

367.4774 Maintenance fees on Kentucky recreational and retirement use land.

- (1) For any recreational and retirement use land physically located in this state, maintenance fees paid shall be held in trust by the seller of recreational and retirement use land for the benefit of the owners of individual interests. The fees shall be deposited into a separate account in a financial institution authorized to conduct business in this state. For purposes of this section, "financial institution" means a federally chartered bank, a state chartered bank, or a federally chartered savings and loan association. If any agent is designated by the seller of recreational and retirement use land to collect maintenance fees, both the seller and the agent shall be trustees of the funds collected.
- (2) The maintenance fees shall be used only for the maintenance, care, and security of the development. The Attorney General shall be entitled to demand and inspect the records necessary to verify compliance with this statute.
- (3) Nothing in this section shall be construed to limit the right of the seller of recreational and retirement use land from assigning for collection purposes only any maintenance fees which are more than sixty (60) days delinquent if:
 - (a) The assignee for collection purposes receives no more than thirty-five percent (35%) of the delinquent fees collected; and
 - (b) The assignee for collection purposes is not owned or controlled by the seller of recreational and retirement use land.

Effective: July 14, 1992

History: Created 1992 Ky. Acts ch. 209, sec. 2, effective July 14, 1992.