

60-1009. Same; application of proceeds. Upon the sale of personal property by the sheriff under this act, the clerk of the court shall apply the proceeds of sale in the following priority: (a) To the court costs of the action including the sheriff's expenses and cost of publication;

(b) in accordance with the provisions of K.S.A. 60-2406, and amendments thereto;

(c) in satisfaction of all judgments rendered in the action against the defendant or the property in accordance with the priority determined by the court;

(d) any surplus shall be paid to the debtor-defendant, except that if any other security interest holder has, subsequent to the entering of the judgment of foreclosure, filed with the clerk of the court a written notification of demand furnishing reasonable proof of the security interest holder's interest, the clerk shall withhold any payment to the debtor-defendant. Such security interest holder must serve the debtor-defendant with notice of such demand within 14 days after such filing and furnish proof of such notice to the court.

If the debtor-defendant does not notify the clerk in writing within 14 days that the debtor-defendant takes exception to the demand of said security interest holder, the clerk shall apply said surplus to the said demand and pay any balance to the debtor-defendant.

If the debtor-defendant does notify the clerk in writing within 14 days that the debtor-defendant takes exception to the demand, the clerk shall withhold all surplus for a period of 30 days. If the security interest holder has not commenced a separate action to recover the holder's claim and garnished the clerk within such time, the clerk shall pay the surplus to the debtor-defendant.

History: L. 1973, ch. 236, § 4; L. 2010, ch. 135, § 171; July 1.