

**Representative R. Curt Webb** proposes the following substitute bill:

**NONJUDICIAL FORECLOSURE OF TRUST DEEDS**

2011 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: R. Curt Webb**

Senate Sponsor: Kevin T. Van Tassell

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**LONG TITLE**

**General Description:**

This bill modifies provisions relating to nonjudicial foreclosures of trust deeds.

**Highlighted Provisions:**

This bill:

- ▶ modifies a provision containing requirements for a notice of default relating to a nonjudicial foreclosure of a trust deed;
- ▶ requires the notice of default to include specified information; and
- ▶ makes technical changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**57-1-24**, as last amended by Laws of Utah 2001, Chapter 236

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*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **57-1-24** is amended to read:



26 **57-1-24. Sale of trust property by trustee -- Notice of default.**

27 [~~The power of sale conferred upon the~~] A trustee who is qualified under Subsection  
28 57-1-21(1)(a)(i) or (iv) may not [~~be exercised~~] exercise the power of sale conferred as provided  
29 in Section 57-1-23 until after:

30 (1) the trustee [~~first~~] files for record, in the office of the recorder of each county where  
31 the trust property or some part or parcel of the trust property is situated, a notice of default[;  
32 ~~identifying~~] that:

33 (a) identifies the trust deed by stating the name of the trustor named in the trust deed  
34 and giving the book and page, or the recorder's entry number, where the trust deed is recorded  
35 and a legal description of the trust property[~~, and containing~~];

36 (b) contains a statement that a breach of an obligation for which the trust property was  
37 conveyed as security has occurred, and setting forth the nature of that breach [~~and of~~];

38 (c) states the trustee's election to sell the property or cause [~~to be sold~~] the property to  
39 be sold to satisfy the obligation; and

40 [~~(2) not less than three months has elapsed from the time the trustee filed for record~~  
41 ~~under Subsection (1); and~~]

42 (d) includes information sufficient to enable the trustor to contact a local housing  
43 counseling agency approved by the United States Department of Housing and Urban  
44 Development; and

45 [~~(3)~~] (2) [after the lapse of at least three months] the trustee [~~shall give~~] gives notice of  
46 sale, as provided in Sections 57-1-25 and 57-1-26, following the lapse of at least three months  
47 from the time the trustee files a notice of default for record under Subsection (1).

# FISCAL NOTE

H.B. 379 1st Sub. (Buff)

SHORT TITLE: Nonjudicial Foreclosure of Trust Deeds

SPONSOR: Webb, R. C.

2011 GENERAL SESSION, STATE OF UTAH

STATE GOVERNMENT (UCA 36-12-13(2)(b))

Enactment of this bill likely will not materially impact the state budget.

LOCAL GOVERNMENTS (UCA 36-12-13(2)(c))

Enactment of this bill likely will not result in direct, measurable costs for local governments.

DIRECT EXPENDITURES BY UTAH RESIDENTS AND BUSINESSES (UCA 36-12-13(2)(d))

Enactment of this bill likely will not result in direct, measurable expenditures by Utah residents or businesses.