AN ACT relating to judicial sales.

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

➔Section 1. KRS 426.522 is amended to read as follows:

(1) If real or personal property is sold at public sale under any order or decree of any court in this state, then the court under whose jurisdiction the sale is to be made may secure the services of an auctioneer licensed in this state to conduct the public sale, fix the auctioneer's fee, and order the fee to be paid out of the proceeds of the sale. The fee:

(a) When the sale is the result of a foreclosure process initiated upon the request of a creditor or mortgage holder:

1. Shall not exceed ***ten percent (10%)***~~[six percent (6%)]~~ of the sale price on sales of real property***, which may be an auction premium or commission charged to the sale of the property***; and

2. Shall not exceed ***twenty-five percent (25%)***~~[twenty percent (20%)]~~ of the sale price on sales of personal property***. Notwithstanding this subparagraph, the fee for sales of personal property may include an additional auction premium of up to ten percent (10%) of the sale price***;

(b) In the instance of any other court-ordered or ***court***-decreed sale of real or personal property,~~[the fee paid the auctioneer]~~ shall be agreed upon between the auctioneer and the person making the request; and

(c) Shall not include the fees and expenses provided for by rule of the Supreme Court under KRS 31A.010(4) that are incurred by the master commissioner for the sale.

(2) Upon the request of the creditor or mortgage holder, when property is ordered to be sold by a court**,** the master commissioner, as described in KRS Chapter 31A, shall employ a licensed auctioneer to handle the sale upon terms and conditions

acceptable to the creditor or mortgage holder.

(3) If real property is sold at a public sale conducted by a licensed auctioneer, then the sale shall be conducted on the site of ***the*** real property to be sold. ***Notwithstanding this subsection, the sale may be conducted at another location in the county in which the real property is located if the licensed auctioneer determines that is the best site for the sale.***

(4) If the master commissioner is also a licensed auctioneer, then the master commissioner shall not receive any extra fee for acting as an auctioneer, but shall receive fees in his or her capacity as master commissioner or special commissioner under KRS 31A.010(4).

(5) ~~[Nothing contained in]~~This section shall ***not*** waive any provision of KRS 426.160, 426.200, or 426.560.

(6) Nonforeclosure sales shall be conducted in a manner agreed to by the master commissioner or plaintiff and the auctioneer.

➔Section 2. KRS 382.110 is amended to read as follows:

(1) All deeds, mortgages**,** and other instruments required by law to be recorded to be effectual against purchasers without notice, or creditors, shall be recorded in the county clerk's office of the county in which the property conveyed, or the greater part ***of the property conveyed*** ~~[thereof]~~, is located.

(2) ***A*** ~~[No]~~ county clerk or deputy county clerk shall ***not*** admit to record any deed of conveyance of any interest in real property equal to or greater than a life estate~~[,]~~ unless the deed plainly specifies and refers to the immediate source from which the grantor derived title to the property or the interest conveyed ***in the deed*** ~~[therein]~~.

(3) ***(a)*** An authentic photocopy of any original record may be certified~~[,]~~ as a true, complete, unaltered copy of the original record on file by the official public custodian of the record.

(b) A certified copy of a document~~[certified by the official public custodian of~~

~~that document]~~ may be submitted for filing in any other filing officer's jurisdiction as though it were the original record. However, ***a***~~[no]~~ county clerk or deputy county clerk shall ***not*** accept for filing any original document or certified copy of any document unless the original document and its certified copy ***conform***~~[conforms]~~ to all statutory requirements for filing the document under KRS Chapter 382.~~[The provisions of]~~

(c) This subsection shall apply only to a record generated and filed in Kentucky, and only if the certified copy ***of the record***~~[thereof]~~ is to be utilized in Kentucky. If the record is a foreign record or a Kentucky record to be filed or utilized in a foreign jurisdiction, then this subsection shall not apply and applicable federal, Kentucky, or foreign law shall apply.

(4) If the source of title is a deed or other recorded writing, the deed offered for record shall refer to the former deed or writing, and give the office, book**,** and page where recorded, and the date ***of recording***~~[thereof]~~. If the property or interest ***in the property***~~[therein]~~ is obtained by inheritance or in any other way than by recorded instrument of writing, the deed offered for record shall state clearly and accurately how and from whom the title ***to the property or interest***~~[thereto]~~ was obtained by the grantor.

(5) If the title to the property or interest conveyed is obtained from two (2) or more sources, the deed offered for record shall plainly specify and refer to each of the sources in the manner provided in subsections (2) and (4) ***of this section***, and shall show which part of the property, or interest ***in the property***~~[therein]~~, was obtained from each of the sources.

(6) ***A***~~[No]~~ grantor shall ***not*** lodge for record, and ***a***~~[no]~~ county clerk or deputy shall ***not*** receive and permit to be lodged for record, any deed that does not comply with~~[the provisions of]~~ this section.

(7) ***A***~~[No]~~ clerk or deputy clerk shall ***not*** be liable ***for***~~[to]~~ the fine imposed by

subsection (1) of KRS 382.990 because of any erroneous or false references in any~~[such]~~ deed, nor because of the omission of a reference required by law where it does not appear on the face of ***the***~~[such]~~ deed that the title to the property or interest conveyed was obtained from more than one (1) source.

(8) This section does not apply to deeds made by any court commissioner, sheriff**,** or by any~~[officer of]~~ court ***officer*** in pursuance of his ***or her*** duty as ***a court***~~[such]~~ officer, nor to any deed or instrument made and acknowledged before March 20, 1928. ***A***~~[No]~~ deed shall ***not*** be invalid because it is lodged contrary to~~[the provisions of]~~ this section.

(9) A mortgage holder shall file a deed in lieu of foreclosure in the county clerk's office of the county in which the property conveyed, or the greater part ***of the property conveyed***~~[thereof]~~, is located, no later than forty-five (45) days after the date the deed in lieu of foreclosure is executed.

(10) ***(a)*** A deed filed pursuant to KRS 426.577 shall be filed by the grantee within five (5) business days of receipt of the deed from the commissioner appointed by a court to convey the property.

(b) If the property is located within the boundaries of a municipal government and the grantee has not filed the deed from the commissioner within thirty (30) business days of its receipt, the municipal government may file a petition in the Circuit Court of the county where the property is located requesting the court to enter an order:

1. Compelling the filing of the deed by the grantee; and

2. Awarding court costs and attorney's fees incurred in bringing the petition.