

**78B-6-1220 Proceeds of sale of encumbered property -- Disposition of.**

The proceeds of the sale of encumbered property shall be applied under the direction of the court, as follows:

- (1) to pay its just proportion of the general costs of the action;
- (2) to pay the costs of the reference;
- (3) to satisfy and cancel all recorded liens in their order of priority, by payment of the sums due and to become due; the amount due to be verified by affidavit at the time of payment;
- (4) the residue among the owners of the property sold according to their respective shares therein.

Renumbered and Amended by Chapter 3, 2008 General Session