

Part 1 Sales of Trust Lands

53C-4-101 Criteria for sale, lease, exchange, or other disposition of trust lands.

- (1)
 - (a) The director shall establish criteria by rule for the sale, exchange, lease, or other disposition or conveyance of trust lands, including procedures for determining fair market value of those lands.
 - (b)
 - (i) Nothing in this title or in the administration's rules and procedures shall be considered to require the director or the administration to execute any transaction for the disposition of trust lands on terms that the director determines by a written finding to be unfavorable to the beneficiaries.
 - (ii) The director shall send a copy of the written finding to each board member for review and comment.
- (2) The governor, with the consent of the board, may participate in efforts and initiatives related to school and institutional trust lands inholdings.

Amended by Chapter 247, 2011 General Session

53C-4-102 Sale of trust lands -- Fair market value -- Determination of sale -- Advertising proposed sales -- Sale procedures -- Defaults.

- (1) Trust lands may not be sold for less than the fair market value.
- (2)
 - (a) The director shall determine whether disposal or retention of all or a portion of a property interest in trust lands is in the best interest of the trust.
 - (b) When it is determined that the disposal of an interest in trust lands is in the best interest of the applicable trust, the transaction shall be accomplished in an orderly and timely manner.
- (3) The director shall advertise any proposed sale, lease, or exchange of an interest in trust lands in a reasonable manner consistent with the director's fiduciary responsibilities.
- (4)
 - (a) Any tract of trust land may be subdivided and sold, leased, or exchanged in accordance with a plan, contract, or other action designating the land to be subdivided that is approved by the director.
 - (b) The director may survey the tract and direct its subdivision.
 - (c) A plat of the survey shall be filed with the county recorder of the county in which the land is located and with the administration.
- (5) Sale conditions, including qualification of prospective purchasers, shall be in accordance with accepted mortgage lending and real estate practices.
- (6) Upon the sale of land, the director shall issue to the purchaser a certificate of sale which describes the land purchased and states the amount paid, the amount due, and the time when the principal and interest will become due.
- (7) Upon payment in full of principal and interest and the surrender of the original certificate of sale for any tract of land sold, payment in full of any amounts required to be paid for the partial release of property, or acceptance of appropriate conveyance documents in satisfaction of a land exchange, the governor, or the governor's designee, shall issue a patent to the purchaser, heir, assignee, successor in interest, or other grantee as determined by the director.

- (8)
- (a) If a purchaser of trust lands defaults in the payment of any installment of principal or interest due under the terms of the contract of sale, the director shall notify the purchaser that if the default is not corrected within 30 days after issuance of the notice the director shall proceed with any remedy which the administration may pursue under law or the contract of sale.
 - (b) The notice shall be sent by registered or certified mail to the purchaser at the latest address as shown by the records of the administration.
 - (c) If the default is not corrected by compliance with the requirements of the notice of default within the time provided by the notice, the director may pursue any available remedy under the contract of sale, including forfeiture.
 - (d) If forfeited lands are sold again to the same purchaser, the sale may be made by a new and independent contract without regard to the forfeited agreement.

Amended by Chapter 247, 2011 General Session

**53C-4-103 Rulemaking for sale of real property -- Licensed or certified appraisers --
Exceptions.**

- (1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, if the administration buys, sells, or exchanges real property, the administration shall make rules to ensure that the value of the real property is congruent with the proposed price and other terms of the purchase, sale, or exchange.
- (2) The rules:
 - (a) shall establish procedures for determining the value of the real property;
 - (b) may provide that an appraisal, as defined under Section 61-2g-102, demonstrates the real property's value; and
 - (c) may require that the appraisal be completed by a state-certified general appraiser, as defined under Section 61-2g-102.
- (3) Subsection (1) does not apply to the purchase, sale, or exchange of real property, or to an interest in real property:
 - (a) that is under a contract or other written agreement before May 5, 2008; or
 - (b) with a value of less than \$100,000, as estimated by the state agency.

Amended by Chapter 289, 2011 General Session