property at the property's management 169
office, or at the place where the tenants normally pay or send 170
rent. If the landlord is not the owner of record, the party 171
bringing the action shall make a reasonable attempt to serve the 172
owner. If the owner does not receive service the person bringing 173
the action shall certify the attempts to serve the owner. 174

(2) (a) In a civil action described in division (B) (1) of 175
this section, a copy of the complaint and a notice of the date 176
and time of a hearing on the complaint shall be served upon the 177
owner of the building and all other interested parties in 178
accordance with the Rules of Civil Procedure. If certified mail 179
service, personal service, or residence service of the complaint 180
and notice is refused or certified mail service of the complaint 181
and notice is not claimed, and if the municipal corporation, 182
township, neighbor, tenant, or nonprofit corporation commencing 183
the action makes a written request for ordinary mail service of 184
the complaint and notice, or uses publication service, in 185
accordance with the Rules of Civil Procedure, then a copy of the 186
complaint and notice shall be posted in a conspicuous place on 187
the building. 188

(b) The judge in a civil action described in division (B) 189
(1) of this section shall conduct a hearing at least ~~twenty-~~ 190
~~eight~~ fourteen days after the owner of the building and the 191
other interested parties have been served with a copy of the 192
complaint and the notice of the date and time of the hearing in 193
accordance with division (B) (2) (a) of this section. 194

(c) In considering whether subsidized housing is a public 195
nuisance, the judge shall construe the standards set forth in 196
division (A) (2) (b) of this section in a manner consistent with 197

department of housing and urban development and judicial 198
interpretations of those standards. The judge shall deem that 199
the property is not a public nuisance if during the twelve 200
months prior to the service of the notice that division (B) (1) 201
(b) of this section requires, the department of housing and 202
urban development's real estate assessment center issued a score 203
of seventy-five or higher out of a possible one hundred points 204
pursuant to its regulations governing the physical condition of 205
multifamily properties pursuant to 24 C.F.R. part 200, subpart 206
P, and since the most recent inspection, there has been no 207
significant change in the property's conditions that would 208
create a serious threat to the health, safety, or welfare of the 209
property's tenants. 210

(C) (1) If the judge in a civil action described in 211
division (B) (1) of this section finds at the hearing required by 212
division (B) (2) of this section that the building involved is a 213
public nuisance, if the judge additionally determines that the 214
owner of the building previously has not been afforded a 215
reasonable opportunity to abate the public nuisance or has been 216
afforded such an opportunity and has not refused or failed to 217
abate the public nuisance, and if the complaint of the municipal 218
corporation, township, neighbor, tenant, or nonprofit 219
corporation commencing the action requested the issuance of an 220
injunction as described in this division, then the judge may 221
issue an injunction requiring the owner of the building to abate 222
the public nuisance or issue any other order that the judge 223
considers necessary or appropriate to cause the abatement of the 224
public nuisance. If an injunction is issued pursuant to this 225
division, the owner of the building involved shall be given no 226
more than ~~thirty-fourteen~~ days from the date of the entry of the 227
judge's order to comply with the injunction, unless the judge, 228

for good cause shown, extends the time for compliance. 229

(2) If the judge in a civil action described in division 230
(B)(1) of this section finds at the hearing required by division 231
(B)(2) of this section that the building involved is a public 232
nuisance, if the judge additionally determines that the owner of 233
the building previously has been afforded a reasonable 234
opportunity to abate the public nuisance and has refused or 235
failed to do so, and if the complaint of the municipal 236
corporation, township, neighbor, tenant, or nonprofit 237
corporation commencing the action requested relief as described 238
in this division, then the judge shall offer any mortgagee, 239
lienholder, or other interested party associated with the 240
property on which the building is located, in the order of the 241
priority of interest in title, the opportunity to undertake the 242
work and to furnish the materials necessary to abate the public 243
nuisance. Prior to selecting any interested party, the judge 244
shall require the interested party to demonstrate the ability to 245
promptly undertake the work and furnish the materials required, 246
to provide the judge with a viable financial and construction 247
plan for the rehabilitation of the building as described in 248
division ~~(D)~~(E) of this section, and to post security for the 249
performance of the work and the furnishing of the materials. 250

If the judge determines, at the hearing, that no 251
interested party is willing or able to undertake the work and to 252
furnish the materials necessary to abate the public nuisance, or 253
if the judge determines, at any time after the hearing, that any 254
party who is undertaking corrective work pursuant to this 255
division cannot or will not proceed, or has not proceeded with 256
due diligence, the judge may appoint a receiver pursuant to 257
division (C)(3) of this section to take possession and control 258
of the building. 259

(3) (a) The judge in a civil action described in division 260
(B) (1) of this section shall not appoint any person as a 261
receiver unless the person first has provided the judge with a 262
viable financial and construction plan for the rehabilitation of 263
the building involved as described in division ~~(D)~~ (E) of this 264
section and has demonstrated the capacity and expertise to 265
perform the required work and to furnish the required materials 266
in a satisfactory manner. An appointed receiver may be a 267
financial institution that possesses an interest of record in 268
the building or the property on which it is located, a nonprofit 269
corporation as described in divisions (B) (1) and (C) (3) (b) of 270
this section, including, but not limited to, a nonprofit 271
corporation that commenced the action described in division (B) 272
(1) of this section, or any other qualified property manager. 273

(b) To be eligible for appointment as a receiver, no part 274
of the net earnings of a nonprofit corporation shall inure to 275
the benefit of any private shareholder or individual. Membership 276
on the board of trustees of a nonprofit corporation appointed as 277
a receiver does not constitute the holding of a public office or 278
employment within the meaning of sections 731.02 and 731.12 or 279
any other section of the Revised Code and does not constitute a 280
direct or indirect interest in a contract or expenditure of 281
money by any municipal corporation. A member of a board of 282
trustees of a nonprofit corporation appointed as a receiver 283
shall not be disqualified from holding any public office or 284
employment, and shall not forfeit any public office or 285
employment, by reason of membership on the board of trustees, 286
notwithstanding any law to the contrary. 287

(4) In making any finding or determination required by 288
division (C) of this section, the judge shall use the 289
preponderance of the evidence standard. 290

(D) No person shall recklessly fail to comply with an injunction or order, regarding abatement of a public nuisance, issued pursuant to division (C) (1) of this section. 291
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(E) Prior to ordering any work to be undertaken, or the 294
furnishing of any materials, to abate a public nuisance under 295
this section, the judge in a civil action described in division 296
(B) (1) of this section shall review the submitted financial and 297
construction plan for the rehabilitation of the building 298
involved and, if it specifies all of the following, shall 299
approve that plan: 300

(1) The estimated cost of the labor, materials, and any 301
other development costs that are required to abate the public 302
nuisance; 303

(2) The estimated income and expenses of the building and 304
the property on which it is located after the furnishing of the 305
materials and the completion of the repairs and improvements; 306

(3) The terms, conditions, and availability of any 307
financing that is necessary to perform the work and to furnish 308
the materials; 309

(4) If repair and rehabilitation of the building are found 310
not to be feasible, the cost of demolition of the building or of 311
the portions of the building that constitute the public 312
nuisance. 313

~~(E)~~ (F) Upon the written request of any of the interested 314
parties to have a building, or portions of a building, that 315
constitute a public nuisance demolished because repair and 316
rehabilitation of the building are found not to be feasible, the 317
judge may order the demolition. However, the demolition shall 318
not be ordered unless the requesting interested parties have 319

paid the costs of demolition and, if any, of the receivership, 320
and, if any, all notes, certificates, mortgages, and fees of the 321
receivership. 322

~~(F)~~ (G) Before proceeding with the duties of receiver, any 323
receiver appointed by the judge in a civil action described in 324
division (B) (1) of this section may be required by the judge to 325
post a bond in an amount fixed by the judge, but not exceeding 326
the value of the building involved as determined by the judge. 327

The judge may empower the receiver to do any or all of the 328
following: 329

(1) Take possession and control of the building and the 330
property on which it is located, operate and manage the building 331
and the property, establish and collect rents and income, lease 332
and rent the building and the property, and evict tenants; 333

(2) Pay all expenses of operating and conserving the 334
building and the property, including, but not limited to, the 335
cost of electricity, gas, water, sewerage, heating fuel, repairs 336
and supplies, custodian services, taxes and assessments, and 337
insurance premiums, and hire and pay reasonable compensation to 338
a managing agent; 339

(3) Pay pre-receivership mortgages or installments of them 340
and other liens; 341

(4) Perform or enter into contracts for the performance of 342
all work and the furnishing of materials necessary to abate, and 343
obtain financing for the abatement of, the public nuisance; 344

(5) Pursuant to court order, remove and dispose of any 345
personal property abandoned, stored, or otherwise located in or 346
on the building and the property that creates a dangerous or 347
unsafe condition or that constitutes a violation of any local 348

building, housing, air pollution, sanitation, health, fire, 349
zoning, or safety code, ordinance, or regulation; 350

(6) Obtain mortgage insurance for any receiver's mortgage 351
from any agency of the federal government; 352

(7) Enter into any agreement and do those things necessary 353
to maintain and preserve the building and the property and 354
comply with all local building, housing, air pollution, 355
sanitation, health, fire, zoning, or safety codes, ordinances, 356
resolutions, and regulations; 357

(8) Give the custody of the building and the property, and 358
the opportunity to abate the nuisance and operate the property, 359
to its owner or any mortgagee or lienholder of record; 360

(9) Issue notes and secure them by a mortgage bearing 361
interest, and upon terms and conditions, that the judge 362
approves. When sold or transferred by the receiver in return for 363
valuable consideration in money, material, labor, or services, 364
the notes or certificates shall be freely transferable. Any 365
mortgages granted by the receiver shall be superior to any 366
claims of the receiver. Priority among the receiver's mortgages 367
shall be determined by the order in which they are recorded. 368

~~(G)~~(H) A receiver appointed pursuant to this section is 369
not personally liable except for misfeasance, malfeasance, or 370
nonfeasance in the performance of the functions of the office of 371
receiver. 372

~~(H)(1)~~(I)(1) The judge in a civil action described in 373
division (B)(1) of this section may assess as court costs, the 374
expenses described in division ~~(F)(2)~~(G)(2) of this section, 375
and may approve receiver's fees to the extent that they are not 376
covered by the income from the property. Subject to that 377

limitation, a receiver appointed pursuant to divisions (C) (2) 378
and (3) of this section is entitled to receive fees in the same 379
manner and to the same extent as receivers appointed in actions 380
to foreclose mortgages. 381

(2) (a) Pursuant to the police powers vested in the state, 382
all expenditures of a mortgagee, lienholder, or other interested 383
party that has been selected pursuant to division (C) (2) of this 384
section to undertake the work and to furnish the materials 385
necessary to abate a public nuisance, and any expenditures in 386
connection with the foreclosure of the lien created by this 387
division, is a first lien upon the building involved and the 388
property on which it is located and is superior to all prior and 389
subsequent liens or other encumbrances associated with the 390
building or the property, including, but not limited to, those 391
for taxes and assessments, upon the occurrence of both of the 392
following: 393

(i) The prior approval of the expenditures by, and the 394
entry of a judgment to that effect by, the judge in the civil 395
action described in division (B) (1) of this section; 396

(ii) The recordation of a certified copy of the judgment 397
entry and a sufficient description of the property on which the 398
building is located with the county recorder in the county in 399
which the property is located within sixty days after the date 400
of the entry of the judgment. 401

(b) Pursuant to the police powers vested in the state, all 402
expenses and other amounts paid in accordance with division ~~(F)~~ 403
(G) of this section by a receiver appointed pursuant to 404
divisions (C) (2) and (3) of this section, the amounts of any 405
notes issued by the receiver in accordance with division ~~(F)~~ (G) 406
of this section, all mortgages granted by the receiver in 407

accordance with that division, the fees of the receiver approved 408
pursuant to division ~~(H) (1)~~ (I) (1) of this section, and any 409
amounts expended in connection with the foreclosure of a 410
mortgage granted by the receiver in accordance with division ~~(F)~~ 411
(G) of this section or with the foreclosure of the lien created 412
by this division, are a first lien upon the building involved 413
and the property on which it is located and are superior to all 414
prior and subsequent liens or other encumbrances associated with 415
the building or the property, including, but not limited to, 416
those for taxes and assessments, upon the occurrence of both of 417
the following: 418

(i) The approval of the expenses, amounts, or fees by, and 419
the entry of a judgment to that effect by, the judge in the 420
civil action described in division (B) (1) of this section; or 421
the approval of the mortgages in accordance with division ~~(F) (9)~~ 422
(G) (9) of this section by, and the entry of a judgment to that 423
effect by, that judge; 424

(ii) The recordation of a certified copy of the judgment 425
entry and a sufficient description of the property on which the 426
building is located, or, in the case of a mortgage, the 427
recordation of the mortgage, a certified copy of the judgment 428
entry, and such a description, with the county recorder of the 429
county in which the property is located within sixty days after 430
the date of the entry of the judgment. 431

(c) Priority among the liens described in divisions ~~(H) (2)~~ 432
~~(a)~~ (I) (2) (a) and (b) of this section shall be determined as 433
described in division ~~(I)~~ (J) of this section. Additionally, the 434
creation pursuant to this section of a mortgage lien that is 435
prior to or superior to any mortgage of record at the time the 436
mortgage lien is so created, does not disqualify the mortgage of 437

record as a legal investment under Chapter 1107. or any other 438
chapter of the Revised Code. 439

~~(I)(1)~~ (J)(1) If a receiver appointed pursuant to 440
divisions (C)(2) and (3) of this section files with the judge in 441
the civil action described in division (B)(1) of this section a 442
report indicating that the public nuisance has been abated, if 443
the judge confirms that the receiver has abated the public 444
nuisance, and if the receiver or any interested party requests 445
the judge to enter an order directing the receiver to sell the 446
building and the property on which it is located, the judge may 447
enter that order after holding a hearing as described in 448
division ~~(I)(2)~~ (J)(2) of this section and otherwise complying 449
with that division. 450

(2)(a) The receiver or interested party requesting an 451
order as described in division ~~(I)(1)~~ (J)(1) of this section 452
shall cause a notice of the date and time of a hearing on the 453
request to be served on the owner of the building involved and 454
all other interested parties in accordance with division (B)(2) 455
(a) of this section. The judge in the civil action described in 456
division (B)(1) of this section shall conduct the scheduled 457
hearing. At the hearing, if the owner or any interested party 458
objects to the sale of the building and the property, the burden 459
of proof shall be upon the objecting person to establish, by a 460
preponderance of the evidence, that the benefits of not selling 461
the building and the property outweigh the benefits of selling 462
them. If the judge determines that there is no objecting person, 463
or if the judge determines that there is one or more objecting 464
persons but no objecting person has sustained the burden of 465
proof specified in this division, the judge may enter an order 466
directing the receiver to offer the building and the property 467
for sale upon terms and conditions that the judge shall specify. 468

(b) In any sale of subsidized housing that is ordered 469
pursuant to this section, the judge shall specify that the 470
subsidized housing not be conveyed unless that conveyance 471
complies with applicable federal law and applicable program 472
contracts for that housing. Any such conveyance shall be subject 473
to the condition that the purchaser enter into a contract with 474
the department of housing and urban development or the rural 475
housing service of the federal department of agriculture under 476
which the property continues to be subsidized housing and the 477
owner continues to operate that property as subsidized housing 478
unless the secretary of housing and urban development or the 479
administrator of the rural housing service terminates that 480
property's contract prior to or upon the conveyance of the 481
property. 482

(3) If a sale of a building and the property on which it 483
is located is ordered pursuant to divisions ~~(I) (1)~~ (J) (1) and 484
(2) of this section and if the sale occurs in accordance with 485
the terms and conditions specified by the judge in the judge's 486
order of sale, then the receiver shall distribute the proceeds 487
of the sale and the balance of any funds that the receiver may 488
possess, after the payment of the costs of the sale, in the 489
following order of priority and in the described manner: 490

(a) First, in satisfaction of any notes issued by the 491
receiver pursuant to division ~~(F)~~ (G) of this section, in their 492
order of priority; 493

(b) Second, any unreimbursed expenses and other amounts 494
paid in accordance with division ~~(F)~~ (G) of this section by the 495
receiver, and the fees of the receiver approved pursuant to 496
division ~~(H) (1)~~ (I) (1) of this section; 497

(c) Third, all expenditures of a mortgagee, lienholder, or 498

other interested party that has been selected pursuant to 499
division (C) (2) of this section to undertake the work and to 500
furnish the materials necessary to abate a public nuisance, 501
provided that the expenditures were approved as described in 502
division ~~(H) (2) (a)~~ (I) (2) (a) of this section and provided that, 503
if any such interested party subsequently became the receiver, 504
its expenditures shall be paid prior to the expenditures of any 505
of the other interested parties so selected; 506

(d) Fourth, the amount due for delinquent taxes, 507
assessments, charges, penalties, and interest owed to this state 508
or a political subdivision of this state, provided that, if the 509
amount available for distribution pursuant to division ~~(I) (3) (d)~~ 510
(J) (3) (d) of this section is insufficient to pay the entire 511
amount of those taxes, assessments, charges, penalties, and 512
interest, the proceeds and remaining funds shall be paid to each 513
claimant in proportion to the amount of those taxes, 514
assessments, charges, penalties, and interest that each is due. 515

(e) The amount of any pre-receivership mortgages, liens, 516
or other encumbrances, in their order of priority. 517

(4) Following a distribution in accordance with division 518
~~(I) (3)~~ (J) (3) of this section, the receiver shall request the 519
judge in the civil action described in division (B) (1) of this 520
section to enter an order terminating the receivership. If the 521
judge determines that the sale of the building and the property 522
on which it is located occurred in accordance with the terms and 523
conditions specified by the judge in the judge's order of sale 524
under division ~~(I) (2)~~ (J) (2) of this section and that the 525
receiver distributed the proceeds of the sale and the balance of 526
any funds that the receiver possessed, after the payment of the 527
costs of the sale, in accordance with division ~~(I) (3)~~ (J) (3) of 528

this section, and if the judge approves any final accounting 529
required of the receiver, the judge may terminate the 530
receivership. 531

~~(J)(1)~~ (K)(1) A receiver appointed pursuant to divisions 532
(C)(2) and (3) of this section may be discharged at any time in 533
the discretion of the judge in the civil action described in 534
division (B)(1) of this section. The receiver shall be 535
discharged by the judge as provided in division ~~(I)(4)~~ (J)(4) of 536
this section, or when all of the following have occurred: 537

(a) The public nuisance has been abated; 538

(b) All costs, expenses, and approved fees of the 539
receivership have been paid; 540

(c) Either all receiver's notes issued and mortgages 541
granted pursuant to this section have been paid, or all the 542
holders of the notes and mortgages request that the receiver be 543
discharged. 544

(2) If a judge in a civil action described in division (B) 545
(1) of this section determines that, and enters of record a 546
declaration that, a public nuisance has been abated by a 547
receiver, and if, within three days after the entry of the 548
declaration, all costs, expenses, and approved fees of the 549
receivership have not been paid in full, then, in addition to 550
the circumstances specified in division ~~(I)~~ (J) of this section 551
for the entry of such an order, the judge may enter an order 552
directing the receiver to sell the building involved and the 553
property on which it is located. Any such order shall be 554
entered, and the sale shall occur, only in compliance with 555
division ~~(I)~~ (J) of this section. 556

~~(K)~~ (L) The title in any building, and in the property on 557

which it is located, that is sold at a sale ordered under 558
division ~~(I)~~(J) or ~~(J) (2)~~(K) (2) of this section shall be 559
incontestable in the purchaser and shall be free and clear of 560
all liens for delinquent taxes, assessments, charges, penalties, 561
and interest owed to this state or any political subdivision of 562
this state, that could not be satisfied from the proceeds of the 563
sale and the remaining funds in the receiver's possession 564
pursuant to the distribution under division ~~(I) (3)~~(J) (3) of 565
this section. All other liens and encumbrances with respect to 566
the building and the property shall survive the sale, including, 567
but not limited to, a federal tax lien notice properly filed in 568
accordance with section 317.09 of the Revised Code prior to the 569
time of the sale, and the easements and covenants of record 570
running with the property that were created prior to the time of 571
the sale. 572

~~(L) (1)~~(M) (1) Nothing in this section shall be construed 573
as a limitation upon the powers granted to a court of common 574
pleas, a municipal court or a housing or environmental division 575
of a municipal court under Chapter 1901. of the Revised Code, or 576
a county court under Chapter 1907. of the Revised Code. 577

(2) The monetary and other limitations specified in 578
Chapters 1901. and 1907. of the Revised Code upon the 579
jurisdiction of municipal and county courts, and of housing or 580
environmental divisions of municipal courts, in civil actions do 581
not operate as limitations upon any of the following: 582

(a) Expenditures of a mortgagee, lienholder, or other 583
interested party that has been selected pursuant to division (C) 584
(2) of this section to undertake the work and to furnish the 585
materials necessary to abate a public nuisance; 586

(b) Any notes issued by a receiver pursuant to division 587

(F) <u>(G)</u> of this section;	588
(c) Any mortgage granted by a receiver in accordance with division (F) <u>(G)</u> of this section;	589 590
(d) Expenditures in connection with the foreclosure of a mortgage granted by a receiver in accordance with division (F) <u>(G)</u> of this section;	591 592 593
(e) The enforcement of an order of a judge entered pursuant to this section;	594 595
(f) The actions that may be taken pursuant to this section by a receiver or a mortgagee, lienholder, or other interested party that has been selected pursuant to division (C) (2) of this section to undertake the work and to furnish the materials necessary to abate a public nuisance.	596 597 598 599 600
(3) A judge in a civil action described in division (B) (1) of this section, or the judge's successor in office, has continuing jurisdiction to review the condition of any building that was determined to be a public nuisance pursuant to this section.	601 602 603 604 605
(4) Nothing in this section shall be construed to limit or prohibit a municipal corporation or township that has filed with the superintendent of insurance a certified copy of an adopted resolution, ordinance, or regulation authorizing the procedures described in divisions (C) and (D) of section 3929.86 of the Revised Code from receiving insurance proceeds under section 3929.86 of the Revised Code.	606 607 608 609 610 611 612
Sec. 3767.50. (A) For purposes of this section:	613
(1) "Blighted parcel" has the same meaning as in section 1.08 of the Revised Code.	614 615

(2) "Owner" means any of the following:	616
(a) The owner of record as shown on the current tax list of the county auditor;	617 618
(b) A person who has a freehold or lesser estate in the premises;	619 620
(c) A mortgagee in possession or vendee in possession who evidences charge, care, or control of the premises, including, but not limited to, a person to whom the sheriff has issued a deed for the premises after a judicial sale regardless of whether the deed has been recorded;	621 622 623 624 625
(d) A person who has charge, care, or control of the premises as executor, administrator, assignee, receiver, trustee, or legal guardian;	626 627 628
(e) A person who holds the person's self out to be in charge, care, or control of the premises as evidenced by the negotiation of written or oral lease agreements for the premises, the collection of rents for the premises, the performance of maintenance or repairs on the premises, or the authorization of others to perform maintenance or repairs on the premises.	629 630 631 632 633 634 635
(B) (1) A municipal corporation, in addition to any other remedy authorized by law, has a cause of action in the environmental division of the municipal court to foreclose any existing liens upon a blighted parcel located in the municipal corporation provided that no other foreclosure action affecting the blighted parcel is being actively prosecuted in any court of record. It is an affirmative defense to an action under this division that the owner of the blighted parcel has not been in default on any mortgage on the property for twelve months or	636 637 638 639 640 641 642 643 644

more or that there is a bankruptcy proceeding pending in which 645
the blighted parcel has been listed as an asset. To maintain the 646
action, it is not necessary for the municipal corporation to 647
have a lien of its own upon the property. Rather, it is 648
sufficient for the municipal corporation to allege that, because 649
of the continuing existence of conditions causing the property 650
to be a blighted parcel, the owner has defaulted on the terms of 651
any agreement giving rise to a lien for failure to maintain the 652
property, and then to marshal and plead for foreclosure of any 653
or all outstanding liens upon the blighted parcel. Section 654
3767.50 of the Revised Code does not create a cause of action 655
regarding any property not subject to a lien. The municipal 656
corporation shall not marshal a lien held by the United States, 657
a lien held by this state other than a lien for real property 658
taxes and assessments, a lien held by a political subdivision 659
other than itself, or a lien vested by a tax certificate held 660
under sections 5721.30 to 5721.43 of the Revised Code. The 661
municipal corporation shall join as a party to the action a 662
lienholder whose lien is being marshaled and shall notify the 663
lienholder party that the municipal corporation is proceeding to 664
foreclose the lien under this section and that the lienholder 665
party may remediate the conditions of the parcel constituting 666
blight. If a lienholder party certifies to the court that the 667
party will remediate the conditions of the parcel constituting 668
blight within ~~sixty~~thirty days after the party is served with a 669
copy of the complaint of the foreclosure action, the municipal 670
corporation shall move to dismiss the action. 671

In a judicial sale of a blighted parcel that is ordered as 672
a result of the foreclosure action, the priority of distribution 673
of the proceeds from the sale shall not be altered because the 674
municipal corporation marshaled and foreclosed on one or more 675

liens. Rather, proceeds from the sale shall be distributed 676
according to the priorities otherwise established by law. 677

(2) The environmental division of the municipal court has 678
exclusive original jurisdiction of an action under this section. 679

(C) (1) With respect to any blighted parcel that is or may 680
be subject to an action under this section, the municipal 681
corporation may notify the taxing authority of each taxing unit 682
in which the blighted parcel is located that the municipal 683
corporation is proceeding to foreclose the lien under this 684
section. The notice shall state that the taxing authority may 685
preserve its claim on any distributions of delinquent or unpaid 686
taxes and assessments charged against the blighted parcel and 687
arising from the judicial sale proceeds by responding in writing 688
to the municipal corporation within a period of time to be 689
specified in the notice. The written response shall be certified 690
by the taxing authority or by the fiscal officer or other person 691
authorized by the taxing authority to respond. If such a 692
response is received by the municipal corporation within the 693
specified time, or if such a notice is not provided, the taxing 694
authority's claim on distributions of delinquent or unpaid taxes 695
and assessments charged against the blighted parcel and payable 696
from proceeds of the judicial sale shall be preserved and shall 697
be disposed of in the priority and manner otherwise prescribed 698
by law. If such a notice is provided and the response is not 699
received within the specified time, the taxing authority's claim 700
on the delinquent or unpaid taxes and assessments is 701
extinguished, the lien for such taxes is satisfied and 702
discharged to the extent of that claim, and the blighted parcel 703
may be sold at judicial sale free and clear of such lien to that 704
extent, unless the successful bidder at the judicial sale is a 705
lienholder of the blighted parcel. If the successful bidder is a 706

lienholder of the blighted parcel, the lien for all delinquent 707
or unpaid taxes and assessments charged against the blighted 708
parcel shall continue until discharged as otherwise provided by 709
law. 710

(2) The taxing authority of a taxing unit and a municipal 711
corporation may enter into an agreement whereby the taxing 712
authority consents in advance to release the taxing authority's 713
claim on distributions of delinquent or unpaid taxes and 714
assessments charged against blighted parcels in the taxing 715
unit's territory and waives its right to prior notice and 716
response under division (C)(1) of this section. The agreement 717
shall provide for any terms and conditions on the release of 718
such claim as are mutually agreeable to the taxing authority and 719
municipal corporation, including any option vesting in the 720
taxing authority the right to revoke its release with respect to 721
any blighted parcel before the release becomes effective, and 722
the manner in which notice of such revocation shall be effected. 723

(D) In making any finding or determination in a 724
foreclosure action conducted pursuant to this section, the judge 725
shall use the preponderance of the evidence standard. 726

Sec. 3767.99. (A) Whoever is guilty of contempt under 727
sections 3767.01 to 3767.11 or violates section 3767.14 of the 728
Revised Code is guilty of a misdemeanor of the first degree. 729

(B) Whoever violates section 3767.12 or 3767.29, or, being 730
an association, violates section 3767.30 of the Revised Code is 731
guilty of a misdemeanor of the fourth degree. 732

(C) Whoever violates section 3767.13, 3767.19, or 3767.32 733
or, being a natural person, violates section 3767.30 of the 734
Revised Code is guilty of a misdemeanor of the third degree. The 735

sentencing court may, in addition to or in lieu of the penalty 736
provided in this division, require a person who violates section 737
3767.32 of the Revised Code to remove litter from any public or 738
private property, or in or on waters of the state. 739

(D) Whoever violates section 3767.16, 3767.17, 3767.18, 740
3767.201, or 3767.34 of the Revised Code is guilty of a minor 741
misdemeanor. 742

(E) Whoever violates division (D) of section 3767.41 of 743
the Revised Code is guilty of a misdemeanor of the first degree. 744
Notwithstanding section 2929.28 of the Revised Code, the 745
sentencing court may impose a fine of up to five hundred dollars 746
for each day the violation persists. 747

Sec. 5721.17. (A) Upon the delivery by the county auditor 748
of a delinquent land tax certificate for, a delinquent vacant 749
land tax certificate for, or a master list of delinquent vacant 750
tracts or delinquent tracts that includes, any property on which 751
is located a building subject to a receivership under section 752
3767.41 of the Revised Code, the prosecuting attorney may 753
institute a foreclosure proceeding under section 5721.18 of the 754
Revised Code or a foreclosure and forfeiture proceeding under 755
section 5721.14 of the Revised Code. The proceeds resulting from 756
the sale of that property pursuant to a foreclosure or 757
forfeiture sale shall be distributed in the order set forth in 758
division (B) (1) or (2) of this section. 759

(B) (1) In rendering its judgment in a foreclosure 760
proceeding under section 5721.18 of the Revised Code that 761
relates to property as described in division (A) of this section 762
and in ordering the distribution of the proceeds of the 763
resulting foreclosure sale, a court shall comply with sections 764
5721.18 and 5721.19 of the Revised Code, except that the court 765

shall order that the proceeds of the sale shall be distributed 766
in the following order of priority: 767

(a) First, in satisfaction of any notes issued by the 768
receiver pursuant to division ~~(F)~~(G) of section 3767.41 of the 769
Revised Code, in their order of priority; 770

(b) Second, any unreimbursed expenses and other amounts 771
paid in accordance with division ~~(F)~~(G) of section 3767.41 of 772
the Revised Code by the receiver, and the fees of the receiver 773
approved pursuant to division ~~(H) (1)~~(I) (1) of that section; 774

(c) Third, any remaining proceeds in the order set forth 775
in division (D) of section 5721.19 of the Revised Code. 776

(2) In rendering its judgment in a foreclosure and 777
forfeiture proceeding under section 5721.14 of the Revised Code 778
that relates to property as described in division (A) of this 779
section and in ordering the distribution of the proceeds of the 780
resulting forfeiture sale, a court shall comply with sections 781
5721.14 and 5721.16 and Chapter 5723. of the Revised Code, 782
except that the court shall order that the proceeds of the sale 783
shall be distributed in the following order of priority: 784

(a) First, in satisfaction of any notes issued by the 785
receiver pursuant to division ~~(F)~~(G) of section 3767.41 of the 786
Revised Code, in their order of priority; 787

(b) Second, any unreimbursed expenses and other amounts 788
paid in accordance with division ~~(F)~~(G) of section 3767.41 of 789
the Revised Code by the receiver, and the fees of the receiver 790
approved pursuant to division ~~(H) (1)~~(I) (1) of that section; 791

(c) Third, any remaining proceeds in the order set forth 792
in division (A) of section 5723.18 of the Revised Code. 793

(C) If, after the distribution of available proceeds 794
pursuant to division (B) (1) or (2) of this section, the proceeds 795
from the foreclosure or forfeiture sale are insufficient to pay 796
in full the notes, unreimbursed expenses and other amounts, and 797
fees described in divisions (B) (1) (a) and (b) or (B) (2) (a) and 798
(b) of this section, and the amounts due under division (D) of 799
section 5721.19 or division (A) of section 5723.18 of the 800
Revised Code, the court shall enter a deficiency judgment for 801
the unpaid amount pursuant to section 5721.192 of the Revised 802
Code. 803

(D) When property as described in division (A) of this 804
section is the subject of a foreclosure proceeding under section 805
5721.18 of the Revised Code or a foreclosure and forfeiture 806
proceeding under section 5721.14 of the Revised Code, the notice 807
of foreclosure set forth in division (B) of section 5721.181 of 808
the Revised Code and the notice set forth in division (C) of 809
that section, the notice of foreclosure and forfeiture set forth 810
in division (B) of section 5721.15 of the Revised Code and the 811
notice set forth in division (C) of that section, and the 812
advertisements for sale set forth in sections 5721.191 and 813
5723.10 of the Revised Code shall be modified to reflect the 814
provisions of divisions (B) and (C) of this section. 815

Sec. 5721.18. The county prosecuting attorney, upon the 816
delivery to the prosecuting attorney by the county auditor of a 817
delinquent land or delinquent vacant land tax certificate, or of 818
a master list of delinquent or delinquent vacant tracts, shall 819
institute a foreclosure proceeding under this section in the 820
name of the county treasurer to foreclose the lien of the state, 821
in any court with jurisdiction or in the county board of 822
revision with jurisdiction pursuant to section 323.66 of the 823
Revised Code, unless the taxes, assessments, charges, penalties, 824

and interest are paid prior to the time a complaint is filed, or 825
unless a foreclosure or foreclosure and forfeiture action has 826
been or will be instituted under section 323.25, sections 323.65 827
to 323.79, or section 5721.14 of the Revised Code. If the 828
delinquent land or delinquent vacant land tax certificate or the 829
master list of delinquent or delinquent vacant tracts lists 830
minerals or rights to minerals listed pursuant to sections 831
5713.04, 5713.05, and 5713.06 of the Revised Code, the county 832
prosecuting attorney may institute a foreclosure proceeding in 833
the name of the county treasurer, in any court with 834
jurisdiction, to foreclose the lien of the state against such 835
minerals or rights to minerals, unless the taxes, assessments, 836
charges, penalties, and interest are paid prior to the time the 837
complaint is filed, or unless a foreclosure or foreclosure and 838
forfeiture action has been or will be instituted under section 839
323.25, sections 323.65 to 323.79, or section 5721.14 of the 840
Revised Code. 841

Nothing in this section or section 5721.03 of the Revised 842
Code prohibits the prosecuting attorney from instituting a 843
proceeding under this section before the delinquent tax list or 844
delinquent vacant land tax list that includes the parcel is 845
published pursuant to division (B) of section 5721.03 of the 846
Revised Code if the list is not published within the time 847
prescribed by that division. The prosecuting attorney shall 848
prosecute the proceeding to final judgment and satisfaction. 849
Within ten days after obtaining a judgment, the prosecuting 850
attorney shall notify the treasurer in writing that judgment has 851
been rendered. If there is a copy of a written delinquent tax 852
contract attached to the certificate or an asterisk next to an 853
entry on the master list, or if a copy of a delinquent tax 854
contract is received from the auditor prior to the commencement 855

of the proceeding under this section, the prosecuting attorney 856
shall not institute the proceeding under this section, unless 857
the prosecuting attorney receives a certification of the 858
treasurer that the delinquent tax contract has become void. 859

(A) This division applies to all foreclosure proceedings 860
not instituted and prosecuted under section 323.25 of the 861
Revised Code or division (B) or (C) of this section. The 862
foreclosure proceedings shall be instituted and prosecuted in 863
the same manner as is provided by law for the foreclosure of 864
mortgages on land, except that, if service by publication is 865
necessary, such publication shall be made once a week for three 866
consecutive weeks instead of as provided by the Rules of Civil 867
Procedure, and the service shall be complete at the expiration 868
of three weeks after the date of the first publication. In any 869
proceeding prosecuted under this section, if the prosecuting 870
attorney determines that service upon a defendant may be 871
obtained ultimately only by publication, the prosecuting 872
attorney may cause service to be made simultaneously by 873
certified mail, return receipt requested, ordinary mail, and 874
publication. 875

In any county that has adopted a permanent parcel number 876
system, the parcel may be described in the notice by parcel 877
number only, instead of also with a complete legal description, 878
if the prosecuting attorney determines that the publication of 879
the complete legal description is not necessary to provide 880
reasonable notice of the foreclosure proceeding to the 881
interested parties. If the complete legal description is not 882
published, the notice shall indicate where the complete legal 883
description may be obtained. 884

It is sufficient, having been made a proper party to the 885

foreclosure proceeding, for the treasurer to allege in the 886
treasurer's complaint that the certificate or master list has 887
been duly filed by the auditor, that the amount of money 888
appearing to be due and unpaid is due and unpaid, and that there 889
is a lien against the property described in the certificate or 890
master list, without setting forth in the complaint any other or 891
special matter relating to the foreclosure proceeding. The 892
prayer of the complaint shall be that the court or the county 893
board of revision with jurisdiction pursuant to section 323.66 894
of the Revised Code issue an order that the property be sold or 895
conveyed by the sheriff or otherwise be disposed of, and the 896
equity of redemption be extinguished, according to the 897
alternative redemption procedures prescribed in sections 323.65 898
to 323.79 of the Revised Code, or if the action is in the 899
municipal court by the bailiff, in the manner provided in 900
section 5721.19 of the Revised Code. 901

In the foreclosure proceeding, the treasurer may join in 902
one action any number of lots or lands, but the decree shall be 903
rendered separately, and any proceedings may be severed, in the 904
discretion of the court or board of revision, for the purpose of 905
trial or appeal, and the court or board of revision shall make 906
such order for the payment of costs as is considered proper. The 907
certificate or master list filed by the auditor with the 908
prosecuting attorney is prima-facie evidence at the trial of the 909
foreclosure action of the amount and validity of the taxes, 910
assessments, charges, penalties, and interest appearing due and 911
unpaid and of their nonpayment. 912

(B) Foreclosure proceedings constituting an action in rem 913
may be commenced by the filing of a complaint after the end of 914
the second year from the date on which the delinquency was first 915
certified by the auditor. Prior to filing such an action in rem, 916

the prosecuting attorney shall cause a title search to be 917
conducted for the purpose of identifying any lienholders or 918
other persons with interests in the property subject to 919
foreclosure. Following the title search, the action in rem shall 920
be instituted by filing in the office of the clerk of a court 921
with jurisdiction a complaint bearing a caption substantially in 922
the form set forth in division (A) of section 5721.181 of the 923
Revised Code. 924

Any number of parcels may be joined in one action. Each 925
separate parcel included in a complaint shall be given a serial 926
number and shall be separately indexed and docketed by the clerk 927
of the court in a book kept by the clerk for such purpose. A 928
complaint shall contain the permanent parcel number of each 929
parcel included in it, the full street address of the parcel 930
when available, a description of the parcel as set forth in the 931
certificate or master list, the name and address of the last 932
known owner of the parcel if they appear on the general tax 933
list, the name and address of each lienholder and other person 934
with an interest in the parcel identified in the title search 935
relating to the parcel that is required by this division, and 936
the amount of taxes, assessments, charges, penalties, and 937
interest due and unpaid with respect to the parcel. It is 938
sufficient for the treasurer to allege in the complaint that the 939
certificate or master list has been duly filed by the auditor 940
with respect to each parcel listed, that the amount of money 941
with respect to each parcel appearing to be due and unpaid is 942
due and unpaid, and that there is a lien against each parcel, 943
without setting forth any other or special matters. The prayer 944
of the complaint shall be that the court issue an order that the 945
land described in the complaint be sold in the manner provided 946
in section 5721.19 of the Revised Code. 947

(1) Within thirty days after the filing of a complaint, 948
the clerk of the court in which the complaint was filed shall 949
cause a notice of foreclosure substantially in the form of the 950
notice set forth in division (B) of section 5721.181 of the 951
Revised Code to be published once a week for three consecutive 952
weeks in a newspaper of general circulation in the county. The 953
newspaper shall meet the requirements of section 7.12 of the 954
Revised Code. In any county that has adopted a permanent parcel 955
number system, the parcel may be described in the notice by 956
parcel number only, instead of also with a complete legal 957
description, if the prosecuting attorney determines that the 958
publication of the complete legal description is not necessary 959
to provide reasonable notice of the foreclosure proceeding to 960
the interested parties. If the complete legal description is not 961
published, the notice shall indicate where the complete legal 962
description may be obtained. 963

After the third publication, the publisher shall file with 964
the clerk of the court an affidavit stating the fact of the 965
publication and including a copy of the notice of foreclosure as 966
published. Service of process for purposes of the action in rem 967
shall be considered as complete on the date of the last 968
publication. 969

Within thirty days after the filing of a complaint and 970
before the final date of publication of the notice of 971
foreclosure, the clerk of the court also shall cause a copy of a 972
notice substantially in the form of the notice set forth in 973
division (C) of section 5721.181 of the Revised Code to be 974
mailed by certified mail, with postage prepaid, to each person 975
named in the complaint as being the last known owner of a parcel 976
included in it, or as being a lienholder or other person with an 977
interest in a parcel included in it. The notice shall be sent to 978

the address of each such person, as set forth in the complaint, 979
and the clerk shall enter the fact of such mailing upon the 980
appearance docket. If the name and address of the last known 981
owner of a parcel included in a complaint is not set forth in 982
it, the auditor shall file an affidavit with the clerk stating 983
that the name and address of the last known owner does not 984
appear on the general tax list. 985

(2) (a) An answer may be filed in an action in rem under 986
this division by any person owning or claiming any right, title, 987
or interest in, or lien upon, any parcel described in the 988
complaint. The answer shall contain the caption and number of 989
the action and the serial number of the parcel concerned. The 990
answer shall set forth the nature and amount of interest claimed 991
in the parcel and any defense or objection to the foreclosure of 992
the lien of the state for delinquent taxes, assessments, 993
charges, penalties, and interest as shown in the complaint. The 994
answer shall be filed in the office of the clerk of the court, 995
and a copy of the answer shall be served on the prosecuting 996
attorney, not later than twenty-eight days after the date of 997
final publication of the notice of foreclosure. If an answer is 998
not filed within such time, a default judgment may be taken as 999
to any parcel included in a complaint as to which no answer has 1000
been filed. A default judgment is valid and effective with 1001
respect to all persons owning or claiming any right, title, or 1002
interest in, or lien upon, any such parcel, notwithstanding that 1003
one or more of such persons are minors, incompetents, absentees 1004
or nonresidents of the state, or convicts in confinement. 1005

(b) (i) A receiver appointed pursuant to divisions (C) (2) 1006
and (3) of section 3767.41 of the Revised Code may file an 1007
answer pursuant to division (B) (2) (a) of this section, but is 1008
not required to do so as a condition of receiving proceeds in a 1009

distribution under division (B) (1) of section 5721.17 of the Revised Code. 1010
1011

(ii) When a receivership under section 3767.41 of the Revised Code is associated with a parcel, the notice of foreclosure set forth in division (B) of section 5721.181 of the Revised Code and the notice set forth in division (C) of that section shall be modified to reflect the provisions of division (B) (2) (b) (i) of this section. 1012
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(3) At the trial of an action in rem under this division, the certificate or master list filed by the auditor with the prosecuting attorney shall be prima-facie evidence of the amount and validity of the taxes, assessments, charges, penalties, and interest appearing due and unpaid on the parcel to which the certificate or master list relates and their nonpayment. If an answer is properly filed, the court may, in its discretion, and shall, at the request of the person filing the answer, grant a severance of the proceedings as to any parcel described in such answer for purposes of trial or appeal. 1018
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(C) In addition to the actions in rem authorized under division (B) of this section and section 5721.14 of the Revised Code, an action in rem may be commenced under this division. An action commenced under this division shall conform to all of the requirements of division (B) of this section except as follows: 1028
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(1) The prosecuting attorney shall not cause a title search to be conducted for the purpose of identifying any lienholders or other persons with interests in the property subject to foreclosure, except that the prosecuting attorney shall cause a title search to be conducted to identify any receiver's lien. 1033
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(2) The names and addresses of lienholders and persons 1039
with an interest in the parcel shall not be contained in the 1040
complaint, and notice shall not be mailed to lienholders and 1041
persons with an interest as provided in division (B) (1) of this 1042
section, except that the name and address of a receiver under 1043
section 3767.41 of the Revised Code shall be contained in the 1044
complaint and notice shall be mailed to the receiver. 1045

(3) With respect to the forms applicable to actions 1046
commenced under division (B) of this section and contained in 1047
section 5721.181 of the Revised Code: 1048

(a) The notice of foreclosure prescribed by division (B) 1049
of section 5721.181 of the Revised Code shall be revised to 1050
exclude any reference to the inclusion of the name and address 1051
of each lienholder and other person with an interest in the 1052
parcel identified in a statutorily required title search 1053
relating to the parcel, and to exclude any such names and 1054
addresses from the published notice, except that the revised 1055
notice shall refer to the inclusion of the name and address of a 1056
receiver under section 3767.41 of the Revised Code and the 1057
published notice shall include the receiver's name and address. 1058
The notice of foreclosure also shall include the following in 1059
boldface type: 1060

"If pursuant to the action the parcel is sold, the sale 1061
shall not affect or extinguish any lien or encumbrance with 1062
respect to the parcel other than a receiver's lien and other 1063
than the lien for land taxes, assessments, charges, interest, 1064
and penalties for which the lien is foreclosed and in 1065
satisfaction of which the property is sold. All other liens and 1066
encumbrances with respect to the parcel shall survive the sale." 1067

(b) The notice to the owner, lienholders, and other 1068

persons with an interest in a parcel shall be a notice only to 1069
the owner and to any receiver under section 3767.41 of the 1070
Revised Code, and the last two sentences of the notice shall be 1071
omitted. 1072

(4) As used in this division, a "receiver's lien" means 1073
the lien of a receiver appointed pursuant to divisions (C) (2) 1074
and (3) of section 3767.41 of the Revised Code that is acquired 1075
pursuant to division ~~(H) (2) (b)~~ (I) (2) (b) of that section for any 1076
unreimbursed expenses and other amounts paid in accordance with 1077
division ~~(F)~~ (G) of that section by the receiver and for the 1078
fees of the receiver approved pursuant to division ~~(H) (1)~~ (I) (1) 1079
of that section. 1080

(D) The conveyance by the owner of any parcel against 1081
which a complaint has been filed pursuant to this section at any 1082
time after the date of publication of the parcel on the 1083
delinquent tax list but before the date of a judgment of 1084
foreclosure pursuant to section 5721.19 of the Revised Code 1085
shall not nullify the right of the county to proceed with the 1086
foreclosure. 1087

Sec. 5721.19. (A) In its judgment of foreclosure rendered 1088
with respect to actions filed pursuant to section 5721.18 of the 1089
Revised Code, the court or the county board of revision with 1090
jurisdiction pursuant to section 323.66 of the Revised Code 1091
shall enter a finding with respect to each parcel of the amount 1092
of the taxes, assessments, charges, penalties, and interest, and 1093
the costs incurred in the foreclosure proceeding instituted 1094
against it, that are due and unpaid. The court or the county 1095
board of revision shall order such premises to be transferred 1096
pursuant to division (I) of this section or may order each 1097
parcel to be sold, without appraisal, for not less than either 1098

of the following: 1099

(1) The fair market value of the parcel, as determined by 1100
the county auditor, plus the costs incurred in the foreclosure 1101
proceeding; 1102

(2) The total amount of the finding entered by the court 1103
or the county board of revision, including all taxes, 1104
assessments, charges, penalties, and interest payable subsequent 1105
to the delivery to the county prosecuting attorney of the 1106
delinquent land tax certificate or master list of delinquent 1107
tracts and prior to the transfer of the deed of the parcel to 1108
the purchaser following confirmation of sale, plus the costs 1109
incurred in the foreclosure proceeding. For purposes of 1110
determining such amount, the county treasurer may estimate the 1111
amount of taxes, assessments, interest, penalties, and costs 1112
that will be payable at the time the deed of the property is 1113
transferred to the purchaser. 1114

Notwithstanding the minimum sales price provisions of 1115
divisions (A) (1) and (2) of this section to the contrary, a 1116
parcel sold pursuant to this section shall not be sold for less 1117
than the amount described in division (A) (2) of this section if 1118
the highest bidder is the owner of record of the parcel 1119
immediately prior to the judgment of foreclosure or a member of 1120
the following class of parties connected to that owner: a member 1121
of that owner's immediate family, a person with a power of 1122
attorney appointed by that owner who subsequently transfers the 1123
parcel to the owner, a sole proprietorship owned by that owner 1124
or a member of that owner's immediate family, or a partnership, 1125
trust, business trust, corporation, or association in which the 1126
owner or a member of the owner's immediate family owns or 1127
controls directly or indirectly more than fifty per cent. If a 1128

parcel sells for less than the amount described in division (A) 1129
(2) of this section, the officer conducting the sale shall 1130
require the buyer to complete an affidavit stating that the 1131
buyer is not the owner of record immediately prior to the 1132
judgment of foreclosure or a member of the specified class of 1133
parties connected to that owner, and the affidavit shall become 1134
part of the court records of the proceeding. If the county 1135
auditor discovers within three years after the date of the sale 1136
that a parcel was sold to that owner or a member of the 1137
specified class of parties connected to that owner for a price 1138
less than the amount so described, and if the parcel is still 1139
owned by that owner or a member of the specified class of 1140
parties connected to that owner, the auditor within thirty days 1141
after such discovery shall add the difference between that 1142
amount and the sale price to the amount of taxes that then stand 1143
charged against the parcel and is payable at the next succeeding 1144
date for payment of real property taxes. As used in this 1145
paragraph, "immediate family" means a spouse who resides in the 1146
same household and children. 1147

(B) Each parcel affected by the court's finding and order 1148
of sale shall be separately sold, unless the court orders any of 1149
such parcels to be sold together. 1150

Each parcel shall be advertised and sold by the officer to 1151
whom the order of sale is directed in the manner provided by law 1152
for the sale of real property on execution. The advertisement 1153
for sale of each parcel shall be published once a week for three 1154
consecutive weeks and shall include the date on which a second 1155
sale will be conducted if no bid is accepted at the first sale. 1156
Any number of parcels may be included in one advertisement. 1157

The notice of the advertisement shall be substantially in 1158

the form of the notice set forth in section 5721.191 of the 1159
Revised Code. In any county that has adopted a permanent parcel 1160
number system, the parcel may be described in the notice by 1161
parcel number only, instead of also with a complete legal 1162
description, if the prosecuting attorney determines that the 1163
publication of the complete legal description is not necessary 1164
to provide reasonable notice of the foreclosure sale to 1165
potential bidders. If the complete legal description is not 1166
published, the notice shall indicate where the complete legal 1167
description may be obtained. 1168

(C) (1) Whenever the officer charged to conduct the sale 1169
offers any parcel for sale the officer first shall read aloud a 1170
complete legal description of the parcel, or in the alternative, 1171
may read aloud only a summary description, including the 1172
complete street address of the parcel, if any, and a parcel 1173
number if the county has adopted a permanent parcel number 1174
system and if the advertising notice prepared pursuant to this 1175
section includes a complete legal description or indicates where 1176
the complete legal description may be obtained. Whenever the 1177
officer charged to conduct the sale offers any parcel for sale 1178
and no bids are made equal to the lesser of the amounts 1179
described in divisions (A) (1) and (2) of this section, the 1180
officer shall adjourn the sale of the parcel to the second date 1181
that was specified in the advertisement of sale. The second date 1182
shall be not less than two weeks or more than six weeks from the 1183
day on which the parcel was first offered for sale. The second 1184
sale shall be held at the same place and commence at the same 1185
time as set forth in the advertisement of sale. The officer 1186
shall offer any parcel not sold at the first sale. Upon the 1187
conclusion of any sale, or if any parcel remains unsold after 1188
being offered at two sales, the officer conducting the sale 1189

shall report the results to the court. 1190

(2) (a) If a parcel remains unsold after being offered at 1191
two sales, or one sale in the case of abandoned lands foreclosed 1192
under sections 323.65 to 323.79 of the Revised Code, or if a 1193
parcel sells at any sale but the amount of the price is less 1194
than the costs incurred in the proceeding instituted against the 1195
parcel under section 5721.18 of the Revised Code, then the clerk 1196
of the court shall certify to the county auditor the amount of 1197
those costs that remains unpaid. At the next semiannual 1198
apportionment of real property taxes that occurs following any 1199
such certification, the auditor shall reduce the real property 1200
taxes that the auditor otherwise would distribute to each taxing 1201
district. In making the reductions, the auditor shall subtract 1202
from the otherwise distributable real property taxes to a taxing 1203
district an amount that shall be determined by multiplying the 1204
certified costs by a fraction the numerator of which shall be 1205
the amount of the taxes, assessments, charges, penalties, and 1206
interest on the parcel owed to that taxing district at the time 1207
the parcel first was offered for sale pursuant to this section, 1208
and the denominator of which shall be the total of the taxes, 1209
assessments, charges, penalties, and interest on the parcel owed 1210
to all the taxing districts at that time. The auditor promptly 1211
shall pay to the clerk of the court the amounts of the 1212
reductions. 1213

(b) If reductions occur pursuant to division (C) (2) (a) of 1214
this section, and if at a subsequent time a parcel is sold at a 1215
foreclosure sale or a forfeiture sale pursuant to Chapter 5723. 1216
of the Revised Code, then, notwithstanding other provisions of 1217
the Revised Code, except section 5721.17 of the Revised Code, 1218
governing the distribution of the proceeds of a foreclosure or 1219
forfeiture sale, the proceeds first shall be distributed to 1220

reimburse the taxing districts subjected to reductions in their 1221
otherwise distributable real property taxes. The distributions 1222
shall be based on the same proportions used for purposes of 1223
division (C) (2) (a) of this section. 1224

(3) The court, in its discretion, may order any parcel not 1225
sold pursuant to the original order of sale to be advertised and 1226
offered for sale at a subsequent foreclosure sale. For such 1227
purpose, the court may direct the parcel to be appraised and fix 1228
a minimum price for which it may be sold. 1229

(D) Except as otherwise provided in division (B) (1) of 1230
section 5721.17 of the Revised Code, upon the confirmation of a 1231
sale, the proceeds of the sale shall be applied as follows: 1232

(1) The costs incurred in any proceeding filed against the 1233
parcel pursuant to section 5721.18 of the Revised Code shall be 1234
paid first. 1235

(2) Following the payment required by division (D) (1) of 1236
this section, the part of the proceeds that is equal to five per 1237
cent of the taxes and assessments due shall be deposited in 1238
equal shares into each of the delinquent tax and assessment 1239
collection funds created pursuant to section 321.261 of the 1240
Revised Code. If a county land reutilization corporation is 1241
operating in the county, the board of county commissioners, by 1242
resolution, may provide that an additional amount, not to exceed 1243
five per cent of such taxes and assessments, shall be credited 1244
to the county land reutilization corporation fund created by 1245
section 321.263 of the Revised Code to pay for the corporation's 1246
expenses. If such a resolution is in effect, the percentage of 1247
such taxes and assessments so provided shall be credited to that 1248
fund. 1249

(3) Following the payment required by division (D) (2) of 1250
this section, the amount found due for taxes, assessments, 1251
charges, penalties, and interest shall be paid, including all 1252
taxes, assessments, charges, penalties, and interest payable 1253
subsequent to the delivery to the county prosecuting attorney of 1254
the delinquent land tax certificate or master list of delinquent 1255
tracts and prior to the transfer of the deed of the parcel to 1256
the purchaser following confirmation of sale. If the proceeds 1257
available for distribution pursuant to division (D) (3) of this 1258
section are sufficient to pay the entire amount of those taxes, 1259
assessments, charges, penalties, and interest, the portion of 1260
the proceeds representing taxes, interest, and penalties shall 1261
be paid to each claimant in proportion to the amount of taxes 1262
levied by the claimant in the preceding tax year, and the amount 1263
representing assessments and other charges shall be paid to each 1264
claimant in the order in which they became due. If the proceeds 1265
are not sufficient to pay that entire amount, the proportion of 1266
the proceeds representing taxes, penalties, and interest shall 1267
be paid to each claimant in the same proportion that the amount 1268
of taxes levied by the claimant against the parcel in the 1269
preceding tax year bears to the taxes levied by all such 1270
claimants against the parcel in the preceding tax year, and the 1271
proportion of the proceeds representing items of assessments and 1272
other charges shall be credited to those items in the order in 1273
which they became due. 1274

(E) If the proceeds from the sale of a parcel are 1275
insufficient to pay in full the amount of the taxes, 1276
assessments, charges, penalties, and interest which are due and 1277
unpaid; the costs incurred in the foreclosure proceeding 1278
instituted against it which are due and unpaid; and, if division 1279
(B) (1) of section 5721.17 of the Revised Code is applicable, any 1280

notes issued by a receiver pursuant to division ~~(F)~~(G) of 1281
section 3767.41 of the Revised Code and any receiver's lien as 1282
defined in division (C) (4) of section 5721.18 of the Revised 1283
Code, the court, pursuant to section 5721.192 of the Revised 1284
Code, may enter a deficiency judgment against the owner of 1285
record of the parcel for the unpaid amount. If that owner of 1286
record is a corporation, the court may enter the deficiency 1287
judgment against the stockholder holding a majority of that 1288
corporation's stock. 1289

If after distribution of proceeds from the sale of the 1290
parcel under division (D) of this section the amount of proceeds 1291
to be applied to pay the taxes, assessments, charges, penalties, 1292
interest, and costs is insufficient to pay them in full, and the 1293
court does not enter a deficiency judgment against the owner of 1294
record pursuant to this division, the taxes, assessments, 1295
charges, penalties, interest, and costs shall be deemed 1296
satisfied. 1297

(F) (1) Upon confirmation of a sale, a spouse of the party 1298
charged with the delinquent taxes or assessments shall thereby 1299
be barred of the right of dower in the property sold, though 1300
such spouse was not a party to the action. No statute of 1301
limitations shall apply to such action. When the land or lots 1302
stand charged on the tax duplicate as certified delinquent, it 1303
is not necessary to make the state a party to the foreclosure 1304
proceeding, but the state shall be deemed a party to such action 1305
through and be represented by the county treasurer. 1306

(2) Except as otherwise provided in divisions (F) (3) and 1307
(G) of this section, unless such land or lots were previously 1308
redeemed pursuant to section 5721.25 of the Revised Code, upon 1309
the filing of the entry of confirmation of any sale or the 1310

expiration of the alternative redemption period as defined in 1311
section 323.65 of the Revised Code, if applicable, the title to 1312
such land or lots shall be incontestable in the purchaser and 1313
shall be free and clear of all liens and encumbrances, except a 1314
federal tax lien notice of which is properly filed in accordance 1315
with section 317.09 of the Revised Code prior to the date that a 1316
foreclosure proceeding is instituted pursuant to division (B) of 1317
section 5721.18 of the Revised Code and the easements and 1318
covenants of record running with the land or lots that were 1319
created prior to the time the taxes or assessments, for the 1320
nonpayment of which the land or lots are sold at foreclosure, 1321
became due and payable. 1322

(3) When proceedings for foreclosure are instituted under 1323
division (C) of section 5721.18 of the Revised Code, unless the 1324
land or lots were previously redeemed pursuant to section 1325
5721.25 of the Revised Code or before the expiration of the 1326
alternative redemption period, upon the filing of the entry of 1327
confirmation of sale or after the expiration of the alternative 1328
redemption period, as may apply to the case, the title to such 1329
land or lots shall be incontestable in the purchaser and shall 1330
be free of any receiver's lien as defined in division (C)(4) of 1331
section 5721.18 of the Revised Code and, except as otherwise 1332
provided in division (G) of this section, the liens for land 1333
taxes, assessments, charges, interest, and penalties for which 1334
the lien was foreclosed and in satisfaction of which the 1335
property was sold. All other liens and encumbrances with respect 1336
to the land or lots shall survive the sale. 1337

(4) The title shall not be invalid because of any 1338
irregularity, informality, or omission of any proceedings under 1339
this chapter, or in any processes of taxation, if such 1340
irregularity, informality, or omission does not abrogate the 1341

provision for notice to holders of title, lien, or mortgage to, 1342
or other interests in, such foreclosed lands or lots, as 1343
prescribed in this chapter. 1344

(G) If a parcel is sold under this section for the amount 1345
described in division (A)(2) of this section, and the county 1346
treasurer's estimate exceeds the amount of taxes, assessments, 1347
interest, penalties, and costs actually payable when the deed is 1348
transferred to the purchaser, the officer who conducted the sale 1349
shall refund to the purchaser the difference between the 1350
estimate and the amount actually payable. If the amount of 1351
taxes, assessments, interest, penalties, and costs actually 1352
payable when the deed is transferred to the purchaser exceeds 1353
the county treasurer's estimate, the officer shall certify the 1354
amount of the excess to the treasurer, who shall enter that 1355
amount on the real and public utility property tax duplicate 1356
opposite the property; the amount of the excess shall be payable 1357
at the next succeeding date prescribed for payment of taxes in 1358
section 323.12 of the Revised Code. 1359

(H) If a parcel is sold or transferred under this section 1360
or sections 323.28 and 323.65 to 323.79 of the Revised Code, the 1361
officer who conducted the sale or made the transfer of the 1362
property shall collect the recording fee and any associated 1363
costs to cover the recording from the purchaser or transferee at 1364
the time of the sale or transfer and, following confirmation of 1365
the sale or transfer, shall execute and record the deed 1366
conveying title to the parcel to the purchaser or transferee. 1367
For purposes of recording such deed, by placement of a bid or 1368
making a statement of interest by any party ultimately awarded 1369
the parcel, that purchaser or transferee thereby appoints the 1370
officer who makes the sale or is charged with executing and 1371
delivering the deed as agent for the purchaser or transferee for 1372

the sole purpose of accepting delivery of the deed. For such 1373
purposes, the confirmation of any such sale or order to transfer 1374
the parcel without appraisal or sale shall be deemed delivered 1375
upon the confirmation of such sale or transfer. 1376

(I) Notwithstanding section 5722.03 of the Revised Code, 1377
if the complaint alleges that the property is delinquent vacant 1378
land as defined in section 5721.01 of the Revised Code, 1379
abandoned lands as defined in section 323.65 of the Revised 1380
Code, or lands described in division (F) of section 5722.01 of 1381
the Revised Code, and the value of the taxes, assessments, 1382
penalties, interest, and all other charges and costs of the 1383
action exceed the auditor's fair market value of the parcel, 1384
then the court or board of revision having jurisdiction over the 1385
matter on motion of the plaintiff, or on the court's or board's 1386
own motion, shall, upon any adjudication of foreclosure, order, 1387
without appraisal and without sale, the fee simple title of the 1388
property to be transferred to and vested in an electing 1389
subdivision as defined in division (A) of section 5722.01 of the 1390
Revised Code. For purposes of determining whether the taxes, 1391
assessments, penalties, interest, and all other charges and 1392
costs of the action exceed the actual fair market value of the 1393
parcel, the auditor's most current valuation shall be rebuttably 1394
presumed to be, and constitute prima-facie evidence of, the fair 1395
market value of the parcel. In such case, the filing for 1396
journalization of a decree of foreclosure ordering that direct 1397
transfer without appraisal or sale shall constitute confirmation 1398
of the transfer and thereby terminate any further statutory or 1399
common law right of redemption. 1400

Sec. 5721.192. (A) If the proceeds from a sale of a parcel 1401
under section 5721.19 or 5723.06 of the Revised Code are 1402
insufficient to pay in full the amount of the taxes, 1403

assessments, charges, penalties, and interest which are due and 1404
unpaid; the costs incurred in the foreclosure proceeding, the 1405
foreclosure and forfeiture proceeding, or both foreclosure and 1406
forfeiture proceedings which are due and unpaid; and, if 1407
division (B) (1) or (2) of section 5721.17 of the Revised Code is 1408
applicable, any notes issued by a receiver pursuant to division 1409
~~(F)~~ (G) of section 3767.41 of the Revised Code and any 1410
receiver's lien as defined in division (C) (4) of section 5721.18 1411
of the Revised Code, the court may enter a deficiency judgment 1412
for the unpaid amount as authorized by sections 5721.17, 1413
5721.19, 5723.05, and 5723.18 of the Revised Code, in accordance 1414
with this section. 1415

(B) Before entering the deficiency judgment, the court 1416
shall notify the board of revision of the county in which the 1417
parcel is located, of its intention to enter the judgment, and 1418
request the board to make a recommendation with respect to 1419
whether the judgment should be entered and to specify the 1420
reasons why it should or should not be entered. The notification 1421
shall list, and shall require the board to consider in making 1422
its recommendation, the factors that the court is required to 1423
consider under divisions (C) (1) to (3) of this section, but, in 1424
making its recommendation, the board also may consider other 1425
relevant factors. Additionally, if a corporate owner of record 1426
of foreclosed lands or a corporate last owner of record of 1427
forfeited lands is involved, the court shall specify in its 1428
notification whether the judgment is proposed to be made against 1429
the corporation or the majority stockholder of the corporation. 1430
To assist the board in making its recommendation, the board may 1431
invite the person against whom the judgment would be entered to 1432
appear before it. The board shall make a recommendation to the 1433
court within thirty days from the date that the court notified 1434

it under this division. 1435

(C) In determining whether to enter the deficiency 1436
judgment, the court shall consider all relevant factors, 1437
including, but not limited to, the following: 1438

(1) Whether the owner of record or, in the case of 1439
forfeited lands, the last owner of record, appears to have owned 1440
the parcel only for speculative purposes, and had the means to 1441
pay, but purposely did not pay, the taxes, assessments, charges, 1442
penalties, and interest due; 1443

(2) Whether the owner of record or, in the case of 1444
forfeited lands, the last owner of record purposely failed to 1445
pay the delinquent taxes, assessments, charges, penalties, and 1446
interest, ~~although he~~ despite having had the means to do so; 1447

(3) Whether there are other circumstances that would make 1448
it inequitable to enter the deficiency judgment. 1449

(D) At least thirty days from the date of any notification 1450
to the board of revision under division (B) of this section, and 1451
if the court proposes to enter a deficiency judgment, the clerk 1452
of the court shall notify the person against whom the judgment 1453
is proposed to be entered, by ordinary mail, of the proposed 1454
entry of the judgment and its amount. The notification shall 1455
state that the person against whom the judgment is proposed to 1456
be entered may file, within ten days from the date the notice is 1457
mailed, a motion with the court protesting the proposed entry of 1458
the judgment and requesting an opportunity to appear and show 1459
cause why the judgment should not be entered. The notification 1460
also shall state that, if such a motion is not filed within the 1461
ten-day period, the judgment shall be entered and shall be 1462
considered to be a final judgment. If the proposed judgment 1463

would be entered against the majority stockholder of a 1464
corporation, the notification shall be sent to ~~him~~ the majority 1465
stockholder at the address of the principal office of the 1466
corporation. 1467

(E) Proceeds paid pursuant to the entry and satisfaction 1468
of a deficiency judgment shall be distributed as if they had 1469
been received as a part of the proceeds from the sale of the 1470
parcel under section 5721.19 or 5723.06 of the Revised Code to 1471
satisfy the amount of the taxes, assessments, charges, 1472
penalties, and interest which are due and unpaid; the costs 1473
incurred in the associated proceeding or proceedings which were 1474
due and unpaid; and, if division (B)(1) or (2) of section 1475
5721.17 of the Revised Code is applicable, any notes issued by a 1476
receiver pursuant to division ~~(F)~~ (G) of section 3767.41 of the 1477
Revised Code and any receiver's lien as defined in division (C) 1478
(4) of section 5721.18 of the Revised Code. 1479

Sec. 5723.05. If the taxes, assessments, charges, 1480
penalties, interest, and costs due on the forfeited lands have 1481
not been paid when the county auditor fixes the date for the 1482
sale of forfeited lands, the auditor shall give notice of them 1483
once a week for two consecutive weeks prior to the date fixed by 1484
the auditor for the sale, as provided in section 5721.03 of the 1485
Revised Code. The notice shall state that if the taxes, 1486
assessments, charges, penalties, interest, and costs charged 1487
against the lands forfeited to the state for nonpayment of taxes 1488
are not paid into the county treasury, and the county 1489
treasurer's receipt produced for the payment before the time 1490
specified in the notice for the sale of the lands, which day 1491
shall be named in the notice, each forfeited tract on which the 1492
taxes, assessments, charges, penalties, interest, and costs 1493
remain unpaid will be offered for sale beginning on the date set 1494

by the auditor, at the courthouse in the county, in order to 1495
satisfy the unpaid taxes, assessments, charges, penalties, 1496
interest, and costs, and that the sale will continue from day to 1497
day until each of the tracts is sold or offered for sale. 1498

The notice also shall state that, if the forfeited land is 1499
sold for an amount that is less than the amount of the 1500
delinquent taxes, assessments, charges, penalties, and interest 1501
against it, and, if division (B) (2) of section 5721.17 of the 1502
Revised Code is applicable, any notes issued by a receiver 1503
pursuant to division ~~(F)~~ (G) of section 3767.41 of the Revised 1504
Code and any receiver's lien as defined in division (C) (4) of 1505
section 5721.18 of the Revised Code, the court, in a separate 1506
order, may enter a deficiency judgment against the last owner of 1507
record of the land before its forfeiture to the state, for the 1508
amount of the difference; and that, if that owner of record is a 1509
corporation, the court may enter the deficiency judgment against 1510
the stockholder holding a majority of that corporation's stock. 1511

Sec. 5723.18. (A) Except as otherwise provided in division 1512
(B) (2) of section 5721.17 and division (B) of section 319.43 of 1513
the Revised Code, the proceeds from a forfeiture sale shall be 1514
distributed as follows: 1515

(1) The county auditor shall deduct all costs pertaining 1516
to the forfeiture and sale of forfeited lands, including costs 1517
pertaining to a foreclosure and forfeiture proceeding instituted 1518
under section 5721.14 of the Revised Code, except those paid 1519
under section 5721.04 of the Revised Code, from the moneys 1520
received from the sale of land and town lots forfeited to the 1521
state for the nonpayment of taxes, and shall pay such costs into 1522
the proper fund. In the case of the forfeiture sale of a parcel 1523
against which a foreclosure and forfeiture proceeding was 1524

instituted under section 5721.14 of the Revised Code, if the 1525
proceeds from the forfeiture sale are insufficient to pay the 1526
costs pertaining to such proceeding, the county auditor, at the 1527
next semiannual apportionment of real property taxes, shall 1528
reduce the amount of real property taxes that the auditor 1529
otherwise would distribute to each subdivision to which taxes, 1530
assessments, charges, penalties, or interest charged against the 1531
parcel are due. The reduction in each subdivision's real 1532
property tax distribution shall equal the amount of the unpaid 1533
costs multiplied by a fraction, the numerator of which is the 1534
amount of taxes, assessments, charges, penalties, and interest 1535
due the subdivision, and the denominator of which is the total 1536
amount of taxes, assessments, charges, penalties, and interest 1537
due all such subdivisions. 1538

(2) Following the payment required by division (A) (1) of 1539
this section, the part of the proceeds that is equal to ten per 1540
cent of the taxes and assessments due shall be deposited in 1541
equal shares into each of the delinquent tax and assessment 1542
collection funds created pursuant to section 321.261 of the 1543
Revised Code. 1544

(3) Following the payment required by division (A) (2) of 1545
this section, the remaining proceeds shall be distributed by the 1546
auditor to the appropriate subdivisions to pay the taxes, 1547
assessments, charges, penalties, and interest which are due and 1548
unpaid. If the proceeds available for distribution under this 1549
division are insufficient to pay the entire amount of those 1550
taxes, assessments, charges, penalties, and interest, the 1551
auditor shall distribute the proceeds available for distribution 1552
under this division to the appropriate subdivisions in 1553
proportion to the amount of those taxes, assessments, charges, 1554
penalties, and interest that each is due. 1555

(B) If the proceeds from the sale of forfeited land are 1556
insufficient to pay in full the amount of the taxes, 1557
assessments, charges, penalties, and interest; the costs 1558
incurred in the proceedings instituted pursuant to this chapter 1559
and section 5721.18 of the Revised Code, or the foreclosure and 1560
forfeiture proceeding instituted pursuant to section 5721.14 of 1561
the Revised Code; and, if division (B) (2) of section 5721.17 of 1562
the Revised Code is applicable, any notes issued by a receiver 1563
pursuant to division ~~(F)~~ (G) of section 3767.41 of the Revised 1564
Code and any receiver's lien as defined in division (C) (4) of 1565
section 5721.18 of the Revised Code, the court may enter a 1566
deficiency judgment against the last owner of record of the land 1567
before its forfeiture to the state, for the unpaid amount. The 1568
court shall enter the judgment pursuant to section 5721.192 of 1569
the Revised Code. Except as otherwise provided in division (B) 1570
of section 319.43 of the Revised Code, the proceeds paid 1571
pursuant to the entry and satisfaction of such a judgment shall 1572
be distributed as if they had been received as a part of the 1573
proceeds from the sale of the land to satisfy the amount of the 1574
taxes, assessments, charges, penalties, and interest which are 1575
due and unpaid; the costs incurred in the associated proceedings 1576
which were due and unpaid; and, if division (B) (2) of section 1577
5721.17 of the Revised Code is applicable, any notes issued by a 1578
receiver pursuant to division ~~(F)~~ (G) of section 3767.41 of the 1579
Revised Code and any receiver's lien as defined in division (C) 1580
(4) of section 5721.18 of the Revised Code. 1581

Section 2. That existing sections 3767.41, 3767.50, 1582
3767.99, 5721.17, 5721.18, 5721.19, 5721.192, 5723.05, and 1583
5723.18 of the Revised Code are hereby repealed. 1584

Section 3. This act is hereby declared to be an emergency 1585
measure necessary for the immediate preservation of the public 1586

peace, health, and safety. The reason for such necessity is the	1587
dangerous conditions caused by nuisance and blighted properties.	1588
Therefore, this act shall go into immediate effect.	1589