

1 AN ACT relating to real property purchased at a master commissioner's sale.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 91.514 is amended to read as follows:

4 (1) **(a)** Upon the confirmation of the sale by the court and the expiration of the right
5 of redemption provided in KRS 91.511, the title to any real estate purchased
6 from the master commissioner pursuant to KRS 91.481 to 91.527 shall vest in
7 the purchaser.

8 **(b)** The title of the real estate shall be an absolute estate in fee simple, subject to
9 rights-of-way of public utilities on which tax has been otherwise paid and
10 subject to any right of redemption of the United States of America~~[, if any]~~.

11 **(c)** All persons, including the Commonwealth of Kentucky, infants,
12 incompetents, absentees, and nonresidents who may have had any right, title,
13 interest, claim or equity of redemption in or to, or lien upon the land shall be
14 barred of all right, title, interest, claim, lien or equity of redemption, and the
15 court shall order that immediate possession of the real estate be given to the
16 purchaser. Any person so barred shall thereafter have as his ***or her*** exclusive
17 remedy a claim for a share of the proceeds of the sale of the real estate by the
18 master commissioner.

19 (2) The title shall be subject to the liens of any tax bill which may have attached to the
20 parcel of real estate prior to the time of the filing of the petition affecting the parcel
21 of real estate not then delinquent, or which may have attached after the filing of the
22 petition and prior to the expiration of the period provided for redemption and not
23 including any answer to such petition.

24 (3) If the parcel of real estate is sold to the city or to a land bank authority created
25 pursuant to KRS 65.350 to 65.375, the title shall be free of any liens to the extent of
26 the interest of any taxing authority in any such real estate.

27 (4) The title shall not be subject to the lien of special tax bills which have attached to

1 the parcel of real estate but the lien of the special tax bill shall attach to the
2 proceeds of the master commissioner's sale or to the proceeds of the ultimate sale of
3 the parcel by the city.

4 (5) Failure of any party other than the purchaser to follow the procedures set out in
5 KRS 91.484 to 91.527 shall not affect the vesting of title in the purchaser.

6 **(6) (a) Any purchaser under this section who obtains title to real property that has**
7 **been legally occupied at any time in the three (3) years preceding the vesting**
8 **of title to the purchaser under subsection (1) of this section shall return the**
9 **property to a state of occupancy no later than eighteen (18) months**
10 **following the vesting of title.**

11 **(b) As used in this subsection, "state of occupancy" includes but is not limited**
12 **to:**

13 **1. Actual occupancy of the property by the purchaser or by a lessee**
14 **pursuant to a rental agreement for no less than twelve (12) months;**

15 **and**

16 **2. Securing a certificate of occupancy meeting the requirements of the**
17 **Uniform State Building Code issued by the building official, inspector,**
18 **or other code enforcement personnel of the city, county, charter**
19 **county, consolidated local government, unified local government, or**
20 **urban-county government where the property is located; and**

21 **a. Publicly listing the property for rent or sale for a reasonable**
22 **value or price in keeping with other rental property or property**
23 **for sale in the area; and**

24 **b. Keeping the property on the market for rent or sale until rented**
25 **or sold for immediate occupancy.**

26 **(c) Failure to comply with the provisions of this subsection shall result in a fine**
27 **in the amount of one hundred dollars (\$100) per day for each day of**

1 *violation payable to the chief financial officer of the city, county, charter*
2 *county, consolidated local government, unified local government, or urban-*
3 *county government responsible for issuing any certificate of occupancy for*
4 *the property and may result in an order of sale of the property under KRS*
5 *426.205.*