

FAQs: New Residential Housing

Q. - Are there any State government protections for the buyers of new homes?

A. - Business and Professions Code Section 11018.2 provides that no person shall sell or lease, or offer for sale or lease in this state any lots or parcels in a residential subdivision without first obtaining a [Subdivision Public Report](#) from the Department of Real Estate. The Public Report is a disclosure document which must be provided by the subdivider or the selling agent to prospective purchasers before a sales contract is signed.

Q. - What statutes govern the marketing in California of real property located outside the United States?

A. - If the project is not a timeshare project and located outside the US or if the project is a timeshare project and has no component sites or accommodations in the United States, there are no requirements except as contained in Business and Professions Code Section 10249.9. This section requires that any offering for sale or lease in California of lots, parcels or interests in a subdivision located outside the United States shall include a specified disclaimer within the printed material, literature, advertising or invitation advising that the project has not been qualified by the state.

Q. - What statutes govern the marketing in California of real property located outside of California, but still within the United States?

A. - Business and Professions Code Section 10249 requires that a person acting as a principal or agent who intends, in this state, to sell or lease or offer for sale or lease lots, parcels or interests in a subdivision situated outside of this state but within the United States, shall, prior to a sale, lease or offer, register the subdivision with the Commissioner. The registration process requires completion of an application, \$100 fee, consent to service, and evidence that the subdivision is in compliance with all applicable requirements of the state wherein it is located. Further, Section 10249.8 requires that any registered offering must include within all California advertising materials and contracts presented to California residents, certain information as identified in the statute.