



Ohio Revised Code

Section 1311.92 Transfer of lien property - escrow account.

Effective: September 11, 1997

Legislation: House Bill 158 - 122nd General Assembly

(A) Except as provided in division (D) of this section, to enable a transfer of lien property to close when a broker's perfected lien may otherwise prevent the closing, a separate escrow account shall be established by the owner into which moneys from the proceeds of the closing shall be deposited in an amount sufficient to release the broker's lien. The moneys shall be held in escrow and shall only be released as ordered by a court of competent jurisdiction, or as directed by agreement of the broker and owner or by any process agreed to by the broker and owner.

(B) An owner may not refuse to close a transfer of lien property because of the requirement to establish an escrow account under division (A) of this section. A prospective transferee of lien property shall not refuse to close the transfer of the lien property solely because the broker recorded a lien affidavit under this section, if all of the following have occurred:

(1) The owner has established the escrow account required by division (A) of this section;

(2) The prospective transferee has received from the escrow agent for the escrow account required by division (A) of this section a verified statement that the escrow account has been established.

(C) When funds have been placed in escrow pursuant to division (A) of this section, the broker claiming a broker's lien under this section has an equitable lien on the escrowed funds, and the lien recorded on the lien property shall be extinguished as a matter of law.

(D) The broker and owner are not required to follow the escrow procedures described in this section if either of the following applies:

(1) An alternative procedure is available that would allow the transfer of lien property to close and that procedure is acceptable to the broker and prospective transferee.

(2) The proceeds from the transfer of lien property would be insufficient to release all liens,



including the broker's lien, that are claimed against the lien property.
