

With one of the state's highest foreclosure rates during the housing crisis, Montgomery County will be eligible to apply for more than \$4 million in **demolition funds** for vacant properties, the Ohio Attorney General's Office announced Friday.

The **funds** come from a pot of \$75 million set aside from the state's share of the national mortgage settlement for foreclosure abuse with the largest mortgage servicers. Ohio's total share of the \$25 billion settlement is \$335 million.

It was said at the time the national settlement was announced in February that Attorney General Mike DeWine's office planned to devote some of Ohio's money for **demolition**. Indications were counties with land banks in place have an advantage for funding because established land banks have revenue streams to match the grants.

Montgomery County had about 30,800 vacant residential properties in 2010, according to the U.S. Census Bureau.

"One of the biggest things holding this state back from moving forward is the vast number of abandoned and vacant homes littering Ohio. They are blight on our communities, rotting them from the inside out. Our new grant program will help free our neighborhoods — urban and rural, alike — from the blight that is paralyzing them," DeWine said in a statement.

Each county is eligible for a certain amount based on its number of foreclosure filings from 2008 to 2011, the time frame of the legal settlement. The state office will require matches by local counties for amounts more than \$500,000. A lead entity, a local government or land bank, can apply between May 4 and June 30.

Grants awarded for **demolition** must be used by the end of 2013.

"Every county in Ohio was affected by the unfair and deceptive foreclosure practices by the largest mortgage servicers," according to spokesman Mark Moretti of DeWine's office. "The application process helps ensure that communities are taking a strategic look at their **demolition** plans and that the **funds** will achieve their maximum effect."

Montgomery County plans to apply, said Carolyn Rice, Montgomery County treasurer and chair of the county's land bank.

"It will actually be a huge help to demolish them and clear the way so the remaining properties can hopefully stabilize the neighborhood," Rice said. "This is an opportunity we would not have had if not for that settlement."

A county land bank, or County Land Reutilization Corp., is a quasi-public, nonprofit organization that can acquire vacant, abandoned, tax-foreclosed or other real property for rehabilitation and reuse.

A land bank can acquire properties cleared of all liens, including delinquent property taxes. Land banks often are funded by penalties paid on delinquent property taxes.

Montgomery County commissioners approved the formation of a land bank in July of 2011. It will acquire its first properties this month, Rice said.

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