

As Introduced

**130th General Assembly
Regular Session
2013-2014**

H. B. No. 223

Representatives Grossman, Curtin

**Cosponsors: Representatives Stinziano, Becker, Roegner, Lundy, Duffey,
Mallory, Fedor, Hackett, Williams, Antonio, Beck, Driehaus**

—

A B I L L

To amend sections 1901.18, 1901.185, 2329.01, 1
2329.02, 2329.20, 2329.33, 2329.52, and 2909.05 2
and to enact sections 2308.01 to 2308.05 and 3
3767.51 to 3767.56 of the Revised Code to expedite 4
the foreclosure and transfer of unoccupied, 5
blighted parcels and certain abandoned properties 6
and to make other changes relative to residential 7
foreclosure actions. 8

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

Section 1. That sections 1901.18, 1901.185, 2329.01, 2329.02, 9
2329.20, 2329.33, 2329.52, and 2909.05 be amended and sections 10
2308.01, 2308.02, 2308.03, 2308.04, 2308.05, 3767.51, 3767.52, 11
3767.53, 3767.54, 3767.55, and 3767.56 of the Revised Code be 12
enacted to read as follows: 13

Sec. 1901.18. (A) Except as otherwise provided in this 14
division or section 1901.181 of the Revised Code, subject to the 15
monetary jurisdiction of municipal courts as set forth in section 16
1901.17 of the Revised Code, a municipal court has original 17
jurisdiction within its territory in all of the following actions 18

or proceedings and to perform all of the following functions:	19
(1) In any civil action, of whatever nature or remedy, of which judges of county courts have jurisdiction;	20 21
(2) In any action or proceeding at law for the recovery of money or personal property of which the court of common pleas has jurisdiction;	22 23 24
(3) In any action at law based on contract, to determine, preserve, and enforce all legal and equitable rights involved in the contract, to decree an accounting, reformation, or cancellation of the contract, and to hear and determine all legal and equitable remedies necessary or proper for a complete determination of the rights of the parties to the contract;	25 26 27 28 29 30
(4) In any action or proceeding for the sale of personal property under chattel mortgage, lien, encumbrance, or other charge, for the foreclosure and marshalling of liens on personal property of that nature, and for the rendering of personal judgment in the action or proceeding;	31 32 33 34 35
(5) In any action or proceeding to enforce the collection of its own judgments or the judgments rendered by any court within the territory to which the municipal court has succeeded, and to subject the interest of a judgment debtor in personal property to satisfy judgments enforceable by the municipal court;	36 37 38 39 40
(6) In any action or proceeding in the nature of interpleader;	41 42
(7) In any action of replevin;	43
(8) In any action of forcible entry and detainer;	44
(9) In any action concerning the issuance and enforcement of temporary protection orders pursuant to section 2919.26 of the Revised Code or protection orders pursuant to section 2903.213 of the Revised Code or the enforcement of protection orders issued by	45 46 47 48

courts of another state, as defined in section 2919.27 of the Revised Code;

(10) If the municipal court has a housing or environmental division, in any action over which the division is given jurisdiction by section 1901.181 of the Revised Code, provided that, except as specified in division (B) of that section, no judge of the court other than the judge of the division shall hear or determine any action over which the division has jurisdiction;

(11) In any action brought pursuant to division (I) of section 4781.40 of the Revised Code, if the residential premises that are the subject of the action are located within the territorial jurisdiction of the court;

(12) In any civil action as described in division (B)(1) of section 3767.41 of the Revised Code that relates to a public nuisance, and, to the extent any provision of this chapter conflicts or is inconsistent with a provision of that section, the provision of that section shall control in the civil action;

(13) In a proceeding brought pursuant to section 955.222 of the Revised Code by the owner of a dog that has been designated as a nuisance dog, dangerous dog, or vicious dog.

(B) The Cleveland ~~and Toledo~~ municipal ~~court~~ courts also shall have jurisdiction within ~~its~~ their territory in all of the following actions or proceedings and to perform all of the following functions:

(1) In all actions and proceedings for the sale of real property under lien of a judgment of the municipal court or a lien for machinery, material, or fuel furnished or labor performed, irrespective of amount, and, in those actions and proceedings, the court may proceed to foreclose and marshal all liens and all vested or contingent rights, to appoint a receiver, and to render personal judgment irrespective of amount in favor of any party.

(2) In all actions for the foreclosure of a mortgage on real property given to secure the payment of money or the enforcement of a specific lien for money or other encumbrance or charge on real property, when the amount claimed by the plaintiff does not exceed fifteen thousand dollars and the real property is situated within the territory, and, in those actions, the court may proceed to foreclose all liens and all vested and contingent rights and may proceed to render judgments and make findings and orders between the parties in the same manner and to the same extent as in similar actions in the court of common pleas.

(3) In all actions for the recovery of real property situated within the territory to the same extent as courts of common pleas have jurisdiction;

(4) In all actions for injunction to prevent or terminate violations of the ordinances and regulations of the city of Cleveland or Toledo enacted or promulgated under the police power of the city of Cleveland or Toledo, pursuant to Section 3 of Article XVIII, Ohio Constitution, over which the court of common pleas has or may have jurisdiction, and, in those actions, the court may proceed to render judgments and make findings and orders in the same manner and to the same extent as in similar actions in the court of common pleas.

Sec. 1901.185. (A) In addition to jurisdiction otherwise granted in this chapter, the environmental division, where established, of the municipal court shall have jurisdiction within its territory in all of the following actions or proceedings and to perform all of the following functions:

~~(A)(1)~~ To exercise exclusive original jurisdiction to hear actions arising under section 3767.50 of the Revised Code and in those actions to make findings and orders pertaining to blighted parcels;

~~(B)(2)~~ When in aid of execution of a judgment of the 111
environmental division of the municipal court rendered pursuant to 112
section 3767.50 of the Revised Code, in actions for the 113
foreclosure of a mortgage on real property given to secure the 114
payment of money, or the enforcement of a specific lien for money 115
or other encumbrance or charge on real property, when the real 116
property is situated within the territory, to foreclose all liens 117
and all vested and contingent rights, render judgments, and make 118
findings and orders, between the parties, in the same manner and 119
to the same extent as in similar cases in the court of common 120
pleas. 121

(B) In addition to jurisdiction otherwise granted in this 122
chapter, the housing or environmental division, where established, 123
of the municipal court shall have jurisdiction within its 124
territory to exercise exclusive original jurisdiction to hear 125
actions arising under section 3767.52 of the Revised Code and in 126
those actions to make findings and orders pertaining to 127
unoccupied, blighted parcels pursuant to sections 3767.52 and 128
3767.53 of the Revised Code. 129

Sec. 2308.01. As used in this chapter: 130

(A) "Residential mortgage" means an obligation to pay a sum 131
of money evidenced by a note and secured by a lien upon a 132
residential property. 133

(B) "Residential property" means real property located within 134
this state consisting of land and a structure on that land 135
containing four or fewer dwelling units, each of which is intended 136
for occupancy by a separate household. "Residential property" 137
includes a residential condominium unit owned by an individual, 138
notwithstanding the number of units in the structure, and a 139
manufactured or mobile home that is subject to real property taxes 140
under section 4503.06 of the Revised Code. 141

Sec. 2308.02. (A)(1) The plaintiff and any other lienholder, within sixty days after receiving the clerk's notice of the filing of a judgment of foreclosure under division (G) of section 2329.02 of the Revised Code, shall file for a writ of execution of a judgment in a residential mortgage foreclosure action or show cause for not filing. A lienholder other than the primary lienholder shall file for a contingent writ of execution or show cause why a contingent writ is not being sought within that same sixty-day period. The court shall issue an order accordingly to the owner, the plaintiff, and any other lienholder who appeared in the action stating that, during that same sixty-day period, the owner, the plaintiff, and any other lienholder may show cause why that property should not be deemed abandoned and transferred pursuant to section 2308.03 of the Revised Code. A party may assert any reason that the property should not be deemed abandoned, including those listed under Rule 60 of the Rules of Civil Procedure.

(2) A plaintiff or other lienholder who fails to file for a writ of execution as this section requires and who does not show cause for that failure or why the property should not be deemed abandoned and transferred, and an owner who fails to show cause for why that property should not be deemed abandoned and transferred, shall be deemed to have abandoned all interest in the property and to any right of redemption. Any party who is deemed to have abandoned the property is barred from seeking another judgment on that property or making any claim against the property, and shall not receive any proceeds from a sale of the property.

(3) The court shall vacate any order of abandonment if the plaintiff or other lienholder files a motion under Rule 60 of the Rules of Civil Procedure, establishing that its failure was due to mistake or inadvertence, or other good cause shown.

(4) If the plaintiff, all other lienholders, and the owner 174
are deemed to have abandoned the property, the property shall be 175
transferred pursuant to section 2308.03 of the Revised Code sixty 176
days after the court enters the order of abandonment, unless a 177
motion to vacate the order has been filed prior to that date. If 178
the motion is denied, the property shall be transferred in 179
accordance with this division. 180

(5) When a property is deemed abandoned pursuant to this 181
section, the rights of the plaintiff and other lienholders to seek 182
to collect the debts through other means or against assets other 183
than the real property that is the subject of the foreclosure 184
action remain unaffected. Any right to collect any such debt or 185
deficiency thereon remains unenforceable after the expiration of 186
two years after the date of transfer of the property. 187

(B) Upon receiving a filing for a writ of execution from the 188
plaintiff, the clerk shall issue the writ of execution pursuant to 189
section 2329.091 of the Revised Code. 190

(C) At its discretion, the court may extend the time period 191
this section establishes for filing for a writ of execution or 192
issuing that writ if the plaintiff and the owner in the action so 193
request, for any reason that the court considers appropriate. 194

(D) Notwithstanding sections 2329.09 and 2329.091 of the 195
Revised Code, a court may for good cause stay the issuance or 196
enforcement of a writ of execution if the owner and the plaintiff, 197
along with all other lienholders, enter into a forbearance or loan 198
modification agreement that allows the owner to make payments over 199
a specified period of time and that agreement is filed with the 200
court. The stay shall be effective so long as all of the parties 201
to the agreement comply with the terms of the agreement. 202

(E) No plaintiff or other lienholder may withdraw or dismiss 203
a petition for a writ of execution or an order of sale unless the 204

plaintiff or the owner requests such a dismissal and shows good 205
cause for that dismissal. 206

Sec. 2308.03. (A) Notwithstanding any other provision of the 207
Revised Code, a property upon which a residential mortgage 208
foreclosure action has been filed shall be deemed abandoned and is 209
subject to transfer under this section if either of the following 210
occur: 211

(1) The plaintiff, all other lienholders, and the owner are 212
deemed to have abandoned rights to the property under section 213
2308.02 of the Revised Code and no party showed cause sufficient 214
to the court as to why the property should not be deemed 215
abandoned. 216

(2) The officer making the sale has advertised the sale two 217
times and held two auctions on the property as described in 218
division (B) of section 2329.52 of the Revised Code, and at those 219
auctions no person placed a bid. 220

(B) The title of a property deemed abandoned pursuant to this 221
section vests without further action in the board of county 222
commissioners in the county where the property is located. The 223
clerk shall issue a notice of that vesting to the board of county 224
commissioners. The county prosecuting attorney shall prepare a 225
deed that contains the names of the parties to the judgment and 226
the owners of the foreclosed property, a reference to the volume 227
and page of the recording of the recorded instrument by or through 228
which the board of county commissioners claims title, the date and 229
the amount of the judgment, and the date on which the owner and 230
each lienholder is deemed to have abandoned the property. The 231
board of county commissioners shall record the deed within 232
fourteen business days after the latest date on which an owner and 233
any lienholder is deemed to have abandoned the property. 234

(C) The board of county commissioners may dispose of property 235

acquired under this section pursuant to rules it adopts. The rules 236
shall specify that the board shall place the property in the 237
county's land bank if the county has a land bank. If the county 238
does not have a land bank, the board shall dispose of the property 239
at its discretion. 240

(D) No board of county commissioners shall be liable for 241
damages arising from a breach, or subject to equitable remedies 242
for a breach of common law duty, or for violation of sections 243
3737.87 to 3737.891 of the Revised Code or Chapter 3704., 3734., 244
3745., 3746., 3750., 3751., 3752., 6101., or 6111. of the Revised 245
Code or any rule adopted or order, permit, license, variance, or 246
plan approval issued under any of those chapters that is or was 247
committed by another person in connection with a property the 248
board of county commissioners acquires pursuant to this section. 249

Sec. 2308.04. (A) A lender who holds a mortgage on a 250
residential property may document a good faith belief that the 251
owner has abandoned the property. Documentation may include, but 252
is not limited to, a record of any of the following: 253

(1) Contacting or attempting to contact the owner by 254
telephone at any number available to the lender, including 255
landline and any means of wireless communication, to determine 256
whether the owner has abandoned the property; 257

(2) Contacting or attempting to contact the owner by regular 258
or electronic mail to determine whether the owner has abandoned 259
the property; 260

(3) Photographing the property from its exterior to 261
demonstrate signs of neglect or abandonment. 262

(B) Unless otherwise prohibited by the mortgage contract or a 263
specific provision of law, a lender who has documented a good 264
faith belief that a property on which the lender holds a mortgage 265

is abandoned may enter that property to secure and protect it from 266
damage any time after the lender has filed a residential mortgage 267
foreclosure action on that property. 268

(C) A lender who has not filed a residential mortgage 269
foreclosure action on a property for which the lender holds a 270
mortgage may enter and secure that property only if the mortgage 271
contract or other documents provide for such an entry. 272

(D) During the five-year period following the effective date 273
of this section, a plaintiff in a residential mortgage foreclosure 274
action who has a good faith belief that the property is abandoned 275
may provide the court with documentation of a good faith belief 276
that the owner has abandoned the property and request the court to 277
deny the owner the equitable and statutory rights to redemption of 278
the mortgage on that property. 279

Sec. 2308.05. A person who is an owner of residential 280
property who knowingly causes physical harm to that property after 281
the person has been personally served with a summons and complaint 282
in a residential mortgage foreclosure action relating to that 283
property is guilty of vandalism in violation of section 2909.05 of 284
the Revised Code. 285

Sec. 2329.01. (A) Lands and tenements, including vested legal 286
interests therein, permanent leasehold estates renewable forever, 287
and goods and chattels, not exempt by law, shall be subject to the 288
payment of debts, and liable to be taken on execution and sold as 289
provided in sections 2329.02 to 2329.61, inclusive, of the Revised 290
Code. 291

(B) As used in sections 2329.02 to 2329.61 of the Revised 292
Code, "residential mortgage" and "residential property" have the 293
same meanings as in section 2308.01 of the Revised Code. 294

Sec. 2329.02. (A) Any judgment or decree rendered by any 295
court of general jurisdiction, including district courts of the 296
United States, within this state shall be a lien upon lands and 297
tenements of each judgment debtor within any county of this state 298
from the time there is filed in the office of the clerk of the 299
court of common pleas of such county a certificate of such 300
judgment, setting forth the court in which the same was rendered, 301
the title and number of the action, the names of the judgment 302
creditors and judgment debtors, the amount of the judgment and 303
costs, the rate of interest, if the judgment provides for 304
interest, and the date from which such interest accrues, the date 305
of rendition of the judgment, and the volume and page of the 306
journal entry thereof. 307

(B) No such judgment or decree shall be a lien upon any 308
lands, whether or not situated within the county in which such 309
judgment is rendered, registered under sections 5309.02 to 310
5309.98, inclusive, and 5310.01 to 5310.21, inclusive, of the 311
Revised Code, until a certificate under the hand and official seal 312
of the clerk of the court in which the same is entered or of 313
record, stating the date and purport of the judgment, giving the 314
number of the case, the full names of the parties, plaintiff and 315
defendant, and the volume and page of the journal or record in 316
which it is entered, or a certified copy of such judgment, stating 317
such facts, is filed and noted in the office of the county 318
recorder of the county in which the land is situated, and a 319
memorial of the same is entered upon the register of the last 320
certificate of title to the land to be affected. 321

Such certificate shall be made by the clerk of the court in 322
which the judgment was rendered, under the seal of said court, 323
upon the order of any person in whose favor such judgment was 324
rendered or upon the order of any person claiming under ~~him~~ a 325
person in whose favor such judgment was rendered, and shall be 326

delivered to the party so ordering the same; and the fee therefor 327
shall be taxed in the costs of the action. 328

(C) When any such certificate is delivered to the clerk of 329
the court of common pleas of any county in this state, the same 330
shall be filed by such clerk, and ~~he~~ the clerk shall docket and 331
index it under the names of the judgment creditors and the 332
judgment debtors in a judgment docket, which shall show as to each 333
judgment all of the matters set forth in such certificate as 334
required by this section. The fee for such filing, docketing, and 335
indexing shall be taxed as increased costs of such judgment upon 336
such judgment docket and shall be included in the lien of the 337
judgment. 338

(D) When the clerk of any court, other than that rendering 339
the judgment, in whose office any such certificate is filed, has 340
docketed and indexed the same, ~~he~~ the clerk shall indorse upon 341
such certificate the fact of such filing with the date thereof and 342
the volume and page of the docket entry of such certificate and 343
shall return the same so indorsed to the clerk of the court in 344
which the judgment was rendered, who shall note upon the original 345
docket the fact of the filing of said certificate, showing the 346
county in which the same was filed and the date of such filing. 347
When such certificate is filed, docketed, and indexed in the 348
office of the clerk of the court which rendered the judgment, such 349
clerk shall likewise indorse the certificate and make like 350
notation upon the original docket. 351

Each such judgment shall be deemed to have been rendered in 352
the county in which is kept the journal of the court rendering the 353
same, in which journal such judgment is entered. 354

(E) Certificates or certified copies of judgments or decrees 355
of any courts of general jurisdiction, including district courts 356
of the United States, within this state, may be filed, registered, 357
noted, and memorials thereof entered, in the office of the 358

recorder of any county in which is situated land registered under 359
sections 5309.02 to 5309.98, inclusive, and 5310.01 to 5310.21, 360
inclusive, of the Revised Code, for the purpose of making such 361
judgments liens upon such registered land. 362

(F) Notwithstanding any other provision of the Revised Code, 363
any judgment issued in a court of record may be transferred to any 364
other court of record. Any proceedings for collection may be had 365
on such judgment the same as if it had been issued by the 366
transferee court. 367

(G) When a clerk files a judgment of foreclosure in a 368
residential mortgage foreclosure action, the clerk shall provide 369
notice of that filing to the judgment debtor, the judgment 370
creditor, and any lienholder who has appeared in the action. The 371
notice shall include information with respect to the requirements 372
of section 2308.02 of the Revised Code and the consequences of a 373
failure to comply with that section. 374

Sec. 2329.20. ~~No~~ Except as otherwise provided in this section 375
or sections 2329.51 and 2329.52 of the Revised Code, no tract of 376
land shall be sold for less than two thirds of the value returned 377
in the inquest required by section 2329.17 of the Revised Code+ 378
~~except that in.~~ In all cases where in which a junior mortgage or 379
other junior lien is sought to be enforced against real estate by 380
an order, judgment, or decree of court, subject to a prior lien 381
thereon, and such prior lien, and the claims or obligations 382
secured thereby, are unaffected by such order, judgment, or 383
decree, the court making such order, judgment, or decree, may 384
determine the minimum amount for which such real estate may be 385
sold, such minimum amount to be not less than two thirds of the 386
difference between the value of the real estate appraised as 387
provided in such section, and the amount remaining unpaid on the 388
claims or obligations secured by such prior lien. The price at 389

which a foreclosed residential property sells at a sheriff's 390
auction shall not be used as a basis for establishing the market 391
value of any other property. 392

Sec. 2329.33. ~~In~~ Except as provided in section 2308.02 or any 393
other section of the Revised Code, in sales of real estate on 394
execution or order of sale, at any time before the confirmation 395
thereof, the debtor may redeem it from sale by depositing in the 396
hands of the clerk of the court of common pleas to which such 397
execution or order is returnable, the amount of the judgment or 398
decree upon which such lands were sold, with all costs, including 399
poundage, and interest at the rate of eight per cent per annum on 400
the purchase money from the day of sale to the time of such 401
deposit, except where the judgment creditor is the purchaser, the 402
interest at such rate on the excess above ~~his~~ the judgment 403
creditor's claim. The court of common pleas thereupon shall make 404
an order setting aside such sale, and apply the deposit to the 405
payment of such judgment or decree and costs, and award such 406
interest to the purchaser, who shall receive from the officer 407
making the sale the purchase money paid by ~~him~~ the purchaser, and 408
the interest from the clerk. This section does not take away the 409
power of the court to set aside such sale for any reason for which 410
it might have been set aside prior to April 16, 1888. 411

Sec. 2329.52. ~~When~~ (A) Except as otherwise provided in 412
division (B) of this section, when premises are ordered to be 413
sold, if said premises, or a part thereof, remain unsold for want 414
of bidders after having been once appraised, advertised, and 415
offered for sale, the court from which the order of sale issued 416
may, on motion of the plaintiff or defendant and from time to time 417
until said premises are disposed of, order a new appraisalment and 418
sale or direct the amount for which said premises, or a part 419
thereof, may be sold. 420

The court may order that the premises be sold as follows: One 421
third cash in hand, one third in nine months from the day of sale, 422
and the remaining one third in eighteen months from the day of 423
sale, the deferred payments to draw interest at six per cent and 424
be secured by a mortgage on the premises. 425

(B) When a residential property is ordered to be sold 426
pursuant to a residential mortgage foreclosure action, if the 427
property remains unsold after the first auction with a minimum bid 428
of two-thirds of the appraised value as established pursuant to 429
section 2329.17 of the Revised Code, a second auction shall be 430
held with no set minimum bid, and the residential property shall 431
be sold to the highest bidder. A residential property that remains 432
unsold after two auctions shall be deemed abandoned pursuant to 433
section 2308.03 of the Revised Code and is subject to transfer as 434
provided in that section. 435

Sec. 2909.05. (A) No person shall knowingly cause serious 436
physical harm to an occupied structure or any of its contents. 437

(B)(1) No person shall knowingly cause physical harm to 438
property that is owned or possessed by another, when either of the 439
following applies: 440

(a) The property is used by its owner or possessor in the 441
owner's or possessor's profession, business, trade, or occupation, 442
and the value of the property or the amount of physical harm 443
involved is one thousand dollars or more; 444

(b) Regardless of the value of the property or the amount of 445
damage done, the property or its equivalent is necessary in order 446
for its owner or possessor to engage in the owner's or possessor's 447
profession, business, trade, or occupation. 448

(2) No person shall knowingly cause serious physical harm to 449
property that is owned, leased, or controlled by a governmental 450

entity. A governmental entity includes, but is not limited to, the state or a political subdivision of the state, a school district, the board of trustees of a public library or public university, or any other body corporate and politic responsible for governmental activities only in geographical areas smaller than that of the state.

(C) No person, without privilege to do so, shall knowingly cause serious physical harm to any tomb, monument, gravestone, or other similar structure that is used as a memorial for the dead; to any fence, railing, curb, or other property that is used to protect, enclose, or ornament any cemetery; or to a cemetery.

(D) No person, without privilege to do so, shall knowingly cause physical harm to a place of burial by breaking and entering into a tomb, crypt, casket, or other structure that is used as a memorial for the dead or as an enclosure for the dead.

(E) No person who is an owner of a residential property shall knowingly cause physical harm to that property after the person has been personally served with a summons and complaint in a residential mortgage foreclosure action relating to that property.

(F) Whoever violates this section is guilty of vandalism. Except as otherwise provided in this division, vandalism is a felony of the fifth degree that is punishable by a fine of up to two thousand five hundred dollars in addition to the penalties specified for a felony of the fifth degree in sections 2929.11 to 2929.18 of the Revised Code. If the value of the property or the amount of physical harm involved is seven thousand five hundred dollars or more but less than one hundred fifty thousand dollars, vandalism is a felony of the fourth degree. If the value of the property or the amount of physical harm involved is one hundred fifty thousand dollars or more, vandalism is a felony of the third degree.

~~(F)~~(G) For purposes of this section: 482

(1) "Cemetery" means any place of burial and includes burial 483
sites that contain American Indian burial objects placed with or 484
containing American Indian human remains. 485

(2) "Residential property" has the same meaning as in section 486
2308.01 of the Revised Code. 487

(3) "Serious physical harm" means physical harm to property 488
that results in loss to the value of the property of one thousand 489
dollars or more. 490

Sec. 3767.51. As used in sections 3767.52 to 3767.56 of the 491
Revised Code: 492

(A) "Blighted parcel" has the same meaning as in section 1.08 493
of the Revised Code. 494

(B) "Unoccupied" means any of the following: 495

(1) Property that is not physically inhabited or used as a 496
dwelling; 497

(2) Property on which no trade or business is actively being 498
conducted by the owner or another party occupying the parcel 499
pursuant to a lease or other legal authority; 500

(3) Property that is uninhabited with no signs or active 501
indications that it is undergoing improvements. 502

Sec. 3767.52. (A) A municipal corporation may commence a 503
cause of action by filing a complaint in the housing or 504
environmental division of a municipal court against the owner of 505
property that is an unoccupied, blighted parcel located in that 506
municipal corporation. The complaint shall seek an order that the 507
owner remediate the conditions of the property constituting 508
blight. 509

(B) Upon commencing an action pursuant to division (A) of this section, a municipal corporation shall do both of the following: 510
511
512

(1) In addition to service required under the Rules of Civil Procedure, cause service of the complaint to all entities that hold a lien or other interest in the property, as indicated in the public record; 513
514
515
516

(2) Cause service of a notice to all entities that hold a lien or other interest in the property, as indicated in the public record, which states both of the following: 517
518
519

(a) The lienholder or interested person may remediate the conditions of the property constituting blight within a period of time determined by the municipal corporation. 520
521
522

(b) If the blight is not remediated, the housing or environmental division of the municipal court in which the complaint was filed shall order the blighted parcel to be sold free and clear of all liens and interests in the property other than federal tax liens. 523
524
525
526
527

(C)(1) A person who receives the complaint and notice described in division (B) of this section shall have sixty days after the service to certify to the court that the person will remediate the conditions of the property constituting blight. A person wishing to certify remediation shall propose to the court a period of time within which the person will remediate the conditions constituting blight. The court may approve or disapprove a certification of remediation. If the court approves the certification, the court shall stay the action until the period of time for remediation has elapsed. If the court disapproves the certification due to a proposal of an unreasonable period of time for remediation, the court shall establish a reasonable period of time within which the person shall remediate 528
529
530
531
532
533
534
535
536
537
538
539
540

the conditions constituting blight. The person shall accept or 541
reject the court's proposed period of time for remediation. If the 542
person accepts the court's proposed period of time for 543
remediation, the person shall certify that it will remediate the 544
conditions constituting blight, and the court shall approve the 545
certification. If the person rejects the court's proposed period 546
of time for remediation, the court shall proceed as if no 547
certification was made. 548

More than one lienholder or interested person may make a 549
certification for remediation. If more than one person makes a 550
certification, the court shall approve the certification of the 551
lienholder or person who proposes to remediate the conditions 552
constituting blight within the shortest period of time. 553

(2) If a lienholder or interested person certifies that it 554
will remediate the conditions constituting blight but does not do 555
so within the accepted period of time established pursuant to 556
division (C)(1) of this section, or if no person makes a 557
certification within the period of time stated in the notice 558
described in division (B)(2) of this section, the lien or other 559
interest of the persons in the property shall be extinguished but 560
may be paid pursuant to division (D) of section 3767.54 of the 561
Revised Code. The lienholder may still pursue payment of the debt 562
represented by the lien, and a person may still seek recourse for 563
the loss of other interest against the owner of the property if 564
otherwise permitted by law. 565

(3) If the lienholder or other interested person remediates 566
the blight, the court shall grant the lienholder or other 567
interested person a lien in the amount expended to remediate the 568
conditions constituting blight. 569

(D) If the court finds that the property was unoccupied at 570
the time the complaint was filed and is a blighted parcel, and if 571
no lienholder or other interested person has certified in 572

accordance with division (C)(1) of this section that it will 573
remediate the conditions constituting blight or if such a person 574
certifies that it will remediate the blight but fails to timely do 575
so, the court shall order the owner to remediate the conditions 576
constituting blight within a specified period of time. If the 577
blight is not remediated within this period of time, the court 578
shall order the property sold pursuant to sections 3767.53 and 579
3767.54 of the Revised Code. If the blight is remediated, the 580
court shall dismiss the action. 581

Sec. 3767.53. (A) A housing or environmental division of a 582
municipal court shall order the sale of an unoccupied, blighted 583
parcel pursuant to section 3767.54 of the Revised Code by the 584
sheriff of the county where the property is located, if all of the 585
following apply: 586

(1) The municipal corporation commenced a cause of action by 587
filing a complaint for the owner of the blighted parcel to 588
remediate the conditions of the property constituting blight in 589
accordance with division (A) of section 3767.52 of the Revised 590
Code. 591

(2) The municipal corporation caused service of the complaint 592
and notice in accordance with division (B) of section 3767.52 of 593
the Revised Code. 594

(3) One of the following applies: 595

(a) No lienholder or other interested person certified that 596
it would remediate the conditions constituting blight pursuant to 597
division (C) of section 3767.52 of the Revised Code. 598

(b) A lienholder or other interested person certified that it 599
would remediate the conditions constituting blight, but does not 600
do so within the accepted period of time established pursuant to 601
division (C) of section 3767.52 of the Revised Code. 602

(4) The court has entered a finding that the property was unoccupied at the time the complaint described in division (A)(1) of this section was filed and is a blighted parcel pursuant to division (D) of section 3767.52 of the Revised Code. 603
604
605
606

(5) The court ordered the owner of the property to remediate the conditions constituting blight pursuant to division (D) of section 3767.52 of the Revised Code and the owner failed to do so. 607
608
609

(B) If a court issues an order of sale pursuant to division (A) of this section, the court shall also issue an order that the successful qualified bidder at a sheriff's sale conducted pursuant to section 3767.54 of the Revised Code shall deposit with the municipal corporation that commenced the action under section 3767.52 of the Revised Code a bond as security in the amount the municipal corporation determines necessary to remediate the conditions constituting the blight. 610
611
612
613
614
615
616
617

(C) If a property that a housing or environmental division of a municipal court orders sold under this section remains unsold for want of qualified bidders, as defined in section 3767.54 of the Revised Code, after having been advertised and offered for sale in accordance with that section, the court may, on motion of the municipal corporation and from time to time until the property is sold, order a new sale. 618
619
620
621
622
623
624

(D) The housing or environmental division of a municipal court has exclusive original jurisdiction of an action under sections 3767.52 to 3767.54 of the Revised Code. 625
626
627

Sec. 3767.54. (A) If the housing or environmental division of a municipal court orders an unoccupied, blighted parcel to be sold pursuant to section 3767.53 of the Revised Code, the sheriff of the county where the property is located shall do all of the following: 628
629
630
631
632

(1) Cause notice of the sale, notice of the order issued 633
pursuant to division (B) of section 3767.53 of the Revised Code, 634
and notice that only qualified bidders are eligible to purchase 635
the unoccupied, blighted parcel to be sent to both of the 636
following: 637

(a) The owner of the property in the same manner as provided 638
in section 2329.091 of the Revised Code; 639

(b) The public in the same manner as provided in division 640
(A)(2) of section 2329.26 of the Revised Code, except the date, 641
time, and place of the sale need only be published once at least 642
one week before the day of sale by advertisement in a newspaper of 643
general circulation in the county. 644

(2) Verify that each bidder who intends to bid at the sale is 645
included in the list of qualified bidders provided to the sheriff 646
in accordance with section 3767.55 of the Revised Code and is in 647
possession of proof that the bidder is a qualified bidder; 648

(3) Conduct the sale of the property. 649

(B) As a condition of the sale of a property sold pursuant to 650
this section, the winning qualified bidder shall deposit with the 651
municipal corporation that commenced a cause of action under 652
section 3767.52 of the Revised Code a bond in accordance with 653
division (B) of section 3767.55 of the Revised Code. A property 654
sold pursuant to this section shall be sold free and clear of all 655
liens, including all taxes and assessments other than federal 656
taxes, to the highest qualified bidder. 657

(C) No appraisal of or minimum bid for the property shall be 658
required as a condition of a sale conducted pursuant to this 659
section. 660

(D) The proceeds of the sale conducted pursuant to this 661
section shall first be paid to satisfy the costs of the municipal 662
corporation for bringing the action under section 3767.52 of the 663

Revised Code and then shall be distributed according to the 664
priorities otherwise established by law, including to lienholders 665
whose liens are extinguished by the sale. 666

(E)(1) After a sale conducted pursuant to this section, the 667
housing or environmental division of the municipal court shall 668
make an entry on the journal that the court is satisfied of the 669
legality of the sale. 670

(2) Notwithstanding section 2329.36 of the Revised Code, the 671
municipal corporation who filed the complaint pursuant to division 672
(A) of section 3767.52 of the Revised Code shall file and record 673
the deed of the property in accordance with that section. 674

(F) As used in sections 3767.53 to 3767.56 of the Revised 675
Code, "qualified bidder" means a person who satisfies all of the 676
following criteria: 677

(1) Has been prequalified, in accordance with section 3767.55 678
of the Revised Code; 679

(2) Has the capacity to remediate the conditions that 680
constitute blight of the blighted parcel; 681

(3) Has agreed, as a condition of the sale, to own the 682
property for at least eighteen months following the sale and to 683
remediate the conditions constituting blight within the time 684
period the bidder owns the property, to the satisfaction of the 685
municipal corporation that commenced the action under section 686
3767.52 of the Revised Code in relation to the property. 687

Sec. 3767.55. A municipal corporation that commences a cause 688
of action under section 3767.52 of the Revised Code shall do the 689
following: 690

(A)(1) Establish qualifications to allow a person to bid at a 691
sheriff's sale conducted pursuant to section 3767.54 of the 692
Revised Code. The qualifications shall include a requirement that 693

the person be able and willing to remediate the conditions that 694
constitute blight of the unoccupied, blighted parcel and agree to 695
deposit a bond in accordance with division (B) of this section 696
upon submission of the winning bid. 697

(2) Issue proof of qualification to a qualified bidder in a 698
form determined by the municipal corporation; 699

(3) Compile a list of qualified bidders for each sale; 700

(4) Provide the list of qualified bidders to the sheriff 701
conducting the sale at least one day prior to the sale. 702

(B)(1) Determine the amount of bond that is necessary to 703
remediate the conditions constituting blight of an unoccupied, 704
blighted parcel; 705

(2) Determine the manner in which a successful qualified 706
bidder at a sheriff's sale conducted pursuant to section 3767.54 707
of the Revised Code shall deposit the required bond. 708

Sec. 3767.56. (A) If the successful qualified bidder of a 709
property sold under section 3767.54 of the Revised Code fails to 710
remediate the conditions constituting blight of the property 711
within eighteen months after the sale, the municipal corporation 712
that commenced the cause of action under section 3767.52 of the 713
Revised Code in relation to that property shall use the bond 714
deposited with the municipal corporation by the bidder in 715
accordance with division (B) of section 3767.55 to remediate the 716
blight. 717

(B) If the successful qualified bidder of a property sold 718
under section 3767.54 of the Revised Code remediates the 719
conditions constituting blight of the property within eighteen 720
months after the sale, the municipal corporation that commenced 721
the cause of action under section 3767.52 of the Revised Code in 722
relation to that property shall return the bond to the bidder. 723

Section 2. That existing sections 1901.18, 1901.185, 2329.01,	724
2329.02, 2329.20, 2329.33, 2329.52, and 2909.05 of the Revised	725
Code are hereby repealed.	726