

**Effective 5/10/2016**

**57-29-203 Required disclosures.**

- (1) A sponsor or licensee who sells or offers to sell an undivided fractionalized long-term estate shall provide each prospective purchaser a written disclosure, related to the real property in which the undivided fractionalized long-term estate is offered, that:
  - (a) if applicable:
    - (i) includes a copy of any master lease agreement; and
    - (ii) states whether the sponsor is the master lease tenant or an affiliate of the master lease tenant;
  - (b) includes any material information that relates to a current lease or sublease that affects the real property in which the undivided fractionalized long-term estate is offered;
  - (c) includes a copy of:
    - (i) a tenants in common agreement; or
    - (ii) an agreement that forms the substance of the undivided fractionalized long-term estate and includes a definition of the undivided fractionalized interest;
  - (d) describes any improvements to the real property in which the undivided fractionalized long-term estate is offered;
  - (e) includes a copy of any management agreement;
  - (f) describes the relationship, if any, between each property manager and the sponsor; and
  - (g) includes any additional information that an ordinarily prudent purchaser would consider material to deciding whether to purchase the undivided fractionalized long-term estate, as determined by the commission, with concurrence by the division, by rule in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- (2) A sponsor or licensee who sells or offers to sell an undivided fractionalized long-term estate shall provide the written disclosure described in Subsection (1) to the prospective purchaser before the prospective purchaser purchases the undivided fractionalized long-term estate.

Enacted by Chapter 381, 2016 General Session