FOREWORD

The California Department of Real Estate (DRE) is extremely pleased to offer *A Guide to Understanding Residential Subdivisions in California* as a free resource for everyone who has an interest in California subdivisions. We hope that this guide will be useful as a resource to, and a practical and valuable tool for, subdivision developers and builders, consumers who are interested in purchasing a home in a subdivision, owners of homes and units in subdivisions, real estate lawyers, real estate licensees, land use planners and other regional subdivisions staff, our specialized subdivisions staff, and anyone else who might be interested in residential subdivisions.

DRE is the State entity which is responsible for enforcing the Subdivided Lands Act (SLA), which requires the qualification of subdivision offerings primarily for the protection of purchasers of homes in subdivided lands. That qualification process is accomplished through appropriate disclosures of material information to prospective subdivision homebuyers. The disclosures are made in a document called a "Public Report," which is developed and produced by DRE based on information submitted by the subdivision developers.

We have received numerous questions over the years concerning the mandate, operation, framework, application, and substantive and procedural requirements of the SLA, and wanted to provide answers to those questions in a clear, wide-ranging, and beneficial document. We believe that the authors of this guide, whom I wish to thank for their exceptional work, have met that goal and more. In addition to providing comprehensive, informative and easy-to-read materials on the SLA, there is important and significant information on common interest developments (in which millions of Californians reside), homeowner associations, the Subdivision Map Act (which is the California enabling statute under which cities and counties enact local laws controlling the "subdivision" of land within their jurisdictions), and a variety of other issues pertaining to residential subdivisions in California.

Because the DRE also oversees the California Real Estate Law and safeguards and promotes the public interests in real estate matters, we also wanted to develop, along with and in conjunction with the more comprehensive manual, a stand-alone *Residential Subdivision Buyer's Guide* that focuses entirely on subdivision issues for consumers. That document will be available as a separate resource manual for real estate consumers. We hope that consumers peruse *A Guide to Understanding Residential Subdivisions in California*, and read the *Residential Subdivision Buyer's Guide* and the DRE booklet entitled *Living in a Common Interest Development* (all of which will be available for no fee on DRE's website - www.dre.ca.gov) when considering the purchase of a home or unit in a residential subdivision in California.

In ending, I want to express my appreciation to all of those who contributed to the planning, research, writing, editing, and production of *A Guide to Understanding Residential Subdivisions in California* (and the specially consumer-focused *Residential Subdivision Buyer's Guide*), and my hope that each reader of the guide(s) will find something of value.

Wayne S. Bell

Real Estate Commissioner, State of California