

§ 1710.508 Effect of suspension of certification granted under § 1710.501(b): Sufficient protection requirement.

(a) If a state certified under § 1710.501(b) suspends its own certification or has its certification withdrawn under § 1710.505, the effectiveness of the Federal disclosure materials accepted and made effective by the Secretary, pursuant to § 1710.506, prior to the suspension or withdrawal shall terminate ninety (90) days after the notice of withdrawal order is published in the FEDERAL REGISTER as provided in § 1710.505(c).

(b) At the end of the ninety day period, or during the ninety day period in the event that there is a change in material fact with regard to a subdivision that remains registered under the provisions of paragraph (a), the developer shall file a new registration with the Secretary meeting the requirements of the then applicable Federal registration regulations. Modifications of the Federal format may be used as specified by the Secretary.

§ 1710.552 Previously accepted state filings.

(a) Materials filed with a state and accepted by the Secretary as a Statement of Record prior to January 1, 1981, pursuant to 24 CFR 1710.52-59 (as published in the FEDERAL REGISTER on April 10, 1979) may continue in effect. However, developers must comply with the applicable amendments to the Federal Act and the regulations thereunder. In particular, see §§ 1710.558 and 1710.559, which require that the Property Report and contracts or agreements contain notice of purchaser's revocation rights. In addition see § 1715.15(f), which provides that it is unlawful to make any representations with regard to the developer's obligation to provide or complete roads, water, sewers, gas, electrical facilities or recreational amenities, unless the developer is obligated to do so in the contract.

(b) If any such filing becomes inactive or suspended under the laws of the state, the registration with the Secretary shall be ineffective from that time.

(c) Such Statement of Record may be suspended pursuant to § 1710.45.

(d) The Secretary may refuse to accept any particular filing under this section when it is determined that acceptance is not in the public interest.

(e) The Secretary may require such changes, additional information, documents or certification as the Secretary determines to be reasonably necessary or appropriate in the public interest.

§ 1710.556 Previously accepted state filings—amendments and consolidations.

(a) *Amendments*—(1) *General requirements.* State accepted materials, filed with the Secretary pursuant to § 1710.552 shall be amended to reflect any amendment to such materials made effective by the state or any change of a material fact regarding the subdivision. All amendments to such materials, which reflect changes in material facts regarding the subdivision, shall be submitted to the state authorities within 15 days of the date on which the developer knows, or should have known, of such change and to the Secretary within 15 days after it becomes effective under the applicable State laws. However, such amendment shall not be effective as a Federal registration until the Secretary has determined that the amendment meets all applicable requirements of these regulations.

(2) Amendments shall include or be accompanied by:

(i) A letter from the developer giving a narrative statement fully explaining the purpose and significance of the amendment and referring to that section and page of the Statement of Record which is being amended, and;

(ii) All amended pages of the state accepted materials filed with the Secretary. These pages shall be retyped with their amendments. Each such page shall have its date of preparation in the lower right hand corner, and;

(iii) A signed state acceptance certification, and;

(iv) The appropriate fees as indicated in § 1710.35.

(b) *Consolidations*—(1) *When consolidations allowed.* If lots are to be registered pursuant to § 1710.552 which are in the same common promotional plan with

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other lots already registered with the Secretary, then new consolidated state accepted materials including such lots may be filed with the Secretary as a Statement of Record following the format of the previously accepted filing.

(2) Consolidated Statements of Record shall include or be accompanied by:

(i) State accepted consolidation materials which are also acceptable to the Secretary as a Statement of Record (state property report inclusive). These state accepted consolidation materials shall cover all lots previously registered in the common promotional plan except those deleted pursuant to other provisions in these regulations. These materials shall also include information and items required for state accepted materials filed as an initial registration Statement of Record, except that, supporting documentation in materials previously made effective by the Secretary for other lots in the subject common promotional plan may be incorporated by reference into the new consolidation materials submitted as a Statement of Record. However, such documentation may be incorporated by reference only if it is applicable to the new consolidated lots as well as to the previously registered lots.

(ii) A signed state acceptance certification.

(iii) The appropriate fees as indicated in § 1710.35.

(c) *Effective date—State filing.* The effective dates of state materials filed as amendments and consolidated Statements of Record shall be determined in accordance with the provisions of § 1710.21.

[45 FR 40491, June 13, 1980, as amended at 49 FR 31372, Aug. 6, 1984]

§ 1710.558 Previously accepted state filings—notice of revocation rights on property report cover page.

(a)(1) The cover page on Property Reports for filings made with the Secretary pursuant to § 1710.552 shall be prepared in accordance with § 1710.105 and shall include the following paragraphs:

“If you received this Report prior to signing a contract or agreement, you may cancel your contract or agreement by giving notice to the seller anytime before midnight of the

seventh day following the signing of the contract or agreement.

“If you did not receive this Report before you signed a contract or agreement, you may cancel the contract or agreement anytime within two years from the date of signing.”

(2) If the purchaser is entitled to a longer revocation period by operation of State law, that period becomes the Federal revocation period and the Cover Page must reflect the longer period, rather than the seven days.

(b)(1) If a deed is not delivered within 180 days of the signing of the contract or agreement of sale or unless certain provisions are included in the contract or agreement, the purchaser is entitled to cancel the contract within two years from the date of signing the contract or agreement.

(2) The deed must be a warranty deed, or where such a deed is not commonly used, a similar deed legally acceptable in the jurisdiction where the lot is located. The deed must be free and clear of liens and encumbrances.

(3) The contract provisions are:

(i) A legally sufficient and recordable lot description, and;

(ii) A provision that the seller will give the purchaser written notification of purchaser’s default or breach of contract and the opportunity to remedy the default or breach within 20 days of the notice; and

(iii) A provision that, if the purchaser loses rights and interest in the lot because of the purchaser’s default or breach of contract after 15 percent of the purchase price, exclusive of interest, has been paid, the seller shall refund to the purchaser any amount which remains from the payments made after subtracting 15 percent of the purchase price, exclusive of interest, or the amount of the seller’s actual damages, whichever is the greater.

(4) If a deed is not delivered within 180 days of the signing of the contract or if the necessary provisions are not included in the contract, the following statement shall be used in place of any other rescission language:

“Under Federal law you may cancel your contract or agreement of sale any time within two years from the date of signing.”