

**DISPOSITION, ADVERTISING, SALE OR EXCHANGE IN THIS STATE OF REAL  
ESTATE  
LOCATED IN ANOTHER STATE OR JURISDICTION**

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**Sec. 20-329m-1. Definitions**

- (a) "Disposition" or "dispose of" means any sale, exchange, lease, assignment, award by lottery or other transaction designed to convey an interest in a subdivision or parcel, lot, or unit thereof when undertaken for gain or profit;
- (b) "offer" means every inducement, solicitation or attempt to bring about a disposition;
- (c) "person" means an individual, firm, company, association, corporation, government or governmental subdivision or agency, business trust, estate trust; partnership, unincorporated association or organization two or more of any of the foregoing having a joint or common interest, or any other legal or commercial entity;
- (d) "broker" means a resident real estate broker duly licensed in this state;
- (e) "salesman" means any person duly licensed in this state as a real estate salesman;
- (f) "purchaser" means a person who acquires an interest in any lot, parcel or unit in a subdivision;
- (g) "subdivision" means any improved or unimproved land or tract of land located outside this state which is divided or proposed to be divided into five or more lots, parcels, units, or interests, for the purpose of disposition, at any time as part of a common promotional plan and where any land which is under common ownership or which is controlled by a single developer or a group of developers acting in concert, and such land is contiguous in areas and is designated or advertised as a common unit or by a common name shall be presumed, without regard to the number of lots, parcels, units or interests covered by each individual offering, to be part of a common promotional plan;
- (h) "the commission" means the Connecticut real estate commission.
- (i) "advertising" means publishing or causing to be published: (a) by means of any newspaper or periodical; (b) by means of any radio or television broadcast; (c) by means of any written or printed or photographic matter produced by any duplicating process producing ten copies or more, any information offering for sale or for the purpose of causing or inducing any other person to purchase or to acquire an interest in the title to subdivided lands, including the land sales contract to be used any photographs or drawings or artist's representations of physical

conditions or facilities on the property existing or to exist; (d) by means of any material used in connection with the disposition or offer of subdivided lands by radio, television, telephone or any other electronic means, provided, however, that "advertising" shall not be deemed to include: stockholder communications such as annual reports and interim financial reports, proxy materials, registration statements, securities prospectuses, application for listing securities on stock exchanges and the like; prospectuses, property reports, offering statements or other documents required to be delivered to prospective purchasers by an agency of any other state or the federal government; all communications addressed to and relating to the account of any persons who have previously executed a contract for the purchase of the subdivider's lands except where directed to the sale of additional lands; press releases or other communications delivered to newspapers or other periodicals for general information or public relations purposes, provided no charge is made by such newspapers or other periodicals for the publication or use of any part of such communications.

(Effective November 29, 1978.)

**Sec. 20-329m-2. Transaction restricted to broker. Exception**

No person except a broker or his duly licensed salesmen shall offer for disposition or dispose of in this state any subdivision or lot, parcel, unit or interest in any subdivision unless exempted by the provisions of section 20- 329b of the general statutes.

(Effective November 29, 1978.)

**Sec. 20-329m-3. License requirement**

No person shall in this state offer any subdivision or lot, parcel, unit or interest in any subdivision for disposition or shall dispose of any such subdivision or lot, parcel, unit or interest in any subdivision until he has received a license to do so from the commission, provided this section, shall not apply to any person or subdivision exempted under the provisions of section 20-329b of the general statutes.

(Effective November 29, 1978.)

**Sec. 20-329m-4. Application for license**

Any broker who wishes to offer for disposition or to dispose of any subdivision or lot, parcel, unit or interest in any subdivision, and who is required to obtain a license to do so from the commission, shall submit to the commission:

(1) A questionnaire and license application form duly completed by the applicant under oath. Such questionnaire and license application form shall include but shall not be limited to a statement by the applicant

(a) that he has reviewed and verified the truth, authenticity and accuracy of all papers, maps, plats, plans, drawings, photographs, permissions, licenses, documents, deeds, instruments and promotional material, including but not limited to the sales prospectus or property report which is to be used in every offer of disposition in this state of any subdivision or lot, parcel, unit or interest in any subdivision, and

(b) that all said materials and documentation reasonably portray the facts relating to the subdivision and any lot, parcel, unit or interest therein and its situation and location, and

(c) that said materials and documentation are in no way misleading and subject to misinterpretation by the public;

(2) proof of compliance with the requirements of section 20-329c of the general statutes relating to the appointment of the secretary of the state as the broker's attorney for service of process;

(3) details of any bond which may be required by the commission;

(4) a certified, carbon, photographic, Xerox or similarly reproduced copy of any title policy covering the subdivision;

(5) a copy of any trust deed or mortgage affecting the subdivision, together with a copy of the conditional or partial releases to be used in the disposition of any lot, parcel, unit or interest in the subdivision;

(6) a detailed statement of the method of handling all deposit monies received by the broker from any person, purchaser or prospective purchaser including but not limited to the name and address of the bank in which the escrow account is established, as well as the account number. In addition, such money shall remain in such escrow account, in accordance with section 20-329n, until final legal disposition is made by the person legally entitled to such money;

(7) copies of all papers and documents to be used in any disposition in this state, including but not limited to any deed, trust deed or instrument, warranty deed, quitclaim deed, contract, agreement, lease, option, deposit receipt and maps, plan, drawings, or photographs or both;

(8) copies of all conditions, restrictions, covenants, reservations and encumbrances affecting the subdivision, including but not limited to mineral or other such rights;

(9) copies of all maps, plats or plans, approved by the local governmental authority, with evidence of such approval, depicting the subdivision or property or interest to be offered for disposition, together with maps depicting the topography and soil composition and definitive plans for construction; all such maps, plats or plans to be certified as to their accuracy by a duly qualified and licensed engineer;

(10) (a) copies of all documentation or reports issued by the local governmental authority with respect to

(i) the availability and potability of water,

(ii) the sanitary disposal of human waste,

(b) a complete report of all flood hazards and drainage affecting the subdivision, as issued by the local flood engineer or other competent and qualified authority,

(c) a complete report covering the construction of access highways, roads and sidewalks affecting the subdivision, and

(d) a complete report relating to the services which will be available to each purchaser of any lot, parcel, unit or interest in the subdivision;

(11) (a) copies of proofs of all advertising and promotional material to be used in this state, including but not limited to a detailed description and legal description of the subdivision, together with a map showing the division proposed or made, the dimensions of the lots, parcels, units, or interests and the relation of the subdivision to existing streets, roads, and other offsite improvements,

(b) copies of the sales prospectus or property report to be used,

(c) the plan under which the disposition of the subdivision or any lots, parcels, units or interests therein is to be made, and (d) such other information as the commission may require in rendering a decision as to the issuance of a license to the applicant;

(12) a copy of the price list of all the lots, parcels, units or interests in the subdivision and the terms and conditions of any offering under which any person or purchaser is to be induced to accept any such offer;

(13) the names and addresses of the persons in whom title to the subdivision is vested, together with the names and addresses of all other persons having a financial interest in the proposed offer or promotional sale or both;

(14) an adequate financial statement covering the persons in whom title to the subdivision is vested, together with at least two bank references in respect of each such person;

(15) a statement made under oath by those persons listed in subsection (13) of this section setting forth in detail

(a) any prior arrests, proceedings or convictions in any jurisdiction against such persons within ten years prior to the date of the application, concerning the following charges or offenses: forgery, embezzlement, obtaining money under false pretenses, extortion, criminal conspiracy to defraud, or other like offense or offenses

(b) whether any of them has ever had his real estate license revoked or suspended, and

(c) if there have been no such arrests, proceedings, convictions, license revocations or suspensions, said statement shall clearly state that there have been "none";

(16) a copy, certified by a duly authorized and qualified person, of any report, review, inspection, approval or release which may have been required by the state or jurisdiction in which the subdivision is located;

(17) the statutory filing fee of one hundred dollars plus the license fee to be computed on the basis of the rates set forth in section 20-329f, subsection (b). The commission shall supply free of charge all necessary questionnaire and license application forms and shall make no official review of any license application until it has received from the applicant all necessary documentation duly completed.

(Effective November 29, 1978.)

**Sec. 20-329m-5. Subdivision registered under Federal Interstate Land Sales Full Disclosure Act**

Any broker, unless exempted under the provisions of subsections (a) or (b) of section 20-329b of the general statutes, wishing to offer for disposition or to dispose of in this state any subdivision or lot, parcel, unit or interest in any subdivision which is registered under the Federal Interstate Land Sales Full Disclosure Act shall submit to the commission, prior to making any such offer of disposition;

(a) A certified copy of the effective statement of record filed with the Secretary of Housing and Urban Development;

(b) a certificate in letter form from said secretary confirming the filing with him of the particular subdivision and of the effective statement of record;

(c) the statutory filing fee of one hundred dollars plus the license fee to be computed on the basis of the rates set forth in section 20-329f, subsection (b). The commission shall supply free of charge all necessary registration application forms. Any amendments to the statement of record which are filed with said secretary of Housing and Urban Development shall be reported in writing and under oath to the commission within fourteen days after the same are filed with said secretary. The fee for filing a consolidation or an additional number of units not included in the

initial filing shall be one hundred dollars.

(d) any subdivision which has been registered under the federal interstate land sales full disclosure act shall be exempt from all the provisions of section 20-329d of the general statutes by complying with all provisions of subsection (c) of section 20-329 (b) of the general statutes.

(Effective November 29, 1978.)

**Sec. 20-329m-6. Land registered in another jurisdiction**

(a) Any broker wishing to offer for disposition or to dispose of in this state any subdivision or lot, parcel, unit or interest in any subdivision which is registered or approved pursuant to the laws of any other state or jurisdiction shall submit to the commission

(1) an exemption application form duly completed under oath

(2) a copy of all the materials and documentation supplied to or registered with such other state or jurisdiction, including but not limited to the sales prospectus to be used in the offer or disposition,

(3) A certificate in letter form from such other state or jurisdiction

(i) establishing the authenticity and accuracy of said materials and documents and that same have been filed or registered with such other state or jurisdiction, and

(ii) certifying that the applicant is of good standing in such state or jurisdiction and that he has not had his real estate license revoked or suspended and listing any arrest or conviction within ten years prior thereto connected with the following offenses: forgery, embezzlement, obtaining money under false pretenses, extortion, criminal conspiracy to defraud, or other like offense or offenses.

(b) The commission, after receipt of and based upon the materials, documents and certificates required by this section to be submitted to it, shall make a determination concerning those provisions, if any, of the general statutes relating to the offering or disposition in this state of subdivisions, from which the applicant shall be exempt.

(Effective March 10, 1970.)

**Sec. 20-329m-7. Sale contract provisions**

(a) Every contract for the sale of any subdivision, or lot, parcel or unit in any subdivision, unless specifically exempted by section 20-329b of the general statutes shall include the following provisions:

(1) A clear statement of the exact time and date when the contract was signed by the purchaser;

(2) a clear statement of the exact time and date when the purchaser received a copy of the sales prospectus;

(3) a clear statement notifying the purchaser that if he did not receive a copy of the sales prospectus more than seventy-two hours in advance of the time he signed the contract, then he has the power to revoke the contract by communicating such revocation to the seller within seventy-two hours of the last occurring of the following events;

(i) the time the purchaser signed the contract or agreement, or

(ii) the time the purchaser received the sales prospectus;

(4) list the broker's residence and office address and provide that the transmittal of the written revocation to either address shall be sufficient to effect the revocation.

(b) The contract or agreement may provide that the foregoing power of revocation shall not apply in the case of a purchaser who:

(1) Has received the sales prospectus and inspected the subdivision in advance of signing the contract or agreement, and

(2) acknowledges by his signature that he has made the inspection and has read and understood the sales prospectus.

(c) The broker shall, at the time the contract or agreement is signed, deliver to the purchaser a form which may be followed by the purchaser in effecting such revocation which form shall comply with the requirements of section 20- 329m-8. If the purchaser elects to revoke the contract or agreement within the time limits as prescribed in section 20-329h of the general statutes, the broker shall return all moneys paid by the purchaser without any deduction.

(d) the broker or salesman shall retain the signed receipt for any sales prospectus, property report or offering statement from any purchaser for a period of seven years. The broker or salesman, upon termination with the developer, shall turn these receipts over to the developer within thirty days and the developer shall retain them for the duration of the seven year period.

(Effective November 29, 1978.)

**Sec. 20-329m-8. Revocation form**

(a) The written form of revocation permitted under subsection (c) of section 20-329h of the general statutes of any contract or agreement relating to any subdivision or lot, parcel, unit or interest in any subdivision

(1) show the names and addresses of the parties to the contract or agreement being revoked,

(2) identify the subdivision or lot, parcel, unit or interest in the subdivision which is the subject of the contract or agreement,

(3) state the date and exact time the sales prospectus was received by the purchaser.

(b) The revocation shall be deemed to have been communicated, if, within the time limit specified in subsection (c) of said section 20-329h, the written revocation is delivered to the broker's residence at any time or his office address during regular business hours. Such written revocation may be in the form of a letter sent by registered or certified mail.

(Effective November 29, 1978.)

#### **Sec. 20-329m-9. Reports to commission**

Every broker who has been granted a license to offer for disposition or to dispose of in this state any subdivision or lot, parcel, unit or interest in any subdivision shall immediately report in writing and under oath to the commission all factual changes in any way materially affecting the value, marketability, or use of the subdivision or any lot, parcel, unit or interest therein or the offering or disposition thereof, provided, if no such changes have occurred, this fact shall be reported in writing and under oath by the broker to the commission at least every six months.

(Effective March 10, 1970.)

#### **Sec. 20-329m-10. Hearing on license refusal**

Any broker who is refused a license by the commission to offer for disposition or to dispose of in this state any subdivision or lot, parcel, unit or interest in any subdivision may request a hearing before the commission and the commission shall grant such request and shall hold the requested hearing.

(Effective March 10, 1970.)

#### **Sec. 20-329m-11. Deposits to be held in escrow**

(a) any broker accepting moneys paid or advanced by the purchaser or lessee or prospective purchaser or prospective lessee in respect to the sale or lease of any subdivision shall comply with the following provisions:

(1) deposit any such moneys as described in section 20-329m-11 (a) in an escrow account, approved by the commission, in a bank doing business in the state of Connecticut,

(2) maintain such moneys as described in section 20-329m-11 (a) in the broker's escrow account until

(i) a proper and valid release is obtained therefor, or

(ii) either party has defaulted under the contract or agreement and the commission or the court has made a determination as to the disposition of such money, or

(iii) the seller or lessor orders the return of such money to such purchaser or lessee.

(b) the broker shall not release any moneys until the time limits for revoking the contract or agreement have expired as prescribed under section 20-329h, subsection (c) of the general statutes.

(Effective November 29, 1978.)