

# - Quick Notes -

## Time-Share Act

### 93A-40

- Must have a North Carolina broker or Provisional Broker license to sell or attempt to sell any time share in North Carolina, regardless of the state the actual property is in
- There is no exemption for employee of developer status
- Developer must obtain a certificate of registration for all time-share projects located in North Carolina from the N.C. Real Estate Commission

### 93A-41 Definitions

Emphasis on: 7A project broker, 9 time-share (very important), 11A time-share registrar, 12 time-share salesperson

### 93A-42

- Time-shares are an interest in real estate
- Developer must record a time-share instrument
  - (1) No less than 6 days nor more than 45 days from date of purchase
  - (2) No more than 180 days from date of sale if monies were paid to the independent escrow agent at the expiration of the 10-day period

### 93A-45

- Developer must give the purchaser the public offering statement by the **date of purchase**
- The time-share contract is voidable without penalty for five days from contract of sale
- Monies collected on the time-share purchase must be deposited immediately within 10 days upon receipt
  - \*Such payments are deemed to belong to the purchaser not the developer during this 10-day period.

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[www.hpwreschool.com](http://www.hpwreschool.com)  
3801 Wake Forest Road • Raleigh, NC 27609  
(919) 878-4040

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## Time-Share Act (cont'd)

- If the developer or his/her agent fails to give the purchase a copy of the public offering statement by the **date of purchase**:
  - (1) The purchaser may obtain from the **developer** an amount equal to 10% of the purchase price not to exceed \$3,000
  - (2) The Real Estate Commission can fine the **developer** \$500 for each violation (93A-54(10))  
**NOTE:** Only the **developer** may be sued or fined, regardless of who violated the rule

### 93A-58

- Every time-share project must have a time-share registrar. No time-share sales may be made until the registrar is designated.
  - The developer must also designate for each project a project broker.
  - \*The project broker must supervise both brokers and Provisional Broker licensees at the project or location
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- Subchapter B. 501
    - Upon cancellation of the time-share contract, all refunds shall be made no later than 30 days from the date of purchase (not cancellation)