**Section 1260.305 Guidelines for Statements Regarding Subdivided Land**

Statements in connection with a sale or offer of subdivided land, however made, shall meet the guidelines set forth in this Section. These guidelines are not exhaustive, and such statements may be false or constitute a misrepresentation even though they do not violate any of the guidelines.

a) Description of Subdivision and Its Location

1) Distance. Use of general terms to indicate distance shall be coupled with the distance in actual road miles. When another community is referred to, the road miles shall be calculated from the geographical center of the community.

2) Size of Tract. The size of the lot offered shall include the amount of land available for use by the purchaser, excluding any easements which make a portion of the land unusable. If easements are unusual in size, then this fact shall be noted. All maps, plats, representations or drawings shall show either the dimensions of the tract or the amount of acreage after deductions of easements.

3) Use. A lot cannot be described in such a manner as to misstate the present condition or usefulness of the land. Statements, photographs or sketches portraying the use to which land can be put shall not be made unless the use is feasible with reasonable cost. For example, a lot cannot be described as a homesite unless water, electricity and sewage are available at reasonable cost.

4) Improvements.

A) Maps, plats or representations shall indicate the date that development will be completed. If completion dates for sections are over a period of years, then a series of shadings, outlines, or coding may be used to indicate dates of completion.

B) All pictorial representations of improvements shall accurately depict the present condition of the improvements; provided that artist's sketches or models can be used if all of the following disclosures are made:

i) A representation that the improvements are not in the condition depicted and an accurate description of the present condition.

ii) The projected completion date for each improvement.

iii) Any costs to be assessed to purchasers of lots or fees to be charged to users of the improvement.

5) Rights of Way and Roads.

A) References to legal access shall indicate whether such access is presently usable by automobiles.

B) Reference to "roads" and "streets" shall indicate the nature of such roads and streets. For example, to be described as "improved" or "paved," roads and streets shall be constructed and surfaced according to the specifications of the local county, city, or other appropriate public authority.

C) No reference to a road easement or right-of-way shall be made unless such easement or right-of-way has been dedicated to the public or to appropriate property owners and recorded in the public records of the county in which the property is located.

6) Waterfront. Land shall not be referred to as "waterfront property" unless the property actually fronts on a body of water other than a canal.

b) Description of the Subdivider. Names or trade styles which imply incorrectly that a subdivider is a non-profit organization shall not be used.

c) Description of the Terms of Sale and Value.

1) Price and Value:

A) Predictions of price or value or investment increases of lots or parcels of lands over which the subdivider does not have control shall not be made.

B) References to the purchase price of any lot, parcel or unit of land must also include any additional compulsory assessments or costs to the prospective purchaser.

C) Statements concerning future price increases by the subdivider shall be specific as to the amount and the date of the projected increase.

D) No statements or devices, such as certificates, which refer to fictitious prices or illusory discounts shall be used.

E) A lot shall not be termed "free" if the prospective purchaser is required to give any consideration and a lot shall not be termed for "closing costs only" when closing costs are substantially more than normal, or an additional lot must be purchased at a higher price.

2) Taxes. All statements concerning taxes and amounts thereof shall employ the latest available figures.

3) Financing. All statements concerning the terms available to finance the purchase of subdivided land shall disclose the costs to the purchaser, including the interest cost, of such financing. Statements negating certain costs (e.g., "no interest" or "no salesman's commissions") shall not be used.

4) Refunds. All statements regarding any available refund arrangement shall disclose all the terms and conditions of such arrangement. The words "guaranteed" or "guaranteed refund" will not be used unless the arrangement is unconditional.

d) Gifts and Promotions.

1) The words "gift", "award", "prize", or words of similar definition shall not be used in relation to merchandise or service if a consumer is charged a fee.

2) The words "sweepstake", "win", "selected", "contest", or words of similar definition shall not be used to create the impression that the promotion is a bona fide sweepstakes or contest when that is not the case.

3) A subdivider or agent using a promotion in connection with the offering of an interest in real estate shall clearly disclose all of the following:

A) The name and address of the subdivider and the subdivision.

B) A statement that the promotion is intended to aid in selling an interest in real state (i.e., homesite, etc.).

C) Complete rules of the promotion, including:

i) Length of promotion.

ii) Eligibility requirements.

iii) A statement that no purchase is required, if applicable.

iv) A statement that a scheduled tour of the property and attendance at a sales presentation is required, if applicable.

v) The method of awarding prizes, gifts, vacations, discount vacations, or other benefits under the promotion; a complete and fully detailed description, including the approximate retail value, of all prizes, gifts, or benefits under the promotion.