Ohio Revised Code

Section 122.451 Insuring mortgage payments.

Effective: July 14, 1983
Legislation: Senate Bill 227 - 115th General Assembly

Upon application of any person, partnership, or corporation, or upon application of any community improvement corporation organized as provided in section 1724.01 of the Revised Code, the director of development, with controlling board approval, may, pledging therefor moneys in the mortgage insurance fund created by section 122.561 of the Revised Code, insure or make advance commitments to insure not more than ninety per cent of any mortgage payments required. Before insuring any such mortgage payments the director shall determine that:

(A) The project, in accordance with Section 13 of Article VIII, Ohio Constitution, will create or preserve jobs and employment opportunities, or improve the economic welfare of the people of the state, or be an air quality facility, waste water facility, or solid waste facility, as defined in section 3706.01, 6121.01, or 6123.01 of the Revised Code.

(B) The principal obligation, including initial service charges and appraisal, inspection, and other fees approved by the director, does not exceed one hundred per cent of the cost of the project.

(C) The mortgage has a satisfactory maturity date in no case later than twenty-five years from the date of the insurance.

(D) The mortgagor is responsible and able to meet the payments under the mortgage.

(E) The mortgage contains complete amortization provisions satisfactory to the director requiring periodic payments by the mortgagor which may include principal and interest payments, cost of local property taxes and assessments, land lease rentals, if any, and hazard insurance on the property and such mortgage insurance premiums as are required under section 122.561 of the Revised Code, all as the director from time to time prescribes or approves.

(F) The mortgage is in such form and contains such terms and provisions with respect to property insurance, repairs, alterations, payment of taxes and assessments, default reserves, delinquency charges, default remedies, anticipation of maturity, additional and secondary liens, and other matters as the director may prescribe.

The director may take assignments of insured mortgages and other forms of security and may take title by foreclosure or conveyance to any project when an insured mortgage loan thereon is clearly in default and when in the opinion of the director such acquisition is necessary to safeguard the mortgage insurance fund, and may sell, or on a temporary basis lease or rent, such project.