

**PROPOSED REGULATION OF THE
REAL ESTATE ADMINISTRATOR**

LCB File No. R143-16

August 9, 2016

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: §1, NRS 119A.4775.

A REGULATION relating to time shares; establishing provisions relating to required disclosures given to purchasers of previously sold time shares; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law provides that the purchaser of a previously sold time share who purchases the time share through a time-share resale broker must be provided with certain disclosures. Existing law requires the Real Estate Administrator to adopt regulations prescribing the form and contents of such disclosures. (NRS 119A.4775) This regulation requires that such disclosures be given to a purchaser in paper format on a disclosure form prescribed by the Real Estate Division of the Department of Business and Industry, along with a notice of cancellation form prescribed by the Division. This regulation also requires a time-share resale broker to: (1) obtain a signed receipt for the disclosure form from each purchaser and provide the purchaser with a copy in paper format; and (2) keep the receipt of the disclosure form signed by the purchaser with a copy of any contract for the resale of a time share at the principal place of business of the time-share resale broker. This regulation further requires that certain disclosures appear on the disclosure form.

Section 1. Chapter 119A of NAC is hereby amended by adding thereto a new section to read as follows:

1. The information required to be disclosed to the purchaser of a previously sold time share pursuant to NRS 119A.4775 must be given to the purchaser by a time-share resale broker in paper format on a disclosure form prescribed by the Division, and must include a notice of cancellation form prescribed by the Division.

2. *A time-share resale broker shall:*

(a) Obtain from each purchaser of a previously sold time share a signed receipt for the disclosure form prescribed by the Division and provide the purchaser with a copy in paper format; and

(b) Keep the receipt of the disclosure form signed by the purchaser with a copy of any contract for the resale of a time share at the principal place of business of the time-share resale broker.

3. *In addition to any other information required to be disclosed to the purchaser, the following disclosures must appear on the disclosure form in not less than 12-point boldface type:*

A PURCHASER MAY CANCEL, BY WRITTEN NOTICE, THE CONTRACT OF SALE UNTIL MIDNIGHT OF THE FIFTH CALENDAR DAY AFTER THE DATE OF EXECUTION OF THE CONTRACT.

THE NOTICE OF CANCELLATION MAY BE DELIVERED PERSONALLY TO THE TIME-SHARE RESALE BROKER, SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, OR SENT BY EXPRESS, PRIORITY OR RECOGNIZED OVERNIGHT DELIVERY SERVICE, WITH PROOF OF SERVICE, TO THE BUSINESS ADDRESS OF THE TIME-SHARE RESALE BROKER.

THE TIME-SHARE RESALE BROKER SHALL, WITHIN 20 DAYS AFTER RECEIPT OF THE NOTICE OF CANCELLATION, RETURN ALL PAYMENTS MADE BY THE PURCHASER.