



Ohio Revised Code

Section 9.661 Liens to secure performance on development loans and property tax incentives.

Effective: March 23, 2005

Legislation: Senate Bill 165 - 125th General Assembly

(A) As used in this section:

- (1) "Borrower" means any person obligated to repay a development loan pursuant to a development loan agreement or obligated to repay a loan guaranteed pursuant to a loan guarantee agreement.
- (2) "Development inducement agreement" means an agreement making a grant or inducement under the authority of Section 13 of Article VIII, Ohio Constitution, including an inducement made under section 166.02 of the Revised Code or a grant made under section 184.02 of the Revised Code.
- (3) "Development loan" means any loan made under the authority of Section 13 of Article VIII, Ohio Constitution, including any loan made under the authority of Chapter 122., 165., 166., 184., or 1724. of the Revised Code.
- (4) "Development loan agreement" means an agreement making a development loan.
- (5) "Grantee" means any grantee or other recipient of anything of value under a development inducement agreement.
- (6) "Guaranteed loan" means a loan guaranteed by this state, a state agency, or a political subdivision under the authority of Section 13 of Article VIII, Ohio Constitution, including any loan guarantee authorized under Chapter 166. of the Revised Code.
- (7) "Loan guarantee agreement" means an agreement providing for the guarantee of a guaranteed loan.
- (8) "Secured party" means the state, a state agency, or a political subdivision that enters into a development loan agreement, loan guarantee agreement, or development inducement agreement.



(B) The obligations of a borrower under each development loan agreement or loan guarantee agreement may be secured by a lien of the secured party on the borrower's real property and personal property the acquisition of which was funded in whole or in part by the proceeds of the loan. Any such lien shall be in an amount not exceeding the amount financed under the development loan agreement, or the amount guaranteed under the loan guarantee agreement, and used to fund acquisition of the property. The lien may be in addition to any other security required by the development loan agreement or loan guarantee agreement, but the sum of the lien amount and the value of any such other security shall not exceed the amount financed, or the amount guaranteed, and used to fund acquisition of the property. Such a lien on real property shall attach, and may be perfected, collected, and enforced, in the same manner as a mortgage lien on real property, and otherwise shall have the same force and effect as a mortgage lien on real property. Such a lien on personal property shall attach, and may be perfected, collected, and enforced, in the same manner as a security interest in goods under Chapter 1309. of the Revised Code, and shall otherwise have the same force and effect as such a security interest.

(C) The obligations of a grantee under each development inducement agreement may be secured by a lien of the secured party on the grantee's real property and personal property the acquisition of which was funded in whole or in part by the grant or other thing of value. Any such lien shall be in an amount not exceeding the amount of the grant or other thing of value granted to the grantee under the agreement and used to fund acquisition of the property. The lien may be in addition to any other security required by the development inducement agreement, but the sum of the lien amount and the value of any such other security shall not exceed the amount of the grant, or the value of any other thing of value granted, and used to fund acquisition of the property. Such a lien on real property shall attach, and may be perfected, collected, and enforced, in the same manner as a mortgage lien on real property, and otherwise shall have the same force and effect as a mortgage lien on real property. Such a lien on personal property shall attach, and may be perfected, collected, and enforced, in the same manner as a security interest in goods under Chapter 1309. of the Revised Code, and shall otherwise have the same force and effect as such a security interest.

(D) A secured party may enforce such liens against real property by civil action in the court of common pleas of the county where the real property is located in the same manner as mortgage liens are enforced. A secured party may enforce such liens against personal property in the manner



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provided for the enforcement of security interests under Chapter 1309. of the Revised Code.