

TIME-SHARE PLAN INSTRUCTIONS

RE 668 (Rev. 5/05)

GENERAL INFORMATION

- ❖ This is an application for a subdivision public report for a time-share plan.
- ❖ This application is required for a final public report.

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The following real estate forms are referenced by number and/or name in the instructions or in RE 668A or 668B.

350	Publications Request
600F	Time-Share Purchase Money Security/Instructions
600K	Time-Share Blanket Surety Bond
605	Subdivision Filing Fees
608s	Consent to Service of Process
611A	Planned Construction Statement
614B	Receipt for Public Report
619	Natural Hazards (Supplemental Questionnaire)
622H	Time-Share Public Report Preparation
623	Budget Worksheet
624B	Time-Share Common Facilities
624C	Special District and Special Assessment District
639	Supplemental Questionnaire (Common Interest Subdivision Conversion)
668A	Notice of Intention (Time-Share)
668B	Notice of Intention (Non-Specific Time-Share)
681	Budget Review Request

SPECIAL NOTE
CONDITIONAL PUBLIC REPORTS/PERMITS

Under California Business & Professions Code Section 11227(b), a person may sell or lease, or offer for sale or lease, time-share interest in a time-share plan pursuant to a conditional public report if, as a condition of the sale or lease, delivery of legal title or other interest contracted for will not take place until issuance of a final public report and other specified conditions are satisfied. Section 11227(g) requires a developer or principal to provide a prospective purchaser with a copy of the conditional public report and a written statement with certain specified information.

Section 11227(h) provides that the term of a conditional public report shall not exceed six months, but the report may be renewed for one additional six-month period if the Commissioner determines that the requirements for issuance of a public report are likely to be satisfied during the renewal term.

In addition to the items required for a final public report, an applicant for a conditional public report should submit:

- (a) the required fee;
- (b) a statement identifying the information required for issuance of the final public report which is not to be available when the conditional public report is issued and specifying why that information will not be available at the time of issuance of the conditional public report; and
- (c) exemplar sales agreements and escrow instructions designed for use in sales conducted under authority of the conditional public report.

I. Who Must Apply

This form must be filed and a public report obtained by the developer before offering for sale or lease in California any eleven or more interests in a time-share plan. See Section 11210 et seq. of the Business and Professions Code for further details.

II. The Application (RE 668's)

A. Brief description of RE 668A and 668B.

RE 668A is required for a *single-site time-share plan* as defined in B&P Code Section 11212(z)(1) and *specific time-share interest in a multi-site time-share plan* as defined in B&P Code Section 11212(z)(2)(A).

RE 668B is required for a *non-specific time-share interests in a multi-site time-share plan* as defined in B&P Code Section 11212(z)(2)(B).

A separate RE 668B must be completed and fee paid for each location of a multi-site plan that includes a non-specific time-share interest and which is not currently covered by a California public report.

B. RE 668A & 668B — General Information

These forms contain questions about the time-share plan and requests that various kinds of supporting documenta-

tion, as applicable, be submitted.

Answer all questions. If an item is not applicable, mark it "NA."

If you do not understand a question, please contact your attorney, title company, or the Subdivisions Technical Unit of the Bureau of Real Estate.

If you cannot answer a question because your project plans are not finalized, do not leave the question unanswered; do not submit your application until your plans are finalized.

Submit each required document as an exhibit. Identify each exhibit by placing the corresponding item number from the application on the lower right hand corner of the front page. Submit all exhibits with a table of contents, listing the exhibit name and corresponding item number.

III. All Documents Must be Tabbed/Hole-Punched

In order to efficiently process the application file, we require that all incoming documents, including those submitted after the original submittal, be tabbed with the item numbers corresponding to the item numbers in RE 668A or 668B. Use heavy stock or fabric tabs, not plastic or paper tabs. Each tab must show the document's precise item number.

Place the tabs on the right side of the documents. Do not place them all in the same location, but stagger them up and down the right-side page edges. Do not place tabs on the upper two inches of the documents.

The entire submittal package must be hole-punched as shown in Figure B.

- Note:*
- BE SURE TO TAB AND HOLE-PUNCH ANY DOCUMENTS SUBMITTED AFTER THE INITIAL SUBMITTAL OF THE APPLICATION.
 - DO NOT HOLE-PUNCH ORIGINAL PUBLIC REPORT DRAFTS OR MAPS.
 - DO NOT STAPLE MANAGEMENT DOCUMENTS TOGETHER. THEY MAY BE FASTENED BY ACCO FASTENER.

IV. Application Processing

Normally, applications are processed on a first-come first-served basis. Under the legislative time frames in Business and Professions (B&P) Code Section 11231, the Bureau will provide a list of deficiencies, if any, within 60 days after receipt of the application.

V. Filing Fees

See RE 605.

VI. Where to File your Application

Please submit your application to the office listed below.

Subdivisions Office - Technical
1651 Exposition Blvd., Sacramento, CA 95815
Mailing address: P.O. Box 137005
Sacramento, CA 95813-7005
Telephone: (916) 269-8929

VII. Public Report Preparation

All applications must include a public report prepared by the developer in accordance with Section 11234 of the Code. The Time-Share Public Report Preparation (RE 622H) contains instructions for preparation of the public report. After CalBRE review and acceptance public reports will automatically be mailed to the entity designated as the primary contact (single responsible party) in this application, unless CalBRE is notified otherwise.

VIII. Communication with the Bureau

When corresponding with the Bureau about a file or when sending in deficiencies, *always reference the CalBRE application file number and the name of the Deputy assigned.*

You are advised to make copies of all documents submitted and to retain them for your reference.

Always submit correspondence and deficiency corrections to the Office indicated on the deficiency notice. Do not submit correspondence piecemeal and do not submit deficiency corrections to the office that is not processing your application.

IX. Primary Contact (Single Responsible Party)

In order to process your application expeditiously we request that a single responsible party be designated in RE 668A or 668B. Normally, all communication from the CalBRE regarding your application will be through this person (preparers of management documents and/or homeowners' association budgets may be contacted if needed). *Other parties having an interest in the application should contact the single responsible party for status information, rather than the CalBRE.*

Submit 20 self-adhesive address labels for the single responsible party for the filing. Submit 5 additional labels with the duplicate budget package. Complete the labels as shown below:

Sample: Mr. John Smith
Smith Company
123 Main Street
Anywhere, CA 90000

X. CalBRE Publications

A. Subdivision Industry Bulletin

The Bureau publishes a newsletter which includes the latest in subdivision procedures, regulations, form changes, etc. If you will be filing applications with some regularity, we encourage you to have your name, or that of the single responsible party, added to the mailing list. Your request should indicate how frequently you make subdivision filings, and whether you are a subdivider/developer, at-

torney, with a title company or are a real estate licensee. Send your request to: Subdivisions-Technical, P.O. Box 187005, Sacramento, CA 95818-7005.

B. Real Estate Law Book

Use RE 350 to order the Real Estate Law Book.

C. Subdivision Public Report Application Guide (SPRAG)

Although the Guide is designed to provide detailed instructions when completing public report applications for other than time-share projects, the information could prove useful to time-share project applicants as well.

Use RE 350 to order SPRAG.

NOTE: The Guide is NOT copyrighted. You may reproduce it if you wish.

D. Operating Cost Manual for Homeowners Associations

This manual gives instructions on how to prepare association budgets which may be required as part of your application. It also includes an approved format as well as average costs that can be used for computing assessments.

Use RE 350 to order Operating Cost Manual.

XI. Request for Budget Review - RE 681

- Fill out the RE 681 as shown in Figure A and attach it to the front of the duplicate budget package folder, if you are requesting the Bureau to review the budget.
- *Items ☹-☺ pertain to the time-share plan itself, not to the developer's address particulars.*

XII. Duplicate Budget Package

A duplicate budget package (DBP) must be submitted with the application, if you are requesting the Bureau to review the budget in lieu of providing a budget certification. All items included in the DBP are duplicates of items in the main file, except RE 681. The DBP allows simultaneous processing of your application by Deputies and of the budget by CalBRE Appraisers.

The duplicate budget package must be submitted complete, with all documents included. Do not submit the duplicate budget package until all required documents are included.

The DBP is to be set up as follows:

In order to efficiently process the DBP, we require that all incoming documents, including those submitted after the original submittal, be tabbed. Use heavy stock or fabric tabs, not plastic or paper tabs. Each tab must show the documents precise item number.

Place the tabs on the appropriate side of the documents (see Figure B). Do not place them all in the same location, but stagger them up and down the side of the page. Do not place tabs on the upper two inches of the documents.

Attach a completed RE 681 to the outside front of a side-tabbed,

legal-sized, manila folder. Attach all the DBP documents inside as shown in Figure B; attach the documents, two-hole punched, with an Acco fastener. Do not obscure any writing/drawing on the documents when attaching them to the folder.

The Items to be included in the duplicate budget package are, as applicable:

Item Description

- Completed RE 681 (*Do not tab. Fasten to outside of folder.*)
- Five address labels
- RE 623 – Budget Worksheet
- Condominium plan, if applicable
- Copies of advertising material
- Location map
- Phasing plan, if applicable
- Plot plans, floor plans
- Recorded or tentative maps
- Copy of RE 668A, if applicable
- Copy of RE 668B, if applicable
- RE 611A, if applicable
- RE 639, if applicable
- Balance sheet, operating statement and budget for existing homeowners, if applicable
- California public report, if applicable
- Copies of utility bills, if applicable
- Leases affecting title
- Personal property inventory
- Proposed or adopted bylaws
- Proposed management agreement
- Proposed or recorded declaration of annexation, if applicable
- Proposed or recorded declaration
- Subsidy agreement, if applicable
- Time-share project rules & regulations
- RE 624A HOA common facilities

XIII. Receipt for Public Report – B&P Code Section 11236

Each prospective purchaser must be given copy of the public report for which a receipt must be completed and retained for three years. A Receipt for Public Report (RE 614B) shall be used by the developer. (Refer to Figure C.) A copy of RE 614B will be provided when the public report is issued.

The receipt is to be kept on file by the developer (or the agent) for three (3) years.

Note: B&P Code Section 11234 — “The developer shall provide the public report to each purchaser of a time-share interest in any time-share plan at the time of purchase. The public report shall be in writing and dated and shall require the purchaser to certify in writing the receipt thereof.”

Subdivision (b) of B&P Code Section 11236 provides that the receipt shall be retained for a period of three years from the date of the receipt and shall be available for inspection by CalBRE during regular business hours.

B&P Code Section 11234 stipulates when, and to whom, the

developer or the developer’s agents or salespersons must give copies of the public report:

Prospective Purchaser to Receive Report

B&P Code Section 11236(a) states: “A receipt on the form specified herein shall be taken by or on behalf of the developer from each person executing a reservation agreement under authority of a preliminary public report and each person who has made a written offer to purchase or lease a time-share interest under authority of a preliminary, conditional, or final public report.”

XIV. Requirements Regarding use of Public Report

Interests in a time share plan shall not be offered for sale or lease until the Real Estate Commissioner’s final or conditional public report thereon has been issued, nor shall a deposit be accepted on, or an agreement of sale or lease be executed for, any interest in the time-share plan until a copy of the final or conditional public report thereon has been given to the prospective purchaser and a receipt taken therefor.

Each purchaser’s signed receipt for a copy of the final public report shall be kept on file in the possession of the owner/subdivider (or agent) of the subdivision for three (3) years subject to inspection at any reasonable time by the Real Estate Commissioner or his representatives.

No public report shall be used for advertising purposes unless the report is used in its entirety, nor shall any person advertise or represent that the Bureau of Real Estate or the Commissioner approves or recommends the time-share plan or sale thereof. No portion of the report shall be underscored, italicized or printed in larger or heavier type than the balance of the report unless the report issued by the Commissioner is so emphasized.

Sale of a time-share interest by the developer after its repossession shall be considered an original sale, and a copy of the public report shall be given to the purchaser as in the case of the original sale.

The developer shall immediately furnish data in writing to the Commissioner on any new condition or development in the time-share plan being offered for sale. (See Section 2806 of the Commissioner’s Regulations for an enumeration of material changes that require amended public reports.)

If the developer of the time-share plan options or sells eleven or more interests to another, such option or sale shall constitute a material change within the meaning of Section 11226(f) of the California Business and Professions Code, and shall immediately notify the Real Estate Commissioner in writing of such option or sale. A purchaser of eleven or more interests is under obligation to obtain an amended public report before reselling. (See Regulation 2805 for further definition of “developer.”)

The proposed further division of any interest in the time-share plan must be reported to the Real Estate Commissioner pursuant to B&P Code Section 11226.

A division of any interest in the time-share plan into eleven or

more time-share interests may constitute a new time-share plan as defined by B&P Code Section 11210 et seq. and a separate final public report may be required for that offering.

Note: All sections of the Business and Professions Code and the Regulations (California Code of Regulations) mentioned herein can be found in the Real Estate Law Book. Use RE 350 to order the Real Estate Law Book.

Review of Sections 11210 through 11267.1 of the B&P Code and Regulations 1805 through 2811 may be of benefit to you.

XV. Abandonment of Application for Public Report

After written notice to the developer, or the developer's representative, the Commissioner may abandon any application for a public report if the data required by Section 11234 has not been furnished within three years from the date a notice of intention is filed for a subdivision public report. (Refer to B&P Code Sections 11226 and 11234.)

The Commissioner has adopted Regulation 2809 establishing time periods for notifying the developer and the developer's representative, of the intention to abandon a file, and establishing hardship or justifiable extenuating circumstances the Commissioner deems acceptable.

FIGURE "A"

STATE OF CALIFORNIA

**BUREAU OF REAL ESTATE
SUBDIVISIONS**

BUDGET REVIEW REQUEST

RE 681 (Rev. 9/99)

FILE NUMBER

TO BE COMPLETED BY CALBRE

TO: <input type="checkbox"/> LA <input type="checkbox"/> SAC	FROM: (DEPUTY) <input type="checkbox"/> LA <input type="checkbox"/> SAC	DATE SENT	DUE DATE
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COMMENTS

TO BE COMPLETED BY APPLICANT

SUBDIVIDER

MASTER PLANNED DEVELOPMENT NUMBER (IF APPLICABLE)	MASTER FILE NUMBER (IF APPLICABLE)
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TRACT NUMBER	SUBDIVISION NAME	ADVERTISING NAME
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SUBDIVISION STREET ADDRESS ①	CITY (OR NEAREST CITY) ②	COUNTY ③
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CROSS STREETS
④

TYPE OF PROJECT (CHECK ONE)

<input type="checkbox"/> Condominium	<input type="checkbox"/> Time Share Use	<input type="checkbox"/> Community Apartment
<input type="checkbox"/> Condominium Conversion	<input type="checkbox"/> Time Share Estates	<input type="checkbox"/> Undivided Interest
<input type="checkbox"/> Planned Development	<input type="checkbox"/> Stock Cooperative	<input type="checkbox"/> Limited Equity Housing Cooperative
<input type="checkbox"/> Planned Development Mobile Home	<input type="checkbox"/> Stock Cooperative Conversion	<input type="checkbox"/> Other: _____

NUMBER OF UNITS/LOTS	NUMBER OF PHASES (I.E., PHASE 2 OF 3 PHASES)	IF CONVERSION, AGE
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IS RE 611A ON FILE? <input type="checkbox"/> NO <input type="checkbox"/> YES <input type="checkbox"/> NA	DATE OF MOST RECENT CALBRE BUDGET REVIEW	FILE NUMBER OF MOST RECENT CALBRE BUDGET REVIEW
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If the application is for a subsequent phase of a multi-phase project, does the subdivider have sufficient votes to control the association? YES NO

HOW MANY BUDGETS ENCLOSED?	MOST RECENT BUDGET REVIEWED BY
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PROJECT NARRATIVE/COMMENTS

FIGURE "B"

DUPLICATE BUDGET PACKAGE FILE LAYOUT

- Note:*
- Attach completed RE 681 to the outside front of folder
 - Documents are not drawn to scale
 - * *Vicinity map, proposed or recorded condo plan and plot plan must be large scale and legible.*

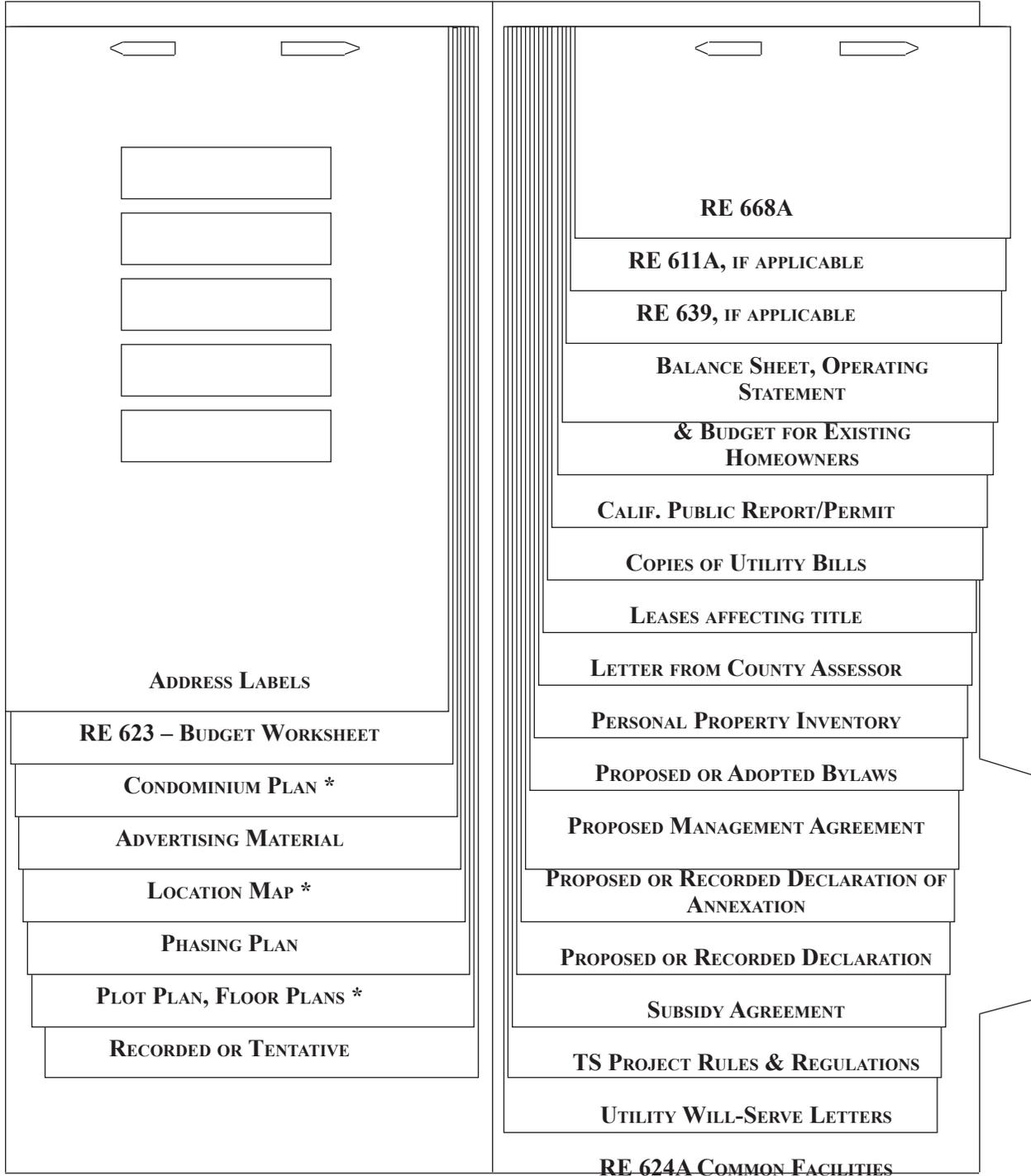


FIGURE "C"

RECEIPT FOR PUBLIC REPORT

The Law and Regulations of the Commissioner require that you as a prospective purchaser or lessee be afforded an opportunity to read the public report for this time-share before you execute a contract to purchase or lease a time-share interest or before any money or other consideration toward purchase or lease of a time-share interest is accepted from you.

You must be afforded an opportunity to read the report before a written reservation or any deposit in connection therewith is accepted from you.

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

I have read the Commissioner's public report on _____

_____ (File No., Tract No., or Name). I understand the report is not a recommendation or endorsement of the time-share, but is for information only. The date of the public report which I received and read is _____.

Developer is required to retain this receipt for three years.

SIGNATURE DATE

ADDRESS