

1st Sub. S.B. 22

FORECLOSURE OF RESIDENTIAL RENTAL PROPERTY

Representative **R. Curt Webb** proposes the following amendments:

1. *Page 4, Line 108 through Page 5, Line 121:*

- 108 (a) "Bona fide residential rental agreement" means an agreement, for a property
- 109 secured by a trust deed:
- 110 (i) that was the result of an arm's-length transaction;
- 111 (ii) established before:
- 112 (A) the trustee records a notice of default for the property under Section 57-1-24; or
- 113 (B) the trustee or beneficiary files an action to foreclose the trust property under Title
- 114 78B, Chapter 6, Part 9, Mortgage Foreclosure;
- 115 (iii) that provides an individual the right to exclusive use and occupancy of the
- 116 residential property:
- 117 (A) on an at-will basis; or
- 118 (B) for a period specified by the agreement **that is no longer than twelve months** ; and
- 119 (iv) that requires the individual to pay rent in an amount that:
- 120 (A) is not substantially less than fair market rent for the property; or
- 121 (B) is less than fair market rent due to a federal, state, or local subsidy.

2. *Page 8, Lines 229 through 240:*

- 229 (a) "Bona fide residential rental agreement" means an agreement, for a property
- 230 secured by a mortgage:
- 231 (i) that was the result of an arm's-length transaction;
- 232 (ii) established before the filing of an action to foreclose the mortgage under Part 9,
- 233 Mortgage Foreclosure;
- 234 (iii) that provides an individual the right to exclusive use and occupancy of the
- 235 residential property:
- 236 (A) on an at-will basis; or
- 237 (B) for a period specified by the agreement **that is no longer than twelve months** ; and
- 238 (iv) that requires the individual to pay rent in an amount that:
- 239 (A) is not substantially less than fair market rent for the property; or
- 240 (B) is less than fair market rent due to a federal, state, or local subsidy.