

## Property Acquisition Policy

The purpose of this policy is to establish guidelines for the Logan County Land Reutilization Corporation (aka LCLRC and Logan County Land Bank) to acquire real property for eventual disposition in furtherance of the Logan County Land Bank's mission. This also allows the Logan County Land Bank to operate ethically, efficiently and effectively.

Before acquisition of any real property, the LCRC board shall consider the anticipated long term end use for the property and for the neighborhood compared to current and historic uses.

If the rules of an external funding source or federal, state, or local statutes require a disposition contrary to policy for a particular property, the Land Bank will comply with those rules or laws.

### **Preacquisition**

At the earliest opportunity after annual publication of the delinquent real estate and delinquent manufactured homes lists by the Logan County Auditor, the Logan County Land Bank board will review the lists with the Logan County Treasurer to identify properties which may be suitable for acquisition. At that time, the Treasurer may give an update on active tax foreclosure cases at the Treasurer's discretion. The Logan County Land Bank will not seek to acquire any property which is subject to an active tax payment plan in good standing pursuant to R. C. 323.31; an active bankruptcy; an active probate case for an estate or guardianship; an active mortgage foreclosure or other litigation not initiated by the Logan County Treasurer.

### **Acquisition by Donation**

The Logan County Land Bank may accept a conveyance of real estate by donation as the LCLRC is a qualified nonprofit entity, therefore donors may be able to claim such donation as tax deductible but should seek the advice of a tax consultant. All property taxes must be paid in full for any conveyance to be considered a donation. The property cannot have any other encumbrances, which may include mortgages, unpaid utility bills, mechanics liens, judgment liens and state or federal income tax liens. The Logan County Land Bank may require the donor to provide a title examination report for each parcel, or may expend funds for title examination and require the donor to pay such fees upon completion of the examination. The Logan County Land Bank board may also waive title exam fees on a case-by-case basis. Donated property cannot have pending code violations (e.g. building, zoning, nuisance) unless the Logan County Land Bank determines that demolition of a structure is necessary and funding is available.

### **Acquisition by Conveyance in Lieu of Foreclosure**

The Logan County Land Bank may accept a conveyance in lieu of foreclosure of tax-delinquent real estate pursuant to R.C. 5722.10 upon written application of the record owner or authorized representative(s). The Logan County Land Bank may expend DTAC funds for title examination. The Logan County Land Bank will generally not accept conveyance of such property if it is

burdened by any liens other than real estate and manufactured home taxes, or if the title is otherwise unmarketable for other reasons. The Logan County Land Bank board has discretion to consider each application on a case-by-case basis and therefore to discharge other liens to acquire such property depending on variables such as the amount owed in comparison to the appraised fair market value established by the Logan County Auditor, and any nuisance conditions on nonproductive property which may be remedied in the public interest. The Logan County Land Bank may expend funds for a new survey of the property if the legal description is insufficient for conveyance, or to consolidate multiple adjacent parcels into one. The Logan County Land Bank shall not accept conveyances of manufactured/mobile homes with any real estate unless the titles have been surrendered for such structures to be affixed to the real estate and taxed accordingly prior to the application.

### **Acquisition by Tax Foreclosure**

The Logan County Land Bank generally will acquire real estate through three avenues of tax foreclosure: A. traditional tax foreclosure with forfeiture after no bids at sheriff's sale pursuant to R.C. 5721.18 and R.C. 5722.04; B. vacant property tax foreclosure with direct forfeiture pursuant to RC 5721.14; and C. depositor tax foreclosure with sheriff sale or direct forfeiture.

#### ***A. Traditional Tax Foreclosure***

After pre-acquisition review, the Logan County Land Bank may notify the Logan County Treasurer (or Prosecutor) of election to acquire real property prior to advertisement and sale under R.C. 5722.03(C), or, if tax-delinquent property is offered at sheriff's sale with no bids, and the Logan County Prosecutor notifies eligible political subdivisions of forfeiture but no other political subdivision elects to acquire such property, the LCLRC may request a transfer as if it were the winning bidder pursuant to R.C. 5722.03(A), or subsequently request to acquire such forfeited property from the Logan County Auditor under R.C. 5723.04(B).

#### ***B. Vacant Property Tax Foreclosure***

After pre-acquisition review of delinquent vacant properties subject to tax foreclosure and forfeiture proceedings under R.C. 5721.14, the Logan County Land Bank shall notify the Logan County Treasurer (or Prosecutor) of any election to acquire vacant real property prior to advertisement, and the properties so elected shall be directly forfeited without the need for appraisal pursuant to R.C. 5721.16 and R.C. 5723.04 as part of the court proceedings.

#### ***C. Depositor Foreclosure***

Any person interested in purchasing a tax-delinquent property through the LCLRC by initiating foreclosure through a deposit to cover title examination and other costs will be required to submit a Depositor Foreclosure Application to the Logan County Land Bank.

All submitted applications will be reviewed by the LCLRC Board which shall establish the minimum deposit associated with each category of property and approve each Depositor on a case-by-case basis, following statutory criteria which would exclude certain persons from

purchasing tax-delinquent properties at sheriff's sale such as R.C. 5721.16. The LCLRC will not accept deposits from a Depositor applicant until the Application is approved by the Board.

After LCLRC Board approval, the Logan County Treasurer shall send the Depositor's foreclosure request to the Logan County Prosecutor's Office to schedule title examination.

If the title examination discloses a reason that the tax foreclosure cannot proceed, the Logan County Treasurer shall notify LCLRC and the balance of the deposit may be refunded, less the title examination and any administrative fees.

The Logan County Treasurer shall notify the LCLRC Board and the Depositor of the case number once the Prosecutor files a complaint for tax foreclosure (or foreclosure and forfeiture, if applicable). The Logan County Treasurer shall be the named Plaintiff. The Logan County Treasurer shall notify the Depositor of any scheduled sale date.

If the Depositor is not the successful bidder at sheriff's sale and someone else is, the deposit will be refunded by LCLRC. If the Depositor does not bid at sheriff's sale, the deposit will be forfeited and applied to court costs and any administrative expenses of LCLRC, as LCLRC may elect to acquire the property if there are no other bidders or electing political subdivisions.

If the Depositor is identified as a purchaser of property subject to direct forfeiture to the Logan County Land Bank instead of sheriff's sale, or a conveyance in lieu of foreclosure, the Depositor's balance may be applied to the real estate taxes owed on the date of such conveyance.

### **Acquisition by Negotiated Purchase**

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### **Welcome Home Ohio**

The goal of the Welcome Home Ohio program through the Ohio Department of Development is to increase affordable housing opportunities.

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Adopted: March 12, 2024