

An owners' association may acquire inventory from individual time-share owners through foreclosure or in lieu of foreclosure. As long as that inventory does not include 11 or more time-share interests that someone acquired from the original recipient of a Public Report or its successor-in-interest, the association would not need a Public Report before marketing those interests. There may be occasions when an association has acquired inventory consisting of more than 11 time-share interests from the original recipient of the Public Report or its successor-in-interest and other inventory from individuals. The association would then need a Public Report only for those 11 or more time-share interests it acquired from the original recipient of the Public Report or its successor-in-interest.

An owners' association would be required to apply for a Public Report if a Public Report for the time-share project was never issued, the project consists of 11 or more time-share interests and the association intends to make sales in California. This may occur with respect to both in-state and out-of-state projects. In this case the source of the interests the association acquired is of no importance. A Public Report is required in any event.

Inducement to Out-of State Solicitation

If a California resident is solicited by any written or oral communication, except as provided in Section 11217 of the Code, from a source outside the State of California with the intent to induce that resident to attend a time-share plan sales presentation, and that time-share plan consists of 11 or more interests, then that time-share plan is subject to regulation under the Time-share Act of 2004.

Advertising

California law does not require that time-share advertising material be approved prior to use, whether the project is in or out-of-state. Regulation 2811 contains the specific advertising standards that must be adhered to by time-share developers within the meaning of Section 11245 of the Code..

Refer also to Sections 11245, 11283, 17500, 17537, 17537.1, 17537.2 and 17539.1 of the Business and Professions Code. Violations of advertising regulations are submitted to DRE Enforcement. Desist and Refrain Orders may be issued to control false, untrue or misleading advertising.

APPLICATION FORMS

- **Real Estate Form 668 – Timeshare Plan Instructions.** The instructions contained in this form are to be followed by all applicants. This form lists most Department of Real Estate forms that may be needed in filing for a Time-Share Plan Public Report.
- **Real Estate Form 668A –Notice of Intention Time-Share.** This Application is to be completed and submitted by all applicants for specific time-share interests in single-site or multi-site time-share plans.
- **Real Estate Form 668B. .Notice of Intention (Non-Specific Time-Share).** This Application is to be completed and submitted by all applicants for non-specific time-share interests. A separate RE668B must be submitted and fee paid for each location of a multi-site plan that include a non-specific time-share interest and which is not currently covered by a California public report.