



IREC use only

License #: _____

Receipt #: _____

Approved: _____

REGISTERING A TIMESHARE IN IDAHO

PLEASE READ THIS FIRST!

SUBDIVIDED LANDS DISPOSITION ACT

The registration materials are divided into three separate sections. Part A consists of Guidelines and Instructors for Full Narrative Registrations. Part B contains the required Application for Registration questionnaires. Part C contains the material and preprinted parts necessary to compose your Public Offering Statement.

Idaho is a member of the ARELLO Timeshare Registry (ATR). Idaho Code provides for a potential discount in registration fees for those registrants who file electronically via the ATR. Please see Idaho Code 54-1809(2). For additional information on this benefit, please visit their website at atr.arello.org.

To prepare your registration:

1. Part A contains the reference materials and the guidelines covering such subjects as assessments, blanket encumbrances and title reports. It is suggested that after a brief review of these materials, they be set aside for reference, if and when you need them.
2. Part B contains the questionnaire sections for the Application for Registration. Put together the exhibits and documents referred to in Section IV of the Application for Registration.
3. Part C contains cover pages and several examples sections prepared by IREC, as well as instructions for putting together your Public Offering Statement.

This registration must be completed by the developer and approved by this office prior to offering timeshares to persons in Idaho. **Timeshare Registration must be mailed, if not using the ARELLO Timeshare Registry Database. Faxed/emailed registrations will not be accepted.**

If you have any questions, please contact Craig Boyack, Real Estate Investigator at (208) 334-3285, Craig.Boyack@dopl.idaho.gov.

IDAHO REAL ESTATE COMMISSION

PART A - GUIDELINES AND INSTRUCTIONS FOR FULL NARRATIVE REGISTRATIONS

I. GENERAL INFORMATION: THE NATURE OF A REGISTRATION

A registration consists of four (4) parts:

1. Application for Registration to be kept on file with the Idaho Real Estate Commission.
2. Acceptable Public Offering Statement.
3. Commission review of the developer's advertising and promotional materials.
4. Commission review and approval of any required property, title, trust or escrow arrangement.

APPLICATION FOR REGISTRATION. The Application for Registration is the name given to the entire compilation of documents and written materials on file with the Real Estate Commission. It also includes the developer's advertising and a promotional plan. The Application for Registration serves several purposes. It supports the disclosure and write-ups found in the Public Offering Statement. It is a source of additional and more detailed information for public and purchaser review. The complete Application for Registration is kept on file with the Commission, and certain portions of it are also kept in a file in the developer's sales office for purchaser reference and review.

PROCEDURES FOR REGISTRATION. The first step in a registration application is to complete the information forms in the registration packet. Cover all information requests fully. If a particular question is not applicable to your set of facts, place an "N/A" by the question. In some instances it may be appropriate to comment why you don't believe a particular question is relevant to your situation.

All responses must be legible and preferably typed. The PDF forms are set up to be filled in online and printed. Incomplete, inconsistent, or illegible responses may mean delay in completion of a registration, since the questionnaire may have to be returned for clarification.

DOCUMENTATION NEEDED AS EXHIBITS. As you proceed through the Application for Registration, you will note references to various documents required. Put all such documents together into a single packet or folder, and reference each as an exhibit by placing a tab on the edge of each document containing the appropriate reference number. Part B - IV of the Application for Registration questionnaire identifies the documents needed and further explains the method of preparation.

Some particular comments about some of the required documents are as follows:

1. TITLE OPINIONS. A title opinion, current to within thirty (30) days of the date of the registration application, must be filed along with the application. Such opinion is to show, along with the status of title, any encumbrances, liens or judgments affecting any of the property. For projects involving condominium units, the opinion should cover the whole unit being timeshared. For other types of properties, the opinion should cover any site or property in which the purchaser is to obtain an estate or which is to be utilized for use or occupancy purposes.

If the development is sited in a jurisdiction where title opinions of the nature and form known in the state of Idaho are not available, developers must present the best evidence of title available and standard for that jurisdiction. Abstracts or title opinions drawn up by attorneys will be accepted only if title reports by professional title companies are not available and it is the practice in the community for attorneys to provide title abstracts.

2. LEGAL DESCRIPTION. *Idaho Code 55-1806(b) requires "a legal description of the subdivided lands offered for registration, together with a map showing the division proposed or made, the dimensions of the lots, parcels, units or interests, and the relation of the subdivided lands to existing streets, roads, waterways, schools, churches, shopping centers, public transportation facilities in existence or under construction and other off-site improvements, in existence or under construction."*

3. COPIES OF SALE DOCUMENTS. The Commission must review the sale documents and any other contractual materials to be signed, initialed or agreed to by purchasers, for the purpose of locating and disclosing any “fine print” hazards.

Note: Developers should make certain that purchase agreements are formatted and handled in a manner that will satisfy the recording requirement of the jurisdiction where a project is sited.

ASSURING TITLE, THE COMPLETION OF FACILITIES AND THE AVAILABILITY OF TIMESHARE ACCOMMODATIONS AND TIMESHARE INTERVALS. Idaho Code 55-1808(1) states the Commission must determine, before approving any registration, that “*the subdivider can convey or cause to be conveyed, the interest in subdivided lands offered for disposition...*” and when appropriate, that release clauses, conveyances in trust, or other safeguards have been provided. When this requirement is applied to the wide variety of structuring found in timeshare marketing, it means the Commission must reasonably assure the availability of the timeshare properties for the use and occupancy of timeshare purchasers, as promised by the developer. Such availability may be assured by non-intervention clauses, deed release provisions, clear-title closings, property trusts, escrows, or any combination thereof.

ADVERTISING. Registrants must submit all advertising, scripts, and any other promotional writings for Commission review before they may be used. The following are considered advertising or promotional materials and are subject to Commission review (this is not an all-inclusive list):

1. Direct mailing containing any type of promotional literature;
2. Direct telephone solicitations;
3. Promotional dinners;
4. Free gifts or drawings of any type;
5. Newsletters, reports, and all handout materials;
6. Movies and slides;
7. All materials supplied by and about timeshare exchange networks; and
8. All statements and representations made by sales staff.

The Commission may require changes to advertising materials when deemed necessary for compliance with Idaho Code or Commission Rules or guidelines.

Developers are responsible for any misrepresentations made by their sales staff.

PURCHASER AGREEMENTS. The Subdivided Lands Disposition Act requires that contracts and agreements which purchasers are asked to sign must be submitted with the Application for Registration. These documents will become public records, available for review upon request. The same is true of any agreement or check list that a purchaser is asked to initial or sign.

As stated in Idaho Code 55-1804A. RIGHT OF RESCISSION:

Any contract or agreement of disposition for an interest in subdivided lands may be rescinded by the purchaser without cause by personally delivering or sending by certified mail, a written notice of cancellation to the subdivider on or before 11:59 p.m. of the fifth calendar day after execution of the contract or agreement of disposition. The contract or agreement of disposition shall state this right and terms in boldface type on the signature page and shall include the address of the subdivider.

FILING FEES. Filing fees for any type of registration are set forth in Idaho Code 55-1809(1).

For the purposes of calculating filing/renewal fees, “unit” means a timeshare interval typically purchased by the average consumer in a development.

CONSOLIDATIONS. Developments are registered for specific and identified intervals. Developers involved with open-ended timeshare projects, such as a common-interest club or a phased condominium project, may wish to register an initial number of intervals and add more intervals to the registration as sales progress.

PURCHASER RECEIPT FOR PUBLIC OFFERING STATEMENTS. For any type of registration, developers are required to have each purchaser sign a receipt for the Public Offering Statement.

THE PUBLIC OFFERING STATEMENT. After the Application for Registration has been prepared and exhibits compiled and labeled, the developer should prepare his draft of the proposed Public Offering Statement. The procedure and format to be used in preparing the Public Offering Statement is fully explained in this section and in Section III below.

The Public Offering Statement should be given to each potential purchaser prior to the signing of any purchase agreement, or at the time the property is being shown.

II. COMPOSING THE PUBLIC OFFERING STATEMENT

It is the developer's responsibility to prepare the first draft of the Public Offering Statement. The more complete and accurate the first draft, the less time it should take to complete the registration process. The Commission reserves the right to reject the Public Offering Statement and return the application if it is incomplete or appears to be inaccurate.

In accordance with the requirements of Idaho Code 55-1807(2), the Public Offering Statement shall disclose, in a prominent place and in bold type, the right of rescission required by Idaho Code 55-1804A, as follows:

RIGHT OF RESCISSION.

Any contract or agreement of disposition for an interest in subdivided lands may be rescinded by the purchaser without cause by personally delivering or sending by certified mail, a written notice of cancellation to the subdivider on or before 11:59 p.m. of the fifth calendar day after execution of the contract or agreement of disposition. The contract or agreement of disposition shall state this right and terms in boldface type on the signature page and shall include the address of the subdivider.

In addition, as stated in Idaho Code 55-1807(3):

The public offering statement shall not be used for any promotional purposes before registration of the subdivided lands and afterwards only if it is used in its entirety. No person may advertise or represent that the Commission approves or recommends the subdivided lands or disposition thereof. No portion of the public offering statement may be underscored, italicized or printed in larger or heavier or different color type than the remainder of the statement except as required by statute or rule of the Commission.

The Public Offering Statement cannot be reviewed until all documents and other information required for the Application for Registration are on file. The examiner must have all pertinent documentation and information at hand before reviewing the Public Offering Statement and registration application.

Although it is the developer's responsibility to prepare the Public Offering Statement and any subsequent revisions, staff is always available by telephone, e-mail or personal interview for assistance in preparing the Public Offering Statement.

The Commission requests that the Public Offering Statement be typed and printed on standard letter-sized plain paper in the format and style of the sample Public Offering Statement. Once the final form and content of the Public Offering Statement has been agreed upon, developers may either print or photocopy the Public Offering Statement for public presentation.

III. NOTICE OF FILING OR NOTICE OF IMPROPER FORM:

After the developer has completed the Application for Registration questionnaire and prepared the exhibits and the first draft of the Public Offering Statement, the filing should be uploaded to the ARELLO TSR or delivered to the Commission office. Staff will review the application to make certain that the questionnaire is complete, the correct filing fee is enclosed, and documentation is complete. If any document or other information is missing, or there are other deficiencies; i.g., no filing fee or improper Public Offering Statement format, the Commission will contact the registrant with expected changes.

NOTICE OF FILING. When all necessary documentation and information is in the application file, the Commission will send a “Notice of Filing”. Once this notice has been sent, the Commission has ninety (90) days during which to approve or reject an application.

NOTICE OF IMPROPER FORM. If the developer’s proposed PUBLIC OFFERING STATEMENT is found deficient or any other statutory requirements are found to be lacking, the Commission will send a “Notice of Improper Form”. The Commission will include specific suggestions for changes in the Public Offering Statement or correction of other deficiencies.

COMPOSITION OF THE PUBLIC OFFERING STATEMENT; JARGON AND TECHNICAL LANGUAGE. Whenever possible try to use layman’s terms and short sentences in composing write-ups; avoid legal or technical jargon. A common complaint is that verbiage is pulled directly from technical documents and is not understandable. Limit the use of verbiage from legal and “fine print” documents wherever possible. Try to explain the facts in your Public Offering Statement as though you were explaining the project to someone you had just met.

IV. FINAL PREPARATION, PACKAGING, AND MAILING INSTRUCTIONS:

At this point the developer should have completed the following steps toward registration:

1. Completed the appropriate sections of the Application for Registration questionnaire;
2. Compiled necessary documents in an exhibit portfolio, tabbed and referenced by number; and
3. Prepared a draft Public Offering Statement.

Do not advertise, offer to sell, or sell until your registration application has been reviewed and approved. Any such activity is a violation of law and subject to penalties as allowed by law. Likewise, the proposed Public Offering Statement should not be distributed until the registration and the Public Offering Statement have been approved.

The final procedures for presenting the application are:

1. Retain at least one copy of the proposed Public Offering Statement. However, do not yet have large numbers of copies printed or photocopied.
2. Keep a copy of the entire Application for Registration.
3. Make certain the sample sale documents contain any required provisions as noted earlier.
4. If the developer has already prepared promotional or advertising materials to be used, copies of all such proposed advertising and promotional material should be placed in a separate file and mailed with the application.
5. Bind together the Application for Registration, the portfolio of documents, including the required surety bond escrow agreement in the amount of \$100,000.00, the proposed Public Offering Statement, and the advertising and promotional material.
6. Prepare a cover letter containing a brief description of the offering and the date the application was mailed.
7. Calculate your filing fee, payable to “Idaho Real Estate Commission”. DO NOT SEND CASH.
8. If the cover letter is sent separately, include a copy of your cover letter with the application. Upload your application materials to the ARELLO TSR, or forward your application to the Commission at the address below.
9. Within ten (10) days of receiving your application, the Commission will send either a “Notice of Filing” or “Notice of Improper Form”. The Commission has ninety (90) days to review and approve or reject the registration from the date it is received.

10. If the first draft of your proposed Public Offering Statement is rejected, prepare and submit a second draft. Staff will review it as soon as practicable.

11. When the Public Offering Statement and the registration have been approved, the Commission will send an Order of Registration.

12. If not using the ARELLO TSR, mail applications to: Division of Occupational and Professional Licenses, Idaho Real Estate Commission, PO Box 83720, Boise, Idaho 83720-0063. Contact staff for assistance at: (208) 334-3285, or at irec.idaho.gov.

PART B – APPLICATION FOR REGISTRATION

I. GENERAL INFORMATION ABOUT THE DEVELOPER

(If a question is not applicable to your offering, indicate “N/A”).

1. _____
Name

Address City State Zip

Phone # Fax

Email

2. Does the developer have a general agent or one with a power of attorney? Yes No
(If “Yes”, identify - name and address and briefly explain the nature and degree of the agent’s authority):

3. The person to be responsible for preparing the developer’s registration with the State of Idaho is:

Name

Address City State Zip

Phone # Fax

Email

4. The developer’s general marketing or sales agent is: (If the general sales agent is not the developer, the agent must be a licensed real estate Idaho broker.)

Name

Address City State Zip

Phone # Fax

Email

5. List the names, addresses, and business telephone numbers of Idaho Real Estate licensees and/or other persons who will be actively engaged in marketing your offering in this state:

Name

Address City State Zip

Phone # Fax

6. The developer's attorney (involved with this project) is:

Name

Address City State Zip

Phone # FAX

Email

7. The developer's accountant or the person responsible for preparing budgets, records, and financial information for this development is:

Name

Address City State Zip

Phone # Fax

Email

8. Location of sales records: (In this space identify the future location of all sales records and purchaser receipts):

Address City State Zip

Phone # Fax

Email

The custodian of these records will be: _____
Name

9. The Developer as a Legal Entity: (check the appropriate box):

- a. Sole proprietor (owner)
- b. Husband/wife joint tenancy or community property owner
- c. General Partnership
- d. Joint venture
- e. Corporation
- f. Limited Liability Company
- g. Limited Liability Partnership
- h. As an individual, is the General Partner in a Limited Partnership
- i. Officer, owner, or has an interest in a corporation that is the General Partner in a Limited Partnership
- j. Other. Describe in detail: _____

10. If the developer is a corporation or limited liability company, provide the State of Idaho registration number and list all other states, provinces or foreign jurisdictions where it is licensed to do business.

11. Is there a parent corporation, joint venture, partnership or other person that owns, manages, directs or controls the applicant developer? Yes No

If so, identify and explain the nature of the relationship: _____

12. Does the applicant developer, as an affiliate or other means, manage, direct or control any subsidiary corporation, joint venture, partnership, or person who is in any manner involved with this development? Yes No

If yes, identify and explain the relationship: _____

13. Identify any professional or business licenses held by the developer in this state or other jurisdictions (such as: attorney, accountant, real estate, contractor, teacher, etc.):

14. If the developer is a corporation, LLC, partnership, joint venture or other organization, state whether or not it was organized for the sole purpose of developing or marketing this development. Provide a general description of other business or professional activities engaged in by the developer:

15. Identify by name, location and type of offering, all land developments, subdivisions, planned unit developments, time-share, camping clubs, or other recreational offerings that the developer, its parent corporation or its subsidiaries has owned, sold, or promoted during the past ten (10) years:

16. If the developer or its affiliates is a corporation or a corporation within a limited partnership, or a limited liability company or member of a limited liability company, for each person owning 10% or more of the stock in such corporation or limited liability company, identify the person and the percentage of stock owned:

17. Provide documentation and explanation if, within the past ten (10) years, the developer or any of its individual directors, officers, general partners, members or managers has been:

- (i) Convicted of a crime involving land dispositions or any aspect of the land sales business in this state, the United States or any other state or foreign country; OR
- (ii) Adjudicated liable and had a civil judgment entered against him for making a false or misleading promotional plan involving land dispositions; OR
- (iii) Subject to any injunction or administrative order restraining a false or misleading promotional plan involving land dispositions.

II. REGISTRATION QUESTIONNAIRE - THE PROGRAM AND PROJECT PROPERTIES

1. Name of project: _____

2. Date and place marketing program started: _____

3. An "interval" is the normal and customary purchase made by a consumer. (For point based registrations, an interval is generally enough points for a one week vacation.)

How many intervals are currently available? _____

4. The total number of timeshare intervals planned to be sold or that are already dedicated to the project is: _____

5. Of the total available, how many intervals have already been sold? _____

6. In which states is the developer currently marketing? _____

7. In what other states does the developer intend to market? _____

8. Is the project closed-ended or open-ended (phased)?

9. Nature of interest to be sold: (Check one of the following)

- a. Fee interval
- b. Tenancy-in-common
- c. Common-interest club
- d. Leasehold estate
- e. License to use (vacation timeshare lease plan)
- f. Other (describe)

10. Identify all timeshare properties involved in the project or the timeshare program: (use a separate sheet if necessary)

Name of Property	Location (address)	Type of Property (condo, motel, residence, etc.)	Number of Whole Units in Property	Number of Timeshared Intervals

11. Current Ownership: For each timeshare property or unit to be timeshared, or involved in the program, provide the following information covering ownership of the properties.

Properties	Current Owner of Property	Current List of Outstand- ing Liens or Other Encum- brances	Date of Satisfaction

12. Future Ownership: Will title be transferred to a management company, association or other entity? If so, please identify by property.

Properties	Future Owner of Project	Will Liens be Retired Prior to Transfer

13. The Developer must have fee title to the property prior to registration. Does the Developer currently have fee title to the project? Yes No

14. Identify each timeshare property and its amenities or facilities, the construction of which is not completed. Give the projected date of completion, estimated cost and person responsible for completion:

15. Will the project be marketed or constructed in phases? Yes No

If yes, outline the plan of implementation: _____

16. Identify all timeshare associations, condominium associations or master associations (PUDS) wherein timeshare purchasers will have memberships.

Name of Association	Type or Purchase	Are Purchasers Required to Join?	Present Control of the Association

17. Project Recreational Facilities: Identify and describe briefly all recreational facilities that are advertised or promised by the developer available to timeshare purchasers, currently or in the future.

18. State the current and future ownership and construction status of all such facilities.

Facility	Current Title	Future Title	Construction Status

19. Who will be responsible for managing the timeshare project and the timeshare properties (name and address)?

Name

Address

City

State

Zip

20. Does the developer or any of its agents, principals, subsidiaries, officers, directors, or partners intend in any way to be involved with the operation, management, or control of the timeshare properties once the marketing program is finished?

Yes No

If yes, explain: _____

21. Briefly explain the arrangement for housekeeping and servicing the interiors of the timeshared properties. Does this service require an additional fee from Purchasers? Yes No

If so, what is the current fee? _____

22. Has the developer, or any affiliate of the developer signed any contract(s) to manage or service the properties?

Yes No

If yes, give the date and parties to such contract(s): _____

23. Exchange Program: Identify the exchange network to be utilized. Give date of contract with the exchange, the number of interval memberships and projects that have to date been approved by the exchange. If the developer is to utilize its own exchange program, describe the program and who will be responsible for reservations:

24. The developer's program will be fixed time floating time . If floating time, describe the program and identify the person responsible for reservations.

25. Is the project a common interest club? Is it open ended? Yes No

26. Assessments: State current amount of assessments, to whom and when assessment payments are to be made:

27. Escrows: Are there to be escrows of any type? Yes No

If yes, identify escrow agent and nature of the escrow: _____

28. Property Trusts: Will property of any description be placed in trust? Yes No

If yes, identify the properties and explain the trust: _____

29. Property Rentals: Will purchasers, by any means, be able to rent their units, accommodations or intervals?
 Yes No

If yes, explain the procedure and cover fully whether or not the developer will be involved in arranging for such rentals. If no, explain the restriction.

III. DEVELOPER'S PLAN OF PROMOTION, ADVERTISING AND SALE

1. Describe generally the developer's plan of promotion: _____

2. Will the developer be using direct mail advertising of any type? Yes No

If yes, identify the mailing organization. Describe generally the promotional plan and nature of the literature to be mailed.

3. Will prospects be offered:

- (a) Free gifts, bonuses or prizes? Yes No
(b) Free dinners? Yes No
(c) Free transportation? Yes No
(d) Fly and see or site inspection revocation rights? Yes No
(e) Money-back guarantees under other conditions? Yes No

If yes to any of the above, please explain: _____

4. Identify all other media (internet, newspapers, television stations, radio stations, magazines, etc.) to be utilized in the promotional plan:

5. Will there be association or developer newsletters sent to purchasers? Yes No

6. Does the developer, or its agents, propose to advertise, promote or sell any portion of the registered offering as a financial investment? Yes No

If yes, the developer must provide signed proof of filing with:

Idaho Department of Finance
11341 W. Chinden Blvd. Ste A300, Boise, ID 83714
P.O. Box 83720, Boise, ID 83720-0031

Website: finance.idaho.gov
Office: (208) 332-8000
Fax: (208) 332-8099

7. Will there be restrictions placed upon the purchasers' rights to resell their lots, units, intervals or interests?
 Yes No

If yes, please explain: _____

Calculate New Registration Fee			
Base Fee			\$250.00
Enter the number of intervals in your project			
Subtotal			
Using ARELLO TSR?	<input type="checkbox"/> YES <input type="checkbox"/> NO	If Yes, 25% discount =	
Subtotal Minus ATR discount			
Total Registration Fee (maximum \$3,000.00)			

IV. DEVELOPER'S EXHIBITS AND DOCUMENTATION OF RECORD

GENERAL INFORMATION. This form has been devised to identify documents needed to register a variety of offerings. It is unlikely any one developer will need to file all listed documents. If there is any question about the need for a document, the developer should submit the document as an exhibit. Failure to provide necessary documents might cause delay in receiving a Notice of Filing and Registration.

FOREIGN NON-ENGLISH JURISDICTIONS. Documents whose original is in a language other than English must have a separately attached English translation of their contents.

LABELING THE EXHIBITS. Each document or group of documents provided as an exhibit should have an index tab placed somewhere on its right side, protruding conspicuously and labeled by reference to that exhibit's identifying number as found on the request page. The final compilation of documents should be bound together by clips, loose-leaf binder or similar means, making the compilation easily identifiable and readily accessible for staff examination.

IF USING THE ARELLO TIMESHARE REGISTRY, PLEASE ADOPT THE SAME EXHIBIT NUMBERING SYSTEM IN THE ONLINE DOCUMENTS.

Do not duplicate documents. If a requested document has already been provided elsewhere in the application, simply make a note on the left-hand side of the page referencing the location of the document; e.g., "See Exhibit _____." Please do not submit originals of documents unless requested.

Exhibit 1. Provide a sample or prototype of the purchase agreement and all other documents or writings to be signed or initialed by timeshare purchasers.

Exhibit 2. Provide copies of all recorded and unrecorded encumbrances, mortgages, trust deeds, leases, developer contract purchase agreements (including any amendments and release clauses), liens, and judgments of record that might affect title to any of the units or interests being whole or timeshare offered.

Exhibit 3. Provide an opinion of title, title report or certificate which has been issued within the preceding thirty (30) days, covering all whole or timeshare units or interests and properties being offered for sale or that are servicing the development. If the development is sited in a jurisdiction where title insurance or title opinions are not commonly available elsewhere in the statement, the developer should have explained how title is recorded and made of record. In such a case, provide the appropriate document(s) showing current status of the developer's title.

Exhibit 4. Any declarations or project governing instruments for development. These should show the recording information and adopting signatures.

Exhibit 5. Any Articles of Incorporation or By-laws applicable to this development. These should show the appropriate filing evidence and adopting signatures.

Exhibit 6. All covenants and restrictions applicable to this development showing evidence they were recorded.

Exhibit 7. Copies of all promotional and advertising material to be used or that may already have been used in this state, in your sales and marketing program. This is to include all TV or radio scripts, newspaper and magazine ads, direct mailing materials, handouts, promotional meetings, slides, movies, talks and newsletters. Include all materials identified in Section III, "The Developer's Plan of Promotion".

Exhibit 8. Copies of any listing agreement or similar marketing contract which has been or is to be signed between the developer and a marketing or real estate agent for marketing and selling your inventory in the state of Idaho.

Exhibit 9. One of the following. If the developer/promoter, its parent or subsidiary is a:

- A. Corporation, a corporation that is the general partner for a limited partnership, or a limited liability company, provide a copy of the Articles of Incorporation or Articles of Organization, certificate to do business in the state of Idaho, annual reports to the state showing officers, directors, managers, or members, as filed for the past three (3) years; and the current by-laws or operating agreement.
- B. General partnership or joint venture, supply copies of the partnership agreement.
- C. Limited partnership or real estate syndication, provide a copy of the Certificate of Limited Partnership and all amendments thereto, and a list (names and addresses) of all investors, and any syndication agreement.

Exhibit 10.

- A. Required for all Registrations: Original Surety Bond of the Subdivider, or Escrow Agreement with confirmation of deposit of escrow funds, in the amount of \$100, 000.00, as required by 55-1806(4) and (5).
- B. If there are any construction bonds, bonds covering utilities, recreation facilities, or bonds to be used for any purpose in the planning and construction of this development, provide copies of the same.

Exhibit 11. If this offering has been registered elsewhere as a security, timeshare, condominium, or land development, provide copies of the disclosure statements (Public Offering Statements) that have been approved in such registrations.

Exhibit 12. If there have been any adverse administrative orders, permit denials, or civil or criminal lawsuits involving the development or the developer, provide full copies of same, including developer answers to any lawsuits.

Exhibit 13. If the development's administrative review processes involve zoning changes or the passage of special local ordinances or laws in order to accommodate the developer's plans for this development, provide a copy of the ordinance or order of such zoning change. This may cause the Commission to require a special disclosure in the Public Offering Statement and the Purchase documents.

Exhibit 14. If, as part of any platting, condominium or subdivision administrative review process, the developer has made any commitments or agreed to any conditions or restrictions in order to gain local approval of the project, provide a copy of the record of proceedings before the local agency, or other written record of such commitments; include a copy of any agency staff report known by the developer to have been utilized in the agency review process.

Exhibit 15. If any escrow arrangement has been prepared by the developer or others for the purpose of guaranteeing clear title for contract purchasers, or for handling the blanket encumbrance requirements, provide a copy of all documents proposed to be used in the escrow arrangements. These should include the original escrow contract and the escrow instructions to be given the agent.

Exhibit 16. If a trust arrangement has been prepared by the developer, the association, or others, for the collection or holding of assessments or any other monies to be used for the purpose of construction or maintenance of development properties, owned commonly, or otherwise, provide a copy of all documents proposed to be used in this trust arrangement. Include any correspondence or reports from the trustee.

Exhibit 17. If the developer promises or advertises the availability of any other improvement or amenity to service the development or its residents (including recreational facilities), and if not already provided elsewhere, provide adequate and full documentation to support the facts, all proposed advertising, developer promises, and the information proposed to be found in the Public Offering Statement concerning the availability of such improvements. Include copies of all correspondence from regulatory agencies and the suppliers.

Exhibit 18. If the development involves associations, clubs or similar organizations for the purpose of owning or managing common elements, improvements, amenities, recreational facilities or other community property servicing this development and/or its residents for each such organization, provide the following:

- A. Copies of all governing documents, including the Articles of Organization, operating agreement, Articles of Incorporation, by-laws, administrative rules, and any amendments thereto;
- B. Copies of the transcribed minutes of all Board of Director or membership meetings held during the past year; and
- C. Copies of any newsletters or other informational materials provided to officers, directors or members during the past year.

Exhibit 19. If the developer, individually or as an officer/director of the association, has committed, or proposes to commit the association to any management, employment, or other contract, lease or agreement that serves, or would serve, to financially commit the association, provide copies of all such commitments.

Exhibit 20. If the development is a condominium, or if it contains tracts or acreage that will contain condominiums, and if not already provided elsewhere, provide a copy of all filed and recorded condominium declarations or master deeds, by-laws, plats and building plans involving such condominiums (or those that are to be filed).

Exhibit 21. If the developer has arranged for FHA, VA or other institutional financing for the individual unit or timeshare purchasers, provide a copy of the approval (or rejection) letter and all related correspondence from such institution.

Exhibit 22. If construction of any accommodation, property or facility has not been completed, provide copies of the construction loan commitment, financial statement or other evidence of the availability of construction funds.

Exhibit 23. If a timeshare offering and property is sited in a foreign jurisdiction, submit a letter from an appropriate local agency - or other evidence - showing that timeshare of units is permitted in the area zoning or the declarations that there will be no violation of the local jurisdiction's Timeshare Act or condominium documents.

Exhibit 24. If appropriate to the offering, submit a readable floor plan of the condominium or property.

Exhibit 25. Copy of the documents (contract, option, earnest money, deed) whereby the promoter has obtained or will be obtaining title to the units.

Exhibit 26. If not already provided, a copy of any contract signed by the promoter with any managing or servicing agent.

Exhibit 27. If any outside agency will service the developer's purchase agreements, provide a copy of the service agreement.

Exhibit 28. If purchasers or owners of the interest in an offering must pay fees or charges beyond prescribed assessments for the use, occupancy or possession of accommodations, facilities or services in the project, provide a copy of the schedule for such fees.

Exhibit 29. Copies of any other documents not requested herein that you consider pertinent to this application and your public offering and briefly state on a separate page the nature and purpose of these documents.

Exhibit 30. Copies of all insurance policies covering the project or the association.

V. DEVELOPER'S APPLICATION - AFFIDAVITS OF RECORD:

I/We, _____,

of _____
(Street Address) (County) (State) (Zip)

of the development known as: _____

BEING DULY SWORN, DEPOSE AND ATTEST TO THE FOLLOWING AFFIDAVITS OF RECORD:

Encumbrances and Liens:

1. THAT THERE ARE NO ENCUMBRANCES, liens, easements, lawsuits or judgments affecting this development or title to the lots, units, interests, acreages and properties being registered herein, other than those stated in this application, or otherwise noted in the public offering statement and/or the title opinion. I/We will not knowingly cause any encumbrances, liens or easements to affect title to the properties in this development without first notifying the Real Estate Commission. I/ We will contact the agency immediately should any encumbrances, liens, easements or lawsuits come of record or possibly affect title to said registered properties. Copies of all lawsuits or liens that are filed involving or naming any property or facility in this development will be immediately provided to the agency; and

2. THAT neither myself/ourselves nor any person with an ownership interest of five percent (5%) or more in this development, or if a corporation or limited liability company, none of the officers, directors, members, managers, principals, nor any of the developer's managers, or sales employees of the corporation, are known to ever have been convicted of a crime involving land dispositions or any aspect of the land sales business in this state, the United States or any other state or foreign country within the past ten (10) years, with the following exceptions (If none, so state):

3. THAT, PROVIDED THEY ARE recordable in the jurisdiction where the development is sited, I/we will record all purchaser time payment agreements and deeds. I/We will also pay all applicable state or locally-required property or excise taxes, either prior to, or at the time of purchaser commitment; and

4. THAT, UNLESS FULLY DOCUMENTED, DISCLOSED in my/our Public Offering Statement and agreed to by the agency, neither I/we or my/our agents, will knowingly or intentionally advertise or promote the lots, units or interest in this development as investment potential; and

5. THAT, after completion of this application and the statements made herein, I/we have re-examined the application, the initialing, the statements and the information provided herein, including all documents, exhibits and references, and certify under penalty of perjury or revocation of any granted registration, that all initialing, statements, information and documentation presented, are, to the best of my/our knowledge and belief, true, correct and complete in all respects; and

6. THAT, I/we have completed and signed this affidavit and affirmation in the capacity of

(i.e., owner, manager, partner, officer, attorney, etc.).

PART C - PREPARING THE PUBLIC OFFERING STATEMENT FOR TIMESHARE PROJECTS

Before preparing a draft for a Public Offering Statement, the developer should review Commission guidelines and general instructions for the registration of timeshare offerings. Please note that the draft must be typed and presented on unlined 8½” by 11” letter-size paper, or equivalently sectioned electronic document. The draft should utilize only one side of the paper although the final approved document used for public distribution may use both sides of the page.

IMPORTANT: The Public Offering Statement must be prepared using the Commission-prescribed format. It must include all parts, sections, and information as outlined in these instructions, unless noted otherwise.

The Public Offering Statement shall not be used for any promotional purposes before registration, and afterwards only if it is used in its entirety. No person may advertise or represent that the Commission approves of or recommends the subdivided lands or disposition thereof.

No portion of the Public Offering Statement may be underscored, italicized or printed in larger or heavier or different color type than the remainder of the statement except as required by statute or rules of the Commission.

If a registration application is submitted with a Public Offering Statement that utilizes a non-prescribed, or an obsolete format, or one with any of the necessary parts, sections or pages missing, the Public Offering Statement may be returned for completion or re-writing. Such a submission will constitute a deficient filing and may delay the registration.

The following section of Idaho Code (55-1804A) must be printed on the signature page. It must include the address of the subdivider and must be in bold and quoted verbatim:

RIGHT OF RESCISSION

Any contract or agreement of disposition for an interest in subdivided lands may be rescinded by the purchaser without cause by personally delivering or sending by certified mail, a written notice of cancellation to the subdivider on or before 11:59 p.m.. of the fifth calendar day after execution of the contract or agreement of disposition (Idaho Code 55-1804A).

EXAMPLE PUBLIC OFFERING STATEMENT: An example is provided in the registration packet for your guidance. The example Public Offering Statement illustrates the required headers and the required format, and contains instructions and suggestions for what you will include in each section. It is suggested that you use it as a reference while drafting your own Public Offering Statement. The sample and the informational sections have been designed to cover a wide variety of situations. The situations quite likely will not be the same as those found in your own project; however, developers should address each of the paragraphs captioned in the sample provided. Give the facts as you believe them to be for your own project.

Assemble the Public Offering Statement in the following manner.

PART ONE: The Receipt of Public Offering Statement. This document goes on top for the convenience of the developer, promoter, and the consumer. At the presentation, the consumers should execute this receipt, and the registrant should retain it in their record. (See Attachment 1.)

PART TWO: This is the beginning of the actual Public Offering Statement. It consists of two pages identifying the project, developers, and where the consumer can obtain additional information. (See Attachment 2.)

PART THREE: Information about Registrations and Time Shared Offerings. This is simply general information the State of Idaho wants consumers of registered properties to receive. Provide this information in its entirety. (See Attachment 3.)

PART FOUR: Developer's Information. This is a more lengthy attachment, broken down into sections identified by Roman numerals, with suggestions for information to include in that section. Each development is unique. The developer is responsible for including in each section of the Public Offering Statement any other information, not suggested or referenced herein, that might be of importance to a prospective purchaser. Refer to the information and documentation presented in your Application for Registration. The information in the Public Offering Statement, the Application for Registration and advertising must all be in agreement. Once the registration is approved, developers may have the Public Offering Statement printed on both sides of the page. However, for the original draft, please print on only one side of the page. Avoid legal and technical jargon; whenever possible, use simple words and expressions. (See Attachment 4.)

ATTACHMENT 1 - RECEIPT OF PUBLIC OFFERING STATEMENT

TO THE RECIPIENT: Sign this receipt upon receiving and reviewing a copy of the Public Offering Statement. Do not sign this receipt until you have received a complete copy of The Public Offering Statement and made certain it is the one dated and referred to on this receipt page, and all pages are intact.

RECEIPT: On _____, 20 _____, I received a copy of the Public Offering Statement consisting of _____ pages for: _____
(Name of Development)

STATE OF IDAHO REGISTRATION NUMBER: _____

I was given an opportunity to inspect the documents said to be in the Developer's Application for Registration.

Please circle one: I (did) (did not) purchase a lot, unit or timeshare:

Recipient's Signature: _____ Date: _____

Recipient's Name: _____
(Please print or type)

Address _____ City _____ State _____ Zip _____

Salesperson's Signature: _____

RIGHT OF RESCISSION

Any contract or agreement of disposition for an interest in subdivided lands may be rescinded by the purchaser without cause by personally delivering or sending by certified mail, a written notice of cancellation to the subdivider on or before 11:59 p.m. of the fifth calendar day after execution of the contract or agreement of disposition (Idaho Code 55-1804A).

TO THE DEVELOPER: This receipt page is considered to be part of your Public Offering Statement. When copies of the official Public Offering Statement returned to you are printed or photocopied, this page should be filled in with necessary information and attached at the end. When a person is given a Public Offering Statement, remove this page and have the recipient read and sign. Keep this receipt in a safe place. It is your protection. Unless requested by the Commission, you will not ordinarily be required to provide the Commission with photocopies of the receipts.

ATTACHMENT 2 - PUBLIC OFFERING STATEMENT

(Required by the State of Idaho for Idaho resident purchasers.)

IMPORTANT: All purchasers from Idaho should read this entire document carefully before signing anything.

RIGHT OF RESCISSION

Any contract or agreement of disposition for an interest in subdivided lands may be rescinded by the purchaser without cause by personally delivering or sending by certified mail, a written notice of cancellation to the subdivider on or before 11:59 p.m. of the fifth calendar day after execution of the contract or agreement of disposition (Idaho Code 55-1804A).

Project name: _____

Type of project: _____

County of: _____ Effective date of original registration: _____

State of: _____ Idaho State Registration No. _____

Developers: _____

Registration with the State of Idaho: Idaho law requires that developers register certain types of developments with the State of Idaho. The purpose of registration is to provide full and complete information about the Project. You are to receive this information through this disclosure report. This disclosure report is the Public Offering Statement.

Application for Registration: Developers are required to file numerous documents and other materials known as the Application for Registration. The Application for Registration supports the developer’s disclosure made in this report. The Application for Registration may also be of interest to you if you want more details about this project. The entire Application for Registration is kept on file by the Idaho Real Estate Commission. Portions of it are also to be in the developer’s sales office. At both locations, the Application for Registration is a public file, available upon request for review by anyone during reasonable office hours. Each purchaser of a lot is to be given access to these documents of record before signing an agreement.

The developer’s sales office is located at _____,

and the telephone number is _____

Copies of the following documents from the developer’s Application for Registration should be available at the above sales office for your review:

1. A title opinion provided by _____

2. Copies of all final recorded plat(s) for all divisions in the development.

3. For further information about laws which govern the sale of out-of-state property or general information about subdivided lands, condominiums, and timeshares, contact:

IDAHO REAL ESTATE COMMISSION
PO Box 83720
BOISE, ID 83720-0063
(208) 334-3285
irec.idaho.gov

DISCLAIMER: The Real Estate Commission and the State of Idaho neither approves nor disapproves of the merits of this offering. Although the Commission has taken reasonable precautions to determine if the statements made in this disclosure are true and correct, the Real Estate Commission disclaims any responsibility. All statements should be considered to be statements of the developer.

ATTACHMENT 3 – INFORMATION ABOUT REGISTRATIONS AND TIME SHARED OFFERINGS

DEVELOPER ADVERTISING: The Real Estate Commission has the right to review all advertising and pro-motional material. These materials may be submitted to, or requested by, the Commission for review and approval prior to usage. Advertising and sales pitches stressing investment potential are generally prohibited. Purchasers who feel they have been induced by the developer or sales staff to make a purchase in this project for profit-making purposes are urged to contact the Idaho Real Estate Commission.

INSPECTION OF PROPERTY: Purchasers would be prudent to visit and inspect any project before making a commitment to purchase. As a general rule, it is not advisable to purchase property (or an interest in property) sight unseen.

PURCHASER CONTRACTS: The developer will be using some form of a written sales agreement. Read that agreement carefully. Do not rely on any verbal representations that conflict with the print. Verbal representations are usually not enforceable. Sales persons should not make statements that contradict this Public Offering Statement or the sales contract. As a condition to registration, the developer must permit you to take with you for leisurely inspection and consideration a copy of any agreement that you might be expected to sign or initial. If the developer declines to permit such leisurely inspection, you are urged to contact the Idaho Real Estate Commission.

Do not sign any purchase agreement until you have carefully read and considered all of its provisions.

GENERAL INFORMATION ABOUT TIMESHARED PROPERTY: Timeshare refers to the structuring and marketing of a variety of properties, ownership, and occupancy arrangements all having one element in common -- the sharing of property by a number of persons for vacation, recreational, or other purposes. Many types of property may be timeshared, including hotels, motels, condominiums, residential houses, recreational parks, a mix of such properties and even personal property such as ships.

There are also a variety of ownership and occupancy arrangements, all of which generally fall into one of two categories: (1) those where you buy a legal ownership or shared-ownership interest; or (2) those where ownership of the property remains with the developer or with someone else. You get no type of legal ownership--you buy a long-term use or occupancy right, the nature of which is not clearly defined legally, but which is somewhat similar to a long-term part-time lease. You will find variations in each of these types.

FIXED OR FLOATING TIME: Timeshares are usually structured and sold as "fixed time" or "floating time". "Fixed Time" means that you have occupancy and use of a particular unit or site at a fixed time and date each year. "Floating time" means your right to use and occupancy in a specific or non-specific unit will be determined by reservation and unit availability. "Floating time" allows more flexibility in determining when your vacation may be taken. Before purchasing a "floating time" timeshare project, you should determine the ratio of memberships to units and make certain the developer will not oversell or enter into excessive numbers of sale agreements as compared with the number of units available. If the ratio is too high, there could be long waiting periods and difficulties in making reservations.

WHICH TIMESHARE IS BEST? It is difficult to say which type of timeshare is "best". Each timeshare must be viewed on its own merits based on the facts and the purchaser's own needs and interests. You should study the legal structure, nature and location of the property, type of accommodations, management proficiency, and seasonal and climactic preferences, as

well as your own personal tax situation. Some considerations might be:

1. What kind of vacation do you want?
2. Will there be limitations on your availability for vacations?
3. Where do you want to vacation?
4. How much can you afford?
5. Are there adequate guarantees of title and availability of the properties?
6. Who will be managing the association?
7. How much time do you have to assist in managing an association?
8. What kind of use do you want to make of the property?
9. What will be your vacation habits for the coming years?
10. What is your income and tax situation?

PURCHASING: It would be prudent for you to investigate and consider more than one project before making a decision to purchase timeshare intervals. If you are buying a timeshare, it is your responsibility to make certain there are no judgments, liens, or encumbrances jeopardizing your right of ownership in the property. If you are purchasing a right-to-use arrangement, be sure you know what guarantee is provided by the developer to assure availability.

MANAGEMENT: After assuring your rights of ownership, occupancy and use, competent, on-going management is the most important element to consider. You should carefully evaluate the arrangements to manage the property and service the units. If you are to be personally involved in management through an association, carefully evaluate and review the management contract(s), association budgets, and financial statements.

MEMBERSHIP IN THE ASSOCIATION--COMMONLY MANAGED PROPERTY: A purchase of an interest in some types of registered offerings requires that you be a member of a timeshare association. Through legally enforceable provisions in the recorded declarations, your membership in the association will be mandatory and automatic the moment you make your purchase. Membership will mean certain responsibilities and even financial obligations. The association runs things as sort of a mini-government, operating under legal documents and laws. There may be restrictions enforced limiting the way in which you may occupy or use your unit and the project properties.

ASSESSMENTS AND ASSOCIATION BUDGETS: In order to provide funds for operation and maintenance of the common properties, the association will have authority to levy assessments against your percentage of interest in the property. If you are delinquent in the payment of assessments, the association may have the authority to enforce payment through court proceedings, or your interest in the project or ability to use or occupy the facilities or participate in management may in other ways be jeopardized. If for any reason you fail to use or occupy your unit for the contracted time period, you should realize that you must normally still pay the usual prescribed member assessment.

You should make an informed inquiry into the short term and long term budgeting process for this development. Will assessments be sufficient to cover long term depreciation along with current upkeep requirements? Who is responsible for the assessments on unsold and repossessed property? Who pays the assessment on projects that are still in inventory of the developer, under construction, or are partially occupied? Contact information and processes for you to review this information are provided later in this Public Offering Statement.

EXCHANGE NETWORKS: Nearly all timeshare projects utilize membership in an exchange network. The advantages of membership in an exchange network are obvious and will most likely be explained to you by the developer during the sales presentation. The exchange companies usually provide their own promotional materials for promoter/member usage during sales presentations. Continued membership in any exchange network is not assured by the developer or any government agency. The value of your membership in an exchange network is only as good as the timeshare you have purchased. The value of the timeshare that you are purchasing should be your first and primary consideration. Buy because of your interval-not because of exchange availability.

CONDOMINIUMS: If you are purchasing a timeshare in a condominium, be sure you understand the documents which control and govern the condominium. Also carefully read the information provided in this Public Offering Statement.

ATTACHMENT 4 - DEVELOPER'S INFORMATION

I. THE DEVELOPER: GENERAL INFORMATION AND BACKGROUND

Identify name and business address. If a corporation, limited liability company, or other business entity, provide the date, number, and place of the firm's registration, and the registered agent's name and address. Identify those individuals owning more than a 25% interest in the corporation (the purpose for this information is to let purchasers know the identity of the individuals they are dealing with in small, non-public entities). State the years in operation, primary type of business involvement, and experience with other recreation or timeshare projects. If the developer is a limited partnership, provide similar information about the general partner of that partnership.

II. THE PROJECT: HISTORY AND GENERAL INFORMATION

Identify each property or site to be utilized in the offering. Give their locations and physical characteristics. If the availability of facilities in nearby recreational areas is to be advertised, describe them and state the distance in road miles from such recreational areas. Identify all residential building structures, their ages, physical characteristics, and number of units. Identify and describe any recreational facilities to be part of the project. If condominiums are involved, state whether or not they are conversions, the number of units with whole-unit owners, the number in timeshare ownership and the number involved in rental pool arrangements. The purpose of this information is to disclose any potential conflicts of interest between owners of units or problems with management. Was the project originally designed for timesharing?

III. NATURE OF THE INTEREST BEING PURCHASED

What kind of an interest will the purchaser obtain? There are many ways timeshares are sold. Please describe your project in layman's terms. Some projects will utilize more than one method. A few examples:

"Purchasers will obtain an undivided 1/50th ownership as a tenant-in-common with 49 other owners of a residential four bedroom house. The dates and times that each owner will occupy and use the property will be contractually determined when each owner signs a time interval purchase agreement with the developer. Ownership of your interest will be in your name and is recordable, transferable and insurable."

OR

"Purchasers will obtain a twenty-year-term legal right to occupy and use certain residential units and recreational facilities in the project hotels. The dates of occupancy and use will be determined by reservation and availability of non-specified residential units. The purchaser will obtain no form of title or legal ownership to the properties."

OR

"The purchaser will obtain fee ownership of a condominium residential unit for a fixed, pre-determined interval of time each year. This ownership and title is recordable, insurable and transferable. The date and time of your interval ownership will be determined and contracted when you make a purchase."

OR

"Purchasers will obtain an undivided 1/500th common-interest ownership of a 1200-acre ranch, including the residences, certain recreational facilities and all acreages. Ownership will be by means of membership and ownership in a non-profit corporation which will take legal title to the property. The date and term of your occupancy and use of the property will be determined by yearly reservation in the season contracted for, at the time you make a purchase."

OR

"This is a points based timeshare project, wherein all of the units have been allocated a specific number of points which represent the occupancy rights in a particular unit. Your points are expendable on an annual basis at any of ten different developments in North America. The value of your points is dependent upon which development you want to vacation at and what time of year you wish to visit. Accordingly, your points may be valued at anywhere from four days to two weeks."

IV. IDENTITY AND DESCRIPTION OF THE INTERVALS; CURRENT AND FUTURE SALES INVENTORY

Developers and their sales agents will most likely already have this information available in their sales materials. This information may be referenced as a handout or an attachment to the Public Offering Statement. The information should identify the buildings, units, time intervals, seasons and price ranges of the intervals. Ongoing and future development plans that may affect the purchasers should also be mentioned here.

V. MARKETING AND SELLING THE PROJECT

Identify the general marketing agent, the local sales agent and state licensees (if any). If the developer is utilizing its own sales staff, make this fact known, including the employee or corporate status of such salespersons. Purchasers are entitled to this information, particularly if the salespeople are not state licensed.

If the developer has been utilizing direct-mail solicitations, information about these promotions must be provided. Identify the mailing organization, the nature of the mailings, odds at winning gifts, and conditions to qualifying for prizes.

If the developer is advertising a site-inspection revocation agreement for purchasers, the details must be fully disclosed and the conditions fully spelled out in this section of the Public Offering Statement.

VI. LEGAL TITLE TO THE PROJECT HOLDINGS

Identify who currently has title to all properties being utilized in the project. If the developer is not currently the fee owner, explain fully the developer's current ownership status, the date and the method by which he is to obtain title. Illustrate a chain of title from the developer to the current owner. If title is to be transferred to purchasers or an association in the future, cover the method, and date or conditions of transfer. Who will have future ownership and legal title to development properties once the sale program is ended? If the purchaser's agreement or interest has a terminal date, state this fact and cover fully to whom title to the property will revert on the terminal date. For common-interest association ownerships, if there were dissolution of an association or membership arrangement during the term of agreement, to whom would the assets normally revert?

VII. ENCUMBRANCES AFFECTING TITLE TO THE PROPERTIES

Are there mortgages, liens, judgments or other encumbrances affecting the properties? Does the developer have clear title? If construction is in progress, is payment for contractors assured? Identify any mortgages, beneficiaries, lien or judgment holders and the amounts owed.

VIII. AVAILABILITY AND OCCUPANCY OF THE PROPERTIES

Those promoters selling no-title "occupancy and use" should disclose fully in this section how they assure the availability of all of the properties for purchaser occupancy and use during the entire term of their agreements. How can the purchaser be assured that contingencies such as bankruptcy, death, liens, encumbrances, fire, natural hazards, even a sale by the owner, will not wipe out the availability of the property? If the property becomes unavailable, what arrangements are there to assure refund of purchaser payments?

This is the appropriate location to discuss whether the developer, or association, is allowed to rent out vacant units. Describe in detail whether a portion of the rents collected will go into the maintenance of the project and/or facilities.

IF THERE ARE NO SUCH ASSURANCES, DEVELOPERS MUST DISCLOSE THIS FACT IN A SEPARATE PARAGRAPH OF BOLDLY CAPTIONED, UNDERLINED PRINT.

IX. PURCHASER PROTECTIONS

- A. Escrow and trust arrangements
- B. Title insurance
- C. Recording of Purchaser Agreements
- D. Other

In this section, cover fully any escrow or trust arrangements utilized to protect purchaser titles, payments and contracts. Among others, these might include true escrows (titles and collections), trust for the holding of title to properties, or escrows holding purchaser contracts until a certain percentage of sales are closed.

Cover in this section the recording of purchaser agreements, and providing of title insurance (if available).

Cover any other purchaser protections such as bonding or letters of credit to assure construction of facilities.

IF THERE ARE NO SUCH PROTECTIONS IN PLACE OR AVAILABLE, THE DEVELOPER MUST CLEARLY STATE THE SAME IN THIS SECTION UTILIZING BOLD TYPE.

X. THE PURCHASE AND SALE AGREEMENT

Summarize in simple language any of the provisions that appear unusual or that might constitute a hazard to the purchaser. Pay particular attention to any restrictions, alienation, revocation, acceleration or penalty clauses. Does the developer intend to sell or discount purchaser contracts? Is the contract in a recordable form? When and where will it be recorded? Will collections on the contracts be serviced elsewhere? If so, where will payments be sent? If the agreements contain clauses totally revoking the purchaser's membership or right to use for failure to pay assessments, such provisions must be disclosed in a separate paragraph, and in bold print.

The Idaho Real Estate Commission may require developers to provide an attorney's opinion that unusual provisions in some contracts are actually enforceable.

XI. DEVELOPER ARRANGED FINANCING

Describe the program of financing. What terms are available? Who will carry the "paper" or service its collection? Will purchase agreements be sold? Identify the parties to such arrangements and any personal or interlocking corporate business relationship between the developer and others handling, servicing, or purchasing developer "paper". Are there discounts to the purchaser for pre-payment or for cash payment? Are there any penalties for pre-payment? Will payment obligations balloon?

XII. PURCHASER COSTS

Identify and estimate those purchaser costs beyond the actual purchase price. Include closing costs, impound accounts, insurance requirements, condominium start-up fees, annual assessments, hotel or motel service charges, reservation charges, exchange charges, and any other costs that a purchaser might incur in the process of buying, occupying, and using the property.

XIII. RESTRICTIONS AFFECTING PURCHASER USE AND ENJOYMENT

This section is to cover possible restrictions, conditions or limitations on use beyond those considered as blanket encumbrances. Examples might be restrictions found in covenants and restrictions of record, rules, bylaws, and the regulations of foreign jurisdictions or local ordinances. Not exclusive of others, following are several examples:

- Restrictions involving pets or children.
- Local ordinances affecting personal activity or use of property.
- Penalties for failure to vacate or give notice to management
- Restrictions on use and occupancy by friends or non-relatives.
- Restrictions and conditions on reservations in "floating time" projects.
- The existence of a co-owner's right of partition.

This section also provides the developer with an opportunity to give notice to purchasers about any areas of non-responsibility on the part of the developer himself.

XIV. MANAGING AND SERVICING THE PROJECT

This is extremely important information for purchasers. Cover fully how the developer proposes to assure purchasers that:

- The residential and recreational properties will be adequately managed.
- The individual units will be serviced (keys, clean linens, housekeeping, etc.)
- Taxes, insurance, security and any other such hazards to the property are taken care of during an interval owner's absence.

Identify the managing and servicing agent(s). Identify any management or service contracts that have been signed or are to be signed. Disclose fully the terms of the contracts, the compensation paid the manager; any business or inter-locking corporate relationship between the management and the developer, or, the marketing agent and the developer. **STRESS:** How does the developer guarantee managerial and servicing performance? If there are limitations or problems, they should be disclosed. Summarize any unusual or restrictive authority granted the manager. Disclose future management. How is management selected and hired? How are purchasers involved in this selection process?

XV. THE TIMESHARE EXCHANGE PROGRAM

The information provided in this section will vary, depending upon which exchange network the developer has joined, or the nature of his own program. Generally speaking, restrictions, conditions, or hazards of any nature to an exchange membership, resort availability and request fulfillment should be noted and explained.

The degree and type of information included will also depend upon the nature of the developer's offering and the stress placed upon exchange programs during the sales program. A project with its own network or involving so-called "club" memberships most likely will be laying heavier stress on the exchange benefits than will a project selling fee intervals in established condominiums. The following are some of the data to provide about exchanges:

- The identity of the exchange and how the system works.
- Any costs or transactional fees for using the exchange system.
- How reservation requests are handled, limitations on filling requests, priorities for filling.
- Any monetary discounts or penalties affecting memberships.
- The consequences to members for violation of terms of membership.
- Any information that the exchanges themselves may wish to stress.

XVI. PURCHASER CONVENIENCES

The amount and type of data for this section will depend upon where project properties are sited. Among others, some subject areas are: Hospitals, doctors, shopping, availability of transportation to the site, car rentals, telephone service, driver's licensing, gasoline availability, parking and laundry facilities. It is appropriate to provide a simplified map.

XVII. ADDITIONAL OBLIGATIONS

Detail here any off site property the Association is responsible for maintaining. These may include, but are not limited to, golf courses, air strips, docks and moorages, beaches, islands, and gymnasiums.

XVIII. THE ASSOCIATION; YOUR MEMBERSHIP AND INVOLVEMENT

Timeshare marketing involves the use of a variety of associations designed to be utilized for somewhat different purposes. There is, for example, a considerable difference between a timeshare association whose sole purpose is to maintain and service the interior of a condominium unit and one designed to manage a 500-acre ranch and its outdoor recreational facilities. The informational areas and the proposed write-ups have necessarily been designed to cover such a variety of situations.

A. GENERAL INFORMATION ABOUT YOUR ASSOCIATION

Identify each association purchasers will be required to join along with any additional optional associations that are available. Give a brief history of each association, when and where incorporated, the law under which incorporated, the legal address and purpose. The true legal nature of the organization must be disclosed. Among other facts, disclose the statute, law or procedure legally enabling the organization.

B. THE NATURE OF YOUR INVOLVEMENT IN THE ASSOCIATION

Briefly explain the purchaser's involvement, i.e., the obligations, responsibilities and benefits, as well as the true legal nature of the interest being purchased in the association and its properties.

C. DESCRIPTION OF ALL ASSOCIATION PROPERTIES

If not already covered elsewhere in the Public Offering Statement, identify all properties owned, or to be owned, by the association.

D. OWNERSHIP STATUS OF THE COMMONLY OWNED PROPERTIES

Detail current and future ownership of the properties identified in Section "C". State the method, date or condition of transfer of title. If title is not yet in the name of the association, cover the arrangement that will legally assure such transfer of title.

E. CONSTRUCTION STATUS OF THE ASSOCIATION PROPERTIES AND AMENITIES

Information is required where any residences, amenities or recreational facilities are to be owned by the association, but which have not yet been completed. Provide the following information:

- Identify each non-completed property.
- Estimate the cost of completing the facilities.
- Identify the person(s) responsible for completion and payment of the facilities, and the identity of the contractors doing the work.
- The schedule for completion.
- Guarantees for completion, such as bonding, bank credit, escrows, etc.

F. NUMBER AND TYPE OF INDIVIDUALS USING THE ASSOCIATION PROPERTIES

Cover whether or not the governing documents, covenants, declarations or any other sources allow (or disallow) the use or occupancy of association properties by non-timeshare owners. Does the developer or the association plan, or have the authority to rent or sell any type of uses to "outsiders"? The purpose for this information is to let the purchaser know what the "use" load is for the properties. Some example situations to be covered are:

- Hourly or daily fee rentals for "outsiders" to use amenities such as swimming pools, golf courses, moorage, anchorage, hangar fees, beach access, or tennis courts.
- Long-term memberships of any type allowing "outsiders" to use facilities.
- The total number of users of properties that belong to a condominium association, wherein a unit is being timeshared.
- A projection of future increase in the number of users of recreational facilities because of added timeshare inventory on the part of the developer.
- The rental of residential intervals to others, whenever a timeshare purchaser fails to reserve or "show" for the use of his unit. (Who retains the income in such situations?)
- Can an interval owner use recreational facilities belonging to a project during times other than residential time reserved or owned by that owner?

G. THE ASSOCIATION LEGAL STRUCTURE AND RECORDKEEPING

This section covers the structure of the association, its governance, and records. Please describe the following:

1. Board of Directors - State how the current members were selected and the selection process. Describe the board's function, its purposes and powers. Identify the current board members. (NOTE: The developer's comments here should agree with actual provisions found in applicable law and the governing documents).
2. Association Officers - Describe how the current officers were selected and the procedure and authorization for their selection. Briefly explain the duties of the officers. Identify the current officers and directors.
3. Treasurer - Explain how the treasurer was selected, the treasurer's responsibilities, if any, as far as assessments, funds and financial records are concerned. Is, or will the treasurer be bonded? Who has check or withdrawal (signature) authority for association funds? Describe the responsibilities of the treasurer for keeping records, accounting for funds and mailing out reports.
4. Association Registered Agent – Identify by name and address. Explain the purpose of such an agent (receipt of process).
5. Association Address: Where will the official mail be received? Where may members contact the association officers or management?
6. Classes of Memberships - Identify and explain each class of membership authorized by statute and the governing documents. Detail the differences between the membership classes.
7. Voting Rights and Procedures - Explain fully the voting rights of timeshare members. Cover areas of management and government that are to be voted upon by members or by the board of directors. Cover methods and procedures for voting, what constitutes a quorum and whether or not there is voting by proxy. Cover accumulated voting by mail.
8. Control of the Association - Cover who now has voting and in-fact control of the association. Explain how and when voting control of the association will transfer from the promoter/developer to all member/owners collectively. Cover any changes in the voting and control situation that might result if the developer/promoter adds future divisions to the project; i.e., voting control might shift, or continue with the developer for an extended period of time. If there are to be future divisions, when does its new block of votes become available to the developer/promoter? Do the arrangements provide that future units or offerings be included within the same association?
9. Removal of Directors and Officers - Explain how this is done.
10. Amending the Governing Documents - Explain briefly the procedure for amending the governing documents.
11. Board of Director's Meetings - Cover whether meetings are required or may be held voluntarily. Cover required notice and who is entitled to attend. Cover the types of activity that must be considered and reviewed at such meetings. Provide the date and place of the last board meeting. Provide the date and place of the next meeting.
12. Special Meetings - Cover fully any provisions for special meetings that might be called by either the directors or the members. If there are no provisions for special meetings state this clearly.
13. Association Committees - Identify, if any, and how one can serve on them.
14. Books, Records and Financial Reports - Books, records and association financial records should be kept in a place where they are available for member review during reasonable times. Identify the person(s) responsible for their preparation, care and custody. Provide contact information for this person.
15. Association Budgets. Cover the existence and preparation of the current operating budget and any long-term (capital) budgets. Who prepared these budgets? Where are they kept for review? What process is available for members to review these documents?
16. Operation Costs and Deficiencies - Particularly during early stages of the sales program, there may be insufficient assessment funds to pay for day-by-day maintenance or the operating costs of the association. Cover the possibility of any operational deficiencies. Will the developer/promoter make up any such deficiencies? If so, for how long and under what limitations? Are there any bonds or escrow arrangements in place to provide funds under these circumstances?
17. Both current and capital budgets are considered part of the developer's Statement of Record and should be available for purchaser and member/owner review in the developer's sales office as well as the association office.

ASSESSMENTS

Cover completely the amount, purpose, date and place of payment of the general assessment. Explain the authority for this assessment; i.e., vote at the last board meeting, and their authority to do so, as found in the governing documents.

Assessments should not be collected directly by developer's sales agent, but by the treasurer, a trustee, or other appropriate officer of the association.

Cover, in a separate paragraph, whether or not the developer is obligated, or will agree, to pay assessments on unsold or repossessed inventory. If lots are being sold directly to or through builders, will these builders pay assessments during the interim of their ownership? Cover also the obligation of the developer to pay assessments for in-arrears or unpaid assessments of timeshare purchasers who have defaulted.

NOTICE: Because of rising costs associated with issuing a refund, it is the policy of IREC to refund overpayments of under \$25 only if requested in writing within 30 days of IREC receipt of the overpayment. Overpayments of \$25 or more will be automatically refunded. There is a \$20 fee assessed for each check returned to IREC for insufficient funds.