

SENATE BILL NO. 320—SENATORS HARRIS,
ROBERSON AND LIPPARELLI

MARCH 16, 2015

Referred to Committee on Judiciary

SUMMARY—Revises provisions relating to time shares.
(BDR 10-1034)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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

AN ACT relating to time shares; requiring that the purchaser of a time share be provided with a disclosure statement containing certain disclosures before the purchaser enters into a contract of sale; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 This bill requires that before the purchaser of a time share enters into a contract
2 of sale, the purchaser must be provided with a disclosure statement containing
3 certain disclosures which concern: (1) the expectations a person should have in
4 purchasing a time-share interest; and (2) the resale of a time-share interest. The
5 purchaser is required to sign and date the disclosure statement on the date of
6 purchase.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** (Deleted by amendment.)

2 **Sec. 1.5.** Chapter 119A of NRS is hereby amended by adding
3 thereto a new section to read as follows:

4 ***1. Before a purchaser of a time share enters into a contract of***
5 ***sale, the purchaser must be provided with a disclosure statement***
6 ***that contains the disclosures set forth in subsection 2. The***
7 ***purchaser shall sign and date the disclosure statement on the date***
8 ***of purchase.***



1 **2. The disclosure statement provided to the purchaser of a**
2 **time share pursuant to subsection 1 must be in substantially the**
3 **following form, in at least 14-point bold type:**

4
5 *By signing this disclosure statement, you are indicating*
6 *that you understand the following:*

7
8 *Any time-share interest is for personal use and is not an*
9 *investment for a profit or tax advantage. The purchase of a*
10 *time-share interest should be based upon its value as a*
11 *vacation experience or for spending leisure time, and not*
12 *considered for purposes of acquiring an appreciating*
13 *investment or with an expectation that the time-share*
14 *interest may be resold.*

15
16 *Resale of your time-share interest may be subject to*
17 *restrictions, including, without limitation, limitations on the*
18 *posting of signs, limitations on the rights of other parties to*
19 *enter the project unaccompanied, membership prerequisites*
20 *or approval requirements, the developer's right of first*
21 *refusal and the developer's continued sale of time-share*
22 *inventory. Any future purchaser may not receive any*
23 *ancillary benefits which were not part of the time-share*
24 *plan that the developer may have offered to the purchaser at*
25 *the time of purchase.*

26
27 *You should check your contract and the governing*
28 *documents for any such restrictions and also note whether*
29 *your purchase contract or note, or any other obligation,*
30 *would affect your right to sell your time-share interest. Real*
31 *estate agents may not be interested in listing your time-*
32 *share interest or unit.*

33 **Sec. 2.** This act becomes effective on July 1, 2015.

