

99.840 Distribution of sale proceeds -- Delivery of deed to purchaser -- Report to court and interested parties. (Effective January 1, 2022)

- (1) If the proceeds of the sale are insufficient to pay all existing liens, claims, and encumbrances, the proceeds shall be distributed according to the priorities set out in subsection (2) of this section and all unpaid liens, claims, or encumbrances which have not been assumed under subsection (2) of this section shall be extinguished.
- (2) The proceeds of the sale shall be applied in accordance with the following priorities to:
 - (a) Costs and expenses of sale;
 - (b) State and local government tax liens, unless priority is waived by a local government in accordance with KRS 99.835;
 - (c) Principal and interest on any borrowing or incurrence of indebtedness granted priority over existing liens and security interests under KRS 99.820;
 - (d) Costs of rehabilitation;
 - (e) Properly recorded local government code enforcement liens existing pursuant to KRS 65.8835;
 - (f) Other valid liens and security interests in accordance with their priority;
 - (g) The owner; and
 - (h) If the owner cannot be located, any proceeds from the sale which belong to the owner shall be presumed to be abandoned and unclaimed and shall be subject to the custody and control of the Commonwealth.
- (3) Following confirmation of the sale by the court, the conservator shall execute and deliver a deed within ten (10) days conveying title to the property to the purchaser free and clear of all existing liens, claims, and encumbrances in accordance with this section and KRS Chapter 132.
- (4) As soon as reasonably possible following delivery of the deed to the purchaser, the conservator shall submit to the court and all parties in interest a report of sale in which the conservator certifies all of the following:
 - (a) That the sale was conducted in accordance with the order authorizing the sale;
 - (b) The date of the sale;
 - (c) The name of the purchaser;
 - (d) The purchase price;
 - (e) The amount of the net proceeds of the sale;
 - (f) A copy of the closing statement, if a closing statement was prepared; and
 - (g) Any other information that the court may require.

Effective: January 1, 2022

History: Created 2021 Ky. Acts ch. 166, sec. 13, effective January 1, 2022.