
Commonwealth of Virginia
COMMON INTEREST COMMUNITY BOARD



TIME-SHARE REGULATIONS

Last Updated December 1, 2020

STATUTES
Title 55.1, Chapter 22



Department of Professional and Occupational Regulation

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SUMMARY OF SIGNIFICANT CHANGES

Included in this document are relevant excerpts from the Virginia Administrative Code. Please note that the Common Interest Community Board is responsible for promulgating regulations in accordance with the Administrative Process Act (§ 2.2-4000 et seq.), and the Virginia Code Commission is responsible for compiling and codifying all of the administration regulations of state agencies into the Virginia Administrative Code.

It is your responsibility to stay informed and follow all regulations and statutes governing time-shares. As a regulant of the Board, you should read and become familiar with all regulations applicable to time-shares. You can stay informed of regulatory actions that may result in changes to the regulations at Virginia Regulatory Town Hall (www.townhall.virginia.gov).

This document is a complete, edited (unofficial) copy of the Time-Share Regulations (18 VAC 48-45). Please refer to the Virginia Administrative Code for an official copy of the regulations applicable to your profession or occupation. You can access the Virginia Administrative Code online at <http://law.lis.virginia.gov/admincode>.

The following is a brief summary of the significant changes to the Time-Share Regulations effective December 1, 2020, but does not include all changes made to the regulations.

- The regulations were amended to conform to statutory changes that became effective on July 1, 2020 (Chapter 1011 of the 2020 Acts of Assembly).
- Provides clarification regarding the terms “time-share program” and “time-share project” as they relate to requirements for registration of a time-share program and public offering statements for time-share programs.
- Clarifies that the Virginia Real Estate Time-Share Act and Time-Share Regulations are applicable to out-of-state time-share programs in which the time-share interests are direct or indirect beneficial interests in a trust.

STATEMENT OF PURPOSE

This booklet contains the information you will need to complete the registration of your time-share with the Common Interest Community Board. The law that governs the registration process is found in **Title 55.1, Chapter 22 of the Code of Virginia**. That law permits the board to issue regulations that explain to you, in greater detail, what is expected of the time-share developer, the time-share instruments, and other aspects of the Time-Share Act. This booklet contains a copy of the regulations that you will need to know and obey in order to initially file and maintain your registration.

BE SURE YOU READ AND UNDERSTAND THE REQUIREMENTS SET FORTH IN THESE REGULATIONS. FAILURE TO COMPLY WITH THESE REQUIREMENTS COULD RESULT IN THE REVOCATION OF YOUR REGISTRATION.

It is the goal of the Department of Professional and Occupational Regulation to provide the information you need to comply with the law and regulations. If you have a question and cannot find the answer in this booklet, please write to:

Common Interest Community Board
Department of Professional and Occupational Regulation
9960 Mayland Drive
Richmond, VA 23233

Or call the Agency at (804) 367-8500.

Or e-mail at cic@dpor.virginia.gov.

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Part I

General

18VAC48-45-20. Definitions.

A. Section [55.1-2200](#) of the Code of Virginia provides definitions of the following terms and phrases as used in this chapter:

"Affiliate"	"Offering" or "offer"
"Alternative purchase"	"Person"
"Association"	"Product"
"Board"	"Public offering statement"
"Board of directors"	"Purchaser"
"Common elements"	"Resale purchase contract"
"Contact information"	"Resale service"
"Contract" or "purchase contract"	"Resale time-share"
"Conversion time-share project"	"Resale transfer contract"
"Default"	"Reseller"
"Developer"	"Reverter deed"
"Developer control period"	"Situs"
"Development right"	"Time-share"
"Dispose" or "disposition"	"Time-share estate"
"Exchange company"	"Time-share expense"
"Exchange program"	"Time-share instrument"
"Guest"	"Time-share owner" or "owner"
"Incidental benefit"	"Time-share program" or "program"
"Lead dealer"	"Time-share project" or "project"
"Managing agent"	"Time-share unit" or "unit"
"Managing entity"	"Time-share use"
"Material change"	"Transfer"

B. The following words and terms when used in this chapter shall have the following meanings unless the context clearly indicates otherwise:

"Alternative disclosure statement" means a disclosure statement for an out-of-state time-share program or time-share project that is properly registered in the situs.

"Annual report" means a completed, board-prescribed form and required documentation submitted in compliance with [§ 55.1-2242](#) of the Code of Virginia.

"Application" means a completed, board-prescribed form submitted with the appropriate fee and other required documentation in compliance with the Virginia Real Estate Time-Share Act and this chapter.

"Blanket bond" means a blanket surety bond issued in accordance with the requirements of [§ 55.1-2220](#) of the Code of Virginia obtained and maintained by a developer in lieu of escrowing deposits accepted by a developer in connection with the purchase or reservation of a product.

"Blanket letter of credit" means a blanket irrevocable letter of credit issued in accordance with the requirements of [§ 55.1-2220](#) of the Code of Virginia obtained and maintained by a developer in lieu of escrowing deposits accepted by a developer in connection with the purchase or reservation of a product.

"Department" means the Department of Professional and Occupational Regulation.

"Electronic" means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.

"Firm" means a sole proprietorship, association, partnership, corporation, limited liability company, limited liability partnership, or any other form of business organization recognized under the laws of the Commonwealth of Virginia.

"Full and accurate disclosure" means the degree of disclosure necessary to ensure reasonably complete and materially accurate representation of the time-share in order to protect the interests of purchasers.

"Individual bond" means an individual surety bond issued in accordance with the requirements of [§ 55.1-2220](#) of the Code of Virginia obtained and maintained by a developer in lieu of escrowing a deposit accepted by a developer in connection with the purchase or reservation of a product.

"Individual letter of credit" means an individual irrevocable letter of credit issued in accordance with the requirements of [§ 55.1-2220](#) of the Code of Virginia obtained and maintained by a developer in lieu of escrowing a deposit accepted by a developer in connection with the purchase or reservation of a product.

"Registration file" means the application for registration, supporting materials, annual reports, and amendments that constitute all information submitted and reviewed pertaining to a particular time-share program, alternative purchase, exchange program, or time-share reseller registration. A document that has not been accepted for filing by the board is not part of the registration file.

"Virginia Real Estate Time-Share Act" means Chapter 22 ([§ 55.1-2200](#) et seq.) of Title 55.1 of the Code of Virginia.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 35, Issue 6, eff. December 14, 2018; Volume 36, Issue 6, eff. December 30, 2019; Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-30. Explanation of terms.

Each reference in this chapter to a "developer," "purchaser," and "time-share owner" or to the plural of those terms shall be deemed to refer, as appropriate, to the masculine and the feminine, to the singular and the plural, and to natural persons and organizations. The term "developer" shall refer to any successors to the persons referred to in [§ 55.1-2200](#) of the Code of Virginia who come to stand in the same relation to the time-share as their predecessors in that they assumed rights reserved for the benefit of a developer that (i) offers to dispose of its interest in a time-share not previously disposed of or (ii) applies for registration of the time-share program.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019.

18VAC48-45-40. Time-shares located outside of Virginia.

- A. In any case involving a time-share located outside of Virginia in which the laws or practices of the jurisdiction in which such time-share is located prevent compliance with a provision of this chapter, the board shall prescribe by order a substitute provision to be applicable in such case that is as nearly equivalent to the original provision as is reasonable under the circumstances.
- B. The words "time-share instrument" and "public offering statement," when used in this chapter with reference to a time-share located outside of Virginia, mean documents, portions of documents, or combinations thereof, by whatever name denominated, that have a content and function identical or substantially equivalent to the content and function of their Virginia counterparts.
- C. The word "recording" or "recordation" when used with reference to time-share instruments of a time-share located outside of Virginia means a procedure that, in the jurisdiction in which such time-share is located, causes the time-share instruments to become legally effective.
- D. This chapter shall apply to a contract for the disposition of a time-share located outside of Virginia only to the extent permissible under the provisions of subsections C and D of [§ 55.1-2201](#) of the Code of Virginia.
- E. In accordance with subsection D of § 55.1-2201 of the Code of Virginia, this chapter applies to any time-share program wherein the time-share interests are either direct or indirect beneficial interests in a trust created pursuant to a situs time-sharing law, or other applicable law of the situs.
- F. The time-share shall be properly registered in the state or other jurisdiction where the project is located.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019; Volume 37, Issue 3, eff. December 1, 2020.

Part II

General Application Requirements

18VAC48-45-50. Application procedures.

A developer seeking registration of a time-share program or an alternative purchase, an exchange company seeking registration of an exchange program, or a reseller seeking registration in order to offer or provide resale services, all in accordance with the Virginia Real Estate Time-Share Act, shall submit an application on the appropriate form provided by the board, along with the appropriate fee specified in 18VAC48-45-70.

By submitting the application to the board, the applicant certifies that the applicant has read and understands the applicable statutes and this chapter.

The receipt of an application and the deposit of fees by the board do not indicate approval or acceptance of the application by the board.

The board may make further inquiries and investigations to confirm or amplify information supplied. All applications shall be completed in accordance with the instructions contained in this chapter and on the application. Applications will not be considered complete until all required documents are received by the board.

Applications that are not complete within 12 months after receipt of the application in the board's office will be purged, and a new application and fee must be submitted in order to be reconsidered for registration.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-60. Review of application for registration, generally.

- A. Upon the review of the application for registration, if the requirements of this chapter have not been met, the board shall notify the applicant.
- B. The board may refuse initial registration due to an applicant's failure to comply with entry requirements or for any of the reasons for which the board may discipline a regulant.
- C. At such time as the board affirmatively determines that the requirements of this chapter have been met, the board shall issue the applicable registration.
- D. Notwithstanding the provisions of 18VAC48-45-130 for a time-share program registration, applications that do not meet the requirements of this chapter may be

accepted following consideration by the board in accordance with the Administrative Process Act ([§ 2.2-4000](#) et seq. of the Code of Virginia).

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-70. Fees.

A. All fees are nonrefundable and shall not be prorated. The date on which the fee is received by the board or its agent will determine whether the fee is timely. Checks or money orders shall be made payable to the Treasurer of Virginia.

B. Fees are as follows:

Time-share program registration application	\$1,500
Time-share program phase amendment filing	\$250
Time-share program registration annual report	\$500
Alternative purchase registration application	\$100
Alternative purchase registration annual report	\$100
Exchange program registration application	\$1,000
Exchange program registration annual report	\$250
Time-share reseller registration application	\$250
Time-share reseller registration renewal	\$250
Time-share reseller registration reinstatement (includes a \$100 reinstatement fee in addition to the \$250 renewal fee)	\$350

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 37, Issue 3, eff. December 1, 2020.

Part III

Marketing and Advertising

18VAC48-45-80. Time-share marketing activities.

- A. Time-share marketing activities shall include every contact by or on behalf of the developer for the purpose of promoting disposition of a time-share or alternative purchase. Such contacts may be personal, by telephone, by mail, by electronic means including social media, or by advertisement. A promise, assertion, representation, or statement of fact or opinion made in connection with a time-share marketing activity may be oral, written, electronic, or graphic.
- B. No time-share marketing activity shall be deemed an offer unless, by its express terms, it induces, solicits, or encourages a prospective purchaser to (i) execute a contract of sale of the time-share or alternative purchase or (ii) perform some other act that would create or purport to create a legal or equitable interest in the time-share until the board has issued an order of registration.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016.

18VAC48-45-90. Offering of gifts or prizes.

- A. Any offering that includes a gift or prize shall include the disclosures contained in [§ 55.1-2218](#) of the Code of Virginia. Such disclosures shall be made with the same prominence as the offer.
- B. The board may at any time require a developer to alter or amend any offering that includes a gift or prize in order to ensure compliance with this section.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019.

Part IV

Application for Time-Share Program Registration

18VAC48-45-100. (Repealed.)

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019; Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-110. Prerequisites for registration of a time-share program.

The following provisions are prerequisites for registration and are supplementary to the provisions of [§ 55.1-2239](#) of the Code of Virginia.

1. The developer shall own or have the right to acquire an estate in the land constituting or to constitute any time-share project included in the time-share program that is of at least as great a degree and duration as the estate to be conveyed in the time-shares.
2. The time-share instrument of any time-share project included in the time-share program must be adequate to bring a time-share project and time-share program into existence upon recordation. This subdivision does not apply to a time-share instrument that may be recorded after the time-share project and time-share program have been created.
3. The time-share instrument must include a statement detailing that the developer reserves or does not reserve the right to add or delete any alternative purchase.
4. The current and planned time-share advertising activities of the developer shall comply with [§ 18.2-216](#) of the Code of Virginia and this chapter.
5. If the developer is a firm, it shall be organized as a business entity under the laws of the Commonwealth of Virginia or otherwise authorized to transact business in Virginia. Firms shall register any trade or fictitious names with the State Corporation Commission in accordance with Chapter 5 of Title 59.1 ([§ 59.1-69](#) et seq.) of the Code of Virginia before submitting an application to the board.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019; Volume 36, Issue 17, eff. June 1, 2020; Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-120. Review of application for registration of a time-share program.

- A. Upon receipt of an application for registration of a time-share program, the board shall issue the notice of filing required by subsection A of [§ 55.1-2241](#) of the Code of Virginia.

- B. Upon the review of the application for registration, if the requirements of [§ 55.1-2239](#) of the Code of Virginia and this chapter have not been met, the board shall notify the applicant as required by subsection C of [§ 55.1-2241](#) of the Code of Virginia.
- C. If the requirements for registration are not met within the application review period or a valid extension thereof, the board shall, upon the expiration of such period, enter an order rejecting the registration as required by subsection C of [§ 55.1-2241](#) of the Code of Virginia. The order rejecting the registration shall become effective 20 days after issuance.
- D. An applicant may submit a written request for an informal conference in accordance with [§ 2.2-4019](#) of the Code of Virginia at any time between receipt of a notification pursuant to subsection B of this section and the effective date of the order of rejection entered pursuant to subsection C of this section. A request for such proceeding shall be deemed a consent to delay within the meaning of subsection A of [§ 55.1-2241](#) of the Code of Virginia.
- E. The board shall receive and act upon corrections to the application for registration at any time prior to the effective date of an order rejecting the registration. If the board determines after review of the corrections that the requirements for registration have not been met, the board may proceed with an informal conference in accordance with [§ 2.2-4019](#) of the Code of Virginia in order to allow reconsideration of whether the requirements for registration are met. If the board does not opt to proceed with an informal conference, the applicant may submit a written request for an informal conference in accordance with [§ 2.2-4019](#) of the Code of Virginia in order to reconsider whether the requirements for registration are met. If the board does not proceed with an informal conference and no request for an informal conference is received from the applicant, an amended order of rejection stating the factual basis for the rejection shall be issued. A new 20-day period for the order of rejection to become effective shall commence.
- F. At such time as the board affirmatively determines that the requirements of [§ 55.1-2239](#) of the Code of Virginia have been met, the board shall enter an order registering the time-share program and shall designate the form, content, and effective date of the public offering statement.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019; Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-130. Minimum application requirements for registration of a time-share program.

- A. The documents and information contained in [§§ 55.1-2208](#), [55.1-2209](#), [55.1-2210](#), [55.1-2214](#), [55.1-2217](#), and [55.1-2239](#) of the Code of Virginia, as applicable, shall be included in the application for registration of a time-share program.
- B. The application for registration of a time-share program shall include the fee specified in 18VAC48-45-70.
- C. The following documents shall be included in the application for registration of a time-share program as exhibits. All exhibits shall be labeled as indicated and submitted in a format acceptable to the board.
 - 1. Exhibit A: A copy of the certificate of incorporation or certificate of authority to transact business in Virginia issued by the Virginia State Corporation Commission, or any other entity formation documents, together with any trade or fictitious name certificate.
 - 2. Exhibit B: A certificate of recordation or other acceptable documents from the city or county where the time-share is located.
 - 3. Exhibit C: A copy of the title opinion, the title policy, or a statement of the condition of the title to each time-share project included in the time-share program including encumbrances as of a specified date within 30 days of the date of application by a title company or licensed attorney who is not a salaried employee, officer, or director of the developer or owner, in accordance with subdivision A 5 of [§ 55.1-2239](#) of the Code of Virginia. If the developer is not the record owner of the land, a copy of any contract the developer has executed to purchase the land, any option the developer holds for the purchase of the land, or any lease under which the developer holds the land.
 - 4. Exhibit D: Proof that the applicant or developer owns or has the right to acquire an estate in the land constituting or to constitute each time-share project included in the time-share program, which is of at least as great a degree and duration as the estate to be conveyed in the time-share.
 - 5. Exhibit E: A statement of the zoning, subdivision, or land use obligations or proffers and other governmental regulations affecting the use of each time-share project included in the time-share program, including the site plans and building permits and their status, any existing tax, and existing or proposed special taxes or assessments that affect the time-share.
 - 6. Exhibit F: A copy of the time-share instrument, including all applicable amendments and exhibits, that will be delivered to a purchaser and copies of the contracts and other agreements that a purchaser will be required to agree to or sign.

7. Exhibit G: A narrative description of the promotional plan for the disposition of the time-shares.
8. Exhibit H: A copy of the proposed public offering statement that complies with [§ 55.1-2217](#) of the Code of Virginia and this chapter. Pursuant to subsection H of [§ 55.1-2217](#), a similar disclosure statement required by other situs laws governing time-sharing may be submitted for a time-share located outside of the Commonwealth.
9. Exhibit I: A copy of the buyer's acknowledgment. Pursuant to [§ 55.1-2226](#) of the Code of Virginia, the purchaser shall be given this document prior to signing a purchase contract, and the document shall contain the information required by subsection B of [§ 55.1-2226](#).
10. Exhibit J: The signed original of (i) any bond or letter of credit obtained pursuant to [§ 55.1-2220](#) of the Code of Virginia in lieu of escrowing deposits and (ii) any bond or letter of credit required by subsection B of [§ 55.1-2234](#) of the Code of Virginia, as applicable.
11. Exhibit K: A copy of any management agreements and other contracts or agreements affecting the overall use, maintenance, management, or access of all or any part of the time-share program.
12. Exhibit L: A list with the names of every officer, manager, owner, or principal, as applicable to the type of firm under which the developer is organized to do business, of the developer or persons occupying a similar status within or performing similar functions for the developer. The list must include each individual's residential address or other address valid for receipt of service, principal occupation for the past five years, and title.
13. Exhibit M: A statement whether any of the individuals or entities named in Exhibit L are or have been involved as defendants in any indictment, conviction, judgment, decree, or order of any court or administrative agency against the developer or managing entity for violation of a federal, state, local, or foreign country law or regulation in connection with activities relating to time-share sales, land sales, land investments, security sales, construction or sale of homes or improvements, or any similar or related activity.
14. Exhibit N: A statement whether, during the preceding five years, any of the individuals or entities named in Exhibit L have been adjudicated bankrupt or have undergone any proceeding for the relief of debtors.
15. Exhibit O: If the developer has reserved the right to add to or delete from the time-share program any incidental benefit or alternative purchase, a description of

the incidental benefit or alternative purchase shall be provided pursuant to subdivision A 13 of [§ 55.1-2239](#) of the Code of Virginia.

16. Exhibit P: For any time-share program containing a conversion time-share project, a copy of the notice required by subsection D of [§ 55.1-2217](#) of the Code of Virginia and a certified statement that such notice shall be mailed or delivered to each of the tenants in the building of each conversion time-share project included in the time-share program.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 35, Issue 6, eff. December 14, 2018; Volume 36, Issue 6, eff. December 30, 2019; Volume 37, Issue 3, eff. December 1, 2020.

Part V

Public Offering Statement

18VAC48-45-140. Public offering statement requirements, generally.

In addition to the provisions of [§ 55.1-2217](#) of the Code of Virginia, the following will be considered, as applicable, during review of the public offering statement:

1. The public offering statement shall provide full and accurate disclosure in accordance with 18VAC48-45-150.
2. The public offering statement shall pertain to the time-share program in which the time-shares are offered.
3. The public offering statement shall be clear, organized, and legible.
4. Except for brief excerpts, the public offering statement may refer to, but should not incorporate verbatim, portions of the time-share instruments, the Virginia Real Estate Time-Share Act, or this chapter. This does not preclude compliance with 18VAC48-45-170.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019; Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-150. Full and accurate disclosure.

- A. The provisions of [§ 55.1-2217](#) of the Code of Virginia and this chapter shall be strictly construed to promote full and accurate disclosure in the public offering statement. In addition, the following will be considered, as applicable, during review to assure full and accurate disclosure:
 1. The information shall be presented in a manner that is clear and understandable to a reasonably informed consumer, while maintaining consistency with the requirements of this chapter and the Virginia Real Estate Time-Share Act.
 2. No information shall be incorporated by reference to an outside source that is not reasonably available to a prospective purchaser.
 3. If required information is not known or not reasonably available, such fact shall be stated and explained in the public offering statement.

- B. The board has the sole discretion to require additional information or amendment of existing information as it finds necessary to ensure full and accurate disclosure.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019.

18VAC48-45-160. Contents of public offering statement.

- A. A cover, if used, must be blank or bear identification information only.
- B. The developer may include as part of the public offering statement a receipt page printed in such a way that the developer may obtain verification that a prospective purchaser has received the public offering statement. The receipt page shall include the effective date of the public offering statement as well as a place for the date of delivery and signature lines for the prospective purchaser. The authorized receipt page in proper form, duly executed, shall be evidence that the public offering statement was delivered.
- C. The first page of the public offering statement shall be substantially as follows:

PURCHASER SHOULD READ THIS DOCUMENT FOR THE PURCHASER'S PROTECTION

PUBLIC OFFERING STATEMENT

NAME OF
TIME-SHARE
PROGRAM:

LOCATION OF
TIME-SHARE
PROJECT:

NAME OF
DEVELOPER:

ADDRESS OF
DEVELOPER:

EFFECTIVE
DATE OF
PUBLIC
OFFERING
STATEMENT:

REVISED:

THE PURCHASER OF A TIME-SHARE MAY CANCEL THE CONTRACT UNTIL MIDNIGHT OF THE SEVENTH CALENDAR DAY FOLLOWING THE EXECUTION OF SUCH CONTRACT. THE PURCHASER SHOULD READ THIS DOCUMENT FOR THE PURCHASER'S OWN PROTECTION.

Purchasing a time-share carries with it certain rights, responsibilities, and benefits, including certain financial obligations, rights, and restrictions concerning the use and maintenance of units and common elements. The purchaser will be bound by the provisions of the time-share instruments and should review the Public Offering Statement, the time-share instruments, and other exhibits carefully prior to purchase.

This Public Offering Statement presents information regarding time-share(s) being offered for sale by the developer. The Virginia Real Estate Time-Share Act ([§ 55.1-2200](#) et seq. of the Code of Virginia) requires that a Public Offering Statement be given to every Purchaser in order to provide full and accurate disclosure of the characteristics of and material circumstances affecting the time-share program and the characteristics of the time-share(s) being offered. The Public Offering Statement is not intended, however, to be all-inclusive. The Purchaser should consult other sources for details not covered by the Public Offering Statement.

The Public Offering Statement summarizes information and documents furnished by the developer to the Virginia Common Interest Community Board. The Board has carefully reviewed the Public Offering Statement but does not guarantee the accuracy or completeness of the Public Offering Statement. In the event of any inconsistency between the Public Offering Statement and the material it is intended to summarize, the material shall control.

If the Purchaser elects to cancel the contract within the seven-day cancellation period, all payments made in connection with the purchase contract shall be refunded to the Purchaser within 45 days. If the Purchaser elects to cancel the contract, the Purchaser shall do so either by (i) hand-delivering the notice to the developer at its principal office or at the project or (ii) mailing the notice by certified United States mail, return receipt requested, to the developer or its agent designated in the contract.

Allegations of violation of any law or regulation contained in the Virginia Real Estate Time-Share Act or the Time-Share Regulations (18VAC48-45) should be reported to the Common Interest Community Board, Perimeter Center, Suite 400, 9960 Mayland Drive, Richmond, Virginia 23233.

- D. A summary of important considerations shall immediately follow the first page for the purpose of reinforcing the disclosure of significant information. The summary shall be titled as such and shall be introduced by the following statement: "The following are important matters to be considered in acquiring a time-share. They are highlights only. The Public Offering Statement should be examined in its entirety to obtain detailed information." Appropriate modifications shall be made to reflect facts and circumstances

that may vary. The summary shall consist of, but not be limited to, the following, as applicable:

1. A brief description of the time-share program and any time-share project included in the time-share program.
2. A statement regarding all incidental benefits or alternative purchases that may be offered by the developer.
3. A brief description of all amenities located within or outside of any time-share project included in the time-share program and available to time-share owners by virtue of ownership in the time-share program. If such amenities are not common elements of the time-share project, identify who owns the amenities and whether time-share owners are required to pay to access and use.
4. A statement describing any exchange program that may be offered to the purchaser.
5. A statement describing (i) the purchaser's responsibility to make principal and interest payment in connection with the purchase of the time-share as well as to pay maintenance fees or assessments, special assessments, user fees, insurance premiums, and real estate taxes and (ii) that a time-share owner cannot reduce the amount of any owner obligation for any reason.
6. A statement regarding the consequences for failure to pay maintenance fees or any special assessment when due. The statement may reference the enforcement mechanisms available to the developer, and if applicable the association, by describing (i) any declaration of an owner being an "Owner Not in Good Standing"; (ii) any civil action taken for the collection of a debt; (iii) means for pursuing foreclosure or obtaining a lien against the time-share unit; and (iv) denial of access to the time-share project and participation in the time-share program.
7. A statement indicating whether the developer or managing agent has indictments, convictions, judgments, decrees, or order of any court or administrative agency for matters related to fraud or consumer protection violations that may be required to be disclosed by subdivisions A 1 c and A 1 d of [§ 55.1-2217](#) of the Code of Virginia.
8. A statement indicating the period of time the developer will retain control of the association.
9. A statement disclosing any management agreement with a managing agent to perform certain duties for any time-share project included in the time-share program.

10. A statement indicating whether the developer may expand the time-share program.
 11. A statement indicating whether the right of the time-share owner to resell or transfer the time-share is subject to restrictions.
 12. A statement indicating the time-share units are restricted to lodging only.
 13. A statement indicating that the time-share owner may not alter the interior or exterior of the time-share unit.
 14. A statement regarding the obligation of the developer or association to obtain certain insurance benefiting the time-share owner.
 15. A statement regarding a time-share estate and time-share owner's obligation to pay real estate taxes.
 16. A statement regarding whether or not the developer reserves the right to add or delete any alternative purchase.
- E. The content after the summary of important considerations shall include the narrative sections in 18VAC48-45-170 through 18VAC48-45-310. Supplementary sections may be included as necessary.
- F. Clear and legible copies of the following documents shall be included as either supplements or exhibits to the public offering statement:
1. Time-share instrument;
 2. Association articles of incorporation;
 3. Bylaws;
 4. Association annual report or projected budget for time-share estate programs;
 5. Rules and regulations of the association, if available;
 6. Any management contract, if applicable;
 7. Exchange program disclosure document and narrative statement required pursuant to subsection B of [§ 55.1-2217](#) of the Code of Virginia, if applicable; and
 8. Other documents obligating the association or time-share owner to perform duties or obligations or pay charges or fees, if applicable.

- G. Other information and documentation may be included as necessary to ensure full and accurate disclosure. The board may also require additional information as necessary to ensure full and accurate disclosure.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019; Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-170. Narrative sections; time-share concept.

The public offering statement shall contain a section captioned "The Time-Share Concept." The section shall consist of a brief discussion of the form of time-share ownership being offered.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016.

18VAC48-45-180. Narrative sections; creation of time-share program.

The public offering statement shall contain a section captioned "Creation of the Time-Share Program." The section shall briefly explain the manner in which the time-share program was or will be created, the locality wherein the time-share instrument will be or has been recorded, and the procedure for its amendment.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-190. Narrative sections; description of time-share project.

- A. The public offering statement shall contain a section captioned "Description of the Time-Share Project." The section shall provide a general description of any time-share project included in the time-share program and the units and common elements promised available to purchasers. This section shall also provide the developer's estimated schedule of commencement and completion of all promised and incomplete units and common elements.
- B. The section shall state whether the developer has reserved the right to add and delete from the time-share program a time-share project or any incidental benefit or alternative purchase.
- C. The section shall refer the purchaser to the reverter deed for an explanation if the developer utilized the possibility of a reverter.

- D. The section shall indicate all provisions that have been made for public utilities in the time-share project, including water, electricity, telephone, and sewerage facilities.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-200. Narrative sections; individual time-shares.

- A. The public offering statement shall contain a section captioned "Individual Time-Shares." The section shall indicate (i) the form of time-share ownership being offered; (ii) the types, duration, and number of units and time-shares in the time-share program; (iii) identification of units that are subject to the time-share program; and (iv) the estimated number of units that may become subject to the time-share program.
- B. This section shall explain the extent to which financial arrangements, if any, have been provided for completion of any incomplete but promised time-share unit or common element being offered for sale. The section shall contain a statement of the developer's obligation to complete any promised time-share unit or common element being offered for sale comprising the time-share project that have not begun or begun but not yet completed.
- C. The section shall explain the extent to which a time-share unit may become subject to a tax or other lien arising out of claims against other owners of the same unit.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-210. Narrative sections; developer.

The public offering statement shall contain a section captioned "The Developer." The section shall disclose the following information concerning the developer:

1. The name and principal address of the developer.
2. The name, principal occupation, and address of every director, partner, limited liability company manager, or trustee of the developer.
3. The name and address of each person owning or controlling an interest of at least 20% in each time-share project included in the registration.
4. The particulars of any indictment, conviction, judgment, decree, or order of any court or administrative agency against the developer or managing entity for violation of a federal, state, local, or foreign country law or regulation in connection with activities relating to

time-share sales, land sales, land investments, security sales, construction or sale of homes or improvements, or any similar or related activity.

5. The nature of each unsatisfied judgment, if any, against the developer or the managing entity; the status of each pending suit involving the sale or management of real estate to which the developer, the managing entity, or any general partner, executive officer, director, limited liability company manager, or majority stockholder thereof, is a defending party; and the status of each pending suit, if any, of significance to any time-share project included in the registration.
6. The name and address of the developer's agent for service of any notice permitted by this chapter.
7. The section shall describe the type of legal entity of the developer and explain if other entities have any obligation to satisfy the financial obligations of the developer.
8. For a time-share use program, a statement as to whether a developer's net worth is more than or less than \$250,000. If the developer's net worth is less than \$250,000, a current audited balance sheet shall be provided with the public offering statement. If the developer's net worth exceeds \$250,000, a statement by the developer that its equity in the time-share program exceeds \$250,000.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-220. Narrative sections; terms of offering.

- A. The public offering statement shall contain a section captioned "Terms of the Offering." The section shall discuss the expenses to be borne by a purchaser in acquiring a time-share and present information regarding the settlement of purchase contracts as provided in subsections B through H of this section.
- B. The section shall indicate any initial or special fees due from the purchaser at settlement including a description of the purpose of such fees.
- C. The section shall set forth a general description of any financing offered by or available through the developer to purchasers.
- D. The section shall describe (i) services that the developer provides or expenses it pays and that it expects may become at any subsequent time a time-share expense of the owners and (ii) the projected time-share expense liability attributable to each of those services or expenses for each time-share.

- E. The section shall discuss all penalties or forfeitures to be incurred by a purchaser upon default in performance of a purchase contract.
- F. The section shall discuss the process for cancellation of a purchase contract by a purchaser in accordance with [§ 55.1-2221](#) of the Code of Virginia. The section shall include a statement that the purchaser has a non-waivable right of cancellation and refer such purchaser to that portion of the contract in which the right of cancellation may be found.
- G. The section shall describe the terms of the deposit escrow requirements, including a statement, if applicable, that the developer has filed a surety bond or letter of credit with the board in lieu of escrowing deposits, in accordance with [§ 55.1-2220](#) of the Code of Virginia. The section shall also state that deposits received by the developer may be removed from escrow or are no longer protected by a surety bond or letter of credit after the expiration of the cancellation period.
- H. The section shall set forth all restrictions in the purchase contract that limit the time-share owner's right to bring legal action against the developer or the association. The section shall set forth the paragraph or section and page number of the purchase contract where such provision is located. Nothing in this statement shall be deemed to authorize such limits where those limits are otherwise prohibited by law.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 35, Issue 6, eff. December 14, 2018; Volume 36, Issue 6, eff. December 30, 2019; Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-230. Narrative sections; encumbrances.

The public offering statement shall contain a section captioned "Encumbrances" that shall describe all liens, defects, or encumbrances affecting the time-share project and in particular the time-share offered to the purchaser.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016.

18VAC48-45-240. Narrative sections; exchange program.

If any prospective purchaser is offered the opportunity to subscribe to or participate in any exchange program, the public offering statement shall contain a section captioned "Exchange Program" that shall include the following:

1. A statement of whether membership or participation in the exchange program is voluntary or mandatory; and

2. A statement that the purchaser's contract with the exchange company is a contract separate and distinct from the purchaser's contract with the developer and whether there is a fee associated with membership or participation in the exchange program.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-250. Narrative sections; financial matters.

- A. The public offering statement shall contain a section captioned "Financial Matters." The section shall discuss the expenses incident to the ownership of a time-share.
- B. The section shall distinguish, in general terms, the following categories of costs of operation, maintenance, repair, and replacement of various portions of the time-share as follows: (i) time-share expenses; (ii) time-share estate occupancy expenses as defined in [§ 55.1-2200](#) of the Code of Virginia; and (iii) all other costs that may be borne directly by individual time-share owners.
- C. A budget shall show projected common expenses in each of the categories in subsection B of this section for the first year of the time-share program's operation or, if different, the latest year for which a budget is available. The projected budget shall be attached to the public offering statement as an exhibit and the section shall direct the purchaser's attention to such exhibit. The section shall describe the manner in which the projected budget is established. If the time-share is phased, the budget shall project future years until all phases are projected to be developed and all common elements that must be built have been completed. The budget shall include an initial working capital budget showing sources and uses of initial working capital and a reserve table showing amounts to be collected to fund those reserves. The budget shall show regular individual assessments by unit type. The budget shall note that the figures are not guaranteed and may vary.
- D. The section shall describe the manner in which (i) time-share expenses; (ii) time-share estate occupancy expenses as defined in [§ 55.1-2200](#) of the Code of Virginia; and (iii) all other costs that may be borne directly by individual time-share owners are apportioned among and assessed to the time-share units. The section shall include the substance of the following statement, if applicable: "A time-share owner cannot obtain a reduction of the (i) time-share expenses; (ii) time-share estate occupancy expenses as defined in [§ 55.1-2200](#) of the Code of Virginia; and (iii) any other costs that may be borne directly by individual time-share owners assessed against the unit by refraining from use of any of the common elements."
- E. The section shall describe budget provisions for reserves for capital expenditures, if any. If there are no reserves, the section shall so state.

- F. The section shall discuss (i) time-share expenses; (ii) time-share estate occupancy expenses as defined in [§ 55.1-2200](#) of the Code of Virginia; (iii) all other costs that may be borne directly by individual time-share owners; and (iv) any right the developer or association has to institute special assessments.
- G. The section shall indicate any fee, rental, or other charge to be payable by unit owners other than through assessments and maintenance fees to any party for use of the common elements or for use of recreational or parking facilities in the vicinity of the time-share project.
- H. The section shall discuss the effect of failure of a time-share owner to pay the assessments and maintenance fees levied against the time-share unit. Such discussion shall indicate provisions for charges or other remedies that may be imposed to be applied in the case of unpaid and past due assessments and for acceleration of unpaid assessments.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019; Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-255. Narrative sections; governmental reviews.

The public offering statement shall contain a section captioned "Governmental Reviews." The section shall discuss governmental approvals required for the development of each time-share project included in the time-share program. In addition, the section shall discuss approval of the zoning application and site plan and issuance of building permits by appropriate governmental authorities. The section shall state the current zoning classification for each time-share project property included in the time-share program. The section shall also include a statement regarding zoning, subdivision, or land use obligations or proffers that would be imposed on the time-share owner or the association, but need not disclose zoning, subdivision, or land use obligations or proffers that do not impose any obligation on the association.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-260. Narrative sections; restrictions on transfer.

The public offering statement shall include a section captioned "Restrictions on Transfer." The section shall describe and explain limitations on leasing or other restraints on free alienability created by the time-share instrument or the rules and regulations of the association that affect a time-share owner's right to resell, lease or otherwise transfer an interest in the time-share.

Historical Notes:

18VAC48-45-270. Narrative sections; time-share owners' association.

- A. For time-share estate programs the public offering statement shall contain a section captioned "Time-Share Owners' Association." The section shall discuss the arrangements for the management and operation of the time-share estate program and for the maintenance, repair, and furnishing of units and shall include the information required by subdivisions 1 through 15 of this subsection. The section shall describe or discuss the following:
1. The creation of the association.
 2. The payment of costs and expenses of operating the time-share estate program and owning and maintaining the time-share units.
 3. Employment and termination of employment of the managing agent for each time-share estate project included in the time-share program.
 4. Termination of leases and contracts for goods and services for each time-share estate project included in the time-share program that were entered into during the developer control period.
 5. Preparation and dissemination of the annual report required by [§ 55.1-2213](#) of the Code of Virginia to the time-share estate owners.
 6. Adoption of standards and rules of conduct for the use, enjoyment, and occupancy of units by the time-share estate owners.
 7. Collection of regular assessments, fees or dues, and special assessments from time-share estate owners to defray all time-share expenses.
 8. Comprehensive general liability insurance for death, bodily injury, and property damage arising out of, or in connection with, the use and enjoyment of any time-share project included in the time-share program by time-share estate owners, their guests and other users. The cost for such insurance shall be a time-share expense.
 9. Methods for providing compensation or alternate use periods or monetary compensation to a time-share estate owner if his contracted-for unit cannot be made available for the period to which the owner is entitled by schedule or by confirmed reservation.
 10. Procedures for imposing a monetary penalty or suspension of a time-share estate owner's rights and privileges in the time-share estate program or any time-share

project included in the time-share program for failure to comply with provisions of the time-share instrument or the rules and regulations of the association with respect to the use and enjoyment of the units and the time-share project. Under these procedures a time-share estate owner must be given reasonable notice and reasonable opportunity to be heard and explain the charges against him in person or in writing to the board of directors of the association before a decision to impose discipline is rendered.

11. Employment of attorneys, accountants, and other professional persons as necessary to assist in the management of the time-share estate program and any time-share project included in the time-share program.
 12. Developer control period, during which time period the developer, or a managing agent selected by the developer, shall manage and control any time-share estate project included in the time-share program and the common elements and units, including decisions about the financial operation of the association.
 13. The managing agent, if any, shall be identified, and the section shall indicate any relationship between the managing agent and the developer. The duration of any management agreement shall be stated.
 14. Except to the extent otherwise disclosed in connection with discussion of a management agreement, the significant terms of any lease of recreational areas or similar contract or agreement affecting the use, maintenance, or access of all or any part of any time-share project included in the time-share program shall be stated. The section shall include a brief narrative statement of the effect of each such agreement upon a purchaser.
 15. Rules and regulations of the association shall be discussed. The purchaser's attention shall be directed to the copy of rules and regulations, if any, attached to the public offering statement.
- B. For time-share use programs, if an association is formed for management and operation of the time-share use program and for the maintenance, repair, and furnishing of time-share use units comprising the time-share, the public offering statement shall contain a section captioned "Time-Share Owners' Association." This section shall contain the information required by subdivisions A 1 through 15 of this section as applicable to the association for the time-share use program.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019; Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-280. Narrative sections; managing entity.

The public offering statement shall include a section captioned "Managing Entity." This section shall provide the name and address of the managing entity for each time-share project included in the time-share program. The section shall also provide a description of the facilities, if any, provided by the developer to the association in a time-share estate program for the management of the program.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-290. Narrative sections; conversion time-share projects.

- A. The public offering statement of a conversion time-share project shall contain a section captioned "Conversion Time-Share Projects." The section shall include the following:
1. A specific statement of the amount of any initial or special fee, if any, due from the purchaser of a time-share on or before settlement of the purchase contract and the basis of such fee occasioned by the fact that the project is a conversion time-share project.
 2. Information on the actual expenditures, if available, made on all repairs, maintenance, operation, or upkeep of the building within the last three years. This information shall be set forth in a tabular manner within the proposed budget. If such building has not been occupied for a period of three years then the information shall be set forth for the period during which such building was occupied.
 3. A description of any provisions made in the budget for reserves for capital expenditures and an explanation of the basis for such reserves occasioned by the fact that the project is a conversion time-share project, or, if no provision is made for such reserves, a statement to that effect.
 4. A statement of the present condition of all structural components and major utility installations in the building, which statement shall include the approximate dates of construction, installations, and major repairs as well as the expected useful life of each such item, together with the estimated cost, in current dollars, of replacing each such component.
- B. In lieu of a narrative section pursuant to this section, the requirements of this section may be satisfied in the form of an exhibit to the public offering statement.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-300. Narrative sections; insurance.

The public offering statement shall contain a section captioned "Insurance." The section shall describe generally the insurance coverage provided by the developer or the association for the benefit of time-share owners not otherwise described in the public offering statement. The section shall state, with respect to such insurance, each of the following circumstances, to the extent applicable: (i) property damage coverage will not insure personal property belonging to unit owner; and (ii) liability coverage will not insure against liability arising from an accident or injury occurring within a unit or as a result of the act or negligence of a time-share owner. The section shall include a statement whether the time-share owner is obligated to obtain coverage for any or all of the coverages described. The section shall include a statement indicating that the time-share owner should consult with an insurance professional to determine appropriate coverage.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016.

18VAC48-45-310. Narrative sections; alternative purchase.

The public offering statement shall contain a section entitled "Alternative Purchases." The section shall state whether or not the developer has reserved the right to add to or delete from the time-share program any incidental benefit or alternative purchase. The section shall state that such alternative purchase has been or will be registered with the board.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016.

18VAC48-45-320. Documents from other jurisdictions.

- A. A substituted public offering statement shall only be permitted for a time-share program for which some portion of the time-share project associated with the program is located outside of Virginia.
- B. The substituted public offering statement shall be prepared by deleting from the original disclosure document the following: (i) references to any governmental agency of another jurisdiction to which application has been made or will be made for registration or related action; (ii) references to the action of such governmental agency relative to the time-share project and its time-share program; (iii) statements of the legal effect in another jurisdiction of delivery, failure to deliver, acknowledgment of receipt or related events involving the disclosure document; (iv) the effective date or dates in another jurisdiction of the disclosure document; and (v) all other information that is untrue, inaccurate, or misleading with respect to marketing, offers, or disposition of time-shares in Virginia.

- C. The substituted public offering statement shall incorporate all information not otherwise included that is necessary to effect fully and accurately the disclosures required by [§ 55.1-2217](#) of the Code of Virginia. The substituted disclosure document shall clearly explain any nomenclature that is different from the definitions provided in [§ 55.1-2200](#) of the Code of Virginia.
- D. The substituted public offering statement shall include as the first item of the summary of important considerations a statement that includes the following information: (i) the designation by which the original disclosure document is identified in the original jurisdiction; (ii) the governmental agency of such other jurisdiction where the original disclosure document is or will be filed; and (iii) the jurisdiction of such filing.
- E. The provisions of [§§ 55.1-2217](#) and [55.1-2221](#) of the Code of Virginia and 18VAC48-45-140, 18VAC48-45-150, and 18VAC48-45-160 shall apply to substituted public offering statements in the same manner and to the same extent that they apply to public offering statements.
- F. In the case of a time-share project located outside of the Commonwealth, pursuant to subsection H of [§ 55.1-2217](#) of the Code of Virginia, similar disclosure statements required by other situs laws governing time-sharing that are equivalent to the requirements of this chapter may be accepted by the board as alternative disclosure statements to satisfy the requirements of this chapter.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019; Volume 37, Issue 3, eff. December 1, 2020.

Part VI

Time-Share Program Post-Registration Provisions

18VAC48-45-330. Minimum post-registration reporting requirements for a time-share program.

- A. Subsequent to the issuance of a registration for a time-share program by the board, the developer shall do the following:
1. File an annual report in accordance with [§ 55.1-2242](#) of the Code of Virginia and this chapter.
 2. Upon the occurrence of a material change, file an amended public offering statement in accordance with the provisions of subsection E of [§ 55.1-2217](#) and subsection C of [§ 55.1-2242](#) of the Code of Virginia and this chapter. These amendments shall be filed with the board within 20 business days after the occurrence of the material change.
 3. In accordance with subsection G of § 55.1-2217, amend the public offering statement to reflect any addition of a time-share project to, or removal of a time-share project from, the existing time-share program.
 4. Upon the occurrence of any material change in the information contained in the registration file, the developer shall immediately report such material changes to the board in accordance with the provisions of subsection B of [§ 55.1-2239](#) of the Code of Virginia.
 5. Notify the board of a change in any bond or letter of credit, as applicable, filed with the board in accordance with [§ 55.1-2220](#) of the Code of Virginia or required by subsection B of [§ 55.1-2234](#) of the Code of Virginia.
 6. File a completed application for registration of an unregistered phase upon the expansion of the time-share program, along with the appropriate fee specified in 18VAC48-45-70.
 7. Notify the board of transition of control from the developer to the time-share estate owners' association (time-share estate projects only).
 8. Submit appropriate documentation to the board once the registration is eligible for termination.
 9. Submit to the board any other document or information, which may include information or documents that have been amended or may not have existed

previously, that affects the accuracy, completeness, or representation of any information or document filed with the application for registration.

10. Submit to the board any document or information to make the registration file accurate and complete.
- B. Notwithstanding the requirements of subsection A of this section, the board at any time may require a developer to provide information or documents, or amendments thereof, in order to assure full and accurate disclosure to prospective purchasers and to ensure compliance with the Virginia Real Estate Time-Share Act and this chapter.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 35, Issue 6, eff. December 14, 2018; Volume 36, Issue 6, eff. December 30, 2019; Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-340. Amendment of public offering statement.

Any amendment of the public offering statement or substituted public offering statement shall comply with this chapter.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016.

18VAC48-45-350. Nonmaterial changes to the public offering statement.

Changes to the public offering statement that are not material are not required to be filed with the board, shall not be deemed an amendment of the public offering statement for the purposes of this chapter, and shall not give rise to a renewed right of rescission in any purchase. Nonmaterial changes to the public offering statement include the following:

1. Correction of spelling, grammar, omission, or other similar errors not affecting the substance of the public offering statement;
2. Changes in presentation or format;
3. Substitution of an executed, filed, or recorded copy of a document for the otherwise substantially identical unexecuted, unfiled, or unrecorded copy of the document that was previously submitted;
4. Inclusion of updated information such as identification or description of the current officers and directors of the developer;
5. Disclosure of completion of improvements for improvements that were previously proposed or not complete;

6. Changes in real estate tax assessment or rate or modifications related to those changes;
7. Changes in utility charges or rates or modifications related to those changes;
8. Addition or deletion of incidental benefits or alternative purchases provided the developer reserved in the time-share instrument the right to add or delete incidental benefits or alternative purchases;
9. Adoption of a new budget that does not result in a significant change in fees or assessments or significantly impact the rights or obligations of the prospective purchasers;
10. Modifications related to changes in insurance company or financial institution, policy, or amount for bonds or letters of credit filed with the board in accordance with [§ 55.1-2220](#) of the Code of Virginia or required pursuant to [§ 55.1-2234](#) of the Code of Virginia;
11. Changes in personnel of the managing agent; and
12. Any change that is the result of orderly development of the time-share in accordance with the time-share instruments as described in the public offering statement.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 35, Issue 6, eff. December 14, 2018; Volume 36, Issue 6, eff. December 30, 2019.

18VAC48-45-360. Filing of amended public offering statement.

- A. The developer shall promptly file with the board for review a copy of the amended public offering statement together with a copy of a summary of proposed amendments that shall be distributed to purchasers during the board review period. The summary of proposed amendments shall enumerate the amendments to the public offering statement submitted for board review and include a statement that the amendments to the public offering statement have been filed with the board but have not yet been accepted. The form of the submission is at the discretion of the developer provided that (i) all amendments are clearly represented in the documentation presented; (ii) the additions and deletions of text in the public offering statement and exhibits shall be identified by underlining and striking through text to be added and deleted; and (iii) documents being added to or deleted from the contents of the public offering statement shall be clearly and accurately reflected in the table of contents utilizing underlines and strikethroughs for additions and deletions. In addition to the copies showing edits to the text, a clean copy of all new and amended documents shall be provided.
- B. The amended public offering statement submitted to the board for review shall include the effective date of the amendments.

- C. Within 30 days of receipt of the amended public offering statement, the board shall review the amended public offering statement and supporting materials to determine whether the amendment complies with this chapter. If the board's review determines that the amended public offering statement complies with this chapter, it shall notify the developer in writing and confirm the new effective date of the public offering statement.
- D. If the board's review determines that the amended public offering statement does not comply with this chapter, the board shall immediately notify the developer in writing that the review has determined the amended public offering statement is not in compliance and shall specify the particulars of such noncompliance. The developer shall then have 20 days in which to correct the particulars of noncompliance identified by the board. The developer may, prior to the completion of the 20-day correction period, request an extension in writing of the 20-day correction period. Upon expiration of the 20-day correction period, if requested corrections have not been made or a request for extension properly received, the board may issue a temporary cease and desist order in accordance with subdivision D 2 of [§ 55.1-2247](#) of the Code of Virginia to require the cessation of sales until such time as affirmative action as directed by the board is taken. Use of the noncompliant public offering statement may result in further action by the board pursuant to [§§ 55.1-2247](#) and [55.1-2252](#) of the Code of Virginia.
- E. Notwithstanding an extension of the 30-day period for review agreed to in writing by the board and developer, if the board does not perform the required review of the public offering statement in accordance with subsection C of this section, the amendment shall be deemed to comply with 18VAC48-45-150 through 18VAC48-45-310, and the new effective date shall be the effective date of the amendment provided pursuant to subsection B of this section.
- F. In each case in which an amended document is filed pursuant to this section and the manner of its amendment is not apparent on the face of the document, the developer shall provide an indication of the manner and extent of amendment.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019; Volume 36, Issue 17, eff. June 1, 2020.

18VAC48-45-370. Current public offering statement.

- A. Upon issuance of an effective date by the board, all purchasers who received a public offering statement and summary of proposed amendments during the board review period pursuant to subsection A of 18VAC48-45-360 shall be provided with the public offering statement as accepted by the board. A public offering statement remains current until such time as the occurrence of a material change requires amendment of the public offering statement pursuant to this chapter and a new effective date is issued by the board.

- B. Upon issuance of an effective date by the board, a public offering statement remains current until such time as a new effective date is established pursuant to this chapter.
- C. Notwithstanding the board's authority to issue a cease and desist order pursuant to [§ 55.1-2247](#) of the Code of Virginia, the filing of an amended public offering statement shall not require the developer to cease sales provided that the developer provides to purchasers the summary of proposed amendments pursuant to subsection A of 18VAC48-45-360 pending the issuance of a new effective date by the board.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019.

18VAC48-45-380. Public offering statement not current; notification of purchasers.

- A. A purchaser who has been delivered a public offering statement that is not current due to a material change and was not provided with the summary of proposed amendments containing the proposed changes to the amended public offering statement pursuant to subsection A of 18VAC48-45-360 pending the issuance of a new effective date by the board shall be notified of such fact by the developer.
- B. A purchaser who has been delivered a public offering statement and summary of proposed amendments pursuant to subsection A of 18VAC48-45-360, but the amended public offering statement is determined to be noncompliant in accordance with subsection D of 18VAC48-45-360, shall be notified of such fact by the developer.
 - 1. The notification shall indicate that any contract for disposition of a time-share may be canceled by the purchaser pursuant to subsection C of [§ 55.1-2221](#) of the Code of Virginia.
 - 2. The developer shall file a copy of the notification with the board and provide proof that such notification has been delivered to all purchasers under contract.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019.

18VAC48-45-390. Filing of phase amendment application.

- A. A phase amendment application for a time-share program shall be filed when adding a phase to the time-share program. Such phase amendment application shall be accompanied by the fee provided for in 18VAC48-45-70 and shall be subject to all of the provisions of 18VAC48-45-50, 18VAC48-45-110, 18VAC48-45-120, and 18VAC48-45-130. Documents on file with the board that have not changed in connection with the

additional phase or phases need not be refiled, provided that the phase amendment application indicates that such documents are unchanged.

- B. The application shall include a bond or letter of credit required pursuant to subsection B of [§ 55.1-2234](#) of the Code of Virginia if any of the time-share units and common elements contained in the submitted additional phase or phases have not been completed.
- C. The board shall review the phase amendment application and supporting materials to determine whether the amendment complies with this chapter. If the board's review determines the phase amendment application complies with this chapter, it shall issue an amended order of registration for the time-share program and shall provide that previous orders and designations of the form, content, and effective date of the public offering statement are superseded. If the board's review determines that the phase amendment application is not complete, the board shall correspond with the developer to specify the particulars that must be completed to obtain compliance with this chapter.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019; Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-400. Annual report for a time-share program registration required by developer.

- A. A developer shall file an annual report for a time-share program registration on a form provided by the board to update the material contained in the registration file by June 30 of each year the registration is effective and shall be accompanied by the fee specified in 18VAC48-45-70. Prior to filing the annual report required by [§ 55.1-2242](#) of the Code of Virginia, the developer shall review the public offering statement then being delivered to purchasers. If such public offering statement is current, the developer shall so certify in the annual report. If such public offering statement is not current, the developer shall amend the public offering statement and the annual report shall, in that event, include a filing in accordance with 18VAC48-45-360.
- B. The annual report shall contain the following:
 - 1. Current contact information for the developer;
 - 2. Information concerning the current status of each time-share project included in the time-share program;
 - 3. Information concerning the current status of the time-share program, including (i) the type of time-shares being offered and sold; (ii) the total number of time-share interests available in the program; (iii) the total number of time-share interests sold; and (iv) information regarding any incomplete units and common elements;

4. If the program is a time-share estate program and the developer control period has not yet expired, a copy of the annual report that was prepared and distributed by the developer to the time-share owners required by [§ 55.1-2213](#) of the Code of Virginia must accompany the annual report;
5. Date of the public offering statement currently being delivered to purchasers; and
6. Current evidence from the surety or financial institution of bonds or letters of credit filed with the board in accordance with [§ 55.1-2220](#) of the Code of Virginia or required pursuant to subsection B of [§ 55.1-2234](#) of the Code of Virginia, or submittal of replacement bonds or letters of credit. Such verification shall provide the following:
 - a. Principal of bond or letter of credit;
 - b. Beneficiary of bond or letter of credit;
 - c. Name of the surety or financial institution that issued the bond or letter of credit;
 - d. Bond or letter of credit number as assigned by the issuer;
 - e. The dollar amount;
 - f. The expiration date or, if self-renewing, the date by which the bond or letter of credit shall be renewed; and
 - g. For any blanket bond or blanket letter of credit, a statement of the total amount of deposits held by the developer as of May 31 of that calendar year.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 35, Issue 6, eff. December 14, 2018; Volume 36, Issue 6, eff. December 30, 2019; Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-410. Board review of annual report for a time-share program registration.

- A. During review of the annual report, the board may make inquiries or request additional documentation to amplify or clarify the information provided.
- B. If the board does not accept the annual report and the annual report filing is not completed within 60 days of a request by the board for additional information, the board may take further action pursuant to [§§ 55.1-2247](#) and [55.1-2252](#) of the Code of Virginia for failing to file an annual report as required by [§ 55.1-2242](#) of the Code of Virginia.

- C. If the board does not perform the required review of the annual report within 30 days of receipt by the board, the annual report shall be deemed to comply with [§ 55.1-2242](#) of the Code of Virginia.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019; Volume 36, Issue 17, eff. June 1, 2020; Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-420. Return of bond or letter of credit to ensure completion of promised units and common elements to developer.

A bond or letter of credit on file with the board pursuant to subsection B of [§ 55.1-2234](#) of the Code of Virginia may be returned to the developer upon written request. Such request shall include a statement from the developer that indicates the units and common elements for which the bond or letter of credit was submitted have been completed. If the submitted statement is not sufficient to confirm completion, the board may request additional documentation.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019.

18VAC48-45-430. Return of bond or letter of credit filed in lieu of escrowing deposits.

- A. An individual bond or individual letter of credit on file with the board in accordance with [§ 55.1-2220](#) of the Code of Virginia may be returned to the developer upon written request. Such request shall include a statement from the developer that indicates (i) the purchaser's cancellation period has expired, (ii) the purchaser's default under a purchase contract for the time-share estate entitling the developer to retain the deposit, or (iii) the purchaser's deposit was refunded.
- B. Upon issuance of an order of termination of the time-share program registration pursuant to 18VAC48-45-450, a blanket bond or blanket letter of credit on file with the board in accordance with [§ 55.1-2220](#) of the Code of Virginia will be returned to the developer.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 35, Issue 6, eff. December 14, 2018; Volume 36, Issue 6, eff. December 30, 2019; Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-440. Maintenance of bond or letter of credit.

- A. The developer shall report the extension, cancellation, amendment, expiration, termination, or any other change of any bond or letter of credit submitted in accordance with [§ 55.1-2220](#) and subsection B of [§ 55.1-2234](#) of the Code of Virginia within five days of the change.

- B. The board at any time may request verification from the developer of the status of a bond or letter of credit on file with the board. Such verification shall comply with the provisions of subdivision B 6 of 18VAC48-45-400.
- C. Failure to report a change in the bond or letter of credit in accordance with this section shall result in further action by the board pursuant to the Virginia Real Estate Time-Share Act.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 35, Issue 6, eff. December 14, 2018; Volume 36, Issue 6, eff. December 30, 2019.

18VAC48-45-450. Termination of time-share program registration.

- A. The time-share program registration shall be terminated upon receipt of documentation of one of the following:
 - 1. In accordance with subsection A of [§ 55.1-2243](#) of the Code of Virginia, an annual report for a time-share estate program filed pursuant to [§ 55.1-2242](#) of the Code of Virginia indicates that the developer has transferred title to the time-share owners' association and that no further development rights exist.
 - 2. In accordance with subsection B of [§ 55.1-2243](#) of the Code of Virginia, written notification is received from the developer attesting that no further development of the program is anticipated and that the developer has ceased sales of time-shares in the program.
- B. Upon receipt and review of documentation pursuant to subsection A of this section, the board shall issue an order of termination for the time-share program registration. The board may request additional information as necessary during the review of the submitted documentation to ensure that the time-share program registration is eligible for termination.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019; Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-460. Administrative termination of time-share program registration.

- A. In accordance with subsection C of [§ 55.1-2243](#) of the Code of Virginia, the board may administratively terminate the registration of a time-share program. Prior to the administrative termination of the registration, the board shall send written notice of its intent to terminate the registration to all known parties associated with the time-share program, including the registered agent, developer's attorney, and principals of the

developer. Such written notice shall be given to the parties by mail or otherwise if acknowledged by them in writing.

- B. The board shall issue an order of termination for the time-share program registration if (i) a response is not received within 30 days after sending the written notice, or (ii) the response received does not indicate termination of the registration is inappropriate in accordance with the Virginia Real Estate Time-Share Act and this chapter.
- C. Nothing contained in this section shall prevent the board from taking further action as allowed by law including issuance of a temporary cease and desist order, issuance of a cease and desist order, revocation of registration, and bringing action in the appropriate circuit court to enjoin the acts or practices and to enforce compliance.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019; Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-470. Reporting of other changes to the time-share program.

Any other change made or known by the developer that may affect the accuracy or completeness of the time-share program registration file shall be reported promptly to the board. Such change may include the name of the developer, name of the time-share program, or any other changes in information submitted in accordance with [§ 55.1-2239](#) of the Code of Virginia. The board may request additional information as necessary to ensure compliance with the Virginia Real Estate Time-Share Act and this chapter.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019; Volume 37, Issue 3, eff. December 1, 2020.

Part VII

Alternative Purchase Registration

18VAC48-45-480. Registration of alternative purchase required.

As required by [§ 55.1-2246](#) of the Code of Virginia, a developer shall register an alternative purchase as defined by [§ 55.1-2200](#) of the Code of Virginia.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019; Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-490. Application for registration of an alternative purchase.

Application for registration of alternative purchase shall be filed with the board on an application form furnished by the board and shall contain all of the documents and information required by [§ 55.1-2246](#) of the Code of Virginia.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019.

18VAC48-45-510. Review of application for registration of an alternative purchase.

At such time as the board affirmatively determines that the requirements of this chapter have been met, the board shall register the alternative purchase. The registration period of the alternative purchase shall expire the last day of the month one year from the date of issuance.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016.

18VAC48-45-520. Minimum alternative purchase post-registration reporting requirements.

- A. Subsequent to the issuance of a registration for an alternative purchase by the board, the developer offering the alternative purchase shall do the following:
1. File the annual report required pursuant to 18VAC48-45-540.
 2. Upon the occurrence of any material change in the information contained in the registration file, the developer of a registered alternative purchase shall file the material change with the board within 30 days of the effective date of the material change.

3. Submit appropriate documentation to the board once the registration is eligible for termination.
 4. Submit to the board any other document or information, which may include information or documents that have been amended or may not have existed previously, that affects the accuracy, completeness, or representation of any information or document filed with the application for registration.
 5. Submit to the board any document or information to make the registration file accurate and complete and to ensure compliance with the Virginia Real Estate Time-Share Act and this chapter
- B. Notwithstanding the requirements of subsection A of this section, the board at any time may require the developer of a registered alternative purchase to provide information or documents, or amendments thereof, in order to assure full and accurate disclosure to prospective purchasers and to ensure compliance with the Virginia Real Estate Time-Share Act and this chapter.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016.

18VAC48-45-540. Annual report required for alternative purchase registration.

- A. Prior to the expiration of the registration, the developer shall file an annual report in a form approved by the board for the registered alternative purchase affiliated with such time-share program registration. Such alternative purchase annual report shall be accompanied by the fee specified in 18VAC48-45-70.
- B. The annual report shall contain, but may not be limited to, the following:
 1. Current contact information for the developer.
 2. Information concerning the current status of the alternative purchase.
- C. Once the annual report has been accepted by the board, the registration shall be extended for an additional one-year period from the date of the expiration of the registration. If the developer fails to complete the annual report filing within one year after the date of expiration, the registration shall not be extended and the developer must apply as a new applicant.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-560. Termination of registration for an alternative purchase.

- A. The alternative purchase registration shall be terminated upon receipt of written notification from the developer attesting that the developer has ceased sales and requests termination of the alternative purchase. Should the developer later choose to offer alternative purchases for which the registration has been terminated in accordance with this subsection, prior to offering an alternative purchase, the developer must submit a new application for registration of the alternative purchase, meet all requirements in effect at the time of application, and obtain an alternative purchase registration from the board.
- B. Upon receipt and review of the notification pursuant to subsection A of this section, the board shall terminate the alternative purchase registration. The board may request additional information as necessary during the review of the submitted notification to ensure that the alternative purchase registration is eligible for termination.
- C. An alternative purchase registration shall be automatically terminated for failure to file an acceptable annual report within one year after the expiration of the registration.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016.

18VAC48-45-570. Reporting of other changes to the alternative purchase.

In accordance with subsection B of [§ 55.1-2246](#) of the Code of Virginia, any material change made or known by the developer that may affect the accuracy or completeness of the alternative purchase registration file shall be filed with the board within 30 days of the effective date of the change. The board may request additional information as necessary to ensure compliance with the Virginia Real Estate Time-Share Act and this chapter.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019.

Part VIII

Exchange Program Registration

18VAC48-45-580. Registration of exchange program required.

As required by [§ 55.1-2219](#) of the Code of Virginia, an exchange company that offers an exchange program in the Commonwealth shall register the exchange program with the board.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019.

18VAC48-45-590. Minimum requirements for registration of an exchange program.

An application for registration of an exchange program shall include the following:

1. An application submitted in accordance with 18VAC48-45-50;
2. Current contact information for the exchange company;
3. A disclosure document that complies with [§ 55.1-2219](#) of the Code of Virginia; and
4. A report independently audited by a certified public accountant or accounting firm in accordance with the standards of the Accounting Standards Board of the American Institute of Certified Public Accountants. The report shall provide the following for the preceding calendar year:
 - a. The number of owners enrolled in the exchange program. Such numbers shall disclose the relationship between the exchange company and owners as being either fee paying or gratuitous in nature;
 - b. The number of time-share properties, accommodations or facilities eligible to participate in the exchange program;
 - c. The percentage of confirmed exchanges, which shall be the number of exchanges confirmed by the exchange company divided by the number of exchanges properly applied for, together with a complete and accurate statement of the criteria used to determine whether an exchange request was properly applied for;
 - d. The number of time-shares for which the exchange company has an outstanding obligation to provide an exchange to an owner who relinquished a time-share during the year in exchange for a time-share in any future year; and

- e. The number of exchanges confirmed by the exchange company during the year.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019.

18VAC48-45-600. Minimum exchange program post-registration reporting requirements.

- A. Subsequent to the issuance of a registration for an exchange program by the board, the exchange company shall:
 - 1. File an annual report in accordance with subsection E of [§ 55.1-2219](#) of the Code of Virginia and this chapter.
 - 2. Upon the occurrence of a material change to the disclosure document, the exchange company shall file an amended disclosure document in accordance with the provisions of [§ 55.1-2219](#) of the Code of Virginia and this chapter. These amendments shall be filed with the board within 20 business days after the occurrence of the material change.
 - 3. Upon the occurrence of any material change in the information contained in the registration file, the exchange company shall immediately report such material changes to the board.
 - 4. Submit appropriate documentation to the board once the registration is eligible for termination.
 - 5. Submit to the board any other document or information, which may include information or documents that have been amended or may not have existed previously, that affects the accuracy, completeness, or representation of any information or document filed with the application for registration.
 - 6. Submit to the board any document or information to make the registration file accurate and complete to ensure compliance with the Virginia Real Estate Time-Share Act and this chapter.
- B. Notwithstanding the requirements of subsection A of this section, the board at any time may require an exchange company to provide information or documents, or amendments thereof, in order to assure full and accurate disclosure to prospective purchasers and to ensure compliance with the Virginia Real Estate Time-Share Act and this chapter.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019.

18VAC48-45-610. Annual report required for an exchange program registration.

- A. An exchange company shall file an annual report to update the material contained in the exchange program registration file by July 1 of each year the registration is effective and shall be accompanied by the fee specified in 18VAC48-45-70.
- B. The annual report shall contain, but may not be limited to, the following:
 - 1. Current contact information for the exchange company;
 - 2. Information concerning the current status of the exchange program; and
 - 3. A report that contains the information in subdivision 4 of 18VAC48-45-590 and submitted in compliance with subdivision A 17 of [§ 55.1-2219](#) of the Code of Virginia.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019.

18VAC48-45-620. Board review of annual report for exchange program registration.

- A. During review of the annual report, the board may make inquiries or request additional documentation to amplify or clarify the information provided.
- B. If the board does not accept the annual report and the annual report filing is not completed within 60 days of a request by the board for additional information, the board may take further action pursuant to [§§ 55.1-2247](#) and [55.1-2252](#) of the Code of Virginia for failing to file an annual report as required by subsection E of [§ 55.1-2219](#) of the Code of Virginia.
- C. If the board does not perform the required review of the annual report within 30 days of receipt by the board, the annual report shall be deemed to comply with subsection E of [§ 55.1-2219](#) of the Code of Virginia.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019; Volume 36, Issue 17, eff. June 1, 2020.

18VAC48-45-630. Termination of an exchange program registration.

- A. The exchange program registration shall be terminated upon receipt of written notification from the exchange company indicating that the exchange program is no longer being offered in the Commonwealth. Should the exchange company later choose to offer the exchange program for which the registration has been terminated in

accordance with this subsection, prior to offering the exchange program, the exchange company must submit a new application for registration of the exchange program, meet all requirements in effect at the time of application, and be issued an order of registration for the exchange program by the board.

- B. Upon receipt and review of the notification pursuant to subsection A of this section, the board shall issue an order of termination for the exchange program registration. The board may request additional information as necessary during the review of the submitted notification to ensure that the exchange program registration is eligible for termination.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016.

18VAC48-45-640. Reporting of other changes to an exchange program.

Any other change made or known by the exchange company that may affect the accuracy or completeness of the exchange program registration file shall be promptly reported to the board. The board may request additional information as necessary to ensure compliance with the Virginia Real Estate Time-Share Act and this chapter.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016.

Part IX

Time-Share Reseller Registration

18VAC48-45-650. Registration of time-share reseller required.

In accordance with [§ 55.1-2244](#) of the Code of Virginia, a reseller shall not offer or provide any resale service without holding a current time-share reseller registration issued by the board.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019.

18VAC48-45-660. Exemptions from time-share reseller registration.

Time-share reseller registration shall not apply to the following:

1. A person that solely or with affiliates engages in a resale service with respect to an aggregate of no more than 12 resale time-shares per calendar year;
2. A person that owns or acquires more than 12 resale time-shares and subsequently transfers all such resale time-shares to a single purchaser in a single transaction;
3. The owner, owner's agents, and employees of a regularly published newspaper, magazine, or other periodical publication of general circulation; broadcast station; website; or billboard, to the extent their activities are limited to solicitation and publication of advertisements and the transmission of responses to the persons who place the advertisements. Any person that would otherwise be exempt from this chapter pursuant to this section shall not be exempt if the person (i) solicits the placement of the advertisement by representing that the advertisement will generate cash, a certain price, or a similar type of representation for the time-share owner's resale time-share, (ii) makes a recommendation as to the sales price for which to advertise the resale time-share, (iii) makes representations to the person placing the advertisement regarding the success rate for selling resale time-shares advertised with such person, or (iv) makes misrepresentations as described in this chapter;
4. Sale by a developer or a party acting on its behalf of a resale time-share under a current registration of the time-share program in which the resale time-share is included;
5. Sale by an association, managing entity, or a party acting on its behalf of a resale time-share owned by the association provided the sale is in compliance with subsection C of [§ 55.1-2228](#); or
6. Attorneys, title agents, title companies, or escrow companies providing closing services in connection with the transfer of a resale time-share.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019.

18VAC48-45-670. Requirements for registration as a time-share reseller.

- A. Individuals or firms that provide any time-share resale services shall submit an application on a form prescribed by the board and shall meet the requirements of this section, including:
1. The information contained in [§ 55.1-2244](#) of the Code of Virginia.
 2. The application fee specified in 18VAC48-45-70.
 3. All contact information applicable to the time-share reseller and the lead dealer.
- B. Any individual or firm offering resale services as defined in [§ 55.1-2200](#) of the Code of Virginia shall be registered with the board. All names under which the time-share reseller conducts business shall be disclosed on the application. The name under which the firm conducts business and holds itself out to the public (i.e., the trade or fictitious name) shall also be disclosed on the application. Firms shall be organized as business entities under the laws of the Commonwealth of Virginia or otherwise authorized to transact business in Virginia. Firms shall register any trade or fictitious names with the State Corporation Commission in accordance with Chapter 5 of Title 59.1 ([§ 59.1-69](#) et seq.) of the Code of Virginia before submitting an application to the board.
- C. The applicant for a time-share reseller registration shall disclose the firm's mailing address and the firm's physical address. A post office box is only acceptable as a mailing address when a physical address is also provided.
- D. In accordance with [§ 54.1-204](#) of the Code of Virginia, each applicant for a time-share reseller registration shall disclose the following information about the firm, the lead dealer, and any of the principals of the firm, if applicable:
1. All felony convictions.
 2. All misdemeanor convictions in any jurisdiction that occurred within three years before the date of application.
 3. Any plea of nolo contendere or finding of guilt regardless of adjudication or deferred adjudication shall be considered a conviction for the purposes of this section. The record of conviction certified or authenticated in such form as to be admissible in evidence under the laws of the jurisdiction where convicted shall be admissible as prima facie evidence of such guilt.

- E. The applicant for time-share reseller registration shall be in compliance with the standards of conduct set forth in Part X (18VAC48-45-720 et seq.) of this chapter at the time of application, while the application is under review by the board, and at all times when the registration is in effect.
- F. The applicant for time-share reseller registration, the lead dealer, and all principals of the firm shall be in good standing in Virginia and in every jurisdiction and with every board or administrative body where licensed, certified, or registered, and the board, in its discretion, may deny registration to any applicant who has been subject to, or whose lead dealer or principals have been subject to, any form of adverse disciplinary action, including but not limited to, reprimand, revocation, suspension or denial, imposition of a monetary penalty, required to complete remedial education, or any other corrective action, in any jurisdiction or by any board or administrative body or surrendered a license, certificate, or registration in connection with any disciplinary action in any jurisdiction prior to obtaining registration in Virginia.
- G. The applicant for time-share reseller registration shall provide all relevant information about the firm, the lead dealer, and of the principals of the firm for the seven years prior to application on outstanding judgments, past-due tax assessments, defaults on bonds, or pending or past bankruptcies and specifically shall provide all relevant financial information related to providing resale services as defined in [§ 55.1-2200](#) of the Code of Virginia.
- H. The application for time-share reseller registration shall include the exhibits required pursuant to 18VAC48-45-680.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 35, Issue 6, eff. December 14, 2018; Volume 36, Issue 6, eff. December 30, 2019; Volume 36, Issue 17, eff. June 1, 2020.

18VAC48-45-680. Exhibits required for registration as a time-share reseller.

- A. The following documents shall be included as exhibits to the application for registration. All exhibits shall be labeled as indicated and submitted in a format acceptable to the board.
 - 1. Exhibit A: A copy of the certificate of incorporation or certificate of authority to transact business in Virginia issued by the Virginia State Corporation Commission, or any other entity formation documents, together with any trade or fictitious name certificate.
 - 2. Exhibit B: A copy of the resale purchase contract.
 - 3. Exhibit C: A copy of the resale transfer contract.

4. Exhibit D: A copy of disclosures required by [§ 55.1-2228](#) of the Code of Virginia.
 5. Exhibit E: A narrative description of the marketing or advertising plan.
- B. The board has the sole discretion to require additional information or amendment of existing information as the board finds necessary to ensure full and accurate disclosure and compliance with the provisions of [§ 55.1-2228](#) of the Code of Virginia and to ensure compliance with the provisions of [§ 55.1-2244](#) of the Code of Virginia.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 35, Issue 6, eff. December 14, 2018; Volume 36, Issue 6, eff. December 30, 2019.

18VAC48-45-690. Renewal and reinstatement of a time-share reseller registration.

- A. A time-share reseller registration issued under this chapter shall expire one year from the last day of the month in which it was issued. The fee specified in 18VAC48-45-70 shall be required for renewal.
- B. Prior to the expiration date shown on the registration, a registration shall be renewed upon payment of the fees specified in 18VAC48-45-70.
- C. The board will send a renewal notice to the regulant at the last known address of record. Failure to receive this notice shall not relieve the regulant of the obligation to renew. If the regulant fails to receive the renewal notice, a copy of the registration may be submitted with the required fees as an application for renewal. By submitting a renewal fee, the regulant is certifying continued compliance with this chapter, as applicable, and certifying that all documents required for registration pursuant to 18VAC48-45-680 on file with the board reflect the most current version used by the reseller.
- D. If the requirements for renewal of a registration as specified in this chapter are not completed more than 30 days and within six months after the registration expiration date, the reinstatement fee specified in 18VAC48-45-70 shall be required.
- E. A registration may be reinstated for up to six months following the expiration date. After six months, the registration may not be reinstated under any circumstances and the firm or individual must meet all current entry requirements and apply as a new applicant.
- F. The board may deny renewal or reinstatement of registration for the same reasons as it may refuse initial registration or discipline a registrant.
- G. The date the renewal application and fee are received in the office of the board shall determine whether a registration shall be renewed without reinstatement, or shall be subject to reinstatement application procedures.

- H. A registration that is reinstated shall be regarded as having been continuously registered without interruption. Therefore, the registration holder shall remain under the disciplinary authority of the board during the entire period and shall be accountable for its activities during the period. Nothing in this chapter shall divest the board of its authority to discipline a registration holder for a violation of the law or regulation during the period of time for which the regulant was registered.
- I. Applicants for renewal shall continue to meet all of the qualifications for registration set forth in 18VAC48-45-680.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 35, Issue 6, eff. December 14, 2018; Volume 36, Issue 6, eff. December 30, 2019.

18VAC48-45-700. Maintenance of time-share reseller registration.

Any material changes made or known by the time-share reseller that may affect the accuracy or completeness of the time-share reseller registration file shall be promptly reported to the board. The board may request additional information as necessary to ensure compliance with the Virginia Real Estate Time-Share Act and this chapter.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016.

18VAC48-45-710. Recordkeeping for a time-share reseller registration.

A time-share reseller registered by the board shall comply with the recordkeeping provisions of [§ 55.1-2245](#) of the Code of Virginia.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 36, Issue 6, eff. December 30, 2019.

Part X

Board Authority and Standards of Conduct

18VAC48-45-720. Grounds for disciplinary action.

The board may revoke a registration that is not in compliance with any provision of the regulations of the board or the Virginia Real Estate Time-Share Act. Additional action may include issuance of a temporary cease and desist order, issuance of a cease and desist order, and bringing action in the appropriate circuit court to enjoin the acts or practices and to enforce compliance.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016.

18VAC48-45-730. Registration required.

- A. No developer or agent of a developer shall offer a time-share prior to the registration of the time-share program.
- B. No developer or agent of a developer shall offer an alternative purchase prior to the registration of the alternative purchase by the developer.
- C. No exchange company or agent of an exchange company shall offer an exchange program prior to the registration of the exchange program by the exchange company.
- D. No time-share reseller or agent of a time-share reseller shall offer any resale services prior to the registration of the time-share reseller.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-740. Time-share advertising standards.

- A. No promise, assertion, representation, or statement of fact or opinion in connection with a time-share marketing activity shall be made that is false, inaccurate or misleading by reason of inclusion of an untrue statement of a material fact or omission of a statement of a material fact relative to the actual or intended characteristics, circumstances, or features of a time-share program.
- B. No promise, assertion, representation, or statement of fact or opinion made in connection with a time-share marketing activity shall indicate that a unit or common element will be built or placed on the time-share unless proposed within the meaning of subsection A of 18VAC48-45-200.

- C. No promise, assertion, representation, or statement of fact or opinion made in connection with a time-share marketing activity and relating to a time-share program not registered shall, by its express terms, induce, solicit, or encourage a contract for sale or performing some other act that would create or purport to create a legal or equitable interest in the time-share, other than a security interest in or a nonbinding reservation of the time-share, when to do so would circumvent the provisions of the Virginia Real Estate Time-Share Act.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 37, Issue 3, eff. December 1, 2020.

18VAC48-45-750. Board oversight of public offering statement and exchange program disclosure document.

- A. The board at any time may require a developer to alter or amend the public offering statement for a time-share or an exchange program disclosure document to assure full and accurate disclosure to prospective purchasers and to ensure compliance with the Virginia Real Estate Time-Share Act and this chapter.
- B. The board does not approve or recommend the time-share or exchange program, or disposition thereof. The board's issuance of an effective date for a public offering statement or acceptance of an exchange program disclosure document shall not be construed to (i) constitute approval of the time-share or exchange program; (ii) represent that the board asserts that either all facts or material changes or both concerning the time-share or exchange program have been fully and accurately disclosed; or (iii) indicate that the board has made judgment on the value or merits of the time-share or exchange program.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016.

18VAC48-45-760. Response to inquiry and provision of records.

- A. The developer, exchange company, or reseller must respond within 15 days to a request by the board or any of its agents regarding any complaint filed with the department. The board may extend such timeframe upon a showing of extenuating circumstances prohibiting delivery within such 15-day period.
- B. Unless otherwise specified by the board, the developer, exchange company, or reseller shall produce to the board or any of its agents within 15 days of the request any document, book, or record concerning any transaction in which the developer, exchange company, or reseller was involved, or for which the developer, exchange company, or reseller is required to maintain records, for inspection and copying by the board or its

agents. The board may extend such timeframe upon a showing of extenuating circumstances prohibiting delivery within such 15-day period.

- C. A developer, exchange company, or reseller shall not provide a false, misleading, or incomplete response to the board or any agent of the board seeking information in the investigation of a complaint filed with the board.
- D. With the exception of the requirements of subsections A and B of this section, a developer, exchange company, or reseller must respond to an inquiry by the board or its agent within 21 days.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016.

18VAC48-45-770. Prohibited acts.

The following acts are prohibited and any violation may result in action by the board, including issuance of a temporary cease and desist order in accordance with subdivision D 2 of [§ 55.1-2247](#) of the Code of Virginia:

1. Violating, inducing another to violate, or cooperating with others in violating any of the provisions of any regulation of the board or the Virginia Real Estate Time-Share Act or engaging in any act enumerated in [§§ 54.1-102](#) and [54.1-111](#) of the Code of Virginia.
2. Obtaining or attempting to obtain a registration by false or fraudulent representation, or maintaining, renewing, or reinstating a registration by false or fraudulent representation.
3. Failing to alter or amend the public offering statement or disclosure document as required in accordance with the provisions of this chapter.
4. Providing information to purchasers in a manner that willfully and intentionally fails to promote full and accurate disclosure.
5. Making any misrepresentation or making a false promise that might influence, persuade, or induce.
6. Failing to provide information or documents, or amendments thereof, in accordance with this chapter.
7. Failing to comply with the post-registration requirements of this chapter.
8. Filing false or misleading information in the course of terminating a registration in accordance with 18VAC48-45-450, 18VAC48-45-460, 18VAC48-45-560, or 18VAC48-45-630.

9. Failing to comply with the advertising standards contained in Part (18VAC48-45-80 et seq.) of this chapter.
10. Allowing a registration issued by the board to be used by another.
11. A regulant having been convicted, found guilty, or disciplined in any jurisdiction of any offense or violation described in subdivisions C 13 and C 14 of 18VAC48-45-130, subdivisions 4 and 5 of 18VAC48-45-210, and subsections D, G, and H of 18VAC48-45-670.
12. Failing to inform the board in writing within 30 days that the regulant was convicted, found guilty, or disciplined in any jurisdiction of any offense or violation described in subsections D, G, and H of 18VAC48-45-670.
13. Failing to report a change as required by 18VAC48-45-470.
14. Failing to satisfy any judgments or restitution orders entered by a court or arbiter of competent jurisdiction.
15. Misrepresenting or misusing the intended purpose of a power of attorney or similar document to the detriment of any grantor of such power of attorney.
16. Engaging in dishonest or fraudulent conduct in providing resale services, including the following:
 - a. The intentional and unjustified failure to comply with the terms of the resale purchase contract or resale transfer contract.
 - b. Engaging in dishonest or fraudulent conduct in providing resale services.
 - c. Failing to comply with the recordkeeping requirements of [§ 55.1-2245](#) of the Code of Virginia.
 - d. Failing to disclose information in writing concerning the marketing, sale, or transfer of resale time-shares required by this chapter prior to accepting any consideration or with the expectation of receiving consideration from any time-share owner, seller, or buyer.
 - e. Making false or misleading statements concerning offers to buy or rent; the value, pricing, timing, or availability of resale time-shares; or numbers of sellers, renters, or buyers when engaged in time-share resale activities.
 - f. Misrepresenting the likelihood of selling a resale time-share interest.

- g. Misrepresenting the method by or source from which the reseller or lead dealer obtained the contact information of any time-share owner.
- h. Misrepresenting price or value increases or decreases, assessments, special assessments, maintenance fees, or taxes or guaranteeing sales or rentals in order to obtain money or property.
- i. Making false or misleading statements concerning the identity of the reseller or any of its affiliates or the time-share resale entity's or any of its affiliate's experience, performance, guarantees, services, fees, or commissions, availability of refunds, length of time in business, or endorsements by or affiliations with developers, management companies, or any other third party.
- j. Misrepresenting whether or not the reseller or its affiliates, employees, or agents hold, in any state or jurisdiction, a current real estate sales or broker's license or other government-required license.
- k. Misrepresenting how funds will be utilized in any time-share resale activity conducted by the reseller.
- l. Misrepresenting that the reseller or its affiliates, employees, or agents have specialized education, professional affiliations, expertise, licenses, certifications, or other specialized knowledge or qualifications.
- m. Making false or misleading statements concerning the conditions under which a time-share owner, seller, or buyer may exchange or occupy the resale time-share interest.
- n. Representing that any gift, prize, membership, or other benefit or service will be provided to any time-share owner, seller, or buyer without providing such gift, prize, membership, or other benefit or service in the manner represented.
- o. Misrepresenting the nature of any resale time-share interest or the related time-share plan.
- p. Misrepresenting the amount of the proceeds, or failing to pay the proceeds, of any rental or sale of a resale time-share interest as offered by a potential renter or buyer to the time-share owner who made such resale time-share interest available for rental or sale through the reseller.
- q. Failing to transfer any resale time-share interests as represented and required by this chapter or to provide written evidence to the time-share owner of the recording or transfer of such time-share owner's resale time-share interest as required by this chapter.

- r. Failing to pay any annual assessments, special assessments, personal property or real estate taxes, or other fees relating to an owner's resale time-share interest as represented or required by this chapter.

Historical Notes:

Derived from Virginia Register Volume 32, Issue 10, eff. March 1, 2016; amended Volume 35, Issue 6, eff. December 14, 2018; Volume 36, Issue 6, eff. December 30, 2019.

NOTICE

Included in this booklet are relevant excerpts from the Code of Virginia. Please note that the Virginia General Assembly is responsible for creating and amending the Code, not the Common Interest Community Board. The version contained herein contains all changes, if any, that have been made by the General Assembly through the 2020 session. Any changes made during the 2020 session became effective July 1, 2020, unless otherwise noted. It is your responsibility to stay informed of revisions to the regulations and the statutes governing time-shares. Please consult the General Assembly or your local library for annual changes.

You can access the Code of Virginia online at <http://law.lis.virginia.gov/vacode>

Code of Virginia

Title 55.1, Chapter 22

Article 1. General Provisions

§ 55.1-2200. Definitions.

As used in this chapter, or in a time-share instrument, unless the context requires a different meaning:

"Additional land" means all land that a time-share developer has identified as land that may be added to a time-share project.

"Affiliate" means a person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with the person specified.

"Alternative purchase" means anything valued in excess of \$100 that is offered to a potential purchaser by the developer during the developer's sales presentation and that is purchased by such potential purchaser for more than \$100, even though the purchaser did not purchase a time-share. An alternative purchase is not a time-share. A membership camping contract as defined in § [59.1-313](#) is not an alternative purchase. An alternative purchase shall be registered with the Board unless it is otherwise registered as a travel service under the Virginia Travel Club Act (§ [59.1-445](#) et seq.) and shall include vacation packages, however denominated, and exit programs, however denominated.

"Association" means the association organized under the provisions of § [55.1-2209](#).

"Board" means the Common Interest Community Board.

"Board of directors" means an executive and administrative entity, by whatever name denominated, designated in a time-share instrument as the governing body of the time-share estate owners' association.

"Common elements" means the real estate, improvements on such real estate, and the personalty situated within the time-share project that are subject to the time-share program. "Common elements" does not include the units and the time-shares.

"Consumer documents" means the aggregate of the following documents: the reverter deed, the note, the deed of trust, and any document that is to be provided to consumers in connection with an offering.

"Contact information" means any information that can be used to contact an owner, including the owner's name, address, telephone number, email address, or user identity on any electronic networking service.

"Contract," "sales contract," "purchase contract," "contract of purchase," or "contract to purchase," which shall be interchangeable throughout this chapter, means any legally binding instrument executed by the developer and a purchaser by which the developer is obligated to sell and the purchaser is obligated to purchase either a time-share and its incidental benefits or an alternative purchase registered under this chapter.

"Conversion time-share project" means a real estate improvement that, prior to the disposition of any time-share, was wholly or partially occupied by persons as their permanent residence or on a transient pay-as-you-go basis other than those who have contracted for the purchase of a time-share and those who occupy with the consent of such purchasers.

"Cost of ownership" means all of the owner's expenses related to a resale time-share due between the date of a resale transfer contract and the transfer of the resale time-share.

"Deed" means the instrument by which title to a time-share estate is transferred from one person to another person.

"Deed of trust" means the instrument conveying the time-share estate that is given as security for the payment of the note.

"Default" means either a failure to have made any payment in full and on time or a violation of a performance obligation required by a consumer document for a period of no less than 60 days.

"Developer" means any person or group of persons acting in concert that (i) offers to dispose of a time-share or its interest in a time-share unit for which there has not been a previous disposition or (ii) applies for registration of the time-share program.

"Developer control period" means a period of time during which the developer or a managing agent

selected by the developer manages and controls the time-share project and the common elements and units it comprises.

"Development right" means any right reserved by the developer to create additional units that may be dedicated to the time-share program.

"Dispose" or "disposition" means a transfer of a legal or equitable interest in a time-share, other than a transfer or release of security for a debt.

"Exchange agent" or "exchange company" means a person that exchanges or offers to exchange time-shares in an exchange program with other time-shares.

"Exchange program" means any opportunity or procedure for the assignment or exchange of time-shares among owners in other time-share programs as evidenced by a past or present written agreement executed between an exchange company and the developer or the time-share estate association; however, an "exchange program" shall not be either an incidental benefit or an opportunity or procedure by which a time-share owner can exchange his time-share for another time-share within either the same time-share project or another time-share project owned in part by the developer.

"Guest" means (i) a person who is on the project, additional land, or development at the request of an owner, developer, association, or managing agent or (ii) a person otherwise legally entitled to be on such project, additional land, or development. "Guest" includes family members of owners; time-share exchange participants; merchants, purveyors, or vendors; and employees of such merchants, purveyors, and vendors; the developer; or the association.

"Incidental benefit" means anything valued in excess of \$100 provided by the developer that is acquired by a purchaser upon acquisition of a time-share and includes exchange rights, travel insurance, bonus weeks, upgrade entitlements, travel coupons, referral awards, and golf and tennis packages. An incidental benefit is not a time-share or an exchange program. An incidental benefit shall not be registered with the Board.

"Inherent risks of project activity" means those dangers or conditions that are an integral part of a project activity, including certain hazards, such as surface and subsurface conditions; natural conditions of land, vegetation, and waters; the behavior of wild or domestic animals; and ordinary dangers of structures or equipment ordinarily used in association or time-share project operations.

"Inherent risks of project activity" also includes the potential of a participant to act in a negligent manner that may contribute to injury to the participant or others, including failing to follow instructions given by the project professional or failing to exercise reasonable caution while engaging in the project activity.

"Lead dealer" means a person that sells or otherwise provides to any other person contact information concerning five or more owners to be used for a resale service. "Lead dealer" does not mean developers, managing entities, or exchange companies to the extent that such entities are

providing other persons with personal contact information about time-share owners in their own time-share programs or members of their own exchange program.

"Lien holder" means either a person that holds an interest in an encumbrance that is not released of record as to a purchaser or such person's successor in interest that acquires title to the time-share project at foreclosure, by deed in lieu of foreclosure, or by any other instrument however denominated.

"Managing agent" means a person that undertakes the duties, responsibilities, and obligations of the management of a time-share project.

"Managing entity" means the managing agent or, if there is no managing agent, the time-share owners' association in a time-share estate project and the developer in a time-share use project.

"Material change" means a change in any information or document disclosed in or attached to the public offering statement that renders inaccurate, incomplete, or misleading any information or document in such a way as to affect substantially a purchaser's rights or obligations, but does not include a change (i) in the real estate tax assessment or rate, utility charges or deposits, maintenance fees, association dues, assessments, special assessments, or any recurring time-share expense item, provided that such change is made known (a) immediately to the prospective purchaser by a written addendum in the public offering statement and (b) to the Board by filing with the developer's annual report copies of the updated changes occurring over the immediately preceding 12 months; (ii) that is an aspect or result of the orderly development of the time-share project in accordance with the time-share instrument; (iii) resulting from new, updated, or amended information contained in the annual report prepared and distributed pursuant to § [55.1-2213](#); (iv) correcting spelling, grammar, omissions, or other similar errors not affecting the substance of the public offering statement; or (v) occurring in the issuance of an exchange company's updated annual report or disclosure document, provided that, upon its receipt by the developer, it shall be distributed in lieu of all others in order to satisfy § [55.1-2217](#).

"Note" means the instrument that evidences the debt occasioned by the deferred purchase of a time-share.

"Offering" or "offer" means any act that originates in the Commonwealth to sell, solicit, induce, or advertise, whether by radio, television, telephone, newspaper, magazine, or mail, during which a person is given an opportunity to acquire a time-share.

"Participant" means any person, other than a project professional, that engages in a project activity.

"Person" means one or more natural persons, corporations, partnerships, associations, trustees of a trust, limited liability companies, or other entities, or any combination thereof, capable of holding title to real property.

"Possibility of reverter" means a provision contained in a reverter deed by which the time-share estate automatically reverts or transfers back to the developer upon satisfaction of the requirements

imposed by § [55.1-2222](#).

"Product" means each time-share program and all alternative purchases.

"Project activity" means any activity carried out or conducted on a common element, within a time-share unit or elsewhere in the project, additional land, or development, that allows owners, their guests, and members of the general public to view, observe, participate, or enjoy activities. "Project activity" includes swimming pools, spas, sporting venues, and cultural, historical, or harvest-your-own activities; other amenities and events; or natural activities and attractions for recreational, entertainment, educational, or social purposes. Such activity is a project activity whether or not the participant paid to participate in the activity.

"Project professional" means any person that is engaged in the business of providing one or more project activities, whether or not for compensation. For the purposes of this definition, the developer, association, and managing entity shall each be deemed a project professional.

"Public offering statement" means the statement required by § [55.1-2217](#).

"Purchaser" means any person other than a developer or lender that owns or acquires a product or that otherwise enters into a contract for the purchase of a product.

"Resale purchase contract" means an agreement negotiated by a reseller by which an owner or a reseller agrees to sell, and a subsequent purchaser agrees to buy, a resale time-share.

"Resale service" means engaging, directly or indirectly, for compensation, in any of the following either in person or by any medium of communication: (i) selling or offering to sell or list for sale for the owner a resale time-share, (ii) buying or offering to buy a resale time-share for transfer to a subsequent purchaser, (iii) transferring a resale time-share acquired from an owner to a subsequent purchaser or offering to assist in such transfer, (iv) invalidating or offering to invalidate for an owner the title of a resale time-share, or (v) advertising or soliciting to advertise or promote the transfer or invalidation of a resale time-share. Resale service does not include an individual's selling or offering to sell his own time-share unit.

"Resale time-share" means a time-share, wherever located, that has previously been sold to an owner who is a natural person for personal, family, or household use and that is transferred, or is intended to be transferred, through a resale service.

"Resale transfer contract" means an agreement between a reseller and the owner by which the reseller agrees to transfer or assist in the transfer of the owner's resale time-share.

"Reseller" means any person who, directly or indirectly, engages in a resale service.

"Reverter deed" means the deed from a developer to a grantee that contains a possibility of reverter.

"Sales person" means a person who sells or offers to sell time-share interests in a time-share

program.

"Situs" means the place outside the Commonwealth where a developer's time-share project is located.

"Subsequent purchaser" means the purchaser or transferee of a resale time-share.

"Time-share" means either a time-share estate or a time-share use plus its incidental benefits.

"Time-share estate" means a right to occupy a time-share unit or any of several time-share units during five or more separated time periods over a period of at least five years, including renewal options, coupled with a freehold estate or an estate for years in one or more time-share units or a specified portion of such time-share units.

"Time-share estate occupancy expense" means all costs and expenses incurred in (i) the formation, organization, operation, and administration, including capital contributions thereto, of the association and both its board of directors and its members and (ii) all owners' use and occupancy of the time-share estate project, including without limitation its completed and occupied time-share estate units and common elements available for use. Such costs and expenses include maintenance and housekeeping charges; repairs; refurbishing costs; insurance premiums, including the premium for comprehensive general liability insurance required by subdivision 8 of § [55.1-2209](#); taxes; properly allocated labor, operational, and overhead costs; general and administrative expenses; the managing agent's fee; utility charges and deposits; the cost of periodic repair and replacement of walls and window treatments and furnishings, including furniture and appliances; filing fees and annual registration charges of the State Corporation Commission and the Board; attorney fees and accountant charges; and reserves for any of the foregoing.

"Time-share estate subject to reverter" means a time-share estate (i) entitling the holder thereof to occupy units not more than four weeks in any one-year period and (ii) for which the down payment is not more than 20 percent of the total purchase price of the time-share estate.

"Time-share expense" means (i) expenditures, fees, charges, or liabilities incurred with respect to the operation, maintenance, administration, or insuring of the time-shares, units, and common elements comprising the entire time-share project, whether or not incurred for the repair, renovation, upgrade, refurbishing, or capital improvements, and (ii) any allocations of reserves.

"Time-share instrument" or "project instrument" means any document, however denominated, that creates the time-share project and program and that may contain restrictions or covenants regulating the use, occupancy, or disposition of time-shares in a project.

"Time-share owner" or "owner" means a person that is an owner or co-owner of a time-share other than as security for an obligation.

"Time-share program" or "program" means any arrangement of time-shares in one or more time-share projects by which the use, occupancy, or possession of real property has been made subject

to either a time-share estate or time-share use in which such use, occupancy, or possession circulates among owners of the time-shares according to a fixed or floating time schedule on a periodic basis occurring over any period of time in excess of five years.

"Time-share project" or "project" means all of the real property subject to a time-share program created by the execution of a time-share instrument.

"Time-share unit" or "unit" means the real property or real property improvement in a project that is divided into time-shares and designated for separate occupancy and use.

"Time-share use" means a right to occupy a time-share unit or any of several time-share units during five or more separated time periods over a period of at least five years, including renewal options, not coupled with a freehold estate or an estate for years in a time-share project or a specified portion of such time-share project.

"Transfer" means a voluntary conveyance of a resale time-share to a person other than the developer, association, or managing entity of the time-share program of which the resale time-share is a part or to a person taking ownership by gift, foreclosure, or deed in lieu of foreclosure.

1981, c. 462, § 55-362; 1985, c. 517; 1986, c. 359; 1991, c. 704; 1994, c. [580](#); 1998, c. [460](#); 2001, c. [543](#); 2004, c. [143](#); 2007, c. [267](#); 2008, cc. [376](#), [851](#), [871](#); 2012, c. [751](#); 2019, c. [712](#); 2020, c. [1011](#).

§ 55.1-2201. Applicability.

A. This chapter shall have exclusive jurisdiction and shall apply to any product offering or disposition made within the Commonwealth after July 1, 1985, in a time-share project located within the Commonwealth. Sections [55.1-2200](#), [55.1-2201](#), [55.1-2202](#), [55.1-2203](#), [55.1-2204](#), [55.1-2206](#), [55.1-2210](#), [55.1-2211](#), [55.1-2213](#), [55.1-2215](#), [55.1-2216](#), [55.1-2220](#), [55.1-2227](#), [55.1-2229](#), [55.1-2230](#), [55.1-2232](#), [55.1-2233](#), [55.1-2237](#), and [55.1-2252](#) shall apply to a time-share project within the Commonwealth that was created prior to July 1, 1985.

B. This chapter shall not affect rights or obligations created by preexisting provisions of any time-share instrument that transfers an estate or interest in real property.

C. This chapter shall apply to any product offering or disposition in a time-share project located outside the Commonwealth and offered for sale in the Commonwealth with the exception that Articles 2 (§ [55.1-2207](#) et seq.), 3 (§ [55.1-2217](#) et seq.), and 4 (§ [55.1-2235](#) et seq.) shall apply only to the extent permitted by the laws of the situs.

D. This chapter shall apply to any product offering or disposition in a time-share program, and offered for sale in the Commonwealth, created under a situs time-sharing law in which the time-share interests in the time-share program are either direct or indirect beneficial interests in a trust created pursuant to the situs time-sharing law or other applicable law of the situs.

Code 1950, § 55-361; 1981, c. 462; 1983, c. 59; 1985, c. 517, § 55-361.1; 1986, c. 359; 1989, c. 637; 1991, c. 704; 1994, c. [580](#); 2019, c. [712](#); 2020, c. [1011](#).

§ 55.1-2202. Administrative agency.

The Common Interest Community Board shall administer this chapter.

1985, c. 517, § 55-362.1; 2008, cc. [851](#), [871](#); 2019, c. [712](#).

§ 55.1-2203. Status of time-share estates with respect to real property interests.

A. A document transferring or encumbering a time-share estate shall not be rejected for recordation within the Commonwealth because of the nature or duration of that estate or interest, provided that the document complies with all other recordation requirements.

B. Each time-share estate constitutes for purposes of title a separate estate or interest in a unit.

C. For purposes of local real property taxation, each time-share unit, other than a unit operated for time-share use, shall be valued in the same manner as if such unit were owned by a single taxpayer. The total cumulative purchase price paid by the time-share owners for a unit shall not be utilized by the commissioner of revenue or other local assessing officer as a factor in determining the assessed value of such unit. A unit operated as a time-share use, however, may be assessed the same as other income-producing and investment property. The commissioner of revenue or other local assessing officer shall list in the land book a time-share unit in the name of the association.

1981, c. 462, § 55-363; 1985, c. 517; 1994, c. [580](#); 2019, c. [712](#).

§ 55.1-2204. Applicability of local ordinances, regulations, and building codes.

A zoning, subdivision, or other ordinance or regulation shall not impose any requirement upon a time-share project that it would not otherwise impose upon a similar project under a different form of ownership.

1981, c. 462, § 55-364; 2019, c. [712](#).

§ 55.1-2205. Use of terms.

A developer in its offering or disposition of a time-share may use interchangeably any term recognized in the industry, including "time-share," "time-share interest," "interval ownership," "interval ownership interest," "vacation ownership," "vacation ownership interest," and "product." A developer shall not use the term "incidental benefit" or "alternative purchase" except in the proper context.

1994, c. [580](#), § 55-364.1; 2019, c. [712](#).

§ 55.1-2206. Severability of provisions of time-share instruments.

All provisions of the time-share instruments shall be deemed severable, and any unlawful provision of such instrument shall be void.

Code 1950, § 55-365; 1981, c. 462; 1985, c. 517, § 55-365.1; 2019, c. [712](#).

Article 2. Creation, Termination, and Management

§ 55.1-2207. Time-sharing permitted.

A time-share project shall be permitted on any land or improvement on such land lying within the Commonwealth unless prohibited by zoning then in effect or by the express language of any legally enforceable covenant, condition, or restriction, however denominated, contained in the governing documents of record for such land, including condominium instruments under the Condominium Act (§ [55.1-1900](#) et seq.), a time-share instrument under this chapter, a declaration under the Virginia Real Estate Cooperative Act (§ [55.1-2100](#) et seq.), or a master deed under the Horizontal Property Act (§ [55.1-2000](#) et seq.). This chapter shall not be construed to affect the validity of any provision of any time-share program or any expansion of such a program or time-share instrument recorded or in existence prior to July 1, 1981.

1981, c. 462, § 55-366; 1994, c. [580](#); 1998, c. [460](#); 2019, c. [712](#).

§ 55.1-2208. Instruments.

A. In order to create a time-share program for a time-share estate project, the developer shall execute a time-share instrument prepared and executed in accordance with this chapter and record it in the clerk's office where such time-share project is located. The time-share instrument shall contain the following:

1. The name of the time-share project, which shall include or be followed by a qualifying adjective or term outlined in § [55.1-2205](#);
2. The name of the locality and the state or situs in which the time-share project is situated;
3. The legal description, street address, or other description sufficient to identify the time-share project;
4. A legally sufficient description of the real estate constituting the time-share project;
5. A statement of the form of time-share program, i.e., whether it is a time-share estate or time-share use;
6. Identification of time periods by letter, name, number, or combination thereof;

7. Identification of time-shares and, where applicable, the method by which additional time-shares may be created or withdrawn;
8. The formula, fraction, or percentage of the common expenses and any voting rights assigned to each time-share;
9. Any restrictions on the use, occupancy, enjoyment, alteration, or alienation of time-shares;
10. The ownership interest, if any, in personal property available to time-share owners;
11. The program by which the managing entity, if any, will provide management of the project;
12. The period for which units are designated and committed to the time-share program and the property classification of the units at the expiration of such period;
13. Any provision for amending the time-share instrument;
14. A description of the events, including condemnation and damage or destruction, upon which the time-share program may or shall be terminated before the expiration of its full term and the consequences of such termination, including the manner in which the time-share project or the proceeds from the disposition of such project shall be held or distributed among owners;
15. A statement of whether or not the developer reserves the right to add to or delete any incidental benefit;
16. A statement of whether or not the developer reserves the right to add to or delete any alternative purchase; and
17. Such other matters as the developer deems appropriate.

B. In order to create a time-share program for a time-share use project, the developer shall (i) execute and record a time-share instrument as required by subsection A or (ii) execute a time-share instrument that takes the form of and is a part of the contract that contains the information required by subsection A.

C. If the developer explicitly reserves the right to develop additional time-shares, the time-share instrument shall also contain the following:

1. A legally sufficient description of all land that may be added to the time-share project, which shall be referred to as "additional land";
2. A statement outlining the order in which portions of the additional land may be subjected to the exercise of each development right or a statement that no assurances are made in that regard;

3. A statement of the time limit upon which the option to develop shall expire, together with a statement of the circumstances, if any, that will terminate that option prior to the expiration of the specified time limit;

4. A statement of the maximum number of units that may be added to the time-share project, if known, or, if the maximum number of units that may be added to the time-share project is not known, a statement to that effect; and

5. A statement of the property classification of the additional land if the developer fails to exercise the development rights as reserved in the time-share instrument.

1981, c. 462, § 55-367; 1985, c. 517; 1994, c. [580](#); 1998, c. [460](#); 2019, c. [712](#).

§ 55.1-2209. Time-share instrument for time-share estate project.

In addition to the requirements of § [55.1-2208](#), the time-share instrument for a time-share estate project shall outline or prescribe reasonable arrangements for the management and operation of the time-share estate program and for the maintenance, repair, and furnishing of units it comprises, which shall include provisions for the following:

1. Creation of an association, the members of which shall be the time-share estate owners. The association may be formed pursuant to the Virginia Nonstock Corporation Act (§ [13.1-801](#) et seq.); however, the association shall be formed prior to the time the project and program are registered with the Board. Nothing shall affect the validity of the association, once formed, and the rights applicable to it as granted by this chapter, notwithstanding the time when such association was formed;

2. Payment of costs and expenses of operating the time-share estate program and owning and maintaining the units it comprises;

3. Employment and termination of employment of the managing agent for the project. Any agreement pertaining to the employment of the managing agent and executed during the developer control period shall be voidable by the association at any time after termination of the developer control period for the time-share project, and any provision in such agreement to the contrary is hereby declared to be void;

4. Termination of leases and contracts for goods and services for the time-share estate project that are entered into during the developer control period. Any such lease or contract shall become voidable at the option of the association upon termination of the developer control period for the entire time-share project, or sooner if the provisions of such lease or contract so state;

5. Preparation and dissemination to time-share estate owners of the annual report required by § [55.1-2213](#);

6. Adoption of standards and rules of conduct for the use, enjoyment, and occupancy of units by

the time-share estate owners;

7. Collection of regular assessments, fees or dues, or special assessments from time-share estate owners to defray all time-share expenses;

8. Comprehensive general liability insurance for death, bodily injury, and property damage arising out of, or in connection with, the use and enjoyment of the project by time-share estate owners, their guests, and other users. The costs associated with securing and maintaining such insurance shall be a time-share expense. Nothing in this subdivision shall be construed to obligate the managing entity to secure insurance on the conduct of the time-share estate owners, their guests, and other users or the personal effects or property of such owners, guests, and users;

9. Methods for providing compensation or alternate use periods or monetary compensation to a time-share estate owner if his contracted-for unit cannot be made available for the period to which the owner is entitled by schedule or by confirmed reservation;

10. Procedures for imposing a monetary penalty or suspension of a time-share estate owner's rights and privileges in the time-share estate program or time-share project for failure of such owner to comply with provisions of the time-share instrument or the rules and regulations of the association with respect to the use and enjoyment of the units and the time-share project. Under these procedures, a time-share estate owner shall be given reasonable notice and reasonable opportunity to be heard and explain the charges against him in person or in writing to the board of directors of the association before a decision to impose discipline is rendered; and

11. Employment of attorneys, accountants, and other professional persons as necessary to assist in the management of the time-share estate program and the units it comprises.

1981, c. 462, § 55-368; 1985, c. 517; 1989, c. 637; 1991, c. 704; 1994, c. [580](#); 1998, c. [460](#); 2019, c. [712](#).

§ 55.1-2210. Developer control in time-share estate program.

A. The time-share instrument for a time-share estate program shall provide for a developer control period. All costs associated with the control, management, and operation of the time-share estate project during the developer control period shall belong to the developer, except for time-share estate occupancy expenses that shall, if required by the developer in the time-share instrument, be allocated only to and paid by time-share estate owners other than the developer. Nothing shall preclude the developer, during the developer control period and at any time after the lapse of a purchaser's right of cancellation and without regard to the recordation of the deed, provided that the deed has been delivered to the purchaser or the purchaser's agent, from collecting an annual or specially assessed charge from each time-share estate owner for the payment of the time-share estate occupancy expenses by way of a maintenance fee. However, any such funds received and not spent, or any other funds received and allocated to the benefit of the association, shall be transferred to the association by the developer at the termination of the developer control period.

B. Except to the extent that the purchase contract or time-share instrument expressly provides otherwise, fee simple title to the common elements shall be transferred to the time-share estate owners' association, free of charge, no later than at such time as the developer (i) transfers to purchasers legal or equitable ownership of at least 90 percent of the time-share estates, excluding any reacquisitions by the developer; (ii) is no longer the beneficiary on deeds of trust secured on at least 20 percent of the time-share estates; or (iii) has completed all of the promised common elements and facilities that the time-share estate project comprises, whichever occurs last. The developer may make such transfer when the period has ended for a phase or portion of the time-share estate project. The transfer required of the developer by this subsection shall not exonerate the developer from the responsibility of completion of the promised and incomplete common elements once the transfer occurs. Upon transfer of the time-share project or portion to the association, the developer control period for such project or portion of such project shall terminate.

1981, c. 462, § 55-369; 1985, c. 517; 1989, c. 637; 1991, c. 704; 1993, c. 842; 1994, c. [580](#); 1998, c. [460](#); 2001, c. [543](#); 2008, c. [376](#); 2013, cc. [259](#), [327](#); 2019, c. [712](#).

§ 55.1-2211. Time-share estate owners' association control liens.

A. The board of directors of the association shall have the authority to adopt regular annual assessments and to levy periodic special assessments against each of the time-share estate unit owners and to collect the same from such owners according to law if the purpose in so doing is determined by the board of directors to be in the best interest of the time-share project or time-share program and the proceeds are used to either pay common expenses or fund a reserve. In addition, the board of directors of the association shall have the authority to collect, on behalf of the developer or on its own account, the maintenance fee imposed by the developer pursuant to § [55.1-2210](#). The authority hereby granted and conferred upon the association shall exist notwithstanding any covenants and restrictions of record applicable to the project stated to the contrary, and any such covenants and restrictions are hereby declared void.

B. The developer may provide that it not be obligated to pay all or a portion of any assessment, dues, or other charges of the association, however denominated, passed, or adopted, pursuant to subsection A, if such developer so provides, in bold type, in the time-share instrument for the time-share estate project. If no such provision exists, the developer shall be responsible to pay the same assessment, dues, or other charges that a time-share estate owner is obligated to pay for each of its unsold time-shares existing at the end of the fiscal year of the association and no more if the board of directors of the association so determines. In no event shall either a time-share expense or the dues, assessment, or charges of the association discriminate against the developer.

C. The association shall have a lien on every time-share estate within its project for unpaid and past due regular or special assessments levied against that estate in accordance with the provisions of this chapter and for all unpaid and past due maintenance fees. The exemption created by § [34-4](#) shall not be claimed against the debt or lien of the association created by this section.

The association, in order to perfect the lien given by this subsection, shall file, before the expiration of four years from the time such special or regular assessment or maintenance fee became due, in

the clerk's office of the county or city in which the project is situated, a memorandum verified by the oath of any officer of the association or its managing agent and containing the following information:

1. The name and location of the project;
2. The name and address of each owner of the time-share on which the lien exists and a description of the unit in which the time-share is situated;
3. The amount of past due special or regular assessments or past due maintenance fees applicable to the time-share, together with the date when each became due;
4. The amount of any other charges owing occasioned by the failure of the owner to pay the assessments or maintenance fees, including late charges, interest, postage and handling, attorney fees, recording costs, and release fees;
5. The name, address, and telephone number of the association's trustee, if known at the time, who will be called upon by the association to foreclose on the lien upon the owner's failure to pay as provided in this subsection; and
6. The date of issuance of the memorandum.

Notwithstanding any other provision of this chapter, or any other provision of law requiring documents to be recorded in the deed books of the clerk's office of any court, from July 1, 1981, all memoranda of liens arising under this subsection shall be recorded in the deed books in such clerk's office. Any such memorandum shall be indexed in the general index to deeds, and such general index shall identify the lien as a lien for time-share estate regular or special assessments or maintenance fees.

The clerk in whose office such memorandum is filed as provided in this subsection shall record and index such memorandum as provided in this subsection, in the names of the persons identified in such memorandum as well as in the name of the time-share estates owners' association. The cost of recording such memorandum shall be taxed against the owner of the time-share on which the lien is placed. The filing with the clerk of one memorandum on which is listed two or more delinquent time-share estate unit owners is permitted in order to perfect the lien hereby allowed, and the cost of filing in this event shall be the clerk's fee as prescribed in subdivision A 2 of § [17.1-275](#).

D. At any time after perfecting the lien pursuant to this section, the association may sell the time-share estate at a public sale, subject to prior liens. For purposes of this section, the association shall have the power both to sell and convey the time-share estate and shall be deemed the time-share estate owner's statutory agent for the purpose of transferring title to the time-share estate. A nonjudicial foreclosure sale shall be conducted by a trustee and in accordance with the following:

1. The association shall give notice to the time-share estate owner, prior to advertisement, as

required by subdivision 4. The notice shall specify (i) the debt secured by the perfected lien; (ii) the action required to satisfy the debt secured by the perfected lien; (iii) the date, not less than 60 days from the date the notice is given to the time-share estate owner, by which the debt secured by the lien shall be satisfied; and (iv) that failure to satisfy the debt secured by the lien on or before the date specified in the notice may result in the sale of the time-share estate. The notice shall further inform the time-share estate owner of the right to bring a court action in the circuit court of the county or city where the time-share project is located to assert the nonexistence of a debt or any other defenses of the time-share estate owner to the sale.

2. After expiration of the 60-day notice period provided in subdivision 1, the association may appoint a trustee to conduct the sale. The appointment of the trustee shall be filed in the clerk's office of the circuit court in the county or city in which the time-share project is located. It shall be the duty of the clerk in whose office such appointment is filed to record and index the same, as provided in this subsection, in the names of the persons identified therein as well as in the name of the association. The association, at its option, may from time to time remove the trustee and appoint a successor trustee.

3. If, prior to the date of the foreclosure sale, the time-share estate owner (i) satisfies the debt secured by lien that is the subject of the nonjudicial foreclosure sale and (ii) pays all expenses and costs incurred in perfecting and enforcing the lien, including advertising costs and reasonable attorney fees, the time-share estate owner shall have the right to have enforcement of the perfected lien discontinued prior to the sale of the time-share estate.

4. In addition to the advertisement required by subdivision 5, the association shall give written notice of the time, date, and place of any proposed sale in execution of the lien, including the name, address, and telephone number of the trustee, by personal delivery or by mail to (i) the present owner of the time-share estate to be sold at his last known address as such owner and address appear in the records of the association, (ii) any lienholder that holds a note against the time-share estate secured by a deed of trust recorded at least 30 days prior to the proposed sale and whose address is recorded with the deed of trust, and (iii) any assignee of such a note secured by a deed of trust, provided that the assignment and address of the assignee are likewise recorded at least 30 days prior to the proposed sale. Mailing a copy of the advertisement or the notice containing the same information to the owner by certified or registered mail no less than 14 days prior to such sale and to the lienholders and their assigns, at the addresses noted in the memorandum of lien, by regular mail no less than 14 days prior to such sale shall be a sufficient compliance with the requirement of notice.

5. The advertisement of sale by the association shall be in a newspaper having a general circulation in the county or city wherein the time-share estate to be sold and the time-share project, or any portion of such project, lies pursuant to the following provisions:

a. The association shall advertise once a week for four successive weeks; however, if the time-share estate and the time-share project or some portion of such project is located in a city or in a county immediately contiguous to a city, publication of the advertisement five different days, which may be consecutive days, shall be deemed adequate. The sale shall be held on any day

following the day of the last advertisement that is no earlier than eight days following the first advertisement nor more than 30 days following the last advertisement.

b. Such advertisement shall be placed in that section of the newspaper where legal notices appear or where the type of time-share estate being sold is generally advertised for sale. The advertisement of sale, in addition to such other matters as the association finds appropriate, shall set forth:

(1) A description of the time-share estate to be sold, which description need not be as extensive as that contained in the deed of trust, but shall identify the time-share project by street address, if any, or, if none, shall give the general location of such time-share project with reference to streets, routes, or known landmarks with further identification of the time-share estate to be sold. Where available, tax map identification may be used. The advertisement shall also include the date, time, place, and terms of sale and the name of the association. It shall set forth the name, address, and telephone number of the representative, agent, or attorney who is authorized to respond to inquiries concerning the sale; or

(2) In lieu of the requirements of subdivision (1), the advertisement shall set forth the date, time, place, and terms of sale and the name of the association; the street address of the time-share estate to be sold, if any, or, if none, the general location of the time-share project; and the name, address, and telephone number of the representative, agent, or attorney who is authorized to respond to inquiries and give additional information concerning the time-share estate to be sold, including providing in hard copy or electronic form a description of the time-share estate to be sold by street address, if any, or, if none, by the general location of the time-share project with reference to streets, routes, or known landmarks, and, where available, tax map identification. The advertisement under this subdivision (2) shall also include a website address where the information contained in subdivision (1) is displayed for the time-share estate to be sold.

c. In addition to the advertisement required by subdivisions 5 a and b, the association may give such other further and different advertisement as the association finds appropriate.

6. In the event of postponement of the sale, which postponement shall be at the discretion of the association, advertisement of the postponed sale shall be in the same manner as the original advertisement of sale.

7. Failure to comply with the requirements for advertisement contained in this section shall, upon petition, render a sale of the property voidable by the court. Such petition shall be filed within 60 days of the sale or the right to do so shall lapse.

8. In the event of a sale, the association shall have the following powers and duties:

a. The association may sell two or more time-share estates at the sale. Written one-price bids may be made and shall be received by the trustee from the association or any person for entry by announcement at the sale. Any person other than the trustee may bid at the foreclosure sale, including a person that has submitted a written one-price bid. Upon request to the trustee, any other bidder in attendance at a foreclosure sale shall be permitted to inspect written bids. Unless

otherwise provided in the time-share instrument, the association may bid to purchase the time-share estate at a foreclosure sale. The association may own, lease, encumber, exchange, sell, or convey the time-share estate. Whenever the written bid of the association is the highest bid submitted at the sale, such written bid shall be filed by the trustee with his account of sale required under subdivision 10 of this subsection and § [64.2-1309](#). The written bid submitted pursuant to this subsection may be prepared by the association, its agent, or its attorney.

b. The association may require of any bidder at any sale a cash deposit of as much as one-third of the sale price before his bid is received, which shall be refunded to him if the time-share estate is not sold to him through action of the trustee. The deposit of the successful bidder shall be applied to his credit at settlement; if such bidder fails to complete his purchase promptly, the deposit shall be applied to pay the costs and expenses of the sale, and the balance, if any, shall be retained by the association in connection with that sale.

c. The association shall receive and receipt for the proceeds of sale, no purchaser being required to see to the application of the proceeds, and shall apply such proceeds in the following order: first, to the reasonable expenses of sale, including reasonable attorney fees; second, to the satisfaction of all taxes, levies, and assessments, with costs and interest; third, to the satisfaction of the lien for the time-share estate owners' assessments; fourth, to the satisfaction in the order of priority of any remaining inferior claims of record; and fifth, to pay the residue of the proceeds to the time-share estate owner or his assigns, provided, however, that the association as to such residue shall not be bound by any inheritance, devise, conveyance, assignment, or lien of or upon the unit owner's equity, without actual notice thereof prior to distribution.

9. The trustee shall deliver to the purchaser a trustee's deed conveying the time-share estate with special warranty of title. The trustee shall not be required to take possession of the time-share estate prior to the sale of such estate or deliver possession of the time-share estate to the purchaser at the sale.

10. If the sale of a time-share estate is made pursuant to this subsection and the accounting is made by the trustee, the title of the purchaser at such sale shall not be disturbed unless, within six months from the date of foreclosure, the sale is set aside by the court or an appeal is allowed by the Supreme Court of Virginia and an order is entered requiring such sale to be set aside.

When payment or satisfaction is made of a debt secured by the lien perfected by this subsection, such lien shall be released in accordance with the provisions of § [55.1-339](#). For the purposes of § [55.1-339](#), any officer of the time-share estate owners' association or its managing agent shall be deemed the duly authorized agent of the lien creditor.

E. The commissioner of accounts to whom an account of sale is returned in connection with the foreclosure of either a lien under subsection C or a purchase money deed of trust taken back by the developer in the sale of a time-share in order to satisfy § [64.2-1309](#) shall be entitled to a fee, not to exceed \$70, on each foreclosure of a lien under subsection C and not to exceed \$125 on each foreclosure of a purchase money deed of trust taken back by the developer.

F. Any time-share owner within the project having executed a contract for the disposition of the time-share shall be entitled, upon request, to a recordable statement setting forth the amount of unpaid regular or special assessments or maintenance fees currently levied against that time-share. Such request shall be in writing, directed to the president of the time-share estate owners' association, and delivered to the principal office of the association. Failure of the association to furnish or make available such statement within 20 days from the actual receipt of such written request shall extinguish the lien created by subsection C as to the time-share involved. Payment of a fee reflecting the reasonable cost of materials and labor, not to exceed the actual cost of such materials and labor, may be required as a prerequisite to the issuance of such a statement.

1981, c. 462, § 55-370; 1985, c. 517; 1989, c. 637; 1991, c. 704; 1993, c. 842; 1994, cc. [432](#), [580](#); 1998, c. [460](#); 2001, c. [543](#); 2006, c. [653](#); 2007, c. [267](#); 2012, c. [406](#); 2013, cc. [259](#), [327](#); 2019, c. [712](#).

§ 55.1-2212. Time-share owners' association books and records; meetings; use of email.

A. Subject to the provisions of subsection B, all books and records, or copies of such books and records, kept by or on behalf of the association shall be maintained so that such books and records, or copies of such books and records, are reasonably available for inspection after written request by a member in good standing or his authorized agent. The association may charge such member or his agent a reasonable fee for copying the requested information. No books or records shall be removed from their location by the examining member or his agent. The right of inspection shall exist without reference to the duration of membership and may be exercised only during reasonable business hours and at a mutually convenient time and location, under the supervision of the custodian, and upon 15 days' written notice.

For purposes of this subsection, the requested books and records shall be considered "reasonably available" if copies of such books and records are delivered to the requesting member or his agent within seven business days of the date the association receives the written request. However, the requesting member or his agent shall be permitted to inspect the books and records wherever located at any reasonable time, under reasonable conditions, and under the supervision of the custodian of the records. The custodian shall supply copies of the records where requested and upon payment of the copying fee.

The association shall provide members of the association with the location of the books and records, along with the name and address of the custodian, by any reasonable method, which may include posting in a reasonable location at the situs of the time-share project or in the annual report required by § [55.1-2213](#).

B. Books and records kept by or on behalf of an association may be withheld from inspection to the extent that they concern:

1. Personnel records;
2. An individual's medical records;

3. Records relating to business transactions that are currently in negotiation;
4. Privileged communications with legal counsel;
5. Complaints against an individual member of the association;
6. Agreements containing confidentiality requirements;
7. Pending litigation;
8. The name, address, phone number, electronic mail address, or other personal information of time-share owners or members of the association, unless such owner or member first approves of the disclosure in writing;
9. Disclosure of information in violation of law; or
10. Meeting minutes or other records of an executive session of the board of directors held in accordance with subsection D.

The association shall be under no obligation to provide requested records to the extent that they are matters of public record or are otherwise readily obtainable from another source.

C. The association shall maintain among its records a complete, up-to-date list of the names and addresses of all current members in good standing who are owners of time-share estates in the time-share project. The association shall not publish such list or provide a copy of it to any time-share owner or to any third party except the board of directors or the developer. However, the association shall mail to those persons named on the list materials provided by any member in good standing, upon written request of that member, if the purpose of the mailing is to advance legitimate association business. The use of any proxies solicited in this manner shall comply with the provisions of the time-share instrument and this chapter. A mailing requested for the purpose of advancing legitimate association business shall occur within 45 days after receipt of a request from a member in good standing. The board of directors of the association shall be responsible for determining the appropriateness of any mailing requested pursuant to this subsection whose decision in this regard shall be final. The association shall be paid in advance for the association's actual costs in performing the mailing, including postage, supplies, reasonable labor, and attorney fees.

D. Meetings of the board of directors shall be open to all members of record who are eligible to vote and who are in good standing. Minutes shall be recorded and shall be available as provided in subsection A. The board of directors may convene in closed session to consider personnel matters; consult with legal counsel; discuss and consider contracts, potential or pending litigation, and matters involving violations of the time-share instrument or rules and regulations adopted pursuant to such instrument for which a member, his family members, tenants, or guests, or other invitees are responsible; or discuss and consider the personal liability of members to the association upon

the affirmative vote in open meeting to assemble in closed session. The motion shall state specifically the purpose for the closed session. Reference to the motion and the stated purpose for the closed session shall be included in the minutes. The board of directors shall restrict the consideration of matters during the closed portions of meetings only to those purposes specifically exempted and stated in the motion. No contract, motion, or other action adopted, passed, or agreed to in closed session shall become effective unless the board of directors, following the closed session, reconvenes in an open meeting and takes a vote on such contract, motion, or other action, which shall have its substance reasonably identified in the open meeting. The requirements of this section shall not require the disclosure of information in violation of law.

E. Notwithstanding any provisions of the Virginia Nonstock Corporation Act (§ [13.1-801](#) et seq.) to the contrary:

1. The bylaws of the association may prescribe different quorum requirements for meetings of its members; and
2. A director of the association may be removed from the office pursuant to any procedure provided in its articles of incorporation and, if none is provided, may be removed at a meeting called expressly for that purpose, with or without cause, by such vote as would suffice for his election.

F. Whenever this chapter requires communication between the board of directors and a member of the association by mail, any electronic means may be used in the alternative, including email, provided that such electronic communication is personal and only between such board and such member.

G. Filings with the board may be made by any electronic means, provided that such board is willing to accept such format.

2006, c. [653](#), § 55-370.01; 2007, c. [267](#); 2019, c. [712](#).

§ 55.1-2213. Time-share estate owners' association annual report.

A. Commencing with the time-share estate program and within 180 days after the close of each fiscal year thereafter, an annual report shall be prepared and distributed to all time-share estate owners. Such annual report shall be prepared and distributed for each time-share estate project registered with the Board. During the developer control period, the annual report shall be prepared and distributed to all time-share purchasers by the developer or its designated managing entity. After the developer control period, such annual report shall be prepared and distributed by the association.

B. The annual report shall contain the following:

1. The full legal name of the time-share project and its address;
2. The full legal name of the association;

3. A list of the names and mailing addresses of the members of the association's board of directors and the name of the person who prepared the report;
4. The managing entity's name, address, and contact person, if any, for the project;
5. A statement of whether or not the developer control period has terminated for the time-share estate project;
6. Financial statements of the association audited by an independent certified public accounting firm of the association that contain at least the following:
 - a. A balance sheet as of the end of the fiscal year;
 - b. An income statement as of the end of the fiscal year; and
 - c. A statement of the net changes in the financial position of the association for the fiscal year just ended;
7. A statement of the time-share estates occupancy expenses, the regular assessment, and any special assessments or other charges due for the current year from each time-share estate owner;
8. A copy of the current budget reflecting the anticipated time-share estate occupancy expenses along with:
 - a. A statement as to who prepared the budget;
 - b. A statement of the budgetary assumptions concerning occupancy factors;
 - c. A description of any provision made in the budget for reserves for repairs and replacement;
 - d. A statement of any other reserves;
 - e. The projected financial liability for each time-share estate owner, including a statement of (i) the nature of all charges, assessments, maintenance fees, and other expenses that may be assessed; (ii) the current amounts assessed; and (iii) the method and formula for changing any such assessments; and
 - f. A statement of any services not reflected in the budget that the developer provides, or expenses that it pays, that the association expects may become a time-share expense at any subsequent time, and the projected time-share expense assessment attributable to each of those services or expenses for the association and for each time-share; and
9. A statement of the location of the books and records of the association along with the name and contact address of the custodian of such books and records.

C. In lieu of the annual report required by subsection A, during the first 12 months of the time-share program, the developer or the association shall prepare a budget that shall contain the information contained in subdivision B 8.

1985, c. 517, § 55-370.1; 1991, c. 704; 1994, c. [580](#); 1998, c. [460](#); 2014, c. [533](#); 2019, c. [712](#).

§ 55.1-2214. Time-share instrument for project.

In addition to the requirements of § [55.1-2208](#), the time-share instrument for a time-share use program shall prescribe and outline reasonable arrangements for the management and operation of the time-share use program and for the maintenance, repair, and furnishing of time-share use units it comprises. Such arrangements shall include provisions for the following:

1. Standards and procedures for upkeep, repair, and interior furnishing of time-share use units, for the replacements of such furnishings, and for providing maid, cleaning, linen, and similar services to the units during use and occupancy periods;
2. Adoption of standards and rules of conduct governing the use, enjoyment, and occupancy of time-share use units by owners;
3. Payment by the developer of the costs and expenses of operating the time-share use program and owning and maintaining the time-share use units it comprises;
4. Selection of a managing agent to act for and on behalf of the developer should the developer elect not to undertake the duties, responsibilities, and obligations of the management of the time-share use program;
5. Procedures for establishing the rights of time-share use owners to occupancy, use, and enjoyment of time-share use units by prearrangement or under a first-reserved, first-served priority system;
6. Procedures for imposing and collecting regular or special assessments, maintenance fees, or use fees from time-share use owners as necessary to defray all time-share expenses and in providing materials and services to the units, as required of the developer in this chapter;
7. Comprehensive general liability insurance for death, bodily injury, and property damage arising out of, or in connection with, the occupancy, use, and enjoyment of time-share use units by time-share use owners, their guests, and other users. The costs associated with securing and maintaining such insurance shall be a time-share expense. Nothing in this subdivision shall be construed to obligate the developer to secure insurance on the conduct of the time-share use owners, their guests, and other users or the personal effects or property of such owners, guests, and users;
8. Methods for providing compensating or alternate use periods or monetary compensation to a time-share use owner if a time-share use unit cannot be made available for the period to which the owner is entitled by schedule or by a confirmed reservation; and

9. Procedures for imposing a monetary penalty or suspension of a time-share use owner's rights and privileges in the time-share use program or project or termination of the time-share use itself for failure of the time-share use owner to (i) comply with the provisions of the time-share use instrument; (ii) comply with the rules and regulations established by the developer with respect to the occupancy, use, and enjoyment of the time-share use units; or (iii) pay the charges imposed by the developer against the time-share use owner for providing the materials and services as required of the developer in this chapter. Except in matters where the time-share use owner has failed to pay the charge imposed by the developer for a period of less than 60 days after it has become due and payable, the owner shall be given notice and the opportunity to be heard.

1981, c. 462, § 55-371; 1985, c. 517; 1994, c. [580](#); 1998, c. [460](#); 2019, c. [712](#).

§ 55.1-2215. Partition.

No action for partition of a unit may be maintained except as permitted by the time-share instrument or by subsection C of § [55.1-2216](#).

1981, c. 462, § 55-372; 2019, c. [712](#).

§ 55.1-2216. Termination of certain time-shares.

A. This section applies to all time-share estate programs and, when provided by the time-share instrument, to time-share use programs.

B. A time-share project may be terminated in whole by the developer at any time and for any reason if such developer is the sole owner of all time-shares within the time-share project. Such termination shall be accomplished by the developer executing and recording a termination document where the time-share instrument is recorded. Time-shares subject to this section also may be terminated by written agreement of the time-share owners having at least 51 percent of the time-shares or by written agreement of such larger percentage of the time-share owners as may otherwise be provided in the time-share instrument. The termination agreement shall specify a date upon which it shall become void, unless it is recorded before that date in the clerk's office of the appropriate court where the time-share project is located.

C. If the termination agreement sets forth the material terms of a contract or proposed contract under which an estate or interests equal to the sum of the time-shares are to be sold and designates a trustee to effect the sale, the termination agreement becomes effective upon recordation, and title to that estate or interest vests upon termination in the trustee for the benefit of the time-share owners, to be transferred pursuant to the contract. If the termination agreement does not set forth the material terms of a contract or proposed contract under which an estate or interests equal to the sum of the time-shares are to be sold and designates a trustee to effect the sale, the termination agreement becomes effective upon recordation, and title to an estate or interests equal to the sum of the time-shares therein vests upon termination in the time-share owners in proportion to their respective interests as provided in subsection F. Liens on the time-shares shall accordingly

encumber the respective interests; and in this instance, any co-owner of that estate or interest may maintain an action for partition or for allotment or sale in lieu of partition pursuant to the laws of the Commonwealth.

D. Except as otherwise specified in the termination agreement, so long as the former time-share owners or their trustee holds title to the estate or interests equal to the sum of the time-shares, each former time-share owner and his successor in interest have the same rights with respect to the use, enjoyment, and occupancy in the former time-share unit that such former time-share owner and his successor in interest would have had if termination had not occurred, together with the same liabilities and other obligations imposed by this act or the time-share instrument.

E. After termination of all time-shares in a time-share project and adequate provision for payment of the claims of the creditors for time-share expenses, distribution shall be made, in proportion to their respective interests as provided in subsection F, to the former time-share owners and their successors in interest of (i) the proceeds of any sale pursuant to this section, (ii) the proceeds of any personalty held for the use and benefit of the former time-share owners, and (iii) any other funds held for the use and benefit of the former time-share owners.

F. The time-share instrument may specify the respective fractional or percentage interest that will be owned by each former time-share owner after termination, in accordance with the provisions of this section. Otherwise, not more than 180 days prior to the termination, an appraisal shall be made of the fair market value of each time-share by one or more impartial qualified appraisers selected either by the trustee designated in the termination agreement or by the managing entity if no trustee was so designated. The appraisal shall also state the corresponding fractional or percentage interests calculated in proportion to those values and in accordance with this subsection. A notice stating all of those values and corresponding interests and the return address of the sender shall be sent by certified or registered mail, by the managing entity or the trustee designated in the termination agreements, to all of the time-share owners. The appraisal governs the magnitude of each interest unless (i) at least 25 percent of the time-share owners deliver, within 60 days after the date the notices were mailed, written disapprovals to the return address of the sender of the notice or (ii) the final judgment of a court of competent jurisdiction, entered during or after that period, holds that the appraisal should be set aside. The appraisal and the calculation of interests shall be made in accordance with the following:

1. If the termination agreement sets forth the material terms of a contract or proposed contract for the sale of the estate or interests equal to the sum of the time-shares, each time-share conferring a right of occupancy during a limited number of time periods shall be appraised as if the time until the date specified for the conveyance of the property had already elapsed. Otherwise, each time-share of that kind shall be appraised as if the time until the date specified pursuant to subsection B had already elapsed.

2. The interest of each time-share owner is the value of the time-share he owned divided by the sum of the values of all time-shares in the unit or units to which his time-share applies.

G. Foreclosure or enforcement of a lien or encumbrance against all of the time-shares in a time-

share project does not of itself terminate those time-shares.

1981, c. 462, § 55-373; 1985, c. 517; 2006, c. [653](#); 2019, c. [712](#).

Article 3. Protection of Purchasers

§ 55.1-2217. Public offering statement.

A. Prior to the execution of a contract for the purchase of a time-share, the developer shall prepare and distribute to each prospective purchaser a copy of the current public offering statement regarding the time-share program. The public offering statement shall (i) fully and accurately disclose the material characteristics of the time-share program registered under this chapter and such time-share offered and (ii) make known to each prospective purchaser all material circumstances affecting such time-share program. A developer need not make joint disclosures concerning two or more time-share projects owned by the developer or any related entity unless such projects are included in the same time-share program and marketed jointly at any of the time-share projects. The proposed public offering statement shall be filed with the Board and shall be in a form prescribed by its regulations. The public offering statement may limit the information provided for the specific time-share project to which the developer's registration relates. The public offering statement shall include the following only to the extent that a given disclosure is applicable:

1. The name and principal address of the developer, including:
 - a. The name, principal occupation, and address of every director, partner, limited liability company manager, or trustee of the developer;
 - b. The name and address of each person owning or controlling an interest of 20 percent or more in each time-share project included in the registration;
 - c. The particulars of any indictment, conviction, judgment, or order of any court or administrative agency against the developer or managing entity for violation of a federal, state, local, or foreign country law or regulation in connection with activities relating to time-share sales, land sales, land investments, security sales, construction or sale of homes or improvements, or any similar or related activity;
 - d. The nature of each unsatisfied judgment, if any, against the developer or the managing entity, the status of each pending action involving the sale or management of real estate to which the developer, the managing entity, or any general partner, executive officer, director, limited liability company manager, or majority stockholder thereof is a defending party, and the status of each pending action, if any, of significance to any time-share project included in the registration; and
 - e. The name and address of the developer's agent for service of any notice permitted by this chapter.
2. A general description of the time-share projects included in the time-share program. The

description shall include the address of each time-share project, the units, and common elements for each project promised available to purchasers, including the developer's estimated schedule of commencement and completion of all promised and incomplete time-share units and common elements.

3. As to all time-shares offered by the developer:

- a. The form of time-share ownership offered in the time-share program;
- b. The types, duration, and number of units and time-shares in the time-share program;
- c. Identification of time-share units that are subject to the time-share program;
- d. The estimated number of time-share units that may become subject to the time-share program;
- e. Provisions, if any, that have been made for public utilities in the time-share project including water, electricity, telephone, and sewerage facilities;
- f. A statement to the effect of whether or not the developer has reserved the right to add to or delete from the time-share program a time-share project or any incidental benefit; and
- g. If the developer utilizes the possibility of reverter, a statement to that effect referring the purchaser to the reverter deed for an explanation of such possibility of reverter.

4. In a time-share estate program, a copy of the annual report or budget required by § [55.1-2213](#), which copy may take the form of an exhibit to the public offering statement. In the case where multiple time-share projects are included in the time-share program, the copy or exhibit may be in summary form.

5. In a time-share use program where the developer's net worth is no more than \$250,000, a current audited balance sheet and, where the developer's net worth exceeds such amount, a statement by such developer that its equity in the time-share program exceeds that amount.

6. Any initial or special fee due from the purchaser at settlement together with a description of the purpose and method of calculating the fee.

7. A description of any liens, defects, or encumbrances affecting the time-share project and in particular the time-share offered to the purchaser.

8. A general description of any financing offered by or available through the developer.

9. A statement that the purchaser has a nonwaivable right of cancellation, referring such purchaser to that portion of the contract in which such right may be found.

10. If the time-share interest in a condominium unit may be conveyed before that condominium

unit is certified as substantially complete in accordance with § [55.1-1920](#), a statement of the developer's obligation to complete the condominium unit. Such statement shall include the approximate date by which the condominium unit shall be completed, together with the form and amount of the bond filed in accordance with subsection B of § [55.1-1921](#).

11. Any restraints on alienation of any number or portion of any time-shares.

12. A description of the insurance coverage provided for the benefit of time-share owners.

13. The extent to which financial arrangements, if any, have been provided for completion of any incomplete but promised time-share unit or common element being then offered for sale, including a statement of the developer's obligation to complete the promised units and common elements that the time-share project comprises that have not begun or that have begun but have not yet been completed.

14. The extent to which a time-share unit may become subject to a tax or other lien arising out of claims against other owners of the same unit.

15. The name and address of the managing entity for each project in the time-share program.

16. Copies of the time-share instrument and the association's articles of incorporation and bylaws, each of which may be a supplement to the public offering statement.

17. Any services that the developer provides or expense it pays and that it expects may become at any subsequent time a time-share expense of the owners, and the projected time-share expense liability attributable to each of those services or expenses for each time-share.

18. A description of the terms of the deposit escrow requirements, including a statement that deposits may be removed from escrow at the termination of the cancellation period.

19. A description of the facilities, if any, provided by the developer to the association in a time-share estate project for the management of the project.

20. Any other information required by the Board to assure full and fair meaningful disclosure to prospective purchasers.

B. If any prospective purchaser is offered the opportunity to subscribe to or participate in any exchange program, the public offering statement shall include, as an exhibit or supplement, the disclosure document prepared by the exchange company in accordance with § [55.1-2219](#) and a brief narrative description of the exchange program, which shall include the following:

1. A statement of whether membership or participation in the program is voluntary or mandatory;

2. The name and address of the exchange company together with the names of its top three officers and directors;

3. A statement of whether the exchange company or any of its top three officers, directors, or holders of a 10 percent or greater interest in the exchange company has any interest in the developer, the managing entity, or the time-share program;
4. A statement that the purchaser's contract with the exchange company is a contract separate and distinct from the purchaser's contract with the developer; and
5. A brief narrative description of the procedure by which exchanges are conducted.

C. The public offering statement of a conversion time-share project shall also include the following, which may take the form of an exhibit to the public offering statement:

1. A specific statement of the amount of any initial or special fee, if any, due from the purchaser of a time-share on or before settlement of the purchase contract and the basis of such fee occasioned by the fact that the project is a conversion time-share project;
2. Information on the actual expenditures, if available, made on all repairs, maintenance, operation, or upkeep of any building in the time-share project within the last three years. This information shall be set forth in a tabular manner within the proposed budget of the project. If any such building has not been occupied for a period of three years, the information shall be set forth for the period during which such building was occupied;
3. A description of any provisions made in the budget for reserves for capital expenditures and an explanation of the basis for such reserves occasioned by the fact that the project is a conversion time-share project, or, if no provision is made for such reserves, a statement to that effect; and
4. A statement of the present condition of all structural components and major utility installations in the building, which statement shall include the approximate dates of construction, installations, and major repairs as well as the expected useful life of each such item, together with the estimated cost, in current dollars, of replacing each such component.

D. In the case of a conversion time-share project, the developer shall give at least 90 days' notice to each of the tenants of any building that the developer intends to submit to the provisions of this chapter. During the first 60 days of such 90-day period, each of these tenants shall have the exclusive right to contract for the purchase of a time-share from the unit he occupies, but only if such unit is to be retained in the conversion time-share project without substantial alteration in its physical layout. Such notice shall be hand delivered or sent by first-class mail, return receipt requested, and shall inform the tenants of the developer's intent to create a conversion time-share project. Such notice may also constitute the notice to terminate the tenancy as provided for in [§ 55.1-1410](#), except that, despite the provisions of [§ 55.1-1410](#), a tenancy from month to month may only be terminated upon 120 days' notice as set forth in this subsection when such termination is in regard to the creation of a conversion time-share project. If, however, a tenant so notified remains in possession of the unit he occupies after the expiration of the 120-day period with the permission of the developer, in order to then terminate the tenancy, such developer shall give the

tenant a further notice as provided in § [55.1-1410](#).

The developer of a conversion time-share project shall, in addition to the requirements of § [55.1-2239](#), include with the application for registration a copy of the notice required by this subsection and a certified statement that such notice fully complies with the provisions of this subsection shall be, at the time of the registration, mailed or delivered to each of the tenants in any building for which registration is sought.

E. The developer shall amend the public offering statement to reflect any material change in the time-share program. If the developer has reserved in the time-share instrument the right to add to or delete incidental benefits or alternative purchases, the addition or deletion of such benefits or purchases shall not constitute a material change. Prior to distribution, the developer shall file with the Board the public offering statement amended to reflect any material change.

F. The Board may at any time require a developer to alter or supplement the form or substance of the public offering statement to assure full and fair disclosure to prospective purchasers. A developer may prepare and distribute a public offering statement for each time-share program offered or one public offering statement for all time-share programs offered.

G. The developer shall amend the public offering statement to reflect any addition of a time-share project to, or removal of a time-share project from, the existing time-share program.

H. In the case of a time-share project located outside the Commonwealth, similar disclosure statements required by other situs laws governing time-sharing may be accepted by the Board as alternative disclosure statements to satisfy the requirements of this section.

I. The public offering statement may be in any format, including any electronic format, provided that the prospective buyer has available for review, along with ample time for any questions and answers, a copy of the public offering statement prior to his execution of a contract.

1981, c. 462, § 55-374; 1983, c. 59; 1984, c. 455; 1985, c. 517; 1986, c. 359; 1989, c. 637; 1994, c. [580](#); 1998, c. [460](#); 1999, c. [560](#); 2001, c. [543](#); 2004, c. [143](#); 2006, c. [653](#); 2007, c. [267](#); 2014, cc. [39](#), [716](#); 2019, c. [712](#); 2020, c. [1011](#).

§ 55.1-2218. Certain advertising practices regulated.

A. Any offering that includes a gift or prize shall disclose in such offering, with the same prominence as such offer:

1. The retail value of each gift or prize;
2. The approximate odds against any given person obtaining each gift or prize if all persons to whom the advertisement is disseminated do what is necessary to qualify for the award of the gift or prize;

3. If the number of gifts or prizes to be awarded is limited, a statement of the number of gifts or prizes to be awarded or, in lieu of such statement, the nature of such limitation;

4. All rules, terms, requirements, and conditions that shall be fulfilled before a prospective purchaser may claim any gift or prize, including whether the prospective purchaser is required to attend a sales presentation in order to receive the gift or prize;

5. The date upon which the offer expires; and

6. A statement to the effect that the offer is being made for the purpose of soliciting the purchase of a time-share, time-share interest, interval ownership, interval ownership interest, vacation ownership, vacation ownership interest, or product, as appropriate.

B. Any gift or prize offered in connection with an offering shall be delivered to the prospective purchaser no later than the day the purchaser attends a sales presentation, if required, and if not, on the day the purchaser appears to claim it, whether or not he purchases a time-share. In the event that the supply of gifts or prizes is exhausted at the time required for delivery, the developer shall give the prospective purchaser a written, unconditional promise to deliver such gift or prize no later than 30 days from the date required for delivery. If such gift or prize is not obtainable, the developer shall deliver an item of equal or greater value.

C. The offering or sale of any product registered with the Board is exempt from the Virginia Securities Act (§ [13.1-501](#) et seq.), Chapter 9 (§ [55.1-900](#) et seq.), the Virginia Condominium Act (§ [55.1-1900](#) et seq.), the Subdivided Land Sales Act (§ [55.1-2300](#) et seq.), the Virginia Home Solicitation Sales Act (§ [59.1-21.1](#) et seq.), the Prizes and Gifts Act (§ [59.1-415](#) et seq.), and the Virginia Travel Club Act (§ [59.1-445](#) et seq.).

1983, c. 59, § 55-374.1; 1984, c. 333; 1985, c. 517; 1991, c. 704; 1994, c. [580](#); 1996, c. [372](#); 1998, c. [460](#); 2006, c. [653](#); 2008, cc. [851](#), [871](#); 2019, c. [712](#).

§ 55.1-2219. Exchange programs.

A. Any exchange company that offers an exchange program in the Commonwealth shall prepare and register with the Board a disclosure document including the following:

1. The name and address of the exchange company;

2. The names and addresses of the top three officers and all directors of the exchange company and, if the exchange company is privately held, all shareholders owning five percent or more interest in the exchange company;

3. Whether the exchange company or any of its officers or directors has any legal or beneficial interest in any developer or managing agent for any time-share program participating in the exchange program and, if so, the name and location of the time-share project and the nature of the interest;

4. Unless the exchange company is also the developer or an affiliate, a statement that the purchaser's contract with the exchange company is a contract separate and distinct from the sales contract;
5. Whether the purchaser's participation in the exchange program is dependent upon the continued affiliation of the time-share program with the exchange program;
6. Whether the purchaser's membership or participation, or both, in the exchange program is voluntary or mandatory;
7. A complete and accurate description of the terms and conditions of the purchaser's contractual relationship with the exchange company and the procedure by which changes in the terms and conditions of the exchange contract may be made;
8. A complete and accurate description of the procedure to qualify for and effectuate exchanges;
9. A complete and accurate description of all limitations, restrictions, or priorities employed in the operation of the exchange program, including limitations on exchanges based on seasonality, time-share unit size, or levels of occupancy, expressed in boldface type, and, in the event that such limitations, restrictions, or priorities are not uniformly applied by the exchange program, a clear description of the manner in which they are applied;
10. Whether exchanges are arranged on a space available basis and whether any guarantees of fulfillment of specific requests for exchanges are made by the exchange program;
11. Whether and under what circumstances an owner, in dealing with the exchange company, may lose the use of occupancy of his time-share in any properly-applied-for exchange, without being provided with substitute accommodations by the exchange company;
12. The fees or range of fees for participation by time-share owners in the exchange program, a statement of whether any such fees may be altered by the exchange company, and the circumstances under which alterations may be made;
13. The name and address of the site of each time-share project, accommodation, or facility participating in the exchange program;
14. The number of time-share units in each property participating in the exchange program that are available for occupancy and that qualify for participation in the exchange program, expressed within the following numerical groupings: 1-5, 6-10, 11-20, 21-50, and 51 and over;
15. The number of owners with respect to each time-share program or other property who are eligible to participate in the exchange program, expressed within the numerical groupings 1-100, 101-249, 250-499, 500-999, and 1,000 and over, and a statement of the criteria used to determine those owners currently eligible to participate in the exchange program;

16. The disposition made by the exchange company of time-shares deposited with the exchange program by owners eligible to participate in the exchange program and not used by the exchange company in effecting exchanges;

17. The following information, which, except as provided in subsection B, shall be independently audited by a certified public accountant or accounting firm in accordance with the standards of the Auditing Standards Board of the American Institute of Certified Public Accountants and reported for each year no later than July 1 of the succeeding year:

a. The number of owners enrolled in the exchange program. Such numbers shall disclose the relationship between the exchange company and owners as being either fee paying or gratuitous in nature;

b. The number of time-share projects, accommodations, or facilities eligible to participate in the exchange program;

c. The percentage of confirmed exchanges, which shall be the number of exchanges confirmed by the exchange company divided by the number of exchanges properly applied for, together with a complete and accurate statement of the criteria used to determine whether an exchange request was properly applied for;

d. The number of time-shares for which the exchange company has an outstanding obligation to provide an exchange to an owner who relinquished a time-share during the year in exchange for a time-share in any future year; and

e. The number of exchanges confirmed by the exchange company during the year.

18. A statement in boldface type to the effect that the percentage described in subdivision 17 c is a summary of the exchange requests entered with the exchange company in the period reported and that the percentage does not indicate a purchaser's or owner's probabilities of being confirmed to any specific choice or range of choices, since availability at individual locations may vary.

B. The information required by subsection A shall be accurate as of a date that is no more than 30 days prior to the date on which the information is delivered to the purchaser, except that the information required by subdivisions A 2, 12, 13, 14, 15, and 16 shall be accurate as of December 31 of the preceding year if the information is delivered between July 1 and December 31 of any year; information delivered between January 1 and June 30 of any year shall be accurate as of December 31 of the year prior to the preceding year. At no time shall such information be accurate as of a date that is more than 18 months prior to the date of delivery. As used in this section, "year" means calendar year.

C. In the event that an exchange company offers an exchange program directly to the purchaser, the exchange company shall deliver to such purchaser, simultaneously with such offering and prior to the execution of any contract between the purchaser and the exchange company, the information set forth in subsection A. The requirements of this subsection shall not apply to any renewal of a

contract between a purchaser and an exchange company.

D. Each exchange company shall include the statement set forth in subdivision A 18 on all promotional brochures, pamphlets, advertisements, or other materials disseminated by the exchange company that also contain the percentage of confirmed exchanges described in subdivision A 17 c.

E. An exchange company shall, on or before July 1 of each year, file with the Board and the association for the time-share program in which the time-shares are offered or disposed the information required by this section with respect to the preceding year. If the Board determines that any of the information supplied fails to meet the requirements of this section, the Board may undertake enforcement action against the exchange company in accordance with the provisions of Article 6 (§ [55.1-2247](#) et seq.). No developer shall have any liability arising out of the use, delivery, or publication by the developer of written information provided to it by the exchange company pursuant to this section. Except for written information provided to the developer by the exchange company, no exchange company shall have any liability with respect to (i) any representation made by the developer relating to the exchange program or exchange company or (ii) the use, delivery, or publication by the developer of any information relating to the exchange program or exchange company. The failure of the exchange company to observe the requirements of this section, or the use by it of any unfair or deceptive act or practice in connection with the operation of the exchange program, shall be a violation of this section.

F. The Board may establish by regulation reasonable fees for registration of the exchange program. All fees shall be remitted by the Board to the State Treasurer and shall be placed to the credit of the Common Interest Community Management Information Fund established pursuant to § [54.1-2354.2](#).

1985, c. 517, § 55-374.2; 1998, c. [460](#); 2008, cc. [851](#), [871](#); 2019, c. [712](#); 2020, c. [1011](#).

§ 55.1-2220. Escrow of deposits; use of corporate surety bond or irrevocable letter of credit.

A. Any deposit made in connection with the purchase or reservation of a product shall be held in escrow. All deposits shall be held in escrow until (i) delivered to the developer upon expiration of the purchaser's cancellation period provided the purchaser's right of cancellation has not been exercised, (ii) delivered to the developer because of the purchaser's default under a contract to purchase a time-share, or (iii) refunded to the purchaser. Such funds shall be deposited in a separate account designated for this purpose that is federally insured and located in the Commonwealth; except where such deposits are being held by a real estate broker or attorney licensed under the laws of the Commonwealth, such funds may be placed in that broker's or attorney's regular escrow account and need not be placed in a separate designated account. Such escrow funds shall not be subject to attachment by the creditors of either the purchaser or the developer.

B. In lieu of escrowing deposits as provided in subsection A, the developer of a time-share project consisting of more than 25 units may:

1. Obtain and maintain a corporate surety bond issued by a surety authorized to do business in the Commonwealth, in the form and amount set forth in subsection C; or
2. Obtain and maintain an irrevocable letter of credit issued by a financial institution whose accounts are insured by the FDIC, in the form and amount set forth in subsection D.

The surety bond or letter of credit shall be maintained until (i) the expiration of the purchaser's cancellation period, (ii) the purchaser's default under a purchase contract for the time-share estate entitling the developer to retain the deposit, or (iii) the refund of the deposit to the time-share purchaser, whichever occurs first.

C. The surety bond shall be payable to the Commonwealth for the use and benefit of every person protected under the provisions of this chapter. The developer shall file the bond with the Board. The surety bond may be either in the form of an individual bond for each deposit accepted by the developer or, if the total amount of the deposits accepted by the developer under this chapter exceeds \$10,000, it may be in the form of a blanket bond. If the bond is a blanket bond, the amount shall be as follows. If the amount of such deposits is:

1. More than \$10,000 but not more than \$75,000, the blanket bond shall be \$75,000;
2. More than \$75,000 but less than \$200,000, the blanket bond shall be \$200,000;
3. \$200,000 or more but less than \$500,000, the blanket bond shall be \$500,000;
4. \$500,000 or more but less than \$1 million, the blanket bond shall be \$1 million; and
5. \$1 million or more, the blanket bond shall be 100 percent of the amount of such deposits.

D. The letter of credit shall be payable to the Commonwealth for the use and benefit of every person protected under this chapter. The developer shall file the letter of credit with the Board. The letter of credit may be either in the form of an individual letter of credit for each deposit accepted by the developer or, if the total amount of the deposits accepted by the developer under this chapter exceeds \$10,000, it may be in the form of a blanket letter of credit. If the letter of credit is a blanket letter of credit, the amount shall be as follows. If the amount of such deposits is:

1. More than \$10,000 but not more than \$75,000, the blanket letter of credit shall be \$75,000;
2. More than \$75,000 but less than \$200,000, the blanket letter of credit shall be \$200,000;
3. \$200,000 or more but less than \$500,000, the blanket letter of credit shall be \$500,000;
4. \$500,000 or more but less than \$1 million, the blanket letter of credit shall be \$1 million; and
5. \$1 million or more, the blanket letter of credit shall be 100 percent of the amount of such deposits.

For the purposes of determining the amount of any blanket letter of credit that a developer maintains in any calendar year, the total amount of deposits considered held by the developer shall be determined as of May 31 in each calendar year and the amount of the letter of credit shall be in accordance with the amount of deposits held as of May 31.

E. The developer shall disclose in the contract or in the public offering that the deposit may not be held in escrow or protected by a surety bond or letter of credit after expiration of the cancellation period and that such deposit is not protected as an escrow after expiration of the cancellation period. This disclosure shall include a statement of whether or not the developer reserves the option to sell or assign any promissory note given by a purchaser to another entity, whether or not such entity is affiliated with the developer. Both disclosures shall appear in boldface type of a minimum size of 10 points.

1981, c. 462, § 55-375; 1984, c. 429; 1985, c. 517; 1994, c. [580](#); 1998, c. [460](#); 2006, c. [653](#); 2008, cc. [851](#), [871](#); 2018, cc. [33](#), [133](#); 2019, c. [712](#).

§ 55.1-2221. Purchaser's rights of cancellation.

A. A purchaser shall have the right to cancel the contract until midnight of the seventh calendar day following the execution of such contract. If the seventh calendar day falls on a Sunday or legal holiday, then the right to cancel the contract shall expire on the day immediately following that Sunday or legal holiday. Cancellation shall be without penalty, and all payments made by the purchaser before cancellation shall be refunded within 45 days after receipt of the notice of cancellation.

B. If the purchaser elects to cancel a contract pursuant to subsection A, he shall do so only (i) by hand-delivering the notice to the developer at its principal office or at the project or (ii) by mailing the notice by certified United States mail, return receipt requested, to the developer or its agent designated in the contract. Any such notice sent by certified mail shall be effective on the date postmarked.

C. If, because of the occurrence of a material change, the public offering statement is amended between the time of contracting to purchase a time-share and the time of settlement, the developer shall provide the amended public offering statement to the purchaser and the right of cancellation shall renew from the date of delivery of such amended public offering statement. This subsection shall not apply if the public offering statement is amended by the developer because of a change that is not material or to disclose any change that is an aspect or result of the orderly development of the time-share project in accordance with the project instrument.

D. The right to cancel the contract as provided by this section shall not be waivable by the time-share purchaser and any provision in the contract or time-share documents indicating a waiver shall be void.

E. A statement of the purchaser's right of cancellation as set forth in subsections A and B shall

appear in the contract above the purchaser's signature line. Such statement shall appear in type no smaller than any other provisions of the contract, and the caption "PURCHASER'S NONWAIVABLE RIGHT TO CANCEL" shall appear immediately preceding it in conspicuous, boldface type.

1981, c. 462, § 55-376; 1983, c. 147; 1984, c. 572; 1985, c. 517; 1991, c. 704; 1994, c. [580](#); 1998, c. [460](#); 2019, c. [712](#).

§ 55.1-2222. Possibility of reverter.

A. A possibility of reverter contained in a reverter deed for a time-share estate subject to reverter is valid, is enforceable in law and in equity, and shall operate to transfer title to the time-share estate from each grantee in such deed back to the developer, provided that the following conditions are satisfied:

1. The reverter deed from the developer contains the possibility of reverter by insertion of the language required by subsection E;
2. A grantee in the reverter deed is in default and has been provided after such default with at least two written notices to this effect with no less than a 10-calendar day right to cure in each notice;
3. A grantee in the reverter deed has been provided with no less than 30 calendar days within which to cure the default before exercise of the possibility of reverter occurs;
4. At the time of exercise of the possibility of reverter, the developer is the sole holder of the note and the sole beneficiary under the deed of trust;
5. The exercise by the developer of the possibility of reverter is evidenced by an affidavit duly recorded where the reverter deed was recorded that contains the following information:
 - a. A description of the time-share project and time-share estate and a statement that, upon recordation of the affidavit, title to such time-share estate reverts back to the developer;
 - b. A description and recitation of the reverter deed that contained the possibility of reverter and a reference of when and where such deed was recorded and its recording information;
 - c. A recitation that the purchaser defaulted in or violated a consumer document and failed to cure such default or violation within a period of no less than 30 calendar days;
 - d. A description of the note and deed of trust with a recitation that (i) the developer is the sole holder of the note and the sole beneficiary under the deed of trust, (ii) such note is canceled and declared void, and (iii) such deed of trust is automatically released;
 - e. A recitation that such purchaser's rights and entitlements in the time-share estate, the time-share project, and the time-share program are extinguished effective the date of recordation of the

affidavit;

f. The signature of a duly authorized representative of the developer verified under oath as to its truth of the statements contained in such affidavit; and

6. A copy of the recorded affidavit described in subdivision A 5 is sent by the developer to each purchaser at his address as maintained by the developer or the association, along with the statement from the developer explaining the consequences of such affidavit with emphasis on subdivisions A 5 a, d, and e.

B. The recordation of the affidavit referred to in subdivision A 5 shall automatically:

1. Transfer title to the time-share estate from each grantee in the reverter deed to the developer without the need of a deed to the developer or consent from such grantee;

2. Declare null and void and act as an automatic release of the deed of trust or mortgage given by such grantee to finance a portion of the purchase price of the time-share estate with no deficiency resulting;

3. Void and act as an automatic release of any debt from such grantee to the developer arising out of the purchase or financing of the time-share estate as evidenced by the note; and

4. Extinguish any ownership or other property right or entitlements such grantee has in and to the time-share estate, the time-share project, and the time-share program.

C. The clerk of the court shall record such affidavit in the land books where the time-share project is located, indexing the purchaser in the grantor indices and the developer in the grantee indices. For indexing purposes only, the purchaser shall be referred to as the grantor and the developer as the grantee. The cost of recording the affidavit shall be limited to the clerk's fee only.

D. In the exercise of the possibility of reverter, the developer shall be liable to the purchaser for the developer's failure to comply with the provisions of this section; however, such failure shall not operate to defeat or diminish the transfer of title to the time-share estate from each grantee in the reverter deed to the developer upon recordation of the affidavit referred to in subdivision A 5. The developer's liability shall be limited to the amount paid by such purchaser toward the purchase price of the time-share estate, exclusive of interest and closing costs but without offset for the purchaser's utilization of the time-share program. The court shall award court costs and reasonable attorney fees to the prevailing party.

E. The reverter deed shall contain the following statement in order to possess the possibility of reverter. The opening phrase shall be in 10-point boldface type as follows:

"Loss of Time-Share Estate. Developer has inserted into this deed a "possibility of reverter." By this concept, should a grantee of this reverter deed default in or violate an obligation imposed by a consumer document for a period of at least 60 days and fail to cure such violation or default within

no less than 30 calendar days thereafter, title to the time-share will revert back to the developer upon the developer recording an affidavit to this effect where this reverter deed is recorded. Only the developer can elect to exercise the possibility of reverter. Each grantee in this reverter deed will be sent at least two notices of default or violation within the 30-day period with no less than 10 days to cure in each instance. The notice will be sent to the address of each grantee maintained at the office of the developer or the association. After the cure period has lapsed and the developer records the affidavit, title to the time-share estate will automatically vest in the developer and any note executed by the grantee will be deemed canceled and any recorded deed of trust securing such note shall be automatically released. The possibility of reverter will itself lapse and become null and void at the soonest to occur of the following: (i) the deed of trust is released of record, (ii) a statement that the deed of trust is released of record is executed and recorded by the developer with a date of when the possibility of reverter was or is to lapse, or (iii) when the time-share program terminates pursuant to either the Virginia Real Estate Time-Share Act or the time-share instrument which created such program."

F. The filing of the affidavit referred to in subdivision A 5 shall not result in the requirement of any filing under Chapter 12 (§ [64.2-1200](#) et seq.) of Title 64.2.

G. Any possibility of reverter not otherwise exercised by the developer pursuant to this section shall itself lapse and become null and void at the soonest to occur of the following: (i) the deed of trust is released of record, (ii) a statement that the deed of trust is released of record is executed and recorded by the developer with a date of when the possibility of reverter was or is to lapse, or (iii) when the time-share program terminates pursuant to either this chapter or the time-share instrument.

H. In exercising the possibility of reverter, the developer shall be entitled to retain as liquidated damages all moneys paid by the purchaser in conformity with any consumer document.

I. The exercise of the possibility of reverter shall not operate to diminish or eliminate (i) any debt of the purchaser to the time-share association or other third party occasioned by ownership of the time-share estate or participation in the time-share program or (ii) any recorded lien junior in priority to the deed of trust lien referred to in this section.

2004, c. [143](#), § 55-376.1; 2019, c. [712](#).

§ 55.1-2223. Recording and delivery of deed.

At such time as the time-share estate purchaser has fulfilled all of his obligations under the contract and is entitled to a deed for his time-share estate, the developer shall file or cause to be filed within 180 days after such date, with the clerk of the circuit court where the time-share project is located, such deed for recordation. Upon receipt of the recorded deed returned from the clerk's office, the developer shall, within 45 days after such receipt, send or cause to be sent the original deed to the time-share estate purchaser.

2006, c. [653](#), § 55-376.2; 2019, c. [712](#).

§ 55.1-2224. Liability limited; liability actions prohibited.

A. Except as provided in subsection B, a project professional is not liable for injury to or death of a participant resulting from the inherent risks of project activity, so long as the warning contained in § [55.1-2225](#) is posted as required. Except as provided in subsection B, no participant or participant's representative may maintain an action against or recover from a project professional for injury, loss, damage, or death of the participant resulting exclusively from any of the inherent risks of project activity, provided that in any action for damages against a project professional for a project activity, the project professional shall plead the affirmative defense of assumption of the inherent risks of project activity by the participant.

B. Nothing in subsection A shall prevent or limit the liability of a project professional if the project professional does any one or more of the following:

1. Commits an act or omission that constitutes negligence or willful or wanton disregard for the safety of the participant, and that act or omission proximately causes injury, damage, or death to the participant;

2. Has actual knowledge or reasonably should have known of a dangerous condition on the land or in the facilities or equipment used in the project activity, or the dangerous propensity of a particular animal used in such activity, and does not make the danger known to the participant, and the danger proximately causes injury, damage, or death to the participant; or

3. Intentionally injures the participant.

C. Any limitation on legal liability afforded by this section to a project professional is in addition to any other limitations of legal liability otherwise provided by law.

2007, c. [267](#), § 55-376.3; 2019, c. [712](#).

§ 55.1-2225. Warning required.

A. The developer, association, or other project professional shall post and maintain signs that contain the warning notice specified in subsection B. One sign shall be placed in a clearly visible location at the entrance to the project and another at the site of the project activity. The warning notice shall consist of a sign in black letters, with each letter to be a minimum of one inch in height. Every written contract entered into by a project professional for the providing of professional services, instruction, or the rental of equipment to a participant, whether or not the contract involves project activities on or off the time-share project or at the site of the project activity, shall contain in clearly readable print the warning notice specified in subsection B.

B. The signs and contracts described in subsection A shall contain the following notice of warning:

"WARNING: Under Virginia law, there is no liability for an injury to or death of a participant in a

project activity conducted at this location if such injury or death results from the inherent risks of project activity. Inherent risks of project activity include, among others, risks of injury inherent to land, equipment, and animals, as well as the potential for you to act in a negligent manner that may contribute to your injury or death. You are assuming the inherent risks of participating in this project activity."

C. Failure to comply with the requirements concerning warning signs and notices provided in this section shall prevent a project professional from invoking the privileges of immunity provided by this chapter.

2007, c. [267](#), § 55-376.4; 2019, c. [712](#).

§ 55.1-2226. Buyer's Acknowledgment.

A. Prior to the execution of a purchase contract, a purchaser shall be given a separate written document, titled "Buyer's Acknowledgment," to be signed by the purchaser and a representative of the developer other than the salesperson for the transaction.

B. The Buyer's Acknowledgment shall contain the following:

1. The name and address of the developer;
2. The name and address of the time-share project;
3. Whether the developer currently offers a resale or rental program or a buy-back program; and
4. The following statement in at least 10-point boldface type:

"There is no assurance that a purchaser may resell a time-share for a certain price or on particular terms. By signing below, purchaser acknowledges that this purchase is (i) for personal use and enjoyment and not for commercial or investment purposes and (ii) not being made based upon any representation that the time-share has any future market value or resale potential."

2012, c. [751](#), § 55-376.5; 2019, c. [712](#).

§ 55.1-2227. Resale of time-shares.

A. In the event of any resale of a time-share by a time-share owner, other than the developer, such owner shall obtain from the developer or managing agent in the case of a time-share use program or from the time-share estate owners' association in the case of a time-share estate program, and furnish to the purchaser prior to settlement on an executed agreement to purchase the time-share, a certificate of resale that shall include the following:

1. A statement disclosing the effect on the proposed transfer of any right of first refusal or other restraint on transfer of the time-share or any portion of such time-share;

2. A copy of the time-share instrument;
 3. A copy of the current bylaws and rules and regulations of the time-share estate owners' association, if any, and the amendments to such bylaws, rules, or regulations;
 4. A copy of the current annual report prepared pursuant to § [55.1-2213](#);
 5. A statement setting forth the amount of any expense liability and unpaid time-share expense or special assessment currently due and payable from the selling time-share owner, including the disclosures of any liens against the time-share due to the nonpayment of such fees or charges;
 6. A statement of the nature and status of any known and pending actions or judgments against the developer, managing entity, or time-share owners' association with reference to the time-share project; and
 7. A copy of a Buyer's Acknowledgment form required by § [55.1-2226](#).
- B. The developer, managing agent, or such officer of the time-share owners' association as the bylaws may specify shall furnish the certificate of resale prescribed by subsection A upon the written request of any purchaser within 30 days of the receipt of such request. Payment of the reasonable costs of preparing the certificate may be required as a prerequisite to the issuance of the certificate, but such fee shall not exceed \$50.
- C. A time-share owner providing a certificate pursuant to subsection A is not liable to the purchaser for any erroneous information included in the certificate, other than for judgment liens against the time-share being sold.
- D. A purchaser is not liable for any unpaid time-share expense liability or fee greater than the amount set forth in the certificate prepared in conformity with subsection A. A time-share owner is not liable to a purchaser for the failure or delay of the provider to provide the certificate in a timely manner, but the purchase contract is voidable by the purchaser until the certificate has been provided and for five days after the certificate has been provided or until transfer, whichever occurs first.
- E. All rights of redress of a purchaser against a selling time-share owner, the developer, the managing agent, or the association for the failure to obtain or receive the statement required by subsection A are conclusively waived upon settlement on the time-share occurring.
- F. The responsibilities imposed by this section on the developer, managing agent, time-share estate owners' association, or selling time-share owner shall not be waived.

1981, c. 462, § 55-380; 1985, c. 517; 1989, c. 637; 1994, c. [580](#); 1998, c. [460](#); 2012, c. [751](#); 2019, c. [712](#).

§ 55.1-2228. Required resale disclosures.

A. In addition to the requirements of § [55.1-2242](#), before receiving anything of value for providing or offering to provide a resale service, a reseller shall disclose in writing to the owner of a resale time-share:

1. The name and permanent business address of the reseller;
2. A commencement and transaction date for such resale service;
3. The names and addresses of any affiliates and the primary website address used by the reseller and such affiliates to be used to promote the resale time-share;
4. Whether the reseller's rights are exclusive and, if so, the scope of such rights and length of the exclusivity period;
5. Whether any person, other than the owner, may occupy, rent, exchange, or use the resale time-share during the resale service;
6. The name of any person other than the owner who will receive any rent or other consideration from the use of the resale time-share during the resale service;
7. A description of each resale service to be provided and the fees, costs, or commissions for each;
8. A description sufficient to identify the resale time-share;
9. The jurisdiction issuing the license for any services by a licensed real estate broker or salesperson; and
10. The following in at least 10-point boldface type:
 - a. The ratio of (i) the number of resale time-shares listed for sale to the number of resale time-shares actually sold by the reseller for each of the past two calendar years or (ii) the total amount of advance fees collected compared with the total amount of fees and commissions received by the reseller upon sale of resale time-shares for the past two calendar years, followed by this statement: "Do not rely on past performance as an indicator of the likelihood of sale of your time-share."; and
 - b. If the retail service is limited to the placement of advertisements, this statement: "There is no guarantee that you will sell your time-share at all or within any period of time by placing this advertisement. Our only obligation to you is to post your advertisement on our website for the agreed length of time and forward all inquiries we receive to you."

B. A resale transfer contract shall include the following disclosures by the reseller:

1. The disclosures required by subdivisions A 1 through 7;

2. A description legally sufficient for the transfer of the resale time-share;
 3. A description of the document by which the owner is to (i) grant rights in the resale time-share to the reseller or any other person, including a power of attorney or similar document, and (ii) transfer the resale time-share to a subsequent purchaser;
 4. Any fees or costs the time-share owner is required to pay or reimburse to the reseller or transfer company to complete the transfer;
 5. The date by which the transfer of the resale time-share from the owner to the reseller, a third person, or a subsequent purchaser will be completed, not to exceed 180 days from the effective date of the resale transfer contract;
 6. If the resale time-share will be transferred to a transferee other than a subsequent purchaser, the contact information of such transferee;
 7. A statement that the reseller will (i) provide the owner written evidence of transfer of the resale time-share to a subsequent purchaser within 30 days of such transfer and (ii) send notice of the transfer to the association and managing entity of the time-share program for the resale transfer and any exchange company in which the resale time-share was enrolled; and
 8. The following statements in 10-point boldface type:
 - a. "No later than 180 days from the date of this agreement, we will transfer your time-share to another person. If transfer does not occur within that period, we will pay or reimburse to you the cost of ownership of your time-share for that period. If we breach our agreement, you will continue to be responsible for such cost of ownership."; and
 - b. "Your time-share may be sold at any price by us without your approval. If sold for a price in excess of our fee, we have no obligation to send you the excess."
- C. A resale purchase contract shall require the reseller to obtain the certificate of resale described in subsection A of § [55.1-2227](#) and shall also include the following:
1. A description legally sufficient for transfer of the resale time-share;
 2. The name and address of the developer or managing agent for a time-share use project or the association for a time-share estate project;
 3. Identification of the party responsible for notifying the developer, managing entity, association, or exchange company, as the case may be, of the transfer of the resale time-share;
 4. Identification of the first year in which the subsequent purchaser is entitled to use and occupy the resale time-share; and

5. The following statement in 10-point boldface type: "A certificate of resale is required to be provided to you containing important documents concerning the time-share project for your review. Settlement waives the right to receipt of such information."

2012, c. [751](#), § 55-380.1; 2019, c. [712](#).

§ 55.1-2229. Liens.

A. In the case of time-share estate transfers, unless the purchaser expressly agrees to take subject to or assume a lien prior to transferring a time-share estate other than by deed in lieu of foreclosure, the developer shall either (i) record or furnish to the purchaser as part of settlement releases of all liens affecting that time-share estate, or (ii) provide a surety bond or title insurance against the lien, as provided for liens on real estate in the Commonwealth.

B. Unless a time-share owner or his predecessor in title agrees otherwise with the lienor, if a lien other than an underlying mortgage or deed of trust becomes effective against more than one time-share in a time-share project, any time-share owner is entitled to a release of a time-share from the lien upon payment of the amount of the lien attributable to the time-share. The amount of the payment shall be proportionate to the ratio that the time-share owner's liability bears to the liabilities of all time-share owners whose interests are subject to the lien. Upon receipt of payment, the lien-holder shall promptly deliver to the time-share owner a release of the lien covering that time-share. After payment, the managing entity may not assess or have a lien against that time-share for any portion of the expenses incurred in connection with that lien.

1981, c. 462, § 55-381; 1991, c. 704; 2019, c. [712](#).

§ 55.1-2230. Effect of violations on rights of action; attorney fees; prior determination of Common Interest Community Board required for certain violations.

A. If a developer or any other person subject to this chapter violates any provision of this chapter or any provision of the time-share instrument, any person or class of persons adversely affected by the violation has a claim for appropriate relief. The court may also award reasonable attorney fees to the prevailing party.

B. Prior to the commencement of any action alleging a failure to comply with the provisions of § [55.1-2220](#) or [55.1-2234](#), however, an aggrieved owner shall first seek a determination from the Board as to whether compliance with § [55.1-2220](#) or [55.1-2234](#) has occurred. The Board shall make such determination within 120 days of the request for a determination.

1981, c. 462, § 55-382; 1985, c. 517; 1998, c. [460](#); 2008, c. [376](#); 2019, c. [712](#).

§ 55.1-2231. Statute of limitations; actions; limitation on rescission rights.

A. Except as otherwise provided in § [55.1-2237](#), a judicial proceeding where the sufficiency of the

time-share instrument, the accuracy of the public offering statement, or validity of any contract of purchase is in issue and a rescission of the contract or damages is sought shall be commenced within two years after the date of the contract of purchase, notwithstanding that the purchaser's terms of payments may extend beyond this period of limitation; however, with respect to the enforcement of provisions in the contract of purchase that require the continued furnishing of services and the reciprocal payments to be made by the purchaser, the period of bringing a judicial proceeding shall continue for a period of two years for each breach.

Rescission of the contract shall not be granted by the court unless (i) the inaccuracy of the public offering statement or the insufficiency of the time-share instrument directly and adversely affected the purchaser's right to participate in the time-share program or to own his time-share or (ii) at the time of the contract, the developer has sold more time-shares than there are time-share units that have been completed or bonded to accommodate such sales. Further, if damages are awarded, the amount of the damages shall be limited to actual damages sustained.

B. If a developer has substantially complied in good faith with the provisions of this chapter, a nonmaterial error or omission shall not be actionable. A nonmaterial error or omission shall not be sufficient to permit a purchaser to cancel a contract after the cancellation period provided by § [55.1-2221](#) has expired.

1981, c. 462, § 55-383; 2006, c. [653](#); 2008, c. [376](#); 2019, c. [712](#).

§ 55.1-2232. Class actions.

A. No time-share owner can bring an action on behalf of other time-share owners unless he has received the written authorization to represent all other time-share owners within the project.

B. Notwithstanding the provisions of subsection A, the association may bring an action on behalf of the time-share owners with the authorization of the time-share owners within the project upon the two-thirds majority vote of the board of directors, if such action is found to be in the best interest of the association.

C. For purposes of this section, the developer shall not be deemed a time-share owner and his written permission shall not be required.

1981, c. 462, § 55-384; 1989, c. 637; 2019, c. [712](#).

§ 55.1-2233. Financial records.

The person or entity responsible for either making or collecting common expense assessments or maintenance assessments shall keep detailed financial records. All financial and other records shall be made reasonably available at such person's or entity's office for examination by any time-share owner and his authorized agents.

1981, c. 462, § 55-385; 2019, c. [712](#).

§ 55.1-2234. Developer's obligation to complete.

A. The developer shall complete all promised and incomplete units and common elements being offered and described in the time-share instrument and the public offering statement. The developer shall be excused for any period of delay in the completion of such promised units and common elements when delayed, hindered, or prevented from doing so by causes beyond the developer's control, which shall include (i) labor disputes not caused by the developer; (ii) riots; (iii) civil commotion or insurrection; (iv) war or warlike operations; (v) governmental restrictions, regulations, or control; (vi) inability to obtain any materials or services; (vii) fire or other casualties; (viii) acts of God; or (ix) forces not under the control or supervision of the developer.

B. The developer shall file with the Board a payment and performance bond in the sum equal to 100 percent of the estimated cost of completing all promised and incomplete units and common elements comprising the time-share project described in the time-share instrument and the public offering statement. Such bond shall be conditioned upon the completion of such units and common elements in conformity with the plans and specifications for such improvements. The bond shall be with a surety company authorized to do business in the Commonwealth. The Board may accept cash or an irrevocable letter of credit in lieu of the bond required by this section. The Board shall be the sole determiner of the form, amount, content, obligee, and conditions of the letter of credit. Should it become necessary for the Board to call upon the letter of credit in order to assure completion of the improvements, the Board shall have the authority to petition a court of competent jurisdiction to appoint a receiver to administer such completion.

1981, c. 462, § 55-386; 1983, c. 59; 1985, c. 517; 1994, c. [580](#); 1998, c. [460](#); 2019, c. [712](#).

Article 4. Financing

§ 55.1-2235. Financing of time-share programs.

In the developer's financing of a time-share program, the developer shall retain financial records of the schedule of payments required to be made and the payments made by it to any person or entity that is the holder of an underlying blanket mortgage, deed of trust, contract of sale, or other lien or encumbrance.

1981, c. 462, § 55-387; 1985, c. 517; 2019, c. [712](#).

§ 55.1-2236. Purchaser's rights under developer's foreclosure.

The developer whose project is subject to an underlying blanket lien or encumbrance shall protect a nondefaulting purchaser from foreclosure or cancellation by the lien holder by securing from such lien holder or recording of a nondisturbance clause, subordination agreement, or partial release of the lien as to that time-share sold to such purchaser.

1981, c. 462, § 55-388; 1985, c. 517; 2019, c. [712](#).

§ 55.1-2237. Protection of lien holder.

Any lien holder of a time-share interest in any time-share program shall have the following rights:

1. The lien holder shall have its lien rights preserved as against any purchaser of a time-share who claims that the time-share instrument is invalid, void, or voidable, 30 days after written notice by certified mail or personal delivery has been given by the developer or lien holder to the purchaser. The notice shall state that the developer has assigned the receivables to the lien holder and that the purchaser has 30 days within which to object and specify the invalidity or defect contained within such time-share instrument. The notice required by this section may be included in the blanket encumbrance, in the contract, or in any note, deed of trust, or mortgage executed by the purchaser in connection with the purchaser's deferred purchase of a time-share.

2. Any purchaser who fails to indicate that the time-share instrument is invalid, void, or voidable as provided in subdivision 1 waives, or is estopped to raise, the same in any subsequent enforcement of the collection of the receivable by the lien holder.

1981, c. 462, § 55-389; 1985, c. 517; 1998, c. [460](#); 2019, c. [712](#).

Article 5. Registration

§ 55.1-2238. Registration of time-share program required.

A. A developer may not offer or dispose of any interest in a time-share program unless the time-share program has been properly registered with the Board. A developer may accept a nonbinding reservation together with a deposit if the deposit is placed in an escrow account with an institution having trust powers within the Commonwealth and is refundable at any time at the purchaser's option. In all cases, the reservation shall require a subsequent affirmative act by the purchaser via a separate instrument to create a binding obligation. A developer may not dispose of or transfer a time-share while an order revoking or suspending the registration of the time-share program is in effect.

B. The developer shall maintain records of names and addresses of current independent contractors employed by it for time-share sales purposes.

1981, c. 462, § 55-390; 1983, c. 59; 1985, c. 517; 1994, c. [580](#); 2019, c. [712](#); 2020, c. [1011](#).

§ 55.1-2239. Application for registration.

A. The application for registration shall be filed in a form prescribed by the Board's regulations and shall include the following:

1. An irrevocable appointment to the Board to receive service of process in any proceeding arising under this chapter against the developer or the developer's agent if nonresidents of the

Commonwealth;

2. The states or jurisdictions in which an application for registration or similar document has been filed and any adverse order or judgment entered in connection with the time-share program by the regulatory authorities in each jurisdiction or by any court;
 3. The applicant's name, address, and the organizational form, including the date and jurisdiction under which the applicant was organized, and the address of its principal office and each of its sales offices in the Commonwealth;
 4. The name, address, and principal occupation for the past five years of every officer of the applicant or person occupying a similar status or performing similar functions and the extent and nature of his interest in the applicant or the time-share program as of a specified date within 30 days of the filing of the application;
 5. A statement, in a form acceptable to the Board, of the condition of the title to each time-share project included in the time-share program, including encumbrances as of a specified date within 30 days of the date of application, by a title opinion of a licensed attorney not a salaried employee, officer, or director of the applicant or owner, or by other evidence of a title acceptable to the Board;
 6. A copy of the instruments that will be delivered to a purchaser and copies of the contracts and other agreements that a purchaser will be required to agree or to sign;
 7. A copy of any management agreements, employment contracts, or other contracts or agreements affecting the use, maintenance, or access of all or any part of the time-share program;
 8. A statement of the zoning and other governmental regulations affecting the use of a time-share project in a time-share program, including the site plans and building permits and their status and any existing tax and existing or proposed special taxes or assessments that affect the time-share;
 9. A narrative description of the promotional plan for the disposition of the time-shares;
 10. The proposed public offering statement and its exhibits;
 11. Any bonds required to be posted pursuant to the provisions of this chapter;
 12. The time-share estate owners' association annual report or budget required by § [55.1-2213](#) to the extent available;
 13. A description of the time-share program being submitted for registration; and
 14. Any other information that the Board believes necessary to assure full and fair disclosure.
- B. The developer shall immediately report to the Board any material changes in the information contained in an application for registration.

C. Nothing shall prevent a developer from including in the registration a time-share project where construction is yet to begin or, if construction has begun, where construction is not yet complete.

Code 1950, § 55-391; 1981, c. 462; 1985, c. 517, § 55-391.1; 1994, c. [580](#); 1998, c. [460](#); 2011, c. [605](#); 2019, c. [712](#); 2020, c. [1011](#).

§ 55.1-2240. Filing fee.

The Board may by regulation establish reasonable fees for registration. All fees shall be remitted by the Board to the State Treasurer and shall be placed to the credit of the Common Interest Community Management Information Fund established pursuant to § [54.1-2354.2](#).

Code 1950, § 55-392; 1981, c. 462; 1985, c. 517, § 55-392.1; 2008, cc. [851](#), [871](#); 2019, c. [712](#).

§ 55.1-2241. Receipt of application; effectiveness of registration.

A. Upon receipt of the application for registration in proper form, the Board, within five business days, shall issue a notice of filing to the applicant. Within 20 days after receipt of the application, the Board shall review the application to determine whether the application and supporting documents satisfy the requirements of this chapter and the Board's regulations. Within 60 days from the date of the notice of filing, the Board shall enter an order registering or rejecting the application. If no order of rejection is entered within 60 days from the date of the notice of filing, the time-share program shall be deemed registered unless the applicant has consented in writing to a delay.

B. If the Board determines after review of the application and documents provided by the applicant that the requirements of § [55.1-2239](#) have been met, it shall issue an order registering the time-share program and shall designate the form of the public offering statement.

C. If the Board determines that any of the requirements of § [55.1-2239](#) have not been met, the Board shall notify the applicant that the application for registration shall be corrected in the particulars specified within 20 days. If the requirements are not met within the time allowed, the Board shall enter an order rejecting the registration, which shall include the findings of fact upon which the order is based. The order rejecting the registration shall become effective 20 days after issuance. During this 20-day period, the applicant may petition for reconsideration and shall be entitled to a hearing or to correct the particulars specified in the Board's notice. Such order of rejection shall not take effect, in any event, until such time as the hearing, if requested, is given to the applicant.

Code 1950, § 55-393; 1981, c. 462; 1985, c. 517, § 55-393.1; 2019, c. [712](#); 2020, c. [1011](#).

§ 55.1-2242. Annual report; amendments.

A. The developer shall file a report in the form prescribed by the Board's regulations by June 30 of

each year the registration is effective. The developer of any time-share program initially registered with the Board between January and June shall not be required to file an annual report for the year in which it was initially registered. The report shall reflect any material changes in information contained in the original application for registration or in the immediately preceding annual report, whichever is later, and shall be accompanied by the appropriate fee established by the Board's regulations or pursuant to § [55.1-2240](#).

B. During the developer control period in a time-share estate program, the developer shall file a copy of the unit owners' association annual report required by § [55.1-2213](#) along with the annual report required by this section.

C. The developer shall amend or supplement its registration with the Board to report any material change in the information required by §§ [55.1-2217](#) and [55.1-2239](#). Such amendments or supplemental information shall be filed with the Board within 20 business days after the occurrence of the material change.

Code 1950, § 55-394; 1981, c. 462; 1985, c. 517, § 55-394.1; 1998, c. [460](#); 2006, c. [653](#); 2012, cc. [481](#), [797](#); 2019, c. [712](#); 2020, c. [1011](#).

§ 55.1-2243. Termination of registration.

A. In a time-share estate program, if the annual report indicates that the developer has transferred title to the time-share owners' association and that no further development rights exist, the Board shall issue an order terminating the registration of the time-share program.

B. The Board shall issue an order terminating the registration of a time-share program upon application by the developer in which the developer states that no further development right is anticipated and that the developer has ceased sales of time-shares in the time-share program.

C. Notwithstanding any other provisions of this chapter, the Board may administratively terminate the registration of a time-share program if:

1. The developer has not filed an annual report in accordance with § [55.1-2242](#) for three or more consecutive years; or
2. The developer's registration with the State Corporation Commission, if applicable, has not been active for five or more consecutive years.

2012, cc. [481](#), [797](#), § 55-394.2; 2019, c. [712](#); 2020, c. [1011](#).

§ 55.1-2244. Registration required for time-share resellers; exemptions; prohibited practices.

A. A reseller shall not provide or offer to provide any resale service unless he is registered with the Board.

B. The application for registration shall be filed in a form prescribed by the Board's regulations and shall include such information as required by the Board. A reseller shall immediately report to the Board any material changes in the information contained in an application for registration. The Board may by regulation establish reasonable fees for registration under this section. All fees shall be remitted by the Board to the Treasurer of Virginia, and shall be placed to the credit of the Common Interest Community Management Information Fund established pursuant to § [54.1-2354.2](#).

C. The registration requirements shall not apply to:

1. A person who solely or with affiliates engages in a resale service with respect to an aggregate of no more than 12 resale time-shares per calendar year;

2. A person who owns or acquires more than 12 resale time-shares and who subsequently transfers all such resale time-shares to a single purchaser in a single transaction;

3. The owner, its agents, and employees of a regularly published newspaper, magazine, or other periodical publication of general circulation; broadcast station; website; or billboard, to the extent their activities are limited to solicitation and publication of advertisements and the transmission of responses to the persons who place the advertisements. Any person who would otherwise be exempt from this chapter pursuant to this section shall not be exempt if the person (i) solicits the placement of the advertisement by representing that the advertisement will generate cash, a certain price, or a similar type of representation for the time-share owner's resale time-share; (ii) makes a recommendation as to the sales price for which to advertise the resale time-share; (iii) makes any representations to the person placing the advertisement regarding the success rate for selling resale time-shares advertised with such person; or (iv) makes any misrepresentations as described in this chapter;

4. Sale by a developer or a party acting on its behalf of a resale time-share under a current registration of the time-share program in which the resale time-share is included;

5. Sale by an association, a managing entity, or a party acting on its behalf of a resale time-share owned by the association, provided that the sale is in compliance with subsection C of § [55.1-2228](#);
or

6. Attorneys, title agents, title companies, or escrow companies providing closing services in connection with the transfer of a resale time-share.

D. No reseller shall:

1. Fail to disclose information in writing concerning the marketing, sale, or transfer of resale time-shares required by this chapter prior to accepting any consideration or with the expectation of receiving consideration from any time-share owner, seller, or buyer.

2. Make false or misleading statements concerning offers to buy or rent; the value, pricing, timing,

or availability of resale time-shares; or numbers of sellers, renters, or buyers when engaged in time-share resale activities.

3. Misrepresent the likelihood of selling a resale time-share interest.
4. Misrepresent the method by or source from which the reseller or lead dealer obtained the contact information of any time-share owner.
5. Misrepresent price or value increases or decreases, assessments, special assessments, maintenance fees, or taxes.
6. Guarantee sales or rentals in order to obtain money or property.
7. Make false or misleading statements concerning the identity of the reseller or any of its affiliates or the time-share resale entity's or any of its affiliate's experience, performance, guarantees, services, fees, or commissions, availability of refunds, length of time in business, or endorsements by or affiliations with developers, management companies, or any other third parties.
8. Misrepresent whether or not the reseller or its affiliates, employees, or agents hold, in any state or jurisdiction, a current real estate sales or broker's license or other government-required license.
9. Misrepresent how funds will be utilized in any time-share resale activity conducted by the reseller.
10. Misrepresent that the reseller or its affiliates, employees, or agents have specialized education, professional affiliations, expertise, licenses, certifications, or other specialized knowledge or qualifications.
11. Make false or misleading statements concerning the conditions under which a time-share owner, seller, or buyer may exchange or occupy the resale time-share interest.
12. Represent that any gift, prize, membership, or other benefit or service will be provided to any time-share owner, seller, or buyer without providing such gift, prize, membership, or other benefit or service in the manner represented.
13. Misrepresent the nature of any resale time-share interest or the related time-share plan.
14. Misrepresent the amount of the proceeds, or fail to pay the proceeds, of any rental or sale of a resale time-share interest as offered by a potential renter or buyer to the time-share owner who made such resale time-share interest available for rental or sale through the reseller.
15. Fail to transfer any resale time-share interests as represented and required by this chapter or to provide written evidence to the time-share owner of the recording or transfer of such time-share owner's resale time-share interest as required by this chapter.

16. Fail to pay any annual assessments, special assessments, personal property or real estate taxes, or other fees relating to an owner's resale time-share interest as represented or required by this chapter.

17. Misrepresent or misuse the intended purpose of a power of attorney or similar document to the detriment of any grantor of such power of attorney.

2012, c. [751](#), § 55-394.3; 2019, c. [712](#).

§ 55.1-2245. Recordkeeping by resellers.

A. If contact information has been obtained by a reseller from any source, including a lead dealer, the reseller and lead dealer shall maintain the following records for a period of five years from the last date of contact between the reseller and the owner:

1. The name; home address; work address, if different; telephone number; email address, if any; and a copy of a current government-issued photographic identification (e.g., driver's license, passport, or military identification card) of the lead dealer who provided the contact information;

2. The date, time, and place of the transaction at which the contact information was obtained, along with the amount of consideration paid and a signed receipt from the lead dealer or copy of a canceled check; and

3. A copy of the contact information obtained in the exact form and media in which received.

B. A reseller shall maintain records for at least five years after each transaction involving resale service including resale transfer agreements and resale purchase agreements.

C. In any civil or criminal action based on a violation of this section, there shall be a presumption that contact information was wrongfully obtained if a reseller or lead dealer fails to produce the records required by this section.

D. Any person who establishes that a reseller or lead dealer wrongfully obtained or wrongfully used contact information with respect to time-share owners or members of an exchange program shall, in addition to any other remedies that may be available in law or equity, be entitled to recover from such reseller or lead dealer an amount equal to \$1,000 for each time-share owner or member about whom contact information was wrongfully obtained or used. The prevailing person in any such action shall also be entitled to recover reasonable attorney fees and costs.

2012, c. [751](#), § 55-394.4; 2019, c. [712](#).

§ 55.1-2246. Alternative purchase; registration.

A. The application for registration of an alternative purchase shall be filed in a form prescribed by the Board and shall include the following:

1. A general description of the types of alternative purchases offered;
 2. A copy of the terms and conditions applicable to the alternative purchases; and
 3. The name, address, and contact information of the developer offering the alternative purchases.
- B. Any material change to the standard terms and conditions applicable to an alternative purchase shall be filed with the Board within 30 days of such change being effective. Changes to the length of stay, location, or price shall not require an amendment of the registration, provided that the terms and conditions applicable to such alternative purchases are on file with the Board.
- C. The provisions of §§ [55.1-2217](#) and [55.1-2220](#) shall not apply to alternative purchases registered under this section.

2014, c. [623](#), § 55-394.5; 2019, c. [712](#).

Article 6. Administration

§ 55.1-2247. General powers and duties of Board.

- A. The Board may adopt, amend, and repeal rules and regulations and issue orders consistent with and in furtherance of the objectives of this chapter. The Board may prescribe forms and procedures for submitting information to the Board.
- B. The Board may accept grants in aid from any governmental source and may contract with agencies charged with similar functions in this or other jurisdictions, in furtherance of the objectives of this chapter.
- C. The Board may cooperate with agencies performing similar functions in this and other jurisdictions to develop uniform filing procedures and forms, uniform disclosure standards, and uniform administrative practices and may develop information that may be useful in the discharge of the Board's duties.
- D. 1. The Board may issue an order requiring the developer or reseller to cease and desist from the unlawful practice and to take such affirmative action as in the judgment of the Board will carry out the purposes of this chapter if it determines after legal notice and opportunity for hearing that a developer or reseller or an agent of a developer or reseller has:
- a. Made any representation in any document or information filed with the Board that is false or misleading;
 - b. Engaged or is engaging in any unlawful act or practice;
 - c. Disseminated or caused to be disseminated orally, or in writing, any false or misleading

promotional materials in connection with a time-share program;

d. Concealed, diverted, or disposed of any funds or assets of any person in a manner impairing rights of purchasers of time-shares in the time-share program;

e. Failed to perform any stipulation or agreement made to induce the Board to issue an order relating to that time-share program;

f. Otherwise violated any provision of this chapter or any of the Board's rules and regulations or orders; or

g. Disposed of any time-share in a time-share program without first complying with the requirements of this chapter.

2. If the Board makes a finding of fact in writing that the public interest will be irreparably harmed by delay in issuing an order, as prescribed in subdivision 1, it may issue a temporary order to cease and desist or to take such affirmative action as may be deemed appropriate by the agency. Prior to issuing the temporary order, the Board shall give notice of the proposal to issue a temporary order to the developer or the reseller. Every temporary order shall include in its terms:

a. A provision clearly stating the reasons for issuing such order and the nature and extent of the facts and findings on which the order is based;

b. A provision that a failure to comply with such temporary order will be a violation of this chapter; and

c. A provision that upon request a hearing will be held promptly to determine whether or not the order shall become permanent.

The Board shall not issue more than one temporary order with reference to such finding of fact as prescribed in this subsection.

E. The Board may also issue a cease and desist order if the developer has not registered the time-share program as required by this chapter or if a reseller has not registered as required by this chapter.

F. The Board, after notice and hearing, may issue an order revoking the registration of the developer's time-share program or the registration of a reseller upon determination that such developer, reseller, or agent of such developer or reseller has failed to comply with a cease and desist order issued by the Board affecting the developer's time-share program or the reseller.

G. If it appears that any person has engaged, is engaging, or is about to engage in any act or practice in violation of this chapter or any of the Board's rules, regulations, or orders applicable to this chapter, the Board, without prior administrative proceedings, may bring an action in the circuit court of the county or city in which any portion of the time-share project is located to enjoin that act or practice or for other appropriate relief. The Board is not required to post a bond or prove that

no adequate remedy at law exists.

H. Upon request of a time-share owner, the Board shall, in accordance with subsection B of § [55.1-2230](#), issue its determination whether compliance with § [55.1-2220](#) or [55.1-2234](#) has occurred.

1981, c. 462, § 55-396; 1985, c. 517; 1998, c. [460](#); 2008, c. [376](#); 2011, c. [605](#); 2012, c. [751](#); 2019, cc. [467](#), [499](#), [712](#); 2020, c. [1011](#).

§ 55.1-2248. Cancellation of cease and desist order; reinstatement of registration of developer.

A. The Board shall stipulate to the developer or reseller the reason for any cease and desist order, or revocation of registration as outlined in § [55.1-2247](#), by no later than the time such order or revocation is to become effective.

B. Should the developer or reseller satisfy the Board that it has corrected the reasons for the cease and desist order or revocation of registration, then the Board shall promptly cancel such order or reinstate the registration, and thereafter the developer or reseller may continue its offering or disposition of time-shares.

1981, c. 462, § 55-397; 2012, c. [751](#); 2019, c. [712](#).

§ 55.1-2249. Board regulation of public offering statement.

The Board may at any time require a developer to alter or supplement the form or substance of a public offering statement to assure adequate and accurate disclosure to prospective purchasers.

1981, c. 462, § 55-398; 2019, c. [712](#).

§ 55.1-2250. Proceedings and investigations.

A. All proceedings of the Board under this chapter shall be conducted in accordance with the Administrative Process Act (§ [2.2-4000](#) et seq.).

B. The Board may make necessary public or private investigations within or outside the Commonwealth to determine whether any person has violated or is about to violate any provision of this chapter or any rule, regulation, or order issued pursuant to this chapter.

1981, c. 462, § 55-399; 2009, c. [557](#); 2011, c. [605](#); 2019, cc. [499](#), [712](#).

§ 55.1-2251. Repealed.

Repealed by Acts 2019, c. 499, cl. 2.

§ 55.1-2252. Penalties.

A. Any person who willfully violates any of the provisions of § [55.1-2217](#), [55.1-2218](#), [55.1-2219](#), [55.1-2220](#), [55.1-2221](#), [55.1-2229](#), [55.1-2233](#), or [55.1-2238](#), or any order issued pursuant to §§ [55.1-2247](#) through [55.1-2250](#) is guilty of a Class 5 felony.

Any person who willfully violates any of the provisions of § [55.1-2226](#), [55.1-2228](#), or [55.1-2244](#) or any order issued pursuant to §§ [55.1-2247](#) through [55.1-2250](#) regarding a violation of § [55.1-2226](#), [55.1-2228](#), or [55.1-2244](#) is guilty of a Class 1 misdemeanor.

Each violation shall be deemed a separate offense.

B. Any developer, member, agent or affiliate of any developer of time-shares registered pursuant to § [55.1-2241](#), or any reseller, who violates any provision of this chapter or regulations promulgated pursuant to this chapter, and who is not criminally prosecuted, may be subject to a civil penalty. If it has been determined by the Board upon or after a hearing that a respondent has violated this chapter or the Board's rules and regulations, the Board shall proceed to determine the amount of the civil penalty for such violation, which shall not exceed \$2,000 for each violation. Such penalty may be sued for and recovered in the name of the Commonwealth.

1981, c. 462, § 55-400; 1983, c. 59; 1985, c. 517; 1991, c. 704; 2012, c. [751](#); 2019, c. [712](#).