

INSURANCE
DEPARTMENT OF BANKING AND INSURANCE
DIVISION OF THE NEW JERSEY REAL ESTATE COMMISSION
REAL ESTATE COMMISSION

Timeshares

Proposed Amendments: N.J.A.C. 11:5-9.2, 9.4, 9.5 and 9.14

Proposed New Rules: N.J.A.C. 11:5-9A

Authorized By: New Jersey Real Estate Commission, Robert L. Kinniebrew, Executive Director

Authority: N.J.S.A. 45:15-6 and 45:15-16.49

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2008-223

Submit comments by September 5, 2008 to:

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The agency proposal follows:

Summary

On August 2, 2006, Governor Corzine signed into law N.J.S.A. 45:15-16.50 et seq., the New Jersey Real Estate Timeshare Act (Act). This law establishes for the first time in New Jersey one comprehensive statutory framework regulating the sale and marketing of all types of timeshare offerings by placing all jurisdiction for timeshare regulation under the New Jersey Real Estate Commission (Commission). Several other states, notably California, Texas and Illinois, have also recently updated and amended their timeshare laws to reflect new products and marketing programs.

Prior to the Act, timeshare offerings in New Jersey were regulated under two separate statutes: N.J.S.A. 45:22A-21 et seq., the Planned Real Estate Development Full Disclosure Act, (PREDDFA) administered by the Department of Community Affairs (DCA) which regulated in-State timeshares; and N.J.S.A. 45:15-16.27 et seq., the New Jersey Real Estate Sales Full Disclosure Act (RESFDA), administered by the Commission, which regulated out-of-State timeshares when offered in or into New Jersey. These proposed new rules and amendments will effectuate the purposes and implement the provisions of the Act.

Further, this proposal will delete reference to timeshares found throughout Subchapter 9. Specifically, the definition of “time-share estates,” and a reference to timesharing in the definition of a “subdivision,” are deleted in N.J.A.C. 11:5-9.2. Referenced to timeshares are also deleted from N.J.A.C. 11:5-9.4, 9.5 and 9.14. In addition, language is added to N.J.A.C. 11:5-9.4 and 9.5 to clarify that the proposed offers reference real estate interests subject to homeowners association assessments and not interests in homeowners associations themselves.

New Subchapter 9A is being promulgated by the Commission to implement the provisions of the New Jersey Real Estate Timeshare Act, N.J.S.A. 45:15-16.50 et seq. The proposed rules shall apply to timeshare plans with an accommodation or component site in the State; and timeshare plans without an accommodation or component site in this State if these timeshare plans are offered to be sold within this State, regardless of whether the offer originates from within or outside of this State.

N.J.A.C. 11:5-9A.1 sets forth the purpose and scope of the proposed new rules. N.J.A.C. 11:5-9A.1(b) sets forth those timeshare plans to which the Act shall not apply. Specifically, the Act will not apply to timeshare plans, whether or not an accommodation or component site is located in the State, consisting of 10 or fewer timeshare interests. The Act also will not extend to

timeshare plans, whether or not an accommodation or component site is located in this State, the use of which extends over any period of three years or less. For purposes of determining the term of a timeshare plan, the period of any automatic renewal shall be included unless a purchaser has the right to terminate the purchaser's participation in the timeshare plan at any time and receive a pro rata refund, or the purchaser receives a notice, not less than 30 days, but not more than 60 days, prior to the date of renewal, informing the purchaser of the right to terminate at any time prior to the date of automatic renewal.

In addition, the Act will not apply to timeshare plans, whether or not an accommodation or component site is located in the State, under which the prospective purchaser's total financial obligation will be equal to or less than \$3,000 during the entire term of the timeshare plan; component sites of specific timeshare interest multi-site timeshare plans that are neither located in nor offered for sale in this State, except that these component sites are still subject to the disclosure requirements of the Act; offers or dispositions of securities or units of interest issued by a real estate investment trust regulated under any State or Federal statute; and offers or dispositions of securities currently registered with the Bureau of Securities within the Division of Consumer Affairs in the Department of Law and Public Safety.

N.J.A.C. 11:5-9A.1(c) provides that all correspondence and inquiries related to the Act should be directed to the New Jersey Real Estate Commission, Bureau of Subdivided Land Sales Control, 20 West State Street, P.O. Box 328, Trenton, NJ 08625-0328.

N.J.A.C. 11:5-9A.2 sets forth the definitions used in the proposed new subchapter. The defined terms include: "abbreviated registration," "accommodation," "act," "advertisement," "assessment," "association," "Commission," "common expense," "component site," "concurrent preliminary registration," "conditional order of registration," "consolidated filing,"

"Department," "developer," "dispose" or "disposition," "escrow agent," "incidental benefit," "managing entity," "offer," "person," "preliminary registration," "promotion," "purchase contract," "purchaser," "reservation system," "sales agent," "timeshare instrument," "timeshare interest," "timeshare period," "timeshare plan," and "timeshare property."

N.J.A.C. 11:5-9A.3 sets forth the proposed new regulations concerning the documents required for registration of timeshare plans with the Commission. All registration statements of record submitted to the Commission shall be bound, referenced and properly indexed and, wherever possible, typewritten on one side of the paper only. The proposed new rule states that one copy of each exhibit or document shall be submitted, unless the Commission requests more than one copy, and all documents submitted to the Commission shall not exceed 8 1/2 x 14 inches. Verified copies of original documents shall be submitted. N.J.A.C. 11:5-9A.3(a)6 requires that an affidavit or affirmation shall be executed for each of the following documents: the application for preliminary, comprehensive and abbreviated registrations; the annual report; the statement of non-conviction; the broker's application and the consent(s) to service of process. The acceptance of a registration and offering statement approved in another state may be conditioned upon an acceptable on-site inspection.

N.J.A.C. 11:5-9A.4(a) states that a developer who sells, offers to sell, or attempts to solicit prospective purchasers in this State to purchase a timeshare interest, or any person who creates a timeshare plan with an accommodation in the State, shall register with the Commission, on forms provided by the Commission or in electronic formats authorized by the Commission, all timeshare plans which have accommodations located in the State or which are sold or offered for sale to any individual located in the State.

N.J.A.C. 11:5-9A.4(b) sets forth proposed new regulation for preliminary registration which provide that, upon the submission of an application approved by the Commission, the Commission may grant a 90-day preliminary registration to allow the developer to begin offering and selling timeshare interests in a timeshare plan regardless of whether the accommodations of the timeshare plan are located within or outside of the State. Upon submission to the Commission of a substantially complete application for an abbreviated or comprehensive registration under the Act, including all appropriate fees, prior to the expiration date of the preliminary registration, the preliminary registration will be automatically extended during the registration review period provided that the developer is actively and diligently pursuing registration under the Act. The preliminary registration shall automatically terminate with respect to those timeshare interests covered by an approved public offering statement and a final order of registration issued before the scheduled termination date of the preliminary registration. The preliminary registration shall also terminate upon the issuance of any notice of rejection due to the developer's failure to comply with the provisions of the Act. N.J.A.C. 11:5-9A.4(b) further states that upon termination of a preliminary registration order for any reason other than the issuance of a final order of registration all reservations executed under the preliminary registration will be null and void, and all funds obtained will be refunded to the purchaser within 15 days of termination. Evidence of such refunds must be filed with the Commission within 30 days of the date of termination.

N.J.A.C. 11:5-9A.4(b)3 sets forth the proposed new regulations on the requirements for obtaining a preliminary registration. The developer shall provide the reservation instrument to be used in a form previously approved by the Commission, which shall include provisions that provide for the following: (1) the right of both the developer and the

potential purchaser to unilaterally cancel the reservation at any time; (2) the payment to the potential purchaser of his or her total deposit within 15 days following the receipt of a valid notice of cancellation of the reservation by either party; (3) the placement of the deposit into an escrow account; and (4) a statement to the effect that the offering has not yet received final approval from the Commission. The reservation instrument must also state that no offering can be made until an offering plan has been filed with, and accepted by, the Commission. The developer must also provide to the Commission a preliminary offering statement with an agreement to provide each potential purchaser with a copy and an executed receipt before any money or other thing of value has been accepted by or on behalf of the developer in connection with the reservation; an agreement to provide a copy of the reservation instrument signed by the potential purchaser and by or on behalf of the developer to the potential purchaser; and evidence acceptable to the Commission that all funds received by the developer will be placed into an independent escrow account located within the State of New Jersey with instructions that no funds will be released until a final order of registration has been granted unless refunded to the purchaser upon cancellation of the reservation agreement or expiration of the preliminary registration. The developer must also submit the filing fee for a preliminary registration, which shall be in addition to the filing fees for an abbreviated or comprehensive registration as established by the Act and all advertisements to be utilized by the developer under the preliminary registration with the Commission before use. Lastly, the developer must furnish a statement indicating whether the applicant, or a parent or a subsidiary of the applicant, or any of their current officers or principals have, during the past 10 years, or any of their former officers or principals have during the last two years, been convicted of any criminal or disorderly persons offense involving any aspect of the real estate sales or real estate securities business.

N.J.A.C. 11:5-9A.4(c) sets forth the proposed requirements for obtaining a comprehensive registration. In order to obtain a comprehensive registration, the developer shall provide: the developer's legal name, any alternate names used by the developer, and the developer's principal office location, mailing address, primary contact person and telephone number; the name, location, mailing address, primary contact person and telephone number of the timeshare plan; and the name and principal address of the developer's authorized New Jersey representative who shall be a licensed real estate broker licensed to maintain offices within this State. The developer must include a declaration as to whether the timeshare plan is a single-site timeshare plan or a multi-site timeshare plan, and, if a multi-site timeshare plan, whether it consists of specific timeshare interests or non-specific timeshare interests. The name and principal address of all brokers within New Jersey who sell or offer to sell any timeshare interests in any timeshare plan offered by the developer to any person in this State, who shall be licensed as a real estate broker pursuant to N.J.S.A. 45:15-1 et seq., and who are the authorized representatives of the developer shall be included. The developer shall include the name and principal address of all affiliated and non-affiliated marketing entities who, by means of inducement, promotion or advertisement, attempt to encourage or procure prospective purchasers located in the State to attend a sales presentation for any timeshare plan offered by the developer or authorized broker and the name and principal address of all managing entities who manage the timeshare plan. A public offering statement which complies with the requirements of the Act must be included as well as a form application provided by the Commission in which the applicant identifies the timeshare plan and the interest to be registered. The application shall be accompanied by an affidavit, on a form provided by the Commission, signed by the applicant which affirms and attests that the applicant is familiar with the project being registered, the nature and content of the application for

registration, the Act and the rules promulgated thereunder, and that the contents of the application are true and correct and conform with those requirements. A second affidavit, to be completed by the designated New Jersey broker of record, shall also accompany the application. The broker's affidavit shall state that he is familiar with the registration and its contents or has physically inspected the property, or both, that he is familiar with the Act and the rules promulgated thereunder, and with the New Jersey Real Estate License Act, and that he is not aware of any information that would lead him to believe that the information in the registration application does not provide full and fair disclosure of the offering. A statement by the applicant confirming that all monies paid by New Jersey residents to the applicant or his agents prior to closing will be held in an escrow account, pursuant to N.J.S.A. 45:15-16.57(e) or be guaranteed by some means acceptable to the Commission shall be included. The statement shall specify the name and location of the institution where the escrow account is maintained as well as the name and address of any trustee or escrow agent. The developer must also include an irrevocable appointment of the Commission to accept, on behalf of the applicant, service of any lawful process in any proceeding arising under the Act against the applicant or his agents.

The proposed new regulation at N.J.A.C. 11:5-9A.4(c)lix through xxvi mirror the statutory requirements and identify specific additional documents to be filed. These include: copies of certificates of incorporation or comparable documents for other forms of business entities; deeds or other instruments establishing title and related title assurances; encumbrance and financial documents affecting the creation of timeshares; and statements regarding access to and any adverse conditions on the property. The submission of nondiscrimination statement, a list of pending legal or administrative actions and pending or issued court orders, administrative orders, judgments or decrees affecting the sale or development of the offering or the financial

stability of the applicant, and budget and official contact information are also required. These and other document requirements are identical to corresponding requirements in the rules implementing the Real Estate Sales Full Disclosure Act found at N.J.A.C. 11:5-9.4. Proposed N.J.A.C. 11:5-9A.4(c)1 also provides for the submission of such other additional information as the Commission may require, after review of an application for registration, to assure full and fair disclosure.

N.J.A.C. 11:5-9A.4(d) sets forth the proposed requirements for an abbreviated registration. In order to obtain an abbreviated registration, the developer shall provide all of the following: a broker of record affidavit in which the broker states that he or she is familiar with the registration and its contents or has physically inspected the property, or both, that he or she is familiar with the Act and the rules promulgated thereunder and with the Real Estate Brokers and Salespersons Act, N.J.S.A. 45:15-1 et seq., and that she or he is not aware of any information that would lead him or her to believe that the information in the abbreviated application does not permit full and fair disclosure of the offering; an irrevocable appointment of the Commission to accept, on behalf of the developer, service of any lawful process in any proceeding arising under the Act against the applicant or his agents; a statement as to the status of all applications for permits and/or compliance with any permits required to be issued by any Federal, state or local agencies or similar organizations which have the authority to regulate or issue permits, approvals or licenses which may be material to the development, sale or other disposition of the timeshare interest to be registered and the existing or proposed facilities, common areas or improvements thereof; copies of all contracts, agreements and acknowledgements which a purchaser or lessee may be required to execute in connection with the offering; such additional or supplemental documentation the Commission may require in order to resolve any discrepancies between local

law and the requirements of the Act; a statement or listing of any pending administrative actions, litigation, and pending or issued court orders, administrative orders, judgments or decrees which materially affect the sale or development of the offering or the financial stability of the applicant; a statement indicating whether the applicant, or a parent or a subsidiary of the applicant, or any of their current officers or principals have, during the past 10 years, or any of their former officers or principals have during the last two years, been convicted of any criminal or disorderly person offense involving any aspect of the real estate sales or real estate securities business; and a statement confirming that all monies paid by New Jersey residents to the applicant or his or her agents prior to closing will be held in an escrow account pursuant to N.J.S.A. 45:15-16.57(e) or be guaranteed by some other means acceptable to the Commission. The statement shall specify the name and location of the institution where the escrow account is maintained as well as the name and address of any trustee or escrow agent.

N.J.A.C. 11:5-9A.5 sets forth the proposed regulation for amendments to registrations and public offering statements. N.J.A.C. 11:5-9A.5(a) states that the registrant shall immediately file with the Commission amendments to its registration application and/or public offering statement reflecting any material or adverse change(s) in previously supplied information or documents, in order that the information provided purchasers is current.

N.J.A.C. 11:5-9A.5(b) defines material change to mean any significant change, whether beneficial or adverse, in the size or character of the interest being offered or anything having a significant affect on the regular duties or obligations of the registrant, developer or purchaser and provides a list of examples of material changes.

N.J.A.C. 11:5-9A.5(c) defines adverse changes to include any material change to the timeshare plan that substantially reduces benefits or increases costs to purchasers. If the change

is determined by the Commission to be both material and adverse to the purchasers of the timeshare plan as a whole, no closing shall occur until the amendment relating to the material and adverse change has been approved by the Commission.

N.J.A.C. 11:5-9A.5(d) lists as examples of changes not considered “material” or “adverse”: the correction of any typographical errors that do not affect the rights or obligations of purchasers; changes in selling prices or advertising materials; timely completion of promised improvements as represented in a previously approved public offering statement; and increases of less than 15 percent in the fees payable by purchasers with the exception of special assessments. All special assessments shall be considered material.

N.J.A.C. 11:5-9A.5(e) states that unless otherwise permitted by the Act, no revised public offering statement shall be given to prospective purchasers without the approval of the Commission. Applications for approval of an amended or corrected public offering statement shall be made by filing a red-lined copy of the proposed revised public offering statement with the Commission and an application update.

N.J.A.C. 11:5-9A.5(f) states that the Commission shall process and review requests for amendments to orders of registration and public offering statements in accordance with the standards and procedures established in the Act and this subchapter for the review of applications for registration. Requests for approval of amendments shall be accompanied by a fee of \$300.00 as provided in N.J.A.C. 11:5-9A.10.

N.J.A.C. 11:5-9A.5(g) provides that the developer shall update the public offering statement to reflect any changes to the timeshare plan that are not material or adverse at the time of the filing of next annual report.

N.J.A.C. 11:5-9A.6 sets forth the proposed new regulations concerning public offering statements. N.J.A.C. 11:5-9A.6(a) states that no person shall dispose of any timeshare interest in a registered timeshare plan unless he or she delivers a current public offering statement and affords the purchaser a reasonable opportunity to read the same before the purchaser signs the contract or purchase agreement. In all cases where a New Jersey purchaser has not had contact with an authorized New Jersey broker, registrants shall maintain the signed and dated receipt for the New Jersey public offering statement and a copy of the contract which the New Jersey purchaser signed for a period of seven years.

N.J.A.C. 11:5-9A.6(b) states that the public offering statement shall disclose fully and accurately the characteristics of the timeshare plan offered and shall make known to prospective purchasers all unusual and material circumstances and features affecting the timeshare plan. The public offering statement shall be in clear and concise language and combine simplicity and accuracy in order to fully advise purchasers of their rights, privileges, obligations and restrictions. The proposed regulations itemizing the documents to be included with and the reporting requirements pertaining to, public offering statements as set forth in N.J.S.A. 45:15-16.59(b), (c) and (d).

N.J.A.C. 11:5-9A.7(a) provides that any person who believes that an offering may be exempt from the provisions of the Act, or who is contemplating marketing property in New Jersey which he or she believes may be exempt, may apply to the Commission for a letter of exemption. The rule provides that such application shall be in written affidavit form and shall list the reasons why the offering or proposed offering may be exempt from the Act. Such an application for exemption shall be accompanied by a non-refundable fee of \$100.00. In the event the Commission shall determine that the offering is exempt from the Act, it shall issue a letter of

exemption setting forth the facts upon which the determination is based. In the event the Commission shall determine that the offering is not exempt from the provisions of the Act, it shall deny the request for exemption in writing, setting forth therein the facts upon which the determination is based, and shall send such writing to the applicant via certified mail, return receipt requested. The Commission shall issue a determination as to whether an offering is or is not exempt within 30 days of its receipt of a complete request for exemption with the appropriate fee. Any person who is aggrieved by such a determination is entitled to a hearing on such determination, provided said hearing is requested in writing no later than 30 days from the date of the applicant's receiving notice of such determination.

N.J.A.C. 11:5-9A.7(b) states that if the nature of the proposed offering indicates that the applicant would be subject to the registration requirements of the Act, the applicant may apply to the Commission for a limited exemption. If the Commission determines that enforcement of the entire Act and all of these rules is not necessary in the public interest or for the protection of purchasers due to the small amounts involved or the limited character of the offering, it may issue a limited exemption from registration to the applicant. A limited exemption may be granted by reason of the limited character of the offering where the nature of the property, or of the prospective purchasers to whom the timeshare interest will be offered, is such that it is likely prospective purchasers will have expert advice concerning the purchase independent of that supplied by the applicant or his agents. An application for a limited exemption for this reason shall include a copy of any prospectus, offering statement or other such solicitation. A limited exemption granted for this reason shall be confined to the group of offerees specified in the application. An application for a limited exemption shall specify the particular timeshare interests for which exemption is sought. Any limited exemption granted shall be confined to

those timeshare interests so specified. An application for a limited exemption shall include a narrative description that clearly describes the nature of the offering and the factual basis and reasons why the limited exemption should be granted. Any limited exemption granted shall remain in effect for a period of two years from the date of issuance indicated in the letter of exemption, unless revoked as described below. Any limited exemption granted shall permit the recipient to offer the timeshare interests covered by the limited exemption to New Jersey residents without obtaining an order of registration. A limited exemption shall not deprive the Commission of jurisdiction to enforce any other provision of the Act or this subchapter, or to revoke the limited exemption after notice and opportunity to be heard. A \$300.00 non-refundable fee shall be tendered with any application for a limited exemption.

N.J.A.C. 11:5-9A.7(c) sets forth the procedure whereby a developer may offer and dispose of an interest in a timeshare plan created by that developer that is not located in New Jersey and not registered under the Act to a person in this State who is a current owner of an interest in a timeshare plan registered by that developer. The parties to whom such offers may be directed must own an interest either in a timeshare plan that is currently registered under the Act or in a plan that was previously registered under the Act or N.J.S.A. 45:15-16.27 et seq. or 45:22A-21 et seq. and was terminated in good standing. The developer shall: file a notice with the Commission identifying the timeshare plan that it intends to offer; submit a fee of \$300.00; and certify that all purchasers shall be provided with all disclosure documentation required by law to be provided in the jurisdiction in which the timeshare plan is located. In addition, the developer shall certify that New Jersey purchasers shall be provided with a right to rescind their purchase within seven days after the purchase contract is signed and all documents required under this Act and local and municipal law are delivered, whichever is later. If local or

municipal law grants a longer rescission period, then the longer period would apply. Only unregistered timeshare plans that are located outside the State of New Jersey may be offered pursuant to this rule and any such offering may only be made to those persons who are current bona fide owners of an interest in a timeshare plan as set forth above.

N.J.A.C. 11:5-9A.8 sets forth the regulations concerning advertising and sales promotions with respect to the sale and marketing of registered timeshare plans. N.J.A.C. 11:5-9A.8(a) states that advertisements that refer to the purchase price of a timeshare interest shall state the full purchase price and shall disclose any known or estimated additional assessments or costs to the purchaser. Advertisements shall not refer to a price increase unless the amount and date of the increase are indicated.

N.J.A.C. 11:5-9A.8(b) states that advertisements shall not refer to any common element or facility that does not presently exist unless that fact is prominently stated in the advertisements, accompanied by the proposed date of completion, which shall also appear prominently in the advertisement.

N.J.A.C. 11:5-9A.8(c) states that advertisements shall not contain photographs, sketches or artist's conceptions unless the fact that these are conceptions is stated immediately adjacent to them in the advertisement.

N.J.A.C. 11:5-9A.8(d) states that any model unit that is used as part of a promotional plan shall be in substantial conformity with the units that are subsequently constructed unless otherwise noted in the contract of sale.

N.J.A.C. 11:5-9A.8(e) states that when advertisements for timeshare plans that are not registered with the Commission, nor wholly or partially exempt from the Act, are placed in any media which is distributed in or broadcast into the State of New Jersey, a disclaimer shall be

included, indicating that the properties or interests are not registered with the New Jersey Real Estate Commission and that the advertisement is not an offer to New Jersey residents. The regulation further provides that the owners of such properties or interests shall not make or cause to be made, an offer or disposition of the properties or interests originating outside of this State to a person or resident within this State.

N.J.A.C. 11:5-9A.8(f) states that any advertisement, including those which contain offers of reimbursement of travel expenses and/or offers of premiums or other inducements, must also comply with the provisions of the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq.

N.J.A.C. 11:5-9A.8(g) states that registrants who advertise in a language other than English shall make available to prospective purchasers all disclosure documents including, but not limited to, the public offering statement, and the sales contract written in the same language as that used in the registrant's advertisements.

N.J.A.C. 11:5-9A.9 sets forth the proposed regulations for the inspection of timeshare offerings. N.J.A.C. 11:5-9A.9(a) states that the Commission, at its discretion, may make on-site inspections of any timeshare plan which is the subject of an application for registration, either before an order of registration has been issued or thereafter. The Commission may in its discretion conduct subsequent on-site inspections. N.J.A.C. 11:5-9A.9(b) states that the costs of inspections shall be paid by the applicant who shall provide a deposit when requested by the Commission. After the inspection the Commission shall provide the applicant/registrator with a statement of costs incurred and a refund of any portion of the deposit not expended or a request for additional funds if required.

N.J.A.C. 11:5-9A.10 sets forth the fees which all applicants for registration shall pay. N.J.A.C. 11:5-9A.10(b) states that any request for approval of a material change in, or an

amendment to an application for registration and/or an order of registration and/or a public offering statement shall be accompanied by a fee of \$300.00. No fee shall be charged for amendments to applications or proposed public offering statements made prior to the issuance of an order of registration. If applications for approval of a material change and/or an amendment to an order of registration and/or an amendment to a public offering statement are made simultaneously, only one fee will be payable. If applications are made for approval of multiple material changes, and/or multiple amendments to an order of registration, and/or multiple amendments to a public offering statement simultaneously, only one fee will be payable.

N.J.A.C. 11:5-9A.10(c) states that the Commission shall maintain, in accordance with N.J.A.C. 15:3, a copy of every application for registration, together with all approved amendments thereto, of a timeshare plan that has been and is currently registered and shall make them reasonably available for public inspection during ordinary business hours at the Commission's office. The Commission will furnish to the public, upon request, a copy of the statement of record of any registered subdivision at a cost in accordance with the copying fees set forth in N.J.S.A. 47:1A-5(b).

N.J.A.C. 11:5-9A.10(d) states that all fees paid are non-refundable.

N.J.A.C. 11:5-9A.10(e) sets forth the following fees which are charged pursuant to the Act:

<u>Description</u>	<u>Fee</u>
Comprehensive registration	\$1,000 plus \$50.00 per timeshare interest, up to a maximum of \$7,500
Preliminary registration,	\$3,000 if filed separately
Concurrent preliminary registration	\$500 in addition to comprehensive or abbreviated registration

Abbreviated registration	\$1,000 plus \$50.00 per timeshare interest, up to a maximum of \$7,500
Amendments to registration	\$300
Exemption to market to current owners	\$300.00
Limited exemption	\$300.00
Statutory exemption	\$100.00

This rule proposal provides for a comment period of 60 days, and, therefore, pursuant to N.J.A.C. 1:30-3.3(a)5, is not subject to the provisions of N.J.A.C. 1:30-3.1 and 3.2 governing rulemaking calendars.

Social Impact

Timesharing has grown extensively from the old concept of a single fixed week to the multi-site (and multi-state) and point based offerings now popular. Of the recent timesharing properties that have opened in New Jersey, all are interconnected via internal exchange, developer entity, or use rights to out-of-State properties. As these timeshare offerings have become more complex and expensive, effective and consistent regulation is essential to protect the interests of New Jersey consumers.

The Act removes the regulation of timeshares from other statutes and consolidates the authority to regulate timeshares into a single statute exclusively addressing timeshares under the sole jurisdiction of the New Jersey Real Estate Commission.

The Act and these proposed rules effectively update and clarify definitions and licensing requirements (especially for the new non-fee and points based offerings) while retaining and in many cases enhancing the significant consumer protections in prior laws, including a minimum

seven-day right to rescind a purchase contract, mandatory protection of deposit monies until expiration of the recession period and conveyance of title, full disclosure documents and requirements for adequate sureties to complete promised improvements and reduce liens.

Economic Impact

The proposed new rules codify the fees mandated by the Act. These rules will have an impact on out-of-State timeshares registrant in that maximum filing fees under the New Act are now capped at \$7,500 rather than \$3,000. However, the fee structure for in-State timeshares will likely decrease as these filings are now capped, whereas under PREDFA they were not. Also, fees for filing amendments and some exemption applications have been increased.

Registrants will also incur the costs of preparing registration applications. Some registrants may incur additional costs through use of professionals such as attorneys to prepare and file registration documents or other services such acting as escrow agents. However, the use of professionals is at the discretion of registrant and is not required under the Act or these proposed rules.

Those entities whose timeshare offerings were registered in good standing under PREDFA or RESFDA at the time of the enactment of the Act will not have to re-register as their valid registration orders are “grandfathered in.” However, they will be subject to annual reporting and amendments requirements as incorporated in the Act and these proposed rules. As such, their costs for compliance with these proposed rules should be minimal.

Because the scope of the Act is similar to regulations recently enacted in other jurisdictions, the overall result will be a simpler and a more cost efficient registration process for

the industry. Similarly, by consolidating registration jurisdiction into a single regulatory agency, consumer complaints can also be more efficiently addressed.

The new law will also allow for a limited owner referral program which will permit unlicensed timeshare owners to collect non-monetary and resort oriented compensation for referring friends and relatives.

Federal Standards Statement

A Federal standards analysis is not required because the Act and these proposed rules and amendments are not subject to any Federal requirements or standards.

Jobs Impact

The Commission does not anticipate the creation or loss of any jobs as a result of the adoption of these new rules and amendments.

Agriculture Industry Impact

The proposed rules and amendments will have no impact on the agriculture industry.

Regulatory Flexibility Analysis

All properties or interests that meet the statutory definition of a timeshare, whether owned by a small business as defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., or otherwise, are subject to the jurisdiction of this Act and these proposed rules and amendments. Compliance requirements are discussed in the Summary above.

Timeshare offerings that were previously exempt under the old laws may have to file new registrations and comply with all reporting requirements of the Act and these rules. These offerings will be subject to additional costs as noted in the Economic Impact statement.

As discussed above, applicants may at their discretion use professionals to comply with all or some of the requirements of the Act and proposed rules.

Real estate brokerages, some of whom may meet the definition of a small business, that engage in the sale of timeshare interests under the Act will have to comply with reporting and documentary requirements.

Smart Growth Impact

This Act and the proposed rules and amendments are designed to address consumer protection issues and will not affect State and local laws regulating development, building codes, zoning and construction. The Commission does not believe that the proposed rules and amendments will have any impact on the achievement of smart growth and the implementation of the State Development and Redevelopment Plan.

Full text of the proposal follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

SUBCHAPTER 9. RULES INTERPRETING AND IMPLEMENTING THE REAL ESTATE SALES FULL DISCLOSURE ACT, N.J.S.A. 45:15-16.27 ET SEQ.

11:5-9.2 Definitions

The following words and terms, as used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

...

["Time-share estates" includes both "fee simple" and "right to use" time-share interests and means:

1. An "interval estate" meaning a combination of an estate for years in a lot, parcel or unit, during the term of which title rotates among the time-share owners, coupled with a vested undivided fee simple interest in the remainder in that unit as established by the declaration or deed creating the interval estate; or

2. A "time-span estate" meaning a combination of an undivided interest in a present estate in fee simple in a lot, parcel or unit established by the declaration or deed creating the time-span estate, coupled with the exclusive right to possession and occupancy of the parcel or unit during a regularly recurring period; or

3. A "vacation license" meaning the exclusive right to possession and occupancy of a lot, unit or parcel during a regularly recurring period established by club membership, lease or license.]

...

"Subdivision" and "subdivided lands" mean any land situated outside the State of New Jersey whether contiguous or not, if one or more lots, parcels, units or interests are offered as part of a common promotional plan of advertising and sale and expressly means and includes such units or interests commonly referred to as a "condominium" defined in the "Condominium Act" P.L. 1969, c.257 (N.J.S.A. 46:8B-1 et seq.). In addition to condominiums, this definition shall also specifically include, but shall not be limited to, any form of homeowners association,

any housing cooperative, **and** any community trust or other trust device [and any form of time-sharing].

11:5-9.4 Contents of application for registration

(a) All applications for registration shall contain the following documents and information:

1.- 2. (No change.)

3. A statement by the applicant confirming that all monies paid by New Jersey residents to the applicant or his agents prior to closing will be held in an escrow account, or in trust by an attorney licensed to practice law in this State or the state or country where the property is located, or be guaranteed by some means acceptable to the Commission. The statement shall specify the name and location of the institution where the escrow account is maintained as well as the name and address of any trustee or escrow agent. The statement shall include the applicant's acknowledgment that he shall hold all funds in escrow or in trust until the closing and delivery of the deed or until the applicant posts a bond or some other guarantee acceptable to the Commission to ensure New Jersey purchaser deposits, which bond shall be separate from and in addition to any bond or assurance for the completion of infrastructure and promised improvements. In the event that interests in the subdivision, [including fee simple interests in timeshare projects,] are offered through installment sale contracts where closing and delivery of deed or deed in trust are postponed until three or more installment payments, including, but not limited to, monthly payments for licenses, memberships or other non-fee interests in the subdivision, have been paid, the statement shall confirm:

i. –ii. (No change.)

4.-19. (No change.)

20. A copy of the proposed budget for the operation and maintenance of the common elements and facilities based upon full occupancy together with the estimated annual assessment and monthly charges to be assessed to each type of unit. If the proposed offering is a condominium[, time-share] or **other interest in real estate that is subject to the authority of or to assessments by a** homeowners association, or involves any common ownership interest, the budget shall specifically state the amount set aside as reserves for the replacement of the common elements and facilities, as certified by an independent public accountant, or property manager or other independent expert. The budget should also indicate whether the applicant is subsidizing the maintenance fee or plans to subsidize the maintenance fee during sales prior to transfer of control to any association, and if so, the amount of the subsidy and the probable effect of the applicant's discontinuing the making of such payments upon the maintenance fee payable by each owner. The budget shall be accompanied by a letter of adequacy issued by an independent public accountant, or certified property manager, attesting that the budget was prepared in good faith and a letter from an independent insurance agent or broker confirming that the insurance coverage meets any standards required in the project documents and as required by situs state law;

21. -22. (No change.)

11:5-9.5 Public Offering Statements

(a) - (d) (No change.)

(e) The Public Offering Statement shall contain the following information:

1. -5. (No change.)

6. A statement of the proposed method of operation and management of the common elements and facilities, and of all fixed, estimated or proposed fees, assessments, and reserves for future replacement and repair of common elements. If there are no provisions for reserves, a statement indicating same shall be included. If the proposed offering is a condominium[, time-share] or **other interest in real estate that is subject to the authority of or to assessments by a** homeowners association, or involves any common ownership interest, in addition to the amount set aside as reserves for the replacement or repair of the common elements and facilities, the risk to purchasers if the applicant fails to sell out shall also be stated. A statement indicating whether the applicant is subsidizing the maintenance fee or plans to subsidize the maintenance fee during sales prior to transfer of control to any association, and if so, the amount of the subsidy and the probable effect of the cessation of the payment of the subsidy upon the maintenance fee payable by each owner shall also be included;

7.-21. (No change.)

(f) - (i) (No change.)

11:5-9.14 Advertising and sales promotions with respect to the sale and marketing of registered properties

(a) - (g) (No change.)

(h) Advertisements which contain offers of premiums or of reimbursement of travel expenses in cash or merchandise shall be subject to the following:

1. The promotional material shall clearly and conspicuously state the necessity of attendance at or submission to a sales promotion, the minimum length of time required to be spent at such sales promotion in order to qualify for reimbursement or other premium or inducement, the terms and conditions of the offer, and the retail value of any premiums offered;

i. Such advertisements shall also include a statement indicating that the promotion is a solicitation for the sale of [timeshares,] condominiums, lots, or other interests in real estate as applicable, the name of the project and the registration number assigned to the project by the Commission preceded by: "N.J. Reg. No."

2. - 3. (No change.)

(i) (No change.)

SUBCHAPTER 9A. RULES INTERPRETING AND IMPLEMENTING THE NEW JERSEY REAL ESTATE TIMESHARE ACT, N.J.S.A. 45:15-16.50 ET SEQ.

11:5-9A.1 Purpose and scope

(a) The rules in this subchapter implement the provisions of the New Jersey Real Estate Timeshare Act, N.J.S.A. 45:15-16.50 et seq. These rules are applicable to:

1. Timeshare plans with an accommodation or component site in this State; and

2. Timeshare plans without an accommodation or component site in this State if these timeshare plans are offered to be sold within this State, regardless of whether the offer originates from within or outside of this State.

(b) This Act shall not apply to any of the following:

1. Timeshare plans, whether or not an accommodation or component site is located in the State, consisting of 10 or fewer timeshare interests;

2. Timeshare plans, whether or not an accommodation or component site is located in this State, the use of which extends over any period of three years or less. For purposes of determining the term of a timeshare plan, the period of any automatic renewal shall be included unless a purchaser has the right to terminate the purchaser's participation in the timeshare plan at any time and receive a pro rata refund, or the purchaser receives a notice, not less than 30 days, but not more than 60 days, prior to the date of renewal, informing the purchaser of the right to terminate at any time prior to the date of automatic renewal;

3. Timeshare plans, whether or not an accommodation or component site is located in the State, under which the prospective purchaser's total financial obligation shall be equal to or less than \$3,000 during the entire term of the timeshare plan;

4. Component sites of specific timeshare interest multi-site timeshare plans that are neither located in nor offered for sale in this State, except that these component sites are still subject to the disclosure requirements of the Act;

5. Offers or dispositions of securities or units of interest issued by a real estate investment trust regulated under any State or Federal statute; and

6. Offers or dispositions of securities currently registered with the Bureau of Securities within the Division of Consumer Affairs in the Department of Law and Public Safety.

(c) All correspondence and inquiries related to the Act should be directed to:

New Jersey Real State Commission

Bureau of Subdivided Land Sales Control

20 West State Street

P.O. Box 328

Trenton, NJ 08625-0328.

11:5-9A.2 Definitions

The following words and terms, as used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

“Abbreviated registration” means an expedited filing procedure for those out-of-State filings that are located in a State or jurisdiction where the disclosure requirements are substantially equivalent or greater than those required under the Act.

“Accommodation” means any apartment, condominium or cooperative unit, cabin, lodge, hotel or motel room, or other private or commercial structure containing toilet facilities therein that is designed and available, pursuant to applicable law, for use and

occupancy as a residence by one or more individuals which is a part of the timeshare property.

"Act" means the New Jersey Real Estate Timeshare Act, N.J.S.A. 45:15-16.50 et seq.

"Advertisement" means any written, oral or electronic communication that is directed to or targeted to persons within the State and contains a promotion, inducement or offer to sell a timeshare plan, including, but not limited to, brochures, pamphlets, radio and television scripts, electronic media, telephone and direct mail solicitations and other means of promotion. "Advertisement" does not mean:

1. Any stockholder communication such as an annual report or interim financial report, proxy material, a registration statement, a securities prospectus, a registration, a property report or other material required to be delivered to a prospective purchaser by an agency of any local, state or Federal government;

2. Any oral or written statement disseminated by a developer to broadcast or print media, other than paid advertising or promotional material, regarding plans for the acquisition or development of timeshare property. However, any rebroadcast or any other dissemination of such oral statements to prospective purchasers by a seller in any manner, or any distribution of copies of newspaper or magazine articles or press releases, or any other dissemination of such written statements to a prospective purchaser by a seller in any manner, shall constitute an advertisement; or

3. Any communication addressed to and relating to the account of any person who has previously executed a contract for the sale or purchase of a

timeshare interest in a timeshare plan to which the communication relates shall not be considered advertising under this Act, provided they are delivered to any person who has previously executed a contract for the purchase of a timeshare interest or is an existing owner of a timeshare interest in a timeshare plan.

“Assessment” means the share of funds required for the payment of common expenses which is assessed from time to time against each timeshare interest by the association.

“Association” means the organized body consisting of the purchasers of interests in a timeshare property.

“Commission” means the New Jersey Real Estate Commission.

“Common expense” means casualty and liability insurance, and those expenses properly incurred for the maintenance, operation, and repair of all accommodations and common areas and facilities constituting the timeshare plan and any other expenses designated as common expenses by the timeshare instrument.

“Component site” means a specific geographic location where accommodations which are part of a multi-site timeshare plan are located. Separate phases of a single timeshare property in a specific geographic location and under common management shall be deemed a single component site.

“Concurrent preliminary registration” means a preliminary registration filed concurrently with a substantially complete comprehensive or abbreviated registration.

“Conditional order of registration” means the authorization to allow sales of interests in a timeshare plan where the comprehensive or abbreviated registration application is substantially complete and only minor deficiencies remain.

"Consolidated filing" means the registration of additional timeshare interests pursuant to a previously registered plan by the filing of the supplemental information necessary to register the additional interests and the payment of an additional comprehensive or abbreviated registration fee, as applicable.

"Department" means the Department of Banking and Insurance.

"Developer" means and includes any person or entity who creates a timeshare plan or is in the business of selling timeshare interests, or employs agents or brokers to do the same, or any person or entity who succeeds to the interest of a developer by sale, lease, assignment, mortgage or other transfer, except that the term shall include only those persons who offer timeshare interests for disposition in the ordinary course of business.

"Dispose" or "disposition" means a voluntary transfer or assignment of any legal or equitable interest in a timeshare plan, other than the transfer, assignment or release of a security interest.

"Escrow agent" means an independent person, including an independent bonded escrow company, an independent financial institution whose accounts are insured by a governmental agency or instrumentality, or an independent licensed title insurance agent who is responsible for the receipt and disbursement of funds in accordance with the Act. If the escrow agent is not located in the State of New Jersey, then this person shall subject himself or herself to the jurisdiction of the Commission with respect to disputes that arise out of the provisions of the Act.

"Incidental benefit" means an accommodation, product, service, discount, or other benefit which is offered to a prospective purchaser of a timeshare plan or to a purchaser of

a timeshare plan prior to the expiration of his or her rescission period pursuant to the Act and which is not an exchange program, provided that:

1. Use or participation in the incidental benefit is completely voluntary;
2. No costs of the incidental benefit are included as common expenses of the timeshare plan;
3. The good faith represented aggregate value of all incidental benefits offered by a developer to a purchaser shall not exceed 20 percent of the actual price paid by the purchaser for his or her timeshare interest; and
4. The purchaser is provided a disclosure that fairly describes the material terms of the incidental benefit.

The term “incidental benefit” shall not include an offer of the use of the accommodations of the timeshare plan on a free or discounted one-time basis.

“Managing entity” means the person who undertakes the duties, responsibilities and obligations of the management of the timeshare property.

“Offer” means any inducement, solicitation, or other attempt, whether by marketing, advertisement, oral or written presentation or any other means, to encourage a person to acquire a timeshare interest in a timeshare plan, for gain or profit.

“Person” means a natural person, corporation, limited liability company, partnership, joint venture, association, estate, trust, government, governmental subdivision or agency, or other legal entity or any combination thereof.

“Preliminary registration” means a procedure by which any applicant may obtain an authorization to commence a limited marketing program for the purpose of soliciting

non-binding reservations in a timeshare plan prior to completing an abbreviated or comprehensive registration.

“Promotion” means a plan or device, including one which creates the possibility of a prospective purchaser receiving a vacation, discount vacation, gift, or prize, that is used by a developer, or an employee of a developer, or an agent or independent contractor acting on behalf of the developer, in connection with the offering and sale of timeshare interests in a timeshare plan.

“Purchase contract” means a document pursuant to which a person becomes legally obligated to sell, and a purchaser becomes legally obligated to buy, a timeshare interest.

“Purchaser” means any person, other than a developer, who by means of a voluntary transfer acquires a legal or equitable interest in a timeshare plan other than as security for an obligation.

“Reservation system” means the method, arrangement or procedure by which a purchaser, in order to reserve the use or occupancy of any accommodation in a multi-site timeshare plan for one or more timeshare periods, is required to compete with other purchasers in the same multi-site timeshare plan, regardless of whether the reservation system is operated and maintained by the multi-site timeshare plan managing entity or any other person.

“Sales agent” means any person who performs within this State as an agent or employee of a developer any one or more of the services or acts as set forth in the Act, and includes any real estate broker, broker salesperson or salesperson licensed pursuant to N.J.S.A. 45:15-1 et seq., or any person who purports to act in any such capacity.

“Timeshare instrument” means one or more documents, by whatever name denominated, creating or governing the operation of a timeshare plan.

“Timeshare interest” means and includes either:

1. A “timeshare estate,” which is the right to occupy a timeshare property, coupled with a freehold estate or an estate for years with a future interest in a timeshare property or a specified portion thereof; or

2. A “timeshare use,” which is the right to occupy a timeshare property, which right is neither coupled with a freehold interest, nor coupled with an estate for years with a future interest, in a timeshare property.

“Timeshare period” means the period or periods of time when the purchaser of an interest in a timeshare plan is afforded the opportunity to use the accommodations of a timeshare plan.

“Timeshare plan” means any arrangement, plan, scheme, or similar device, whether by membership agreement, sale, lease, deed, license, or right to use agreement or by any other means, whereby a purchaser, in exchange for consideration, receives ownership rights in or the right to use accommodations for a period of time less than a full year during any given year on a recurring basis, but not necessarily for consecutive years. A timeshare plan may be:

1. A “single-site timeshare plan,” which is the right to use accommodations at a single timeshare property; or

2. A “multi-site timeshare plan,” which includes:

i. A “specific timeshare interest,” which means an interest wherein a purchaser has, only through a reservation system:

(1) A priority right to reserve accommodations at a specific timeshare property without competing with owners of timeshare interests at other component sites that are part of the multi-site timeshare plan, which priority right extends for at least 60 days; and

(2) The right to reserve accommodations on a non-priority basis at other component sites that are part of the multi-site timeshare plan; or

ii. A “non-specific timeshare interest,” which means an interest wherein a purchaser has, only through a reservation system, the right to reserve accommodations at any component site of the multi-site timeshare plan, with no priority right to reserve accommodations at any specific component site.

“Timeshare property” means one or more accommodations subject to the same timeshare instrument, together with any other property or rights to property appurtenant to those accommodations.

11:5-9A.3 Forms of documents

(a) Provisions concerning documents with respect to the registration of timeshare plans with the Commission are as follows. With the exception of the affidavits or affirmations referenced in (a)6 below, the documents may be filed on a properly bookmarked and indexed computer disc (CD ROM) or other electronic medium acceptable to the Commission.

1. All registration statements of record submitted to the Commission shall be referenced and properly indexed and, if submitted on paper, properly bound.

2. All paper documents submitted to the Commission for filing shall, wherever possible, be typewritten on one side of the paper only.

3. One copy of each exhibit or document shall be submitted, unless the Commission requests more than one copy.

4. All paper documents submitted to the Commission shall not exceed 8 1/2 x 14 inches.

5. An applicant shall submit verified copies of original documents.

6. An affidavit or affirmation as prescribed in the Commission's forms shall be executed for each of the following documents:

i. An application for preliminary, comprehensive and abbreviated Registrations;

ii. An annual report;

iii. A statement of non-conviction;

iv. A consent(s) to service of process; and

v. A broker's affidavit, including an application for a broker's release.

7. The acceptance of a registration and offering statement approved in another state may be conditioned upon an acceptable on-site inspection.

(a) A developer who sells, offers to sell, or attempts to solicit prospective purchasers in this State to purchase a timeshare interest, or any person who creates a timeshare plan with an accommodation in this State, shall register with the Commission, on forms provided by the Commission or in electronic formats authorized by the Commission, all timeshare plans which have accommodations located in this State or which are sold or offered for sale to any individual located in this State.

(b) Preliminary registration requirements are as follows:

1. Upon the submission of an application approved by the Commission, the Commission may grant a 90-day preliminary registration to allow the developer to begin offering and selling timeshare interests in a timeshare plan regardless of whether the accommodations of the timeshare plan are located within or outside of the State. Upon submission to the Commission of a substantially complete application for an abbreviated or comprehensive registration under the Act, including all appropriate fees prior to the expiration date of the preliminary registration, the preliminary registration shall be automatically extended during the registration review period provided that the developer is actively and diligently pursuing registration under the Act. The preliminary registration shall automatically terminate with respect to those timeshare interests covered by an approved public offering statement and by a final order of registration that is issued before the scheduled termination date of the preliminary registration. The preliminary registration shall also terminate upon the issuance of any notice of rejection due to the developer's failure to comply with the provisions of the Act.

2. Upon termination of a preliminary registration order for any reason other than the issuance of a final order of registration and public offering statement, all reservations executed under the preliminary registration shall be null and void, and all funds obtained shall be refunded to the purchaser within 15 days of termination. Evidence of such refunds must be filed with the Commission within 30 days of the date of termination.

3. To obtain a preliminary registration, the developer shall provide all of the following:

i. The reservation instrument to be used, in a form previously approved by the Commission and supplied with the preliminary registration application, which shall, at a minimum, provide for the following:

(1) The right of both the developer and the potential purchaser to unilaterally cancel the reservation at any time;

(2) The placement by the developer of any deposit paid by the purchaser into an escrow account maintained in accordance with (b)3iv below;

(3) The repayment to the potential purchaser of his or her total deposit within 15 days following the receipt of a notice of cancellation of the reservation by either party; and

(4) A statement to the effect that the reservation concerns an offering plan that has not yet received final approval from the Commission, and that no offering of the timeshare interest referenced

in the reservation instrument can be made by the developer until an offering plan has been filed with, and accepted by, the Commission;

ii. A preliminary public offering statement in a form approved by the Commission with an agreement to provide each potential purchaser with a copy of the preliminary public offering statement and an executed receipt for a copy before any money or other thing of value has been accepted by or on behalf of the developer in connection with the reservation;

iii. An agreement to provide a copy of the reservation instrument signed by the potential purchaser and by or on behalf of the developer to the potential purchaser;

iv. A fully executed escrow agreement, acceptable to the Commission, stating that all funds received by the developer shall be placed into an independent escrow account to be maintained in a financial institution located within the State of New Jersey under the control of an attorney, real estate broker or title company licensed to practice in new Jersey. This agreement must state that no funds shall be released until a final order of registration has been granted unless refunded to the purchaser upon cancellation of the reservation agreement or expiration of the preliminary registration. The name and address of the financial institution, and escrow account number must also be provided;

v. The filing fee for a preliminary registration, specified at N.J.A.C. 11:5-9A.10(e), which filing fee shall be in addition to the filing fees

for an abbreviated or comprehensive registration as established in that subsection;

vi. Any advertisements to be utilized by the developer while the preliminary registration is in effect. All such advertisements shall be provided to the Commission before use;

vii. If the timeshare plan is located wholly or in part outside of the State of New Jersey, a fully executed consent to service of process, along with evidence of compliance with all laws governing the offering of a timeshare plan in that jurisdiction;

viii. A statement indicating whether the applicant, or a parent or a subsidiary of the applicant, or any of their current officers or principals have, during the past 10 years, or any of their former officers or principals have during the last two years, been convicted of any criminal or disorderly persons offense involving any aspect of the real estate sales or real estate securities business; and

ix. Such other information as the Commission may require from a particular developer in order to further the provisions of the Act, to assure full and fair disclosure and protect the interests of purchasers.

(c) Comprehensive registration requirements are as follows:

1. In addition to the required documentation under N.J.S.A. 45:15-16.57(d), to obtain a comprehensive registration, the developer shall provide all of the following:

i. The developer's legal name, any alternate names or other names under which the developer has operated or is operating, and the developer's principal office location, mailing address, primary contact person and telephone number;

ii. The name, location, mailing address, primary contact person and telephone number of the timeshare plan;

iii. The name and principal address of the developer's authorized New Jersey representative who shall be a licensed real estate broker licensed to maintain offices within this State;

iv. A declaration as to whether the timeshare plan is a single-site timeshare plan or a multi-site timeshare plan and, if a multi-site timeshare plan, whether it consists of specific timeshare interests or non-specific timeshare interests;

v. The name and principal address of all brokers within New Jersey who sell or offer to sell any timeshare interests in any timeshare plan offered by the developer to any person in this State, who shall be licensed as a real estate broker pursuant to N.J.S.A. 45:15-1 et seq., and who are the authorized representatives of the developer;

vi. The name and principal address of all affiliated and non-affiliated marketing entities who, by means of inducement, promotion or advertisement, attempt to encourage or procure prospective purchasers located in this State to attend a sales presentation for any timeshare plan offered by the developer or authorized broker;

vii. The name and principal address of all managing entities who manage the timeshare plan;

viii. A public offering statement which complies with the requirements of the Act;

ix. A form application provided by the Commission in which the applicant identifies the timeshare plan and the timeshare interests to be registered. The application shall be accompanied by an affidavit, on a form provided by the Commission and signed by the applicant, which affirms and attests that the applicant is familiar with the project being registered, the nature and content of the application for registration, the Act and the rules promulgated thereunder, and that the contents of the application are true and correct and conform with those requirements. A second affidavit, to be completed by the designated New Jersey broker of record, shall accompany the application. The broker's affidavit and application for a broker's release shall state that he or she is familiar with the registration and its contents or has physically inspected the property, or both, that he or she is familiar with the Act and the rules promulgated thereunder, and with the New Jersey Real Estate License Act, and that he or she is not aware of any information that would lead him or her to believe that the information in the registration application does not provide full and fair disclosure of the offering;

x. A statement by the applicant confirming that all monies paid by New Jersey residents to the applicant or his agents prior to closing shall be held in an escrow account pursuant to N.J.S.A. 45:15-16-57(e), or be

guaranteed by some means acceptable to the Commission. The statement shall specify the name and location of the institution where the escrow account is maintained as well as the name and address of any trustee or escrow agent;

xi. An irrevocable appointment of the Commission to accept, on behalf of the applicant, service of any lawful process in any proceeding arising under the Act against the applicant or his agents;

xii. Copies of the developer's certificate or articles of incorporation, with all amendments thereto, if the applicant is a corporation; copies of all instruments by which the trust is created or declared, if the developer is a trust; copies of the articles of partnership or association and all other organization papers if the applicant is organized under another form. In the event the applicant is not the holder of the legal title to the property being registered, the above documents shall be submitted for both the applicant and the legal title holder;

xiii. Copies of the deed or other instruments establishing title in the developer or other record owner and any escrow agreement required pursuant to this section, and a current title search, title report, title insurance policy, title opinion from an independent attorney, or certificate or binder issued by a licensed title insurance company. The Commission may also require a copy of any agreement which grants the applicant the right to dispose of the timeshare interest on behalf of the title holder;

xiv. In the event there is, or shall be, a blanket encumbrance affecting the property or a portion thereof, a copy of the document creating it and a statement of the consequences to a purchaser of a failure of the person bound to fulfill the obligations under the instrument, and of the manner in which the interest of the purchaser is to be protected in the event of such failure;

xv. Copies of any association documents and instruments creating or affecting the timeshare plan;

xvi. A statement or listing of any pending administrative actions or litigation and pending or issued court orders, administrative orders, judgments or decrees which materially affect the sale or development of the offering or the financial stability of the applicant;

xvii. A statement that the interests in the timeshare plan shall be offered to the public and sold or alienated without regard to age, ancestry, color, creed (religion), disability (including AIDS and HIV infection), atypical hereditary cellular or blood trait, familial status, liability for military service, marital status, domestic partnership status, nationality, national origin, race, sex, and affectional or sexual orientation;

xviii. A statement of the present condition of access to the property and of the existence of any adverse conditions that affect the property, or unusual conditions relating to noise or safety which affect the property that are known to the applicant, or should reasonably be known, or are readily ascertainable;

xix. Copies of all contracts, agreements and acknowledgments which a purchaser or lessee may be required to execute in connection with this offering;

xx. The audited financial statements of the applicant for the immediately preceding fiscal year. The term “financial statements” includes, but is not limited to, the following statements: auditor’s report, balance sheet, statement of income, statement of changes in retained earnings, statement of changes in financial position, statement of changes in owner’s equity, notes to financial statements and current profit and loss statement. The filing of the audited consolidated financial statements of a parent company of an applicant may be permitted if the parent company is the registrant, applicant, co-registrant or guarantor. In the discretion of the Commission, it may accept or require alternative information evidencing the applicant’s ability to complete the promised improvements to the development in lieu of the audited financial statements;

xxi. A statement concerning any filing for or adjudication of bankruptcy during the last five years by or with regard to the applicant, its predecessor, parent or subsidiary company and any principal owning more than a 10 percent interest in the timeshare plan at the time of the filing of the application for registration. These requirements shall not extend to limited partners or those whose interests are solely those of passive investors;

xxii. A statement as to the status of all applications for permits and/or compliance with any permits required or issued by any Federal, state,

or local agencies or similar organizations which have the authority to regulate or issue permits, approvals or licenses which may be material to the development, sale or other disposition of the timeshare interests to be registered and the existing or proposed facilities, common areas or improvements thereof;

xxiii. A copy of the proposed budget for the operation and maintenance of the common elements and facilities based upon full occupancy together with the estimated annual assessment and monthly charges to be assessed to each type of unit. The budget shall specifically state the amount set aside as reserves for the replacement of the common elements and facilities, as certified by an independent public accountant or other independent expert. The budget should also indicate whether the applicant is subsidizing the maintenance fee or plans to subsidize the maintenance fee during sales prior to transfer of control to any association, and if so, the amount of the subsidy and the probable effect of the applicant's discontinuance of the subsidy payments upon the maintenance fee payable by each owner. The budget shall be accompanied by a letter of adequacy issued by an independent public accountant attesting that the budget was prepared in accordance with generally acceptable accounting principles and a letter from an independent insurance agent or broker confirming that the insurance coverage meets any standards required in the project documents and as required by situs state law;

xxiv. A covering letter specifying the following information with regard to the project:

(1) The nature of the project;

(2) The individual to whom all correspondence should be directed, with an address; and

(3) The individual to whom annual report notices; and forms should be sent, with an address and telephone number;

xxv. Such additional information as the Commission may require, after review of an application for registration, to assure full and fair disclosure; and

xxvi. A statement indicating whether the applicant, or a parent or subsidiary of the applicant, or any of their current officers or principals have, during the past 10 years, or any of their former officers or principals have, during the last two years, been convicted of any criminal or disorderly persons offense involving any aspect of the real estate sales or real estate securities business in this State, the United States or any other state or foreign jurisdiction and whether the applicant has been subject to any permanent injunction or final administrative order restraining a false or misleading promotional plan involving real property disposition, or any final administrative order or judgment by any court finding that the applicant or any such persons have engaged in any unfair acts and/or fraudulent or deceptive practices involving the disposition of real property or of other products or services.

(d) Abbreviated registration requirements are as follows:

1. In addition to the required documentation under N.J.S.A. 45:15-16.57(f), to obtain an abbreviated registration, the developer shall provide all of the following:

i. A broker of record affidavit in which the broker states that he or she is familiar with the registration and its contents or has physically inspected the property, or both, that he or she is familiar with the Act and the rules promulgated thereunder and with the Real Estate Brokers and Salesmen Act, and that he or she is not aware of any information that would lead him or her to believe that the information in the abbreviated application does not permit full and fair disclosure of the offering;

ii. A statement confirming that all monies paid by New Jersey residents to the applicant or his agents prior to closing shall be held in an escrow account pursuant to N.J.S.A. 45:15-16.57(e) or be guaranteed by some other means acceptable to the Commission. The statement shall specify the name and location of the institution where the escrow account is maintained as well as the name and address of any trustee or escrow agent;

iii. An irrevocable appointment of the Commission to accept, on behalf of the developer, service of any lawful process in any proceeding arising under the Act against the applicant or his agents;

iv. A statement as to the status of all applications for permits and/or compliance with any permits required to be issued by any Federal,

state or local agencies or similar organizations which have the authority to regulate or issue permits, approvals or licenses which may be material to the development, sale or other disposition of the timeshare interests to be registered and the existing or proposed facilities, common areas or improvements thereof;

v. Copies of all contracts, agreements and acknowledgements which a purchaser or lessee may be required to execute in connection with the offering. The Commission may require additional or supplemental documentation in order to resolve any discrepancies between local law and the requirements of the Act;

vi. A statement or listing of any pending administrative actions, litigation and pending or issued court orders, administrative orders, judgments or decrees which materially affect the sale or development of the offering or the financial stability of the applicant; and

vii. A statement indicating whether the applicant, or a parent or subsidiary of the applicant, or any of their current officers or principals have, during the past 10 years, or any of their former officers or principals have during the last two years been convicted of any criminal or disorderly persons offense involving any aspect of the real estate sales or real estate securities business in this State, the United States or any other state or foreign jurisdiction and whether the applicant has been subject to any permanent injunction or final administrative order restraining a false or misleading promotional plan involving real property disposition, or any final

administrative order or judgment by any court finding that the applicant or any such persons have engaged in any unfair acts and/or fraudulent or deceptive practices involving the disposition of real property or of other products or services.

11:5-9A.5 Amendments to registrations and to public offering statements

(a) The registrant shall immediately file with the Commission amendments to its registration application and/or public offering statement reflecting any material or adverse change(s) in previously supplied information or documents, in order to ensure that the information provided to purchasers is current.

(b) Material change means any significant change, whether beneficial or adverse, in the size or character of the interest being offered or anything having a significant affect on the regular duties or obligations of the registrant, developer or purchaser.

1. Material change includes, but is not limited to:

i. A change of the developer or registrant;

ii. A change of exchange company or association with an additional exchange company;

iii. Any substantial change in the accommodations and/or amenities that are part of the timeshare plan;

iv. An increase or decrease in the number of timeshare interests in the timeshare plan;

v. A change of escrow agent, type of escrow or alternative assurance, or a change in any substantive provisions of the escrow agreement between the registrant and escrow agent;

vi. An increase in assessments of 15 percent or more;

vii. A change in management company or a change to a substantive provision of the management agreement;

viii. The transfer of control of the association to the owners of interests in the timeshare plan by the registrant;

ix. A filing of bankruptcy on the part of the developer, registrant, or management entity;

x. Substantive changes in the procedures for obtaining reservations or access to the accommodations that are part of the timeshare plan;

xi. The refinancing of or the placing of any additional mortgages or blanket encumbrances on the timeshare property or interests subsequent to registration approval; and

xii. Any special assessments.

(c) Adverse changes include any material change to the timeshare plan that substantially reduces benefits or increases costs to purchasers.

1. If the change is determined by the Commission to be both material and adverse to the purchasers of the timeshare plan as a whole, no closing shall

occur until the amendment relating to the material and adverse change has been approved by the Commission.

(d) “Material” or “adverse” changes do not include:

1. Correction of any typographical errors that do not affect the rights or obligations of purchasers;

2. Changes in selling prices or advertising materials;

3. Timely completion of promised improvements as represented in a previously approved public offering statement; and

4. With the exception of special assessments, any increase in fees payable by a purchaser of less than 15 percent.

(e) Unless otherwise permitted by the Act, no revised public offering statement shall be given to prospective purchasers without the approval of the Commission.

1. Applications for approval of an amended or corrected public offering statement shall be made by filing a red-lined copy of the proposed revised public offering statement with the Commission and an application update.

(f) The Commission shall process and review requests for amendments to orders of registration and public offering statements in accordance with the standards and procedures established in the Act and this subchapter for the review of applications for registration. Requests for approval of amendments to orders of registration and revisions

to public offering statements shall be accompanied by a fee of \$300.00 as provided in N.J.A.C. 11:5-9A.10.

(g) The developer shall update the public offering statement to reflect any changes to the timeshare plan that are not material or adverse at the time of the filing of next annual report.

11:5-9A.6 Public offering statements

(a) No person shall dispose of any timeshare interest in a registered timeshare plan unless he or she delivers a current public offering statement and affords the purchaser a reasonable opportunity to read the same before the purchaser signs the contract or purchase agreement.

1. In all cases where a New Jersey purchaser has not had contact with an authorized New Jersey broker, registrants shall maintain the signed and dated receipt for the New Jersey public offering statement and a copy of the contract which the New Jersey purchaser signed for a period of seven years.

(b) The public offering statement shall disclose fully and accurately the characteristics of the timeshare plan offered and shall make known to prospective purchasers all unusual and material circumstances and features affecting the timeshare plan. The public offering statement shall be in clear and concise language and combine simplicity and accuracy in order to fully advise purchasers of their rights, privileges, obligations and restrictions.

1. The public offering statement shall be in a form designated by the Commission. No change in form shall be made without the consent of the Commission.

2. The Commission may require an applicant to alter or amend the proposed public offering statement in order to assure full and fair disclosure to prospective purchasers.

3. A public offering statement shall not be deemed current unless it contains all amendments approved by the Commission.

4. Applicants and registrants shall immediately report to the Commission any material change, as defined in N.J.A.C. 11:5-9A.5, in the information contained in any proposed or approved public offering statement and shall simultaneously submit a request for approval of the appropriate amendments.

5. The Commission shall process and review requests for amendments to public offering statements in accordance with the standards and procedures established in N.J.A.C. 11:5-9A.5.

6. The public offering statement shall not be used for any promotional purposes before registration of the project, and thereafter only if used in its entirety.

7. No public offering statement shall indicate, and no person shall represent or imply, that the Commission approves the merits of, or recommends the purchase of, an interest in the properties described in the offering.

8. Prior to distributing a public offering statement as required under the Act in a language other than English, registrants who advertise in a language other than English shall file with the Commission copies of the public offering statement

approved by the Commission printed in both English and in the language in which the advertising appears. The filing shall be accompanied by a certification attesting to the accuracy of the translation of the text of the public offering statement. The certification shall be in a form as specified by the Commission and signed by an authorized representative of the registrant and a qualified translator.

9. The public offering statement shall contain a statement, printed in 10 point type or larger and conspicuously located indicating that within seven days after receipt of the public offering statement or execution of the purchase contract, whichever is later, a purchaser may cancel any purchase contract for a timeshare interest from the developer. The statement shall also contain the name and street address to which the purchaser shall mail any notice of cancellation. If by agreement of the parties in the contract, and/or if local law in the jurisdiction where the timeshare interest is located provides for a cancellation period of greater than seven days, then the longer cancellation period shall apply and the public offering statement shall so state.

10. All public offering statements shall contain a glossary defining the key terms in the offering statement and timeshare plan. This glossary shall be located prior to the narrative portion of the offering statement.

11. The following documents, if applicable, shall be contained in the public offering statement or simultaneously provided to the purchaser:

- i. The timeshare instrument;
- ii. The association articles of incorporation;
- iii. The association bylaws;

iv. The association rules;

v. Copies of any leases or contracts, excluding the purchase contract and loan documents, required to be signed by the purchaser;

vi. The actual or estimated operating budget for the timeshare plan containing the information required under N.J.S.A. 45:15-16.59(b)13, and the schedule of purchaser's expenses;

vii. The form of any applicable agreement for the escrow of ad valorem tax escrow payments;

viii. Documents detailing the procedures and methods by which a purchaser's use and access to the accommodations is scheduled; and

ix. For accommodations located in New Jersey, all documentation required to be given to purchasers under the New Jersey Condominium Act, N.J.S.A. 46:8B-1 et seq., and any other laws governing the transfer of interests in real property, including interests in common interest ownership communities in New Jersey.

12. A signed and dated receipt for the public offering statement and required documents shall be maintained by the developer, along with an executed copy of the purchaser contract for a period of seven years. If the documents are delivered in an alternative format as permitted under N.J.S.A. 45:15-16.59(a), a signed receipt evidencing the purchaser's acceptance of the documents in the alternative format, shall also be maintained by the developer.

11:5-9A.7 Exemptions

(a) Any person who believes that an offering may be exempt from the provisions of the Act, or who is contemplating marketing property in New Jersey which he or she believes may be exempt, may apply to the Commission for a letter of exemption. Such application shall be in written affidavit form and shall list the reasons why the offering or proposed offering may be exempt from the Act. Such an application for exemption shall be accompanied by a non-refundable fee of \$100.00.

1. In the event the Commission shall determine that the offering is exempt from the Act, it shall issue a letter of exemption setting forth the facts upon which the determination is based.

2. In the event the Commission shall determine that the offering is not exempt from the provisions of the Act, it shall deny the request for exemption in writing, setting forth therein the facts upon which the determination is based, and shall send such writing to the applicant via certified mail, return receipt requested.

3. The Commission shall issue a determination as to whether an offering is or is not exempt within 30 days of its receipt of a complete request for exemption, with the appropriate fee.

4. Any person who is aggrieved by such a determination is entitled to a hearing, in accordance with the Administrative Procedures Act, N.J.S.A. 52:14B-1 et seq, and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1, on the determination, provided said hearing is requested in writing no later than 30 days from the date of the applicant's receipt of notice of such determination.

(b) If the nature of the proposed offering indicates that the applicant would be subject to the registration requirements of the Act, the applicant may apply to the Commission for a limited exemption. If the Commission determines that enforcement of the entire Act and all of these rules is not necessary in the public interest or for the protection of purchasers due to the small amounts involved or the limited character of the offering, it shall issue a limited exemption from registration to the applicant.

1. A limited exemption may be granted by reason of the limited character of the offering where the nature of the property, or of the prospective purchasers to whom the timeshare interest shall be offered, is such that it is likely prospective purchasers shall have expert advice concerning the purchase independent of that supplied by the applicant or his agents. An application for a limited exemption for this reason shall include a copy of any prospectus, offering statement or other such solicitation. A limited exemption granted for this reason shall be confined to the group of offerees specified in the application.

2. An application for a limited exemption shall specify the particular timeshare interests for which exemption is sought. Any limited exemption granted shall be confined to those timeshare interests so specified.

3. An application for a limited exemption shall include a narrative description that clearly describes the nature of the offering and the factual basis and reasons why the limited exemption should be granted.

4. Any limited exemption granted shall remain in effect for a period of two years from the date of issuance indicated in the letter of exemption, unless revoked as described below.

5. Any limited exemption granted shall permit the recipient to offer the timeshare interests covered by the limited exemption to New Jersey residents without obtaining an order of registration. A limited exemption shall not deprive the Commission of jurisdiction to enforce any other provision of the Act or this subchapter, or to revoke the limited exemption after notice and opportunity to be heard.

6. A \$300.00 non-refundable fee shall be tendered with any application for a limited exemption.

7. All applications for a limited exemption shall comply with the following minimum requirements.

i. The filing of a limited exemption application affidavit-questionnaire;

ii. The filing of proof of title specifying the units or interests to be exempted;

iii. The filing of satisfactory proof of surety and/or financial assurances for any promised improvements or amenities;

iv. The advertisement standards and procedures established by this Act; and

v. The filing of any other documents that the Commission shall deem necessary.

8. No limited exemption granted hereunder shall be effective until a letter of limited exemption is issued by the Commission to the applicant for the exemption.

9. Any material change in the information reflected on the application for a limited exemption or on any documentation submitted in support of such application, shall immediately void any exemption issued based upon such application.

(c) Any offering under this subsection may only be made to those persons who are current bona fide owners of an interest in a timeshare plan currently registered under the Act or previously registered under the Act, or under N.J.S.A. 45:15-16.27 et seq. or the Planned Real Estate Development Full Disclosure Act, N.J.S.A. 45:22A-21 et seq., by the same developer making the offer. A developer of a timeshare plan that either is or was so registered may offer and dispose of an interest in another timeshare plan created by that developer that is located outside of this State and not registered under the Act to a person in this state who is a current owner of an interest in the currently or previously registered timeshare plan provided that:

1. The developer files a notice with the Commission identifying the timeshare plan that it intends to offer;

2. The developer certifies that all purchasers shall be provided with all disclosure documentation required by law to be provided in the jurisdiction in which the timeshare plan is located;

3. The developer certifies that New Jersey purchasers shall be provided with a right to rescind their purchase within seven days after the purchase contract is signed and all documents required under this Act and local and municipal law are

delivered, whichever is later. If local or municipal law grants a longer rescission period, then the longer period would apply;

4. The developer submits a fee of \$300.00; and

5. If the offer is made to owners of interests in a previously registered timeshare plan, the registration of that plan was terminated in good standing as provided in N.J.S.A. 45:15-16.60c, 45:15-16.40c or 45:22A-31, as applicable.

11:5-9A.8 Advertising and sales promotions with respect to the sale and marketing of registered timeshare plans

(a) Advertisements that refer to the purchase price of a timeshare interest shall state the full purchase price and shall disclose any known or estimated additional assessments or costs to the purchaser.

1. No advertisement shall refer to a price increase unless the amount and date of the increase are indicated.

(b) No advertisement shall refer to any common element or facility that does not presently exist unless that fact is prominently stated in the advertisement, accompanied by the proposed date of completion, which shall also appear prominently in the advertisement.

(c) No advertisement shall contain photographs, sketches or artist's conceptions unless the fact that these are conceptions is stated immediately adjacent to them in the advertisement.

(d) Unless otherwise noted in the contract of sale, any model unit that is used as part of a promotional plan shall be in substantial conformity with the units that have been or are subsequently constructed.

(e) The owners of timeshare plans that are not registered with the Commission, nor wholly or partially exempt from the Act, shall not make or cause to be made an offer or disposition of any timeshare interest in such a plan to a person or resident within this State regardless of whether the offer or disposition originates within or outside of this State.

1. When advertisements for such properties or interests are placed in any media which is distributed in or broadcast into this State, a disclaimer shall be included indicating that the properties or interests are not registered with the New Jersey Real Estate Commission and that the advertisement is not an offer to New Jersey residents.

(f) Any advertisement, including those which contain offers of reimbursement of travel expenses and/or offers of premiums or other inducements shall also comply with the provisions of the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq.

(g) Registrants who advertise in a language other than English shall make available to prospective purchasers all disclosure documents, including, but not limited to, the public offering statement, and the sales contract written in the same language as that used in the registrant's advertisements.

11:5-9A.9 Inspection of timeshare offerings

(a) As provided in N.J.S.A. 45:15-16.84, the Commission, at its discretion, may make on-site inspections of any timeshare plan which is the subject of an application for registration, either before an order of registration has been issued or thereafter. The Commission may in its discretion conduct subsequent on-site inspections.

(b) The costs of inspections shall be paid by the applicant who shall provide a deposit when requested by the Commission. After the inspection, the Commission shall provide the applicant/registrant with a statement of costs incurred and a refund of any portion of the deposit not expended or a request for additional funds if required.

11:5-9A.10 Fees

(a) All applicants for registration shall pay application fees as prescribed in N.J.S.A. 48:15-16.64 and in (e) below.

(b) Any request for approval of a material change in, or an amendment to, an application for registration on the basis of which an order of registration has been issued and/or an order of registration and/or a public offering statement shall be accompanied by a fee of \$300.00. No fee shall be charged for amendments to applications or proposed public offering statements made prior to the issuance of an order of registration.

1. If applications are made simultaneously for approval of a material change and/or an amendment to an order of registration and/or an amendment to a previously approved public offering statement, only one fee shall be payable.

2. If applications are made for approval of multiple material changes, and/or multiple amendments to an order of registration, and/or multiple amendments to a public offering statement simultaneously, only one fee shall be payable.

(c) In accordance with the provisions of N.J.A.C. 15:3, the Commission shall maintain a copy of every application for registration of a timeshare plan that is currently registered together with all amendments thereto and shall make them reasonably available for public inspection during ordinary business hours at the Commission's office.

1. The Commission shall furnish to the public, upon request, a copy of the statement of record of any registered subdivision at a cost in accordance with the copying fees set forth in N.J.S.A. 47:1A-5(b).

(d) All fees paid are non-refundable.

(e) Fees charged pursuant to the Act are listed in the table below:

<u>Description</u>	<u>Fee</u>
<u>Comprehensive registration</u>	<u>\$1,000 plus</u> <u>\$50.00 per timeshare interest, up to a</u> <u>maximum of \$7,500</u>
<u>Preliminary registration</u>	<u>\$3000 if filed separately</u>
<u>Concurrent preliminary registration</u>	<u>\$500.00 in addition to comprehensive or</u>

abbreviated registration fee

<u>Abbreviated registration</u>	<u>\$1,000 plus \$50.00 per timeshare interest, up to a maximum of \$7,500.</u>
<u>Amendments to registration</u>	<u>\$300.00</u>
<u>Exemption to market to current owners</u>	<u>\$300.00</u>
<u>Limited exemption</u>	<u>\$300.00</u>
<u>Statutory exemption</u>	<u>\$100.00</u>

(f) The fee for a consolidation filing shall be the same as for a comprehensive or abbreviated registration as set forth in (e) above.

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