

**James H. Frazier, III, Master Commissioner
Fayette Circuit Court**

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BIDDER INFO / FAQ's

(1) Is there a list of pending foreclosure cases or of upcoming sales?

There is no list of pending cases or of upcoming sales other than those shown on the link to Upcoming Sales . When a property is referred to the commissioner's office for sale, the property is appraised and a sale date assigned; it is then posted to this web site. In addition, the sale is advertised in the Lexington Herald-Leader not less than seven days nor more than 21 days before the date of the sale. That notice appears in the classified section normally on Fridays under Commissioner's Sale.

(2) Can I purchase the property before the sale?

Yes, but only the owner(s) can sell. The lien holder or mortgage company who brought the action do not own or have title to the property and as such does not have the authority to sell it.

(3) Cash or Credit?

At the time of sale the purchaser has the option of either (1) paying the full price or (2) if paying at least 10% of the purchase price with the right to pay the balance in thirty (30) days. If the purchaser elects to pay less than the full price, they must sign a bond and provide surety at time of sale (see next question).

The bond shall bear interest on the unpaid balance at the rate the judgment bears, from the date of sale until paid in full, and shall have the force and effect of a judgment. The bond interest rate charged on any unpaid balance is listed for each case shown in Upcoming Sales. In the event of an exception or objection to the sale, interest will be abated until ruled upon by the Court. A claim for delinquent taxes does not abate interest.

The commissioner will only accept personal checks and certified funds for all payments due the master commissioner's office. NO CASH WILL BE ACCPETED. Checks should be made payable to "Master Commissioner Fayette Circuit Court". You will be required to have your check completely filled out, staff will not fill out for you.

(4) What do "bond" and "surety" mean?

The law requires that any purchaser who, at the time of sale, pays less than the full amount of the successful bid must sign a "bond" (on a form prepared and supplied by the commissioner) to pay the balance and provide surety for that bond. A "surety" may either be a person, bank, or other entity who agrees unconditionally to pay the balance due should the purchaser, for whatever reason, fail to pay in full within thirty (30) days. Most prospective bidders and purchasers, prior to the sale, make arrangements with a bank for the issuance of an unconditional and irrevocable official Letter of Credit (which serves as "surety") which is to be faxed to the commissioner on the date of sale, with the original to follow. Please note that a loan commitment will not be sufficient, only a Letter of Credit from a bank will suffice.

Other person(s) or entities, who are Kentucky residents, may also act as sureties, but only if they are present at the time of sale and prepared to furnish the commissioner a sworn financial statement (on a form supplied by the commissioner) which shows a net worth of at least 2 ½ times the sale price. If a married individual intends to act as surety, their spouse must also sign. Despite the net worth shown, the commissioner has the right and discretion to reject any proposed surety for any reason.

Should a purchaser fail to furnish a surety, the commissioner will report that failure to the court for appropriate action. This may include a resale of the property and a judgment against the original purchaser for any difference in resale value, as well as the court costs incurred as a result of the resale.

[Click here for Affidavit of Surety For Sale Bond](#)

[Click here for Sample Bank Credit Letter](#)

(5) Can I see or inspect the property before the sale?

The owner(s) or the occupants of the property are the only persons able to give permission to prospective bidders, but they are under no obligation to do so. If you can get permission or entry from them, then you may inspect the property, but the commissioner's office cannot assist in this process. Other information regarding the property may be found at the Property Valuation Administrator's office or at its Web Site at www.FayettePVA.com.

Master Commissioner Sales are "Buyer Beware" Sales. The Property is sold "As Is" "Where Is." The condition of the property is not warranted by the Court, by the Master Commissioner, or by the Plaintiff. If you bid on property, you should have done your due diligence before you bid, not after!

(6) What does the amount to be raised mean?

That is the amount of any debt owed to the party seeking to satisfy their judgment debt and may or may not have anything to do with the value of the property. Nor is it necessary that the property sell for that amount. Regardless of the purchase price, all liens or claims of the parties in the case will be satisfied and released when the deed passes to the purchaser. Taxes are paid as noted in Question 10.

(7) Must the property bring a certain amount?

No, but prior to the sale, the commissioner is required to have two qualified persons appraise the property. Should the successful bid be less than two thirds (2/3) of that appraisal, the owner(s) of the property have six (6) months in which to reclaim or redeem the property by paying into court the bid amount plus an additional 10% per annum interest and any reasonable costs incurred. Please refer to KRS 426.530 for additional information. Upon such payment, and the Circuit Court's approval, the commissioner will convey the property to the former owner(s), their successors, or assigns.

(8) Can a sale be canceled?

Yes and they frequently are, but as soon as the commissioner's office is notified of the cancellation, this Web site will be updated accordingly.

(9) Will I receive clear title?

The commissioner's office does not warrant or guarantee in any manner that the title is free and clear of encumbrances or defect. However, the purchaser or their attorney has 10 days after the sale to ascertain whether such conditions exist and to file their objections with the Court. If there are any such encumbrances or defects that cannot be resolved within a timely manner, the purchaser may ask that the sale be set aside and the purchase money refunded. Within that 10-day period a purchaser is strongly advised to seek the advice of an attorney regarding a title examination.

(10) Who pays the property taxes?

The purchaser shall be required to assume and pay all taxes or assessments upon the property for the current fiscal tax year (i.e. the amount that will be due thru June 30, 2021) and all subsequent years. All other delinquent taxes or assessments upon the property for prior years shall be paid from the sale proceeds if properly claimed in writing and filed of record by the purchaser, as explained in Question 9.

(11) When will I receive a deed and possession of the property?

The Master Commissioner after making the sale shall report his actions to the Court. Ten (10) days after the filing of that report, if no objections have been filed thereto and without motion, the sale shall be deemed confirmed (RFCC 26 B-5). The purchaser is entitled to possession of the property after confirmation.

An Order confirming the sale (with sufficient copies, see RFCC 19) may be submitted to the Master Commissioner ten (10) days after filing of the Report of Sale, but due to the time allowed the parties and purchaser to object to the sale or to satisfy themselves that the title is free and clear of defects and of the time needed to secure the necessary Court orders, it may take 5-6 weeks before a deed is prepared and ready for delivery.

Even though a deed will not immediately be delivered to a purchaser, they have an equitable and insurable interest in the property and are urged to immediately secure an insurance policy on the property for its full value.

(12) What if somebody is currently living there?

In most cases, the residents voluntarily leave before a deed is given to the successful bidder. Should they then refuse to vacate, the purchaser will need to obtain an order from the Circuit Court ordering them to vacate.

(13) Information regarding CR 4.11

[CR 4.11 BOND - Click to view](#)

[CR 4.11 BOND MEMO - Click to view](#)

(14) Provide the completed Purchaser Info Sheet at time of sale if you are the successful bidder.

[Purchaser Info Sheet \(PDF download\)](#)

(15) ONLINE FORECLOSURE AUCTION REQUIREMENTS

In order to comply with the orders of the Fayette Circuit Court, the Commissioner will sell the property described in the following action on the date shown below at the hour of 12:00 noon in the ROBERT F. STEPHENS COURTHOUSES, FAYETTE CIRCUIT COURT BUILDING, 120 NORTH LIMESTONE, Lexington, Kentucky, or, at the Master Commissioner's discretion, pursuant to Local Rule 26 B as amended **per General Order filed June 18, 2020, via an online auction**, at a time and auction website to be advertised by or at the direction of the Master Commissioner. Said property shall be sold to raise the amounts hereinafter set forth, together with interest and the costs of the action, and upon the (unless otherwise indicated) following terms and conditions.

(A) At the time of sale the successful bidder shall either pay cash or make a deposit of 10% of the purchase price with the balance on credit for thirty (30) days. **In the event the successful bidder desires or elects to credit the balance, he or she will be required to post bond and furnish an acceptable surety thereon.** Said bond shall be for the unpaid purchase price and bear interest at the rate the judgement bears, from the date of sale until paid in full, and shall have the force and effect of a judgement. The bond interest rate charged on any unpaid balance is listed for each case shown in Upcoming Sales.

(B) The purchaser shall be required to assume and pay all taxes or assessments upon the property for the current fiscal tax year (i.e. the amount that will be due thru June 30, 2021) and all subsequent years. All other delinquent taxes or assessments upon the property for prior years shall be paid from the sale proceeds if properly claimed in writing and filed of record by the purchaser within ten (10) days from the date of sale.

(C) The property shall otherwise be sold free and clear of any right, title and interest of all parties to the action and of their liens and encumbrances thereon, excepting easements and restrictions of record in the Fayette County Court Clerk's Office and such right of redemption as may exist in favor of the United States of America or the defendant(s).

In order to participate in a Fayette County Master Commissioner online foreclosure auction, you will need to go to www.KentuckyMCSales.com, click on "Upcoming Sales" at the top of the page, click on Login/New Bidder at the top of that page, and create an account. Once you have created an account, you will then need to Register to Bid on the Master Commissioner sale(s).

DOCUMENTATION AND PAYMENT REQUIREMENTS:

All buyers will need to bring into the Master Commissioner's office the day following the sale:

- (1) Payment in full of the purchase price or
- (2) 10% deposit and Proof of surety – either provide
- (3) a completed Purchaser Info. Sheet (see link in Section 14 above)

*Personal Checks and Certified funds will be required from all buyers – ****no cash will be accepted****.

*Checks should be made **payable to "Master Commissioner Fayette Circuit Court"**. You will be required to have your check completely filled out, staff will not fill out for you.

The time buyers will be allowed to come into the Master Commissioners office will be listed on www.kentuckymcsales.com under Terms & Conditions.

A) an Unconditional/Irrevocable Letter of Credit from your bank for the balance of the purchase price ****a loan pre-approval or statement of funds is not sufficient****, or

B) a completed Affidavit of Surety. If using an Affidavit of Surety, that person must accompany you to our office to sign the sale bond form and must show a net worth of 2 ½ times the sales price. (i.e. sales price is \$100,000, surety's net worth must be \$250,000).

If you need a different time than designated under the Terms & Conditions, please contact the office at 859-246-2127 and we will attempt to accommodate your needs.

Only the buyer(s) and their surety will be allowed in the Master Commissioner's Office - please do not bring friends/family/children with you.

Successful bidders should contact Della at della@faycom.info or 859-246-2127 prior to arriving at the office with any questions regarding the sale.

You will be required to wear a mask at all times while in the office building and while you are in the commissioner's office.

You will need to provide your own ink pen to sign the Bond form or any other needed documents.

Please wait in the hallway outside the commissioner's office until you are asked to come in.

Please practice social distancing and maintain 6 feet between yourself and any other people.

Commonwealth of Kentucky • Master Commissioner

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