

NOTICE OF INTENTION (STANDARD)

RE 628 Part I (Rev. 2/17)

GENERAL INFORMATION

Note: The item numbers in RE 628 are correlated with the item numbers in RE 624 and with the Subdivision Public Report Application Guide (SPRAG). Because many more exhibit documents and much more information must be provided for RE 624, there are numerous item numbers on this form which are marked “Not applicable to RE 628.”

This is an application for a subdivision public report for a standard subdivision (standard, standard mobile home, standard undivided interest offerings). Do not use this form for common interest subdivisions.

This application is required for a final public report. It may also be used to apply for a conditional public report or for a preliminary public report.

Please see the special note relating to conditional public reports on page 2.

You may apply for a preliminary public report by using RE 603 packet. The main feature of the preliminary public report is that it will normally be issued within 14 working days after receipt of an application, if there are no deficiencies.

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The following real estate forms are referenced by number and/or name in this Notice of Intention. All forms referenced are available on our website at www.dre.ca.gov.

350	Publications Request
600A	Blanket Surety Bond [§11013.2/.4]
603	Preliminary/Interim Public Report – Application Instructions
603D	Preliminary Public Report Standard Subdivision
605	Subdivision Filing Fees
608’s	Consent to Service of Process (Public Report or Out-of-State Registration) [RE 608 = individual; partnership; corporation; limited liability company; 608A = Out-of-State Trustee]
609	Instructions to Escrow (Promotional Gifts)
612	Reservation Instrument
612A	Reservation Deposit Handling Agreement
614E	Receipt for Public Report or California Permit
624	Notice of Intention (Common Interest)
624C	Special District and Special Assessment District
628	Notice of Intention (Standard)
665	Master Geographic Letter
695C	Subdivision Forms Request
699	Certification (Subsequent Phases of a Phased Project)
699A	Certification (Totally Complete Filing – Standard)
699B	Certification (Mutual Water Company)

DETACH AND RETAIN PART I FOR REFERENCE

The Department of Real Estate does not discriminate on the basis of race, color, creed, sex, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, sexual orientation or physical handicap in employment or the provision of services.

SPECIAL NOTE CONDITIONAL PUBLIC REPORTS

Under California B&P Code §11018.12(d), a person may sell or lease, or offer for sale or lease, lots or parcels in a subdivision pursuant to a conditional public report if, as a condition of the sale or lease, delivery of legal title or other interest contracted for will not take place until issuance of a final public report and other specified conditions are satisfied. §11018.12(f) requires a subdivider or principal to provide a prospective purchaser with a copy of the conditional public report and a written statement with certain specified information.

Section 11018.12(h) provides that the term of a conditional public report shall not exceed 6 months, but the report may be renewed for one additional six-month period if the Commissioner determines that the requirements for issuance of a public report are likely to be satisfied during the renewal term.

In addition to the items required for a final public report, an applicant for a conditional public report should submit:

- (a) the required fee;
- (b) a statement identifying the information required for issuance of the final public report which is not to be available when the conditional public report is issued and specifying why that information will not be available at the time of issuance of the conditional public report; and
- (c) exemplar sales agreements and escrow instructions designed for use in sales conducted under authority of the conditional public report.

I. Who Must Apply

This application must be filed and a subdivision public report must be issued before offering for sale or lease in California, five or more interests in a standard subdivision. (See Section 11000 et seq., of the Business and Professions Code for further details.)

II. The Application (RE 628)

This is a three-part form - Instructions, Index, and Questionnaire.

A. Part I — Instructions

Part I is instructions to the applicant on how to complete the form. Detach Part I before submitting the remainder. Retain Part I for your reference.

You are encouraged to obtain and use the Subdivision Public Report Application Guide (SPRAG). See item XII for information about SPRAG.

B. Part II — Index/Quantitative Deficiency Notice

Part II has three distinct functions and uses:

1. The applicant uses Part II to determine which documents are required for a minimum filing package and for a substantially complete application.
2. The applicant also uses Part II as an index for tabbing

documents which are being submitted with the application.

3. DRE uses Part II as a quantitative deficiency notice to communicate what further documentation, if any, is required of the applicant for a substantially complete application.

After receiving a quantitative deficiency notice, all additional documents required in a substantially complete application must be submitted together, at one time, with the deficiency notice on top. If documentation is received piecemeal, it will be returned.

C. Part III — Questionnaire

Part III contains questions about the subdivision project and requests that various kinds of supporting documentation, as applicable, be submitted.

Answer all questions. If an item is not applicable, mark it NA.

If you do not understand a question, please consult SPRAG, or contact your title company, your attorney, or the Department.

If you cannot answer a question because your project plans are not finalized—delay submitting your application until your plans are finalized. (Refer to IIIA below.)

D. Project Narrative

If the project for which a Notice of Intention is being submitted has unusual or noteworthy aspects, processing of the submittal may be considerably simplified, and processing time thus shortened, if a cover letter is included which describes the offering and highlights the unusual or noteworthy aspects thereof.

III. Methods of Filing for Final Public Report

When applying for a final public report, submit a minimum filing package (MFP) or a substantially complete application (SCA).

A. Minimum Filing Package (MFP)

DRE will accept an application filing *only* if all of the following minimum requirements are met:

- the filing fee is submitted
- the Part II Index is completed
- the Part III Questionnaire is completed
- all documents submitted are legible, tabbed with the appropriate item number, and hole-punched
- the required documents are submitted

DRE requires that all original applications include a minimum amount of supporting documentation in order to be accepted. *This requirement is met by submitting all documents requested by those questions of Parts II and III that are marked with an asterisk (*)*. If a question does not apply, mark it NA. However, if an asterisked question does apply, you must submit the documentation indicated.

If the minimum filing package requirements are not met, the application and filing fee will be returned.

If MFP requirements are met, the DRE will accept the filing as a Notice of Intention and will continue processing to determine if the filing is a substantially complete application.

No other processing of a minimum filing package for a final public report will occur until the filing is substantially complete.

A preliminary public report can also be processed, if requested, after a minimum filing package is submitted. There is no statutory time limit regarding issuance of a preliminary public report. However, no further processing of a minimum filing package for a final public report will occur until the filing is substantially complete.

B. Substantially Complete Application (SCA)

A substantially complete application includes:

1. A minimum filing package
2. Most other documentation required for the issuance of a final public report. (Matching answers in columns two and three of Part II will indicate what is to be included in the substantially complete application.)

IV. All Documents Must Be Tabbed/Hole-Punched

In order to efficiently process the application file, we require that all incoming documents, including those submitted after the original submittal, be tabbed with the item numbers shown in Part II, column one. Use heavy stock or fabric tabs, not plastic or paper tabs. Each tab must show the precise item number of the document.

Place the tabs on the right side of the documents. Do not place them all in the same location, but stagger them up and down the right-side page edges. Do not place tabs on the upper two inches of the documents.

- Note:*
- Be sure to tab and hole-punch any documents submitted after the initial submittal of the application.
 - Do not hole-punch original public report draft or maps.

V. Application Processing

Substantially complete applications are processed on a first-come first-served basis. Under the legislative time frames in Business and Professions Code Section 11010.2, DRE will complete the initial review to verify that the filing is substantially complete within 10 days. Within 20 days after the file is determined to be substantially complete, a qualitative deficiency notice will be sent. The comprehensive response to the qualitative deficiency submitted by the single responsible party will be reviewed within 20 days after receipt thereof at DRE. After all corrections are made and final documents (e.g., recorded documents, etc.) are submitted, i.e., when the file is “perfected,” the final public report will be issued within 10 days.

VI. Filing Fees

See Subdivision Filing Fees (RE 605).

VII. Where to File Your Application

There are two DRE Subdivision Offices. Each office processes applications for subdivisions being developed in certain counties as shown below. Please submit your application to the correct office. *Note: In rare instances DRE may transfer applications to the other District Office for processing. You will be advised should your file be transferred.*

The following counties are covered by the Southern office:

Imperial	Los Angeles	Orange
Riverside	San Bernardino	San Diego
Santa Barbara	Ventura	

Subdivisions Office - South
320 W. 4th Street, Suite 350
Los Angeles, CA 90013-1105
Telephone: (213) 576-6983

All other counties are covered by the Northern office:

Subdivisions Office - North
1651 Exposition Blvd., Sacramento, CA 95815
Mailing address: P.O. Box 137005
Sacramento, CA 95813-7005
Telephone: (916) 576-3374

VIII. Typed Preliminary Public Report (RE 603D)

The preliminary public report consists of the RE 603D for a standard subdivision. Follow the instructions listed below to complete RE 603D. Submit the original and three pink copies of the typed preliminary public report.

- A. Subdivision Information — Enter the name of applicant, tract or map name and number, advertising name, and county **only**. *DRE will complete the file number, issuance date, and expiration date fields.*
- B. Location and Size — This subdivision contains (#) lots on (#) acres and is located at (*street address or cross streets*) within the city limits of (*city/town*) or approximately (#) miles from (*city/town*).
- C. Reservation Money Handling — Add the name and street address of the escrow depository. Do not use a post office box.

IX. Final Public Reports

Standard subdivision final public reports are typically prepared by single responsible parties and reviewed at respective DRE Subdivision Offices. The content of the public report is subject to statutory requirements and the review of DRE. *Public reports will automatically be sent to the entity designated as the single responsible party in this application, unless DRE is notified otherwise.*

X. Communication with DRE

When corresponding with DRE about a file or when sending in deficiencies, *always reference the DRE application file number and the name of the Real Estate Specialist assigned.* Prior to the file being SCA, it will be assigned to the Central Control (CC) unit.

You are advised to make copies of all documents submitted and to retain them for your reference.

Always submit correspondence and deficiency corrections under the deficiency notice to the office indicated on the deficiency notice. Do not submit correspondence piecemeal and do not submit deficiency corrections to the office that is not processing your application.

XI. Single Responsibility Party

In order to process your application expeditiously we require that a single responsible party be designated in Part III. Normally, all communication from the DRE regarding your application will be through this person. *Other parties having an interest in the application should contact the single responsible party for status information, rather than the DRE.* In addition copies of all written communications to the single responsible party will be sent to the subdividers.

Submit 15 self-adhesive address labels for the single responsible party for the filing and another 15 self-adhesive address labels for the subdivider. Complete the labels as shown below:

Sample: Mr. John Smith
Smith Title Company
123 Main Street
Anywhere, CA 90000

XII. DRE Publications

A. Subdivision Industry Bulletin

DRE periodically publishes a newsletter which includes the latest subdivision procedures, regulations, form changes, etc. The Subdivision Industry Bulletin is available on the DRE Web site, www.dre.ca.gov, by clicking on the Publications tab.

B. Real Estate Law Book

The Real Estate Law Book is available free of charge on our Web site, www.dre.ca.gov, by clicking on the Publications tab. Use RE 350 to order a hard copy of the Real Estate Law Book.

C. Subdivision Public Report Application Guide (SPRAG)

The SPRAG is a compilation of detailed instructions on how to apply for a public report plus an item-by-item analysis of RE 624 and 628, Notices of Intention, and the documentation which must be submitted with each. The SPRAG should prove to be a valuable tool for anyone who submits applications.

The SPRAG is available free of charge on our Web site, www.dre.ca.gov, by clicking on the Publications tab. Use RE 350 to order a hard copy of the SPRAG.

Note: The SPRAG is NOT copyrighted. You may reproduce it if you wish.

XIII. Explanation of Phasing Options

See Figure A for a description of the phasing options and a sample of each. (*Item 1(M) in Part III asks you to describe how the lots covered by this application relate to the overall project plan.*)

- A *multiple-map project* is characterized by groups of lots offered on more than one map (See Example 1).
- A *phased project* is characterized by groups of lots offered within one map, each group to be covered by a separate final public report (See Example 2).
- Each map of a *multiple-map project* may itself be developed in phases (See Example 3).

XIV. Receipt for Public Report — Regulation 2795.1

Each prospective purchaser must be given a copy of the public report for which a receipt must be completed and retained for three years. A Receipt for Public Report (RE 614E) shall be used by the owner/subdivider (or agent). (Refer to Figure B.) A copy of RE 614E will be provided when the public report is issued.

The receipt is to be kept on file by the subdivider (or the agent) for three (3) years.

Note: Regulation 2795.1(a) states “A receipt on the form specified herein shall be taken by or on behalf of the subdivider from each person executing a reservation agreement under authority of a preliminary public report and from each person who has made a written offer to purchase or lease a subdivision interest under authority of a final subdivision public report.”

Subdivision (b) of Regulation 2795.1 provides that the receipt shall be retained for a period of three years from the date of the receipt and shall be available for inspection by DRE during regular business hours.

Section 11018.1 of the Business and Professions Code stipulates when, and to whom, the subdivider or the subdivider’s agents or salespersons must give copies of the public report:

Prospective Purchaser to Receive Report

§11018.1. (a) A copy of the public report of the commissioner, when issued, shall be given to the prospective purchaser by the owner, subdivider or agent prior to the execution of a binding contract or agreement for the sale or lease of any lot or parcel in a subdivision. The requirement of this section extends to lots or parcels offered by the subdivider after repossession. A receipt shall be taken from the prospective purchaser in a form and manner as set forth in the regulations of the Real Estate Commissioner.

(b) A copy of the public report shall be given by the owner, subdivider or agent at any time, upon oral or

written request, to any member of the public. A copy of the public report and a statement advising that a copy of the public report may be obtained from the owner, subdivider or agent at any time, upon oral or written request, shall be posted in a conspicuous place at any office where sales or leases or offers to sell or lease lots within the subdivision are regularly made.

XV. Regulations Regarding Use of Public Report

Interests in a subdivision shall not be offered for sale or lease until the Real Estate Commissioner's final or conditional public report thereon has been issued, nor shall a deposit be accepted on, or an agreement of sale or lease be executed for, any interest in the subdivision until a copy of the final or conditional public report thereon has been given to the prospective purchaser and a receipt taken therefor.

Each purchaser's signed receipt for a copy of the final public report shall be kept on file in the possession of the owner/subdivider (or agent) of the subdivision for three (3) years subject to inspection at any reasonable time by the Real Estate Commissioner or his representatives.

No public report shall be used for advertising purposes unless the report is used in its entirety, nor shall any person advertise or represent that the Department of Real Estate or the Commissioner approves or recommends the subdivision project or sale thereof. No portion of the report shall be underscored, italicized, or printed in larger or heavier type than the balance of the report unless the report issued by the Commissioner is so emphasized.

Sale of a subdivision interest by the owner, agent, or subdivider after its repossession shall be considered an original sale, and a copy of the public report shall be given to the purchaser as in the case of the original sale.

The owner, subdivider, or agent shall immediately furnish data in writing to the Commissioner on any new condition or development in the subdivision being offered for sale. (See Section 2800 of the Commissioner's Regulations for an enumeration of material changes that may require amendment to a subdivision public report.)

If the owner of the subdivision options or sells five or more interests to another, such option or sale shall constitute a material change within the meaning of Section 11012 of the California Business and Professions Code, and such owner shall immediately notify the Real Estate Commissioner in writing of such option or sale. A purchaser of five or more interests is under obligation to obtain an amended public report before reselling. (See Regulation 2801.5 for further definition of "Subdivider.")

When the interest conveyed to purchasers consists of a sublease or lease assignment, the owner, subdivider, or agent of the subdivider shall deliver to each purchaser a copy of the original lease and all subsequent modifications, extensions, and assignments upon which the interest to be conveyed is based.

The proposed further division of any interest in the subdivision must be reported to the Real Estate Commissioner pursuant to Section 11012. (Also, see Regulation 2800.)

A division of any interest in the subdivision into five or more interests may constitute a new subdivision as defined by Section 11000 et seq. of the Business and Professions Code and a separate final public report may be required for that offering.

Note: All sections of the Business and Professions Code and the Commissioner's Regulations (California Code of Regulations) mentioned herein can be found in the Real Estate Law Book. The Real Estate Law Book is available free of charge on our Web site, www.dre.ca.gov, by clicking on the Publications tab. Use RE 350 to order a hard copy of the Real Estate Law Book.

Review of Sections 11000 through 11200 of the Business and Professions Code and Regulations 2790 through 2804 may be of benefit to you.

XVI. Final Documents

After a filing is substantially complete (SCA), a qualitative deficiency notice is sent to the single responsible party (SRP) advising him/her of document revisions and/or submittals which are required to effect compliance with real estate law.

Once the revisions/submittals are deemed adequate, there are certain documents which must be submitted to render the file "perfected." These documents may be termed "final documents" and generally include the following, as applicable:

- Recorded Map
- Recorded CC&Rs (*please do not submit recorded documents prior to DRE approval of draft*)
- Subordination of existing liens to the CC&Rs
- Title report issued after recordation of Map, CC&Rs, etc., less than 90 days old at date of issuance of public report.

Note: Depending upon the particulars of your project, items in addition to those listed above may be required prior to issuance of the final public report.

XVII. Abandonment of Application for Public Report

After written notice to the subdivider, or the subdivider's representative, the commissioner may abandon any application for a subdivision public report if the data required by Section 11010 has not been furnished within three years from the date a notice of intention is filed for a subdivision public report. (Refer to Section 11018.13(a) of the Business and Professions Code.)

The commissioner has adopted Regulation 2804 establishing time periods for notifying the subdivider and the subdivider's representative of the intention to abandon a file and establishing hardship or justifiable extenuation circumstances the commissioner deems acceptable.

