

CHAPTER 26

PLANNED REAL ESTATE DEVELOPMENT FULL DISCLOSURE ACT REGULATIONS

Authority

N.J.S.A. 45:22A-35.

Source and Effective Date

R.2001 d.48, effective January 11, 2001.
See: 32 N.J.R. 1272(a), 33 N.J.R. 550(c).

Chapter Expiration Date

In accordance with N.J.S.A. 52:14B-5.1c, Chapter 26, Planned Real Estate Development Full Disclosure Act Regulations, expires on July 10, 2006. See: 37 N.J.R. 2755(a).

Chapter Historical Note

Chapter 26, Planned Real Estate Development Full Disclosure Act Regulations, became effective November 22, 1978 as R.1978 d.403. See: 10 N.J.R. 416(c), 11 N.J.R. 8(a).

Pursuant to Executive Order No. 66(1978), Chapter 26, Planned Real Estate Development Full Disclosure Act Regulations, was readopted as R.1986 d.129, effective March 27, 1986. See: 18 N.J.R. 392(a), 18 N.J.R. 841(a).

Pursuant to Executive Order No. 66(1978), Chapter 26, Planned Real Estate Development Full Disclosure Act Regulations, was readopted as R.1991 d.123, effective February 7, 1991. See: 22 N.J.R. 1702(a), 23 N.J.R. 687(c).

Pursuant to Executive Order No. 66(1978), Chapter 26, Planned Real Estate Development Full Disclosure Act Regulations, was readopted as R.1996 d.94, effective January 24, 1996. See: 27 N.J.R. 4478(a), 28 N.J.R. 1226(a).

Pursuant to Executive Order No. 66(1978), Chapter 26, Planned Real Estate Development Full Disclosure Act Regulations, was readopted as R.2001 d.48, effective January 11, 2001. See: Source and Effective Date. See, also, section annotations.

Law Review And Journal Commentaries:

Representing a Purchaser in a Distressed Planned Unit Development. J. David Ramsey, 153 N.J.Law. 34 (Mag.) (May/June 1993).

CHAPTER TABLE OF CONTENTS

SUBCHAPTER 1. GENERAL PROVISIONS

- 5:26-1.1 Introduction
- 5:26-1.2 Affirmative determination
- 5:26-1.3 Definitions
- 5:26-1.4 Administration

SUBCHAPTER 2. REGISTRATION

- 5:26-2.1 Registration required
- 5:26-2.2 Exemptions
- 5:26-2.3 Request for exemptions
- 5:26-2.4 Application for registration; submission and fees
- 5:26-2.5 Notice of filing
- 5:26-2.6 Order of registration
- 5:26-2.7 Notice of correction
- 5:26-2.8 Order of rejection
- 5:26-2.9 Petition for reconsideration

- 5:26-2.10 Automatic registration
- 5:26-2.11 Order of revocation
- 5:26-2.12 Cease and desist orders; injunctions
- 5:26-2.13 Annual report
- 5:26-2.14 Order terminating responsibility
- 5:26-2.15 Registration in this State, other states or with the Federal Government
- 5:26-2.16 Consolidated filing
- 5:26-2.17 P.U.D. and P.U.R.D.

SUBCHAPTER 3. APPLICATION FOR REGISTRATION

- 5:26-3.1 Contents of application for registration
- 5:26-3.2 Form of the application for registration
- 5:26-3.3 Amendment of the application for registration
- 5:26-3.4 Review of requests for amendment
- 5:26-3.5 Public inspection of application for registration
- 5:26-3.6 Copies of the application for registration; fee

SUBCHAPTER 4. PUBLIC OFFERING STATEMENT

- 5:26-4.1 Public offering statement required
- 5:26-4.2 Contents of public offering statement
- 5:26-4.3 Form
- 5:26-4.4 Filing
- 5:26-4.5 Amendment of the public offering statement
- 5:26-4.6 Review of requests for amendments
- 5:26-4.7 Use of the public offering statement

SUBCHAPTER 5. ADVERTISING

- 5:26-5.1 General standards
- 5:26-5.2 Specific standards

SUBCHAPTER 6. CONTRACTS

- 5:26-6.1 General standards
- 5:26-6.2 Cancellation
- 5:26-6.3 Notice of cancellation
- 5:26-6.4 Deposits
- 5:26-6.5 Provisions prohibited
- 5:26-6.6 Mandatory provisions

SUBCHAPTER 7. WARRANTIES

- 5:26-7.1 Warranty on construction
- 5:26-7.2 Warranty on construction of common facilities
- 5:26-7.3 Warranty as to description
- 5:26-7.4 Nonapplicability

SUBCHAPTER 8. COMMUNITY ASSOCIATIONS

- 5:26-8.1 Creation
- 5:26-8.2 Powers and duties
- 5:26-8.3 Executive board
- 5:26-8.4 Administration and control
- 5:26-8.5 Termination of agreements and contracts affecting common elements and facilities
- 5:26-8.6 Assessments for common expenses
- 5:26-8.7 Budgets

SUBCHAPTER 9. CONVERSIONS

- 5:26-9.1 Requirements
- 5:26-9.2 Compliance with statutes and rules governing tenant removal and protected tenancy
- 5:26-9.3 Public Offering Statement

SUBCHAPTER 10. NONBINDING RESERVATION AGREEMENTS

- 5:26-10.1 Scope
- 5:26-10.2 Application
- 5:26-10.3 Advertising standards

- 5:26-10.4 Approval of advertising
- 5:26-10.5 Reservation form
- 5:26-10.6 Period of effect
- 5:26-10.7 Notice
- 5:26-10.8 Nonbinding reservations

SUBCHAPTER 11. ADMINISTRATION AND ENFORCEMENT

- 5:26-11.1 Administration
- 5:26-11.2 Complaints and investigations
- 5:26-11.3 Rights to a hearing
- 5:26-11.4 Application for hearing
- 5:26-11.5 Penalties
- 5:26-11.6 Consent orders
- 5:26-11.7 Applicability
- 5:26-11.8 Construction
- 5:26-11.9 Waiver
- 5:26-11.10 Severability
- 5:26-11.11 (Reserved)

APPENDIX: PLANNED REAL ESTATE DEVELOPMENT FULL DISCLOSURE REGULATIONS

SUBCHAPTER 1. GENERAL PROVISIONS

5:26-1.1 Introduction

The Planned Real Estate Full Disclosure Act (Chapter 419, P.L. 1977, N.J.S.A. 45:22A-21 et seq.) became effective November 22, 1978. These rules have been adopted to enable the Division of Codes and Standards to implement the Act and to enable owners of property affected to more easily and more fully comply with the requirements of the Act.

Amended by R.1981 d.130 effective May 7, 1981.
 See: 12 N.J.R. 631(b), 13 N.J.R. 259(a).
 "and Urban Renewal" deleted after "division of Housing".
 Amended by R.1984 d.434, effective October 1, 1984.
 See: 16 N.J.R. 2032(a), 16 N.J.R. 2522(a).
 Amended by R.1996 d.94, effective February 20, 1996.
 See: 27 N.J.R. 4478(a), 28 N.J.R. 1226(a).

5:26-1.2 Affirmative determination

(a) The Act provides for the issuance of an order of registration upon an affirmative determination of the Division that:

1. The developer can convey or cause to be conveyed the lots, parcels, units or interests offered for disposition, if the purchaser complies with the terms of the offer; and
2. There is reasonable assurance that all proposed improvements can be completed as represented; and
3. The advertising material and the general promotional plan are not false or misleading and comply with the standards prescribed by the Division in subchapter 5 hereof and afford full and fair disclosure; and

4. The developer, its officers and/or principles have not been convicted of a crime involving any aspect of the real estate sales business in this State, the United States, or any other state or foreign country within the past 10 years; and

5. The developer, its officers and/or principals have not been subject to any permanent injunction or final administrative order restraining a false or misleading plan involving real property disposition, the seriousness of which in the opinion of the Agency warrants the denial of registration; and

6. The public offering statement requirements have been satisfied.

5:26-1.3 Definitions

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

"Act" means the Planned Real Estate Development Full Disclosure Act, Chapter 419, P.L. 1977, N.J.S.A. 45:22A-21 et seq., as amended; provided, however, that "act" means the Retirement Community Full Disclosure Act, P.L. 1969, c.215 (N.J.S.A. 45:22A-1 et seq.) when applied to any portion of a retirement community issued a notice of filing or registered pursuant thereto.

"Advertising" means and includes the publication or causing to be published of any information offering for disposition or for the purpose of causing or inducing any other person to purchase an interest in a planned real estate development or retirement community, including the sales contract to be used and any photographs or drawings or artist's representation of physical conditions or facilities on the property existing or to exist by means of any:

1. Newspaper or periodical;
2. Radio or television broadcast;
3. Written, printed or photographic matter;
4. Billboards or signs;
5. Display of model houses or units;
6. Material used in connection with the disposition or offer of the development by radio, television, telephone or any other electronic means; or
7. Material used by developers or their agents to induce prospective purchasers to visit the development, particularly vacation certificates which require the holders of such certificates to attend or submit to a sales presentation by the developer or his agents.