

Real Estate Recovery Fund

Department of Commerce 160 East 300 South PO Box 146741 Salt Lake City, Utah 84114-6741		Contact: Karen Post Program Administrator (801) 530-6747 kpost@br.state.ut.us	
Purpose of the Program		The fund is to reimburse the public for damages, up to \$10,000, which are incurred by defaulting real estate licensees. An amount of \$100,000 is to remain in the fund for the purpose of recovery, and the balance can be appropriated "...to provide revenue for improving the real estate profession through education and research with the goal of making real estate salesmen more responsible to the public." The Real Estate Education program is funded entirely from the balance in the restricted account in excess of the \$100,000. The revenue into the fund is realized from a fee in addition to the licensing fee which is paid by each person who applies for or renews a real estate principal broker, associate broker or sales agent license.	
Eligible Applicants		Any members of the public damaged by a real estate licensee in a real estate transaction who commit fraud, misrepresentation or deceit.	
Restrictions on Use of Assistance		Reimbursement of damages is limited to \$10,000 for a single transaction. Recovery from the fund may not include punitive damages, attorney's fees, interest, or court costs.	
Application Procedures		A person may bring a claim against the Real Estate Education, Research, and Recovery Fund only if he provides written notice to the Division of Real Estate at the time he files an action against a real estate licensee alleging fraud, misrepresentation, or deceit. Within 30 days of receipt of the notice, the Division shall have an unconditional right to intervene in the action. If the person making the claim against the fund obtains a final judgment in a court of competent jurisdiction in this state against the licensee based upon fraud, misrepresentation, or deceit in any real estate transaction, the person making the claim may, upon termination of all proceedings including appeals, file a verified petition in the court where the judgment was entered for an order directing payment from the Real Estate Education, Research, and Recovery Fund for the uncollected actual damages included in the judgment and unpaid.	
State Clearinghouse Coordination		N/A	
Application Deadline		A judgment expires in seven years if it is not renewed.	
Range and Average of Financial Assistance		May not exceed \$10,000 for a single transaction and \$50,000 for any one licensee.	
Source of Funds and Aid		Title 61 Chapter 2a - Real Estate Recovery Fund	
Matching Formula	Federal	N/A	
	State		
	Local		
	Applicant		
Post-Assistance Reports, Audits, etc.		N/A	