### As Introduced

133rd General Assembly

Regular Session 2019-2020 H. B. No. 103

Representatives Lepore-Hagan, Manning, D.

Cosponsors: Representatives Boyd, Brent, Galonski, O'Brien, Skindell, Upchurch

# A BILL

| Г | To amend sections 1343.01, 3781.10, 5313.02, and | 1 |
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|   | 5313.04 and to enact sections 5313.021,          | 2 |
|   | 5313.022, 5313.031, and 5313.12 of the Revised   | 3 |
|   | Code to make changes to the law relating to land | 4 |
|   | installment contracts.                           | 5 |

## BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

| Section 1. That sections 1343.01, 3781.10, 5313.02, and         | 6  |
|---|----|
| 5313.04 be amended and sections 5313.021, 5313.022, 5313.031,   | 7  |
| and 5313.12 of the Revised Code be enacted to read as follows:  | 8  |
| Sec. 1343.01. (A) The parties to a bond, bill, promissory       | 9  |
| note, or other instrument of writing for the forbearance or     | 10 |
| payment of money at any future time, may stipulate therein for  | 11 |
| the payment of interest upon the amount thereof at any rate not | 12 |
| exceeding eight per cent per annum payable annually, except as  | 13 |
| authorized in division (B) of this section.                     | 14 |
| (B) Any party may agree to pay a rate of interest in            | 15 |
| excess of the maximum rate provided in division (A) of this     | 16 |
| section when:   | 17 |
| (1) The original amount of the principal indebtedness           | 18 |

stipulated in the bond, bill, promissory note, or other 19 instrument of writing exceeds one hundred thousand dollars; 20 (2) The payment is to a broker or dealer registered under 21 the "Securities Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 22 78A, as amended, for carrying a debit balance in an account for 23 a customer if such debit balance is payable on demand and 24 secured by stocks, bonds or other securities; 25 (3) The instrument evidences a loan secured by a mortgage 26 or deed of trust on real estate where the loan has been 27 approved, insured, guaranteed, purchased, or for which an offer 28 or commitment to insure, guarantee, or purchase has been 29 received, in whole or in part, by the federal government or any 30 agency or instrumentality thereof, the federal national mortgage 31 association, the federal home loan mortgage corporation, or the 32 farmers home administration, all of which is authorized pursuant 33 to the "National Housing Act," 12- U.S.C. 1701; the 34 "Serviceman's Readjustment Act," 38 U.S.C. 1801; the "Federal 35 Home Loan Bank Act," 12 U.S.C. 1421; and the "Rural Housing 36 Act," 42 U.S.C. 1471, amendments thereto, reenactments thereof, 37 enactments parallel thereto, or in substitution therefor, or 38 regulations issued thereunder; or by the state or any agency or 39 instrumentality thereof authorized pursuant to Chapter 122. of 40 the Revised Code, or rules issued thereunder. 41 (4) The instrument evidences a loan secured by a mortgage, 42 or deed of trust, or land installment contract on real estate 43 which does not otherwise qualify for exemption from the 44

provisions of this section, except that such rate of interest45shall not exceed eight per cent in excess of the discount rate46on ninety-day commercial paper in effect at the federal reserve47bank in the fourth federal reserve district at the time the48

mortgage, or deed of trust, or land installment contract is 49 executed. 50 (5) The instrument is payable on demand or in one 51 installment and is not secured by household furnishings or other 52 goods used for personal, family, or household purposes. 53 (6) (a) The loan is a business loan to a business 54 association or partnership, a person owning and operating a 55 business as a sole proprietor; any persons owning and operating 56 a business as joint venturers, joint tenants, or tenants in 57 common; any limited partnership; or any trustee owning or 58 operating a business or whose beneficiaries own or operate a 59 business, except that: 60 (i) Any loan which is secured by an assignment of an 61 individual obligor's salary, wages, commissions, or other 62 compensation for services or by his the individual obligor's 63 household furniture or other goods used for his the individual 64 obligor's personal, family, or household purposes shall be 65 deemed not a loan within the meaning of division (B)(6) of this 66 section: 67 (ii) Any loan which otherwise qualifies as a business loan 68 within the meaning of division (B)(6) of this section shall not 69 be deemed disqualified because of the inclusion, with other 70

security consisting of business assets of any such obligor, of real estate occupied by an individual obligor solely as <u>his</u> the <u>individual obligor's</u> residence.

(b) As used in division (B) (6) (a) of this section,
"business" means a commercial, agricultural, or industrial
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enterprise which is carried on for the purpose of investment or
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profit. "Business" does not mean the ownership or maintenance of
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real estate occupied by an individual obligor solely as <u>his the</u> individual obligor's residence.

Sec. 3781.10. (A) (1) The board of building standards shall 80 formulate and adopt rules governing the erection, construction, 81 repair, alteration, and maintenance of all buildings or classes 82 of buildings specified in section 3781.06 of the Revised Code, 83 including land area incidental to those buildings, the 84 construction of industrialized units, the installation of 85 equipment, and the standards or requirements for materials used 86 in connection with those buildings. The board shall incorporate 87 those rules into separate residential and nonresidential 88 building codes. The standards shall relate to the conservation 89 of energy and the safety and sanitation of those buildings. 90

(2) The rules governing nonresidential buildings are the 91 lawful minimum requirements specified for those buildings and 92 industrialized units, except that no rule other than as provided 93 in division (C) of section 3781.108 of the Revised Code that 94 specifies a higher requirement than is imposed by any section of 95 the Revised Code is enforceable. The rules governing residential 96 buildings are uniform requirements for residential buildings in 97 any area with a building department certified to enforce the 98 state residential building code. In no case shall any local code 99 or regulation differ from the state residential building code 100 unless that code or regulation addresses subject matter not 101 addressed by the state residential building code or is adopted 102 pursuant to section 3781.01 of the Revised Code. 103

(3) The rules adopted pursuant to this section are
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complete, lawful alternatives to any requirements specified for
buildings or industrialized units in any section of the Revised
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Code. Except as otherwise provided in division (I) of this
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section, the board shall, on its own motion or on application
made under sections 3781.12 and 3781.13 of the Revised Code,
formulate, propose, adopt, modify, amend, or repeal the rules to
the extent necessary or desirable to effectuate the purposes of
sections 3781.06 to 3781.18 of the Revised Code.

(B) The board shall report to the general assembly 113 proposals for amendments to existing statutes relating to the 114 purposes declared in section 3781.06 of the Revised Code that 115 public health and safety and the development of the arts require 116 and shall recommend any additional legislation to assist in 117 carrying out fully, in statutory form, the purposes declared in 118 that section. The board shall prepare and submit to the general 119 assembly a summary report of the number, nature, and disposition 120 of the petitions filed under sections 3781.13 and 3781.14 of the 121 Revised Code. 122

(C) On its own motion or on application made under 123 sections 3781.12 and 3781.13 of the Revised Code, and after 124 thorough testing and evaluation, the board shall determine by 125 rule that any particular fixture, device, material, process of 126 manufacture, manufactured unit or component, method of 127 manufacture, system, or method of construction complies with 128 performance standards adopted pursuant to section 3781.11 of the 129 Revised Code. The board shall make its determination with regard 130 to adaptability for safe and sanitary erection, use, or 131 construction, to that described in any section of the Revised 132 Code, wherever the use of a fixture, device, material, method of 133 manufacture, system, or method of construction described in that 134 section of the Revised Code is permitted by law. The board shall 135 amend or annul any rule or issue an authorization for the use of 136 a new material or manufactured unit on any like application. No 137 department, officer, board, or commission of the state other 138

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than the board of building standards or the board of building 139 appeals shall permit the use of any fixture, device, material, 140 method of manufacture, newly designed product, system, or method 141 of construction at variance with what is described in any rule 142 the board of building standards adopts or issues or that is 143 authorized by any section of the Revised Code. Nothing in this 144 145 section shall be construed as requiring approval, by rule, of plans for an industrialized unit that conforms with the rules 146 147 the board of building standards adopts pursuant to section 3781.11 of the Revised Code. 148

(D) The board shall recommend rules, codes, and standards 149 to help carry out the purposes of section 3781.06 of the Revised 150 Code and to help secure uniformity of state administrative 151 rulings and local legislation and administrative action to the 152 bureau of workers' compensation, the director of commerce, any 153 other department, officer, board, or commission of the state, 154 and to legislative authorities and building departments of 155 counties, townships, and municipal corporations, and shall 156 recommend that they audit those recommended rules, codes, and 157 standards by any appropriate action that they are allowed 158 pursuant to law or the constitution. 159

(E) (1) The board shall certify municipal, township, and
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county building departments and the personnel of those building
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departments, and persons and employees of individuals, firms, or
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corporations as described in division (E) (7) of this section to
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exercise enforcement authority, to accept and approve plans and
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specifications, and to make inspections, pursuant to sections
3781.03, 3791.04, and 4104.43 of the Revised Code.

(2) The board shall certify departments, personnel, andpersons to enforce the state residential building code, to168

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enforce the nonresidential building code, or to enforce both the169residential and the nonresidential building codes. Any170department, personnel, or person may enforce only the type of171building code for which certified.172

(3) The board shall not require a building department, its 173 personnel, or any persons that it employs to be certified for 174 residential building code enforcement if that building 175 department does not enforce the state residential building code. 176 The board shall specify, in rules adopted pursuant to Chapter 177 119. of the Revised Code, the requirements for certification for 178 residential and nonresidential building code enforcement, which 179 shall be consistent with this division. The requirements for 180 residential and nonresidential certification may differ. Except 181 as otherwise provided in this division, the requirements shall 182 include, but are not limited to, the satisfactory completion of 183 an initial examination and, to remain certified, the completion 184 of a specified number of hours of continuing building code 185 education within each three-year period following the date of 186 certification which shall be not less than thirty hours. The 187 rules shall provide that continuing education credits and 188 certification issued by the council of American building 189 officials, national model code organizations, and agencies or 190 entities the board recognizes are acceptable for purposes of 191 this division. The rules shall specify requirements that are 192 consistent with the provisions of section 5903.12 of the Revised 193 Code relating to active duty military service and are 194 compatible, to the extent possible, with requirements the 195 council of American building officials and national model code 196 organizations establish. 197

(4) The board shall establish and collect a certificationand renewal fee for building department personnel, and persons199

and employees of persons, firms, or corporations as described in 200 this section, who are certified pursuant to this division. 201 (5) Any individual certified pursuant to this division 202 shall complete the number of hours of continuing building code 203 education that the board requires or, for failure to do so, 204 forfeit certification. 205 (6) This division does not require or authorize the board 206 to certify personnel of municipal, township, and county building 207 208 departments, and persons and employees of persons, firms, or corporations as described in this section, whose 209 responsibilities do not include the exercise of enforcement 210 authority, the approval of plans and specifications, or making 211 inspections under the state residential and nonresidential 212 building codes. 213 (7) Enforcement authority for approval of plans and 214 specifications and enforcement authority for inspections may be 215 exercised, and plans and specifications may be approved and 216 inspections may be made on behalf of a municipal corporation, 217 township, or county, by any of the following who the board of 218 building standards certifies: 219 220 (a) Officers or employees of the municipal corporation, township, or county; 221 (b) Persons, or employees of persons, firms, or 222 corporations, pursuant to a contract to furnish architectural, 223 engineering, or other services to the municipal corporation, 224 township, or county; 225 (c) Officers or employees of, and persons under contract 226 with, a municipal corporation, township, county, health 227

district, or other political subdivision, pursuant to a contract 228

to furnish architectural, engineering, or other services. 229 (8) Municipal, township, and county building departments 230 have jurisdiction within the meaning of sections 3781.03, 231 3791.04, and 4104.43 of the Revised Code, only with respect to 232 the types of buildings and subject matters for which they are 233 certified under this section. 234 (9) A certified municipal, township, or county building 235 department may exercise enforcement authority, accept and 236 approve plans and specifications, and make inspections pursuant 237 to sections 3781.03, 3791.04, and 4104.43 of the Revised Code 238 for a park district created pursuant to Chapter 1545. of the 239 Revised Code upon the approval, by resolution, of the board of 240 park commissioners of the park district requesting the 241 department to exercise that authority and conduct those 242 activities, as applicable. 243 (10) Certification shall be granted upon application by 244 the municipal corporation, the board of township trustees, or 245 the board of county commissioners and approval of that 246 application by the board of building standards. The application 247 shall set forth: 248 (a) Whether the certification is requested for residential 249 250 or nonresidential buildings, or both; (b) The number and qualifications of the staff composing 251 the building department; 252 (c) The names, addresses, and qualifications of persons, 253 firms, or corporations contracting to furnish work or services 254 pursuant to division (E)(7)(b) of this section; 255 (d) The names of any other municipal corporation, 256 township, county, health district, or political subdivision 257

under contract to furnish work or services pursuant to division 258 259 (E)(7) of this section; (e) The proposed budget for the operation of the building 260 261 department. (11) The board of building standards shall adopt rules 2.62 governing all of the following: 2.63 (a) The certification of building department personnel and 264 persons and employees of persons, firms, or corporations 265 exercising authority pursuant to division (E)(7) of this 266 section. The rules shall disqualify any employee of the 267 268 department or person who contracts for services with the department from performing services for the department when that 269 270 employee or person would have to pass upon, inspect, or otherwise exercise authority over any labor, material, or 271 equipment the employee or person furnishes for the construction, 272 alteration, or maintenance of a building or the preparation of 273 working drawings or specifications for work within the 274 jurisdictional area of the department. The department shall 275 provide other similarly qualified personnel to enforce the 276 residential and nonresidential building codes as they pertain to 277 that work. 278 (b) The minimum services to be provided by a certified 279 building department. 280 (12) The board of building standards may revoke or suspend 281

(12) The board of building standards may revoke of suspend281certification to enforce the residential and nonresidential282building codes, on petition to the board by any person affected283by that enforcement or approval of plans, or by the board on its284own motion. Hearings shall be held and appeals permitted on any285proceedings for certification or revocation or suspension of286

certification in the same manner as provided in section 3781.101287of the Revised Code for other proceedings of the board of288building standards.289

(13) Upon certification, and until that authority is 290 revoked, any county or township building department shall 291 enforce the residential and nonresidential building codes for 292 which it is certified without regard to limitation upon the 293 authority of boards of county commissioners under Chapter 307. 294 of the Revised Code or boards of township trustees under Chapter 295 505. of the Revised Code. 296

(F) In addition to hearings sections 3781.06 to 3781.18 297 and 3791.04 of the Revised Code require, the board of building 298 standards shall make investigations and tests, and require from 299 other state departments, officers, boards, and commissions 300 information the board considers necessary or desirable to assist 301 302 it in the discharge of any duty or the exercise of any power mentioned in this section or in sections 3781.06 to 3781.18, 303 3791.04, and 4104.43 of the Revised Code. 304

(G) The board shall adopt rules and establish reasonable 305 fees for the review of all applications submitted where the 306 applicant applies for authority to use a new material, assembly, 307 or product of a manufacturing process. The fee shall bear some 308 reasonable relationship to the cost of the review or testing of 309 the materials, assembly, or products and for the notification of 310 approval or disapproval as provided in section 3781.12 of the 311 Revised Code. 312

(H) The residential construction advisory committee shall
provide the board with a proposal for a state residential
building code that the committee recommends pursuant to division
(D) (1) of section 4740.14 of the Revised Code. Upon receiving a

recommendation from the committee that is acceptable to the 317 board, the board shall adopt rules establishing that code as the 318 state residential building code. 319

(I) (1) The committee may provide the board with proposed
rules to update or amend the state residential building code
that the committee recommends pursuant to division (E) of
section 4740.14 of the Revised Code.

(2) If the board receives a proposed rule to update or 324 325 amend the state residential building code as provided in division (I)(1) of this section, the board either may accept or 326 reject the proposed rule for incorporation into the residential 327 building code. If the board does not act to either accept or 328 reject the proposed rule within ninety days after receiving the 329 proposed rule from the committee as described in division (I)(1) 330 of this section, the proposed rule shall become part of the 331 residential building code. 332

(J) The board shall cooperate with the director of job and
family services when the director promulgates rules pursuant to
section 5104.05 of the Revised Code regarding safety and
sanitation in type A family day-care homes.

(K) The board shall adopt rules to implement the 337requirements of section 3781.108 of the Revised Code. 338

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(L) The board shall adopt rules to implement the339requirements of section 5313.021 of the Revised Code.340
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Sec. 5313.02. (A) Every land installment contract shall be341executed in duplicate, and a copy of the contract shall be342provided to the vendor and the vendee and, if applicable, the343vendor's attorney and vendee's attorney. The contract shall344contain at least the following provisions:345

| (1) <u>A notice in at least twelve-point type, at the</u>                           | 346 |
|---|-----|
| beginning of the contract, stating all of the following:                            | 347 |
| (a) That the vendor is responsible for all of the                                   | 348 |
| following:  | 349 |
| (i) The payment of taxes, assessments, and other charges_                           | 350 |
| against the property from the date of the contract;                                 | 351 |
| (ii) The payment of homeowner's insurance premiums;                                 | 352 |
| (iii) All repairs and maintenance on the property.                                  | 353 |
| (b) That the vendee has a cause of action pursuant to                               | 354 |
| section 5313.04 of the Revised Code, if the vendor does not                         | 355 |
| comply with the provisions of this chapter.   | 356 |
| (2) The full names and then current mailing addresses of                            | 357 |
| all the parties to the contract;  | 358 |
| (2) (3) The date when the contract was signed by each                               | 359 |
| party;  | 360 |
| (3) (4) A legal description of the property conveyed;                               | 361 |
| (4) (5) The contract price of the property conveyed;                                | 362 |
| (5) (6) Any charges or fees for services that are                                   | 363 |
| includable in the contract separate from the contract price;                        | 364 |
| (6) (7) The amount of the vendee's down payment;                                    | 365 |
| (7) (8) The principal balance owed, which is the sum of                             | 366 |
| the specified in divisions (A) <del>(4) <u>(5)</u> and (5) <u>(6)</u> of this</del> | 367 |
| section less <del>the specified in </del> division (A) <del>(6)</del> of this       | 368 |
| section;  | 369 |
| (8) (9) The amount and due date of each installment                                 | 370 |
| payment;  | 371 |

| <del>(9) <u>(10)</u> The interest rate on the unpaid balance and the</del>   | 372  |
|--|--|
| method of computing the rate, in accordance with section   | 373  |
| 5313.031 of the Revised Code;  | 374  |
| $\frac{(10)}{(11)}$ A statement of any encumbrances against the  | 375  |
| property conveyed;   | 376  |
| propercy conveyed,   | 570  |
| <del>(11) <u>(</u>12) A</del> statement requiring the vendor to deliver a  | 377  |
| general warranty deed on completion of the contract, or another  | 378  |
| deed that is available when the vendor is legally unable to  | 379  |
| deliver a general warranty deed;   | 380  |
| (12) (13) A provision that the vendor provide evidence of  | 381  |
| title in accordance with the prevailing custom in the area in  | 382  |
| which the property is located;   | 383  |
| which the property is recated,   | 505  |
| <del>(13) <u>(</u>14)</del> A provision <u>stating</u> that <u>the vendor shall not</u>  | 384  |
| <u>hold any mortgage on the property, if the vendor defaults on any </u>   | 385  |
|  |  |
| mortgage on the property, the vendee can pay on the mortgage and   | 386  |
| mortgage on the property, the vendee can pay on the mortgage and receive credit on the land installment contract;  | 386<br>387   |
|  |  |
| receive credit on the land installment contract;   | 387  |
| receive credit on the land installment contract;<br>(14) (15) A provision that the vendor shall cause a copy   | 387<br>388   |
| receive credit on the land installment contract;<br>(14)-(15) A provision that the vendor shall cause a copy<br>of the contract to be recorded, and a copy of the recorded | 387<br>388<br>389  |
| <pre>receive credit on the land installment contract;</pre>  | 387<br>388<br>389<br>390   |
| <pre>receive credit on the land installment contract;</pre>  | 387<br>388<br>389<br>390<br>391                                    |
| <pre>receive credit on the land installment contract;</pre>  | 387<br>388<br>389<br>390<br>391<br>392                             |
| <pre>receive credit on the land installment contract;</pre>  | 387<br>388<br>389<br>390<br>391<br>392<br>393                      |
| <pre>receive credit on the land installment contract;</pre>  | 387<br>388<br>389<br>390<br>391<br>392<br>393<br>394<br>395        |
| <pre>receive credit on the land installment contract;</pre>  | 387<br>388<br>389<br>390<br>391<br>392<br>393<br>394<br>395<br>396 |
| <pre>receive credit on the land installment contract;</pre>  | 387<br>388<br>389<br>390<br>391<br>392<br>393<br>394<br>395        |
| <pre>receive credit on the land installment contract;</pre>  | 387<br>388<br>389<br>390<br>391<br>392<br>393<br>394<br>395<br>396 |

#### <u>is payable</u>.

| (B) <del>No vendor shall hold a mortgage on property sold by a</del> | 401 |
|--|-----|
| land installment contract in an amount greater than the balance-     | 402 |
| due under the contract, except a mortgage that covers real-          | 403 |
| property in addition to the property that is the subject of the      | 404 |
| contract where the vendor has made written disclosure to the         | 405 |
| vendee of the amount of the mortgage and the release price, if-      | 406 |
| any, attributable to the property in question.                       | 407 |
| No vendor shall place a mortgage on the property in an-              | 408 |
| amount greater than the balance due on the contract without the      | 409 |
| consent of the vendee.   | 410 |
| <del>(C) W</del> ithin twenty days after a land installment contract | 411 |
| has been signed by both the vendor and the vendee, the vendor        | 412 |
| shall cause a copy of the contract to be recorded as provided in     | 413 |
| section 5301.25 of the Revised Code and a copy of the contract       | 414 |
| to be delivered to the county auditor, the vendee, and the           | 415 |
| vendee's attorney, if applicable.                                    | 416 |
| (D) _(C) Every land installment contract shall conform to            | 417 |
| the formalities required by law for the execution of deeds and       | 418 |
| mortgages. The vendor of any land installment contract that          | 419 |
| contains a metes and bounds legal description shall have that        | 420 |
| description reviewed by the county engineer. The county engineer     | 421 |
| shall indicate his the engineer's approval of the description on     | 422 |
| the contract.  | 423 |
| Sec. 5313.021. (A) A vendor shall pay off any liens on the           | 424 |
| property subject to the land installment contract prior to           | 425 |
| executing a contract with the vendee.                                | 426 |
| (B) No vendor shall do either of the following:                      | 427 |
| (1) Hold a mortgage on property sold by a land installment           | 428 |

| contract;  | 429 |
|--|-----|
| (2) Place a mortgage on the property during the course of        | 430 |
| the contract.  | 431 |
| (C) A vendor shall do both of the following during the           | 432 |
| course of the contract:  | 433 |
| (1) Comply with the requirements of any applicable               | 434 |
| building code;   | 435 |
| (2) Make all repairs and do whatever is reasonably               | 436 |
| necessary to put and keep the premises in a fit and habitable    | 437 |
| condition.   | 438 |
| (D)(1) Prior to the execution of the contract the vendor         | 439 |
| shall do both of the following, in accordance with rules         | 440 |
| implemented by the board of building standards under division    | 441 |
| (L) of section 3781.10 of the Revised Code:                      | 442 |
| (a) Contact the local building department or other entity        | 443 |
| responsible for code enforcement in the jurisdiction where the   | 444 |
| property subject to the land installment contract is located and | 445 |
| request an inspection;   | 446 |
| (b) Verify that the property complies with the                   | 447 |
| requirements of the applicable building code.                    | 448 |
| (2) If, after an inspection, the inspector determines that       | 449 |
| a violation of the applicable building code exists, the vendor   | 450 |
| shall be responsible for fixing any violation prior to entering  | 451 |
| into a contract with the vendee. The vendor shall have the       | 452 |
| property inspected again to determine that all repairs have been | 453 |
| made and the property complies with the applicable building code | 454 |
| prior to executing the contract. If the property complies with   | 455 |
| the applicable building code, the entity providing the           | 456 |

| inspection shall issue a certificate to the vendor indicating    | 457 |
|--|-----|
| this fact.   | 458 |
|  | 400 |
| (3) The vendor shall provide to the vendee, prior to the         | 459 |
| execution of the contract, the certificate issued by the entity  | 460 |
| providing the inspection that indicates the property complies    | 461 |
| with the applicable building code.                               | 462 |
| (4) The board of building standards shall adopt rules,           | 463 |
| pursuant to division (L) of section 3781.10 of the Revised Code, | 464 |
| to implement this section, including procedures a vendor shall   | 465 |
| follow to obtain an inspector to inspect the property, issuance  | 466 |
| of a certificate indicating successful compliance with the       | 467 |
| applicable building code, and any fees associated with these     | 468 |
| procedures.  | 469 |
|  | 100 |
| (5) The vendor shall be responsible for any fines                | 470 |
| associated with any code violation and any fees associated with  | 471 |
| the inspection.  | 472 |
| (E)(1) Prior to executing a land installment contract, the       | 473 |
| vendor shall obtain and pay for an appraisal of the property by  | 474 |
| an appraiser listed on the department of commerce web site, as   | 475 |
| described in division (E)(2) of this section. The vendor shall   | 476 |
| provide a copy of the appraisal report to the vendee prior to    | 477 |
| execution of the contract.                                       | 478 |
| (2) The department of commerce shall post on its web site        | 479 |
| a list of real estate appraisers certified or licensed in this   | 480 |
| state who can provide a certified or licensed real estate        | 481 |
| appraisal as defined under section 4763.01 of the Revised Code   | 482 |
| for the purposes of providing an independent appraisal of the    | 483 |
| property subject to the land installment contract.               | 484 |
| (3) The department of commerce may adopt value to                | 485 |
| (3) The department of commerce may adopt rules to                | 400 |

| implement this section.  |     |
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| Sec. 5313.022. The parties to a land installment contract        | 487 |
| may agree to terms contrary to any provisions in section 5313.02 | 488 |
| or 5313.021 of the Revised Code, but only if both the vendor and | 489 |
| the vendee are each separately represented by an attorney        | 490 |
| licensed to practice law in this state.                          | 491 |
| Sec. 5313.031. No interest on a land installment contract        | 492 |
| shall be more than two per cent above the treasury bill rate for | 493 |
| loans of the same maturity on the date of the contract.          | 494 |
| Sec. 5313.04. (A) Upon the failure of any vendor to comply       | 495 |
| with Chapter 5313. of the Revised Code, the vendee may enforce   | 496 |
| such provisions in a municipal court, county court, or court of  | 497 |
| common pleas. Upon the determination of the court that the       | 498 |
| vendor has failed to comply with these provisions, the court     | 499 |
| shall grant appropriate relief, which shall include relief       | 500 |
| described in division (B) of this section.                       | 501 |
| (B) A court shall award a vendee who is successful in an         | 502 |
| action against a vendor for violation of a provision of Chapter  | 503 |
| 5313. of the Revised Code both of the following:                 | 504 |
| (1) Money damages that include any of the following:             | 505 |
| (a) Two per cent of the principal amount of the contract         | 506 |
| <u>debt;</u>   | 507 |
| (b) Equity in the property;                                      | 508 |
| (c) Return of all moneys paid by vendee.                         | 509 |
| (2) Court costs and reasonable attorney fees.                    | 510 |
| (C) A court may also grant an injunction, order specific         | 511 |
| performance, or other relief, including rescission of the        | 512 |

as presented in this act.

513 <u>contract.</u> (D) Nothing in this section shall prevent a vendor or 514 vendee from settling disputes through mediation or arbitration. 515 Sec. 5313.12. For purposes of Chapter 5313. of the Revised 516 Code, land installment contracts shall be considered loans 517 secured by an interest in real property, in which the "Truth in 518 Lending Act, " 82 Stat. 146, 15 U.S.C. 1602, applies. 519 Section 2. That existing sections 1343.01, 3781.10, 520 5313.02, and 5313.04 of the Revised Code are hereby repealed. 521 Section 3. Section 5313.02 of the Revised Code is 522 presented in this act as a composite of the section as amended 523 by both Sub. H.B. 95 and Am. Sub. H.B. 473 of the 119th General 524 Assembly. The General Assembly, applying the principle stated in 525 division (B) of section 1.52 of the Revised Code that amendments 526 are to be harmonized if reasonably capable of simultaneous 527 operation, finds that the composite is the resulting version of 528

the section in effect prior to the effective date of the section

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529 530