
Section X

ISSUANCE AND USE OF PUBLIC REPORT

A. Reproduction of the Public Report

The single responsible party will be notified when the subdivision public report is ready for reproduction. If the SRP wishes to pick up the public report rather than to have it mailed, the public report can be made ready for pickup at the front counter at the district office.

- B. *Proof read the public report carefully!!*** If it is inconsistent with the application, with supporting documents and/or with current conditions affecting the subdivision, please communicate with the district office and *return the public report without reproducing any copies*. The report will be corrected, if appropriate, and returned to you as quickly as possible.

Reproduce the reports as follows:

- Reproduce as many copies as you anticipate needing for sales/marketing of the subdivision. Make all copies on 8-1/2 x 11 bond paper or on paper of comparable quality.
- Public reports and permits are to be reproduced on the appropriate color:
 - Final public reports White
 - Preliminary public reports Pink
 - Interim public reports Pink (front page only)
 - Conditional public reports Yellow
 - Permits..... White
 - Conditional permits Yellow
- All reproductions must use the same type-size as used on the original public report/permit.

C. Receipt for Public Report

The preliminary or interim public reports enable the subdivider to advertise the subdivision for sale, but only reservation agreements may be entered into, pursuant to the provisions of RE 612 and 612A. These reservations are not binding contracts and *all* reservation money must be refunded upon demand, without cause. (Regulation 2795)

Interests in a subdivision cannot be offered for sale or lease nor deposits accepted until a final or conditional public report is issued. A true copy of the public report must be given to prospective buyers and they must be given an opportunity to read it before a deposit is taken or an agreement of sale (aka deposit receipt) is executed.

A separate receipt on the form approved in Regulation 2795.1 must be taken from the prospective buyer by the owner, subdivider or agent showing that the buyer has received a copy of the public report and has read it before entering into a written offer to purchase or prior to making a reservation. Refer to Figure “G.”

If the interest offered is a lease or sublease, the purchaser shall also be given a copy of the original lease and all subsequent modifications, extensions and assignments thereof.

All receipts for public reports must be kept available by the subdivider or the subdivider’s representative/agent for inspection by the Commissioner (or his/her representative) *for a period of three years*.

D. Sale after Repossession by the Subdivider

Sale of a subdivision interest after its repossession by the owner, agent or subdivider shall be considered as an

original sale, and a copy of the public report must be given to the purchaser as in the case of the original sale. (Reference Business and Professions Code Section 11018.1.)

E. Advertising

The (Commissioner's) final subdivision public report shall not be used for advertising purposes unless the report is used in its entirety, nor shall any person advertise or represent that the Department of Real Estate or the Commissioner approves or recommends the subdivision project or sale thereof. No portion of the report shall be underscored, italicized or printed in large or heavier type than the balance of the report unless the true copy of the report furnished by the Commissioner is so emphasized.

Review of Regulation 2799.1 and Section 17530 et seq., Business and Professions Code is recommended.

F. Posting the Public Report

A copy of the public report must be posted prominently in any office where sales or leases are regularly made.

Section 11018.1 of the Business and Professions Code provides:

- (a) A copy of the public report of the commissioner, when issued, shall be given to the prospective purchaser by the owner, subdivider, or agent prior to the execution of a binding contract or agreement for the sale or lease of any lot or parcel in a subdivision. The requirement of this section extends to lots or parcels offered by the subdivider after repossession. A receipt shall be taken from the prospective purchaser in a form and manner as set forth in Regulations of the Real Estate Commissioner.
- (b) A copy of the public report shall be given by the owner, subdivider, or agent at any time, upon oral or written request, to any member of the public. A copy of the public report and a statement advising that a copy of the public report may be obtained from the owner, subdivider, or agent at any time, upon oral or written request, shall be posted in a conspicuous place at any office where sales or leases or offers to sell or lease lots within the subdivision are regularly made.

FIGURE "G"

SAMPLE PUBLIC REPORT RECEIPT

RECEIPT FOR PUBLIC REPORT

The Laws and Regulations of the California Real Estate Commissioner require that you as a prospective purchaser or lessee be afforded an opportunity to read the public report for this subdivision before you make any written offer to purchase or lease a subdivision interest or before any money or other consideration toward purchase or lease of a subdivision interest is accepted from you.

In the case of a preliminary or interim public report, you must be afforded an opportunity to read the public report before a written reservation or any deposit in connection therewith is accepted from you.

In the case of a conditional public report, delivery of legal title or other interest contracted for will not take place until issuance of a final public report. Provision is made in the sales agreement and escrow instructions for the return to you of the entire sum of money paid or advanced by you if you are dissatisfied with the final public report because of a material change. (See California Business and Professions Code Section 11012.)

**DO NOT SIGN THIS RECEIPT UNTIL YOU HAVE RECEIVED
A COPY OF THE PUBLIC REPORT AND HAVE READ IT.**

I read the Commissioner's Public Report on _____,
[FILE NUMBER]

TRACT NUMBER OR NAME]

I understand the public report is not a recommendation or endorsement of the subdivision, but is for information only.

The issue date of the public report which I received and read is: _____.

[SIGNATURE]

[DATE]

[ADDRESS]

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