



## Ohio Revised Code

### Section 5721.19 Finding - appraisal and sale.

Effective: April 9, 2025

Legislation: House Bill 496 - 135th General Assembly

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

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

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

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



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

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

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

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

(C)(1) Whenever the officer charged to conduct the sale offers any parcel for sale the officer first shall read aloud a complete legal description of the parcel, or in the alternative, may read aloud only a summary description, including the complete street address of the parcel, if any, and a parcel number if the county has adopted a permanent parcel number system and if the advertising notice



prepared pursuant to this section includes a complete legal description or indicates where the complete legal description may be obtained. Whenever the officer charged to conduct the sale offers any parcel for sale and no bids are made equal to the lesser of the amounts described in divisions (A)(1) and (2) of this section, the officer shall adjourn the sale of the parcel to the second date that was specified in the advertisement of sale. The second date shall be not less than two weeks or more than six weeks from the day on which the parcel was first offered for sale. The second sale shall be held at the same place and commence at the same time as set forth in the advertisement of sale. The officer shall offer any parcel not sold at the first sale. Upon the conclusion of any sale, or if any parcel remains unsold after being offered at two sales, the officer conducting the sale shall report the results to the court.

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

(b) If reductions occur pursuant to division (C)(2)(a) of this section, and if at a subsequent time a parcel is sold at a foreclosure sale or a forfeiture sale pursuant to Chapter 5723. of the Revised Code, then, notwithstanding other provisions of the Revised Code, except section 5721.17 of the Revised Code, governing the distribution of the proceeds of a foreclosure or forfeiture sale, the proceeds first shall be distributed to reimburse the taxing districts subjected to reductions in their otherwise distributable real property taxes. The distributions shall be based on the same proportions used for purposes of division (C)(2)(a) of this section.



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

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

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

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

(3) Following the payment required by division (D)(2) of this section, the amount found due for taxes, assessments, charges, penalties, and interest shall be paid, including all taxes, assessments, charges, penalties, and interest payable subsequent to the delivery to the county prosecuting attorney of the delinquent land tax certificate or master list of delinquent tracts and prior to the transfer of the deed of the parcel to the purchaser following confirmation of sale. If the proceeds available for distribution pursuant to division (D)(3) of this section are sufficient to pay the entire amount of those taxes, assessments, charges, penalties, and interest, the portion of the proceeds representing taxes, interest, and penalties shall be paid to each claimant in proportion to the amount of taxes levied by the claimant in the preceding tax year, and the amount representing assessments and other charges shall be paid to each claimant in the order in which they became due. If the proceeds are not sufficient to pay that entire amount, the proportion of the proceeds representing taxes, penalties, and interest shall be paid to each claimant in the same proportion that the amount of taxes levied by the



claimant against the parcel in the preceding tax year bears to the taxes levied by all such claimants against the parcel in the preceding tax year, and the proportion of the proceeds representing items of assessments and other charges shall be credited to those items in the order in which they became due.

(E) If the proceeds from the sale of a parcel are insufficient to pay in full the amount of the taxes, assessments, charges, penalties, and interest which are due and unpaid; the costs incurred in the foreclosure proceeding instituted against it which are due and unpaid; and, if division (B)(1) of section 5721.17 of the Revised Code is applicable, any notes issued by a receiver pursuant to division (F) of section 3767.41 of the Revised Code and any receiver's lien as defined in division (C)(4) of section 5721.18 of the Revised Code, the court, pursuant to section 5721.192 of the Revised Code, may enter a deficiency judgment against the owner of record of the parcel for the unpaid amount. If that owner of record is a corporation, the court may enter the deficiency judgment against the stockholder holding a majority of that corporation's stock.

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

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

(2) Except as otherwise provided in divisions (F)(3) and (G) of this section, unless such land or lots were previously redeemed pursuant to section 5721.25 of the Revised Code, upon the filing of the entry of confirmation of any sale or the expiration of the alternative redemption period as defined in section 323.65 of the Revised Code, if applicable, the title to such land or lots shall be incontestable in the purchaser and shall be free and clear of all liens and encumbrances, except a federal tax lien notice of which is properly filed in accordance with section 317.09 of the Revised Code prior to the



date that a foreclosure proceeding is instituted pursuant to division (B) of section 5721.18 of the Revised Code and the easements and covenants of record running with the land or lots that were created prior to the time the taxes or assessments, for the nonpayment of which the land or lots are sold at foreclosure, became due and payable.

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

(4) The title shall not be invalid because of any irregularity, informality, or omission of any proceedings under this chapter, or in any processes of taxation, if such irregularity, informality, or omission does not abrogate the provision for notice to holders of title, lien, or mortgage to, or other interests in, such foreclosed lands or lots, as prescribed in this chapter.

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

(H) If a parcel is sold or transferred under this section or sections 323.28 and 323.65 to 323.79 of the Revised Code, the officer who conducted the sale or made the transfer of the property shall collect



the recording fee and any associated costs to cover the recording from the purchaser or transferee at the time of the sale or transfer and, following confirmation of the sale or transfer, shall execute and record the deed conveying title to the parcel to the purchaser or transferee. For purposes of recording such deed, by placement of a bid or making a statement of interest by any party ultimately awarded the parcel, that purchaser or transferee thereby appoints the officer who makes the sale or is charged with executing and delivering the deed as agent for the purchaser or transferee for the sole purpose of accepting delivery of the deed. For such purposes, the confirmation of any such sale or order to transfer the parcel without appraisal or sale shall be deemed delivered upon the confirmation of such sale or transfer.

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

(J)(1) The officer charged with transferring title to property sold under this section may not transfer the title to a purchaser unless and until the purchaser or the purchaser's authorized representative furnishes the officer with an affidavit stating all of the following, as applicable:

(a) If the purchaser is not a pass-through entity, that the affiant has made, or caused to be made, an inquiry with the county treasurer in each county in which the purchaser, or a pass-through entity in which the purchaser directly or indirectly owns or holds at least a ten per cent interest, owns property



and has been informed by each treasurer that the purchaser or pass-through entity does not own property in the county against which delinquent taxes are assessed and that, to the best of the affiant's knowledge, neither the purchaser nor a pass-through entity in which the purchaser directly or indirectly owns or holds at least a ten per cent interest owns property in the state against which delinquent taxes are assessed.

The affiant may, as applicable, alternatively state either of the following:

(i) That the affiant was informed by one or more county treasurers that the purchaser, or a pass-through entity in which the purchaser directly or indirectly owns or holds at least a ten per cent interest, owns property in the applicable county or counties against which delinquent taxes are assessed, but that the amounts due have since been paid;

(ii) That the affiant was informed by one or more county treasurers that the purchaser, or a pass-through entity in which the purchaser directly or indirectly owns or holds at least a ten per cent interest, owns property in the applicable county or counties against which delinquent taxes are assessed, and that one of the following applies:

(I) The delinquency has been misassigned to the purchaser due to a name change, pending property transfer, or administrative or scrivener's error by the purchaser or county recorder. If error on the part of the county recorder is stated, an affidavit or other documentation from the county recorder supporting that statement shall be submitted with the affidavit.

(II) The property against which delinquent taxes are assessed is the subject of litigation or other proceedings that challenge the ownership and that may absolve the taxpayer of the delinquency.

(III) There are other circumstances the affiant believes demonstrate that the delinquency does not result from intentional action or inaction on the part of the purchaser. If such circumstances are stated, the affiant shall submit supporting documentation with the affidavit.

The officer shall review the affidavit and any submitted documentation, and may approve or deny the transfer based on the validity of the circumstances presented in the affidavit and documentation.



(b) If the purchaser is a pass-through entity, that the affiant has made, or caused to be made, an inquiry with the county treasurer in each county in which the purchaser, or a person who directly or indirectly owns or holds at least a ten per cent interest in the purchaser, owns property and has been informed by each treasurer that neither the purchaser nor a person that directly or indirectly owns or holds a ten per cent interest in the purchaser owns property in the county against which delinquent taxes are assessed and that, to the best of the affiant's knowledge, neither the purchaser nor a person that directly or indirectly owns or holds a ten per cent interest in the purchaser owns property in the state against which delinquent taxes are assessed.

The affiant may, as applicable, alternatively state either of the following:

(i) That the affiant was informed by one or more county treasurers that the purchaser, or person who directly or indirectly owns or holds at least a ten per cent interest in the purchaser, owns property in the county against which delinquent taxes are assessed, but that the amounts due have since been paid;

(ii) That the affiant was informed by one or more county treasurers that the purchaser, or a person who directly or indirectly owns or holds at least a ten per cent interest in the purchaser, owns property in the applicable county or counties against which delinquent taxes are assessed, and that one of the following applies:

(I) The delinquency has been misassigned to the purchaser due to a name change, pending property transfer, or administrative or scrivener's error by the purchaser or county recorder. If error on the part of the county recorder is stated, an affidavit or other documentation from the county recorder supporting that statement shall be submitted with the affidavit.

(II) The property against which delinquent taxes are assessed is the subject of litigation or other proceedings that challenge the ownership and that may absolve the taxpayer of the delinquency.

(III) There are other circumstances the affiant believes demonstrate that the delinquency does not result from intentional action or inaction on the part of the purchaser. If such circumstances are stated, the affiant shall submit supporting documentation with the affidavit.



The officer shall review the affidavit and any submitted documentation, and may approve or deny the transfer based on the validity of the circumstances presented in the affidavit and documentation.

(c) If the purchaser is an individual, the address of the purchaser's primary residence;

(d) If the purchaser is not an individual, the name and address of the purchaser's statutory agent.

(2) As used in division (J) of this section:

(a) "Pass-through entity" has the same meaning as in section 5733.04 of the Revised Code.

(b) "Property against which delinquent taxes are assessed" does not include property with delinquent taxes that are, at the time the affidavit is executed, being paid in installments pursuant to a delinquent tax contract executed pursuant to section 323.31 of the Revised Code, provided the contract has not become void under that section.

(K) Any person who knowingly makes a false statement in the affidavit furnished under division (J) of this section is guilty of falsification under division (A)(11) of section 2921.13 of the Revised Code.