

CFPB Compliance Bulletin 2015-04**Date:** August 10, 2015**Subject:** Amendment to the Interstate Land Sales Full Disclosure Act

The Consumer Financial Protection Bureau (Bureau) issues this compliance bulletin to provide information to developers and other interested parties relating to Public Law 113-167, 128 Stat. 1882 (2014), which amended the Interstate Land Sales Full Disclosure Act (ILSA). This ILSA amendment was signed by the President on September 26, 2014. It became effective on March 25, 2015, and is codified primarily at 15 U.S.C. 1702(b)(9) and (d).

The amendment exempts from ILSA's registration and disclosure requirements the sale or lease of a condominium unit that is not exempt under 15 U.S.C. 1702(a). Under 15 U.S.C. 1702(d), a "condominium unit" is defined for purposes of this new exemption as:

a unit of residential or commercial property to be designated for separate ownership pursuant to a condominium plan or declaration provided that upon conveyance—

(1) the owner of such unit will have sole ownership of the unit and an undivided interest in the common elements appurtenant to the unit; and

(2) the unit will be an improved lot.

Pursuant to § 1010.4(d) of the Bureau's ILSA regulations, eligibility for an exemption under 15 U.S.C. 1702, including the exemption of section 1702(b)(9), is self-determining, and a developer is not required to file notice with or obtain the approval of the Bureau in order to take advantage of an exemption. Section 1010.4(d) also provides that a developer is responsible for maintaining records to demonstrate that the requirements of an exemption have been met if a developer elects to take advantage of an exemption. The Bureau will continue to process filings made by developers seeking to fulfill their obligations under ILSA and its implementing regulations.

If you have questions about ILSA program operations, you may contact ILSA program staff via email to CFPB_ILS_Inquiries@cfpb.gov or at the address below:

Consumer Financial Protection Bureau
Interstate Land Sales Program
1700 G St., NW
Attn: 1625 Eye St., Room 3093
Washington, DC 20552

If you have a question regarding the interpretation of ILSA or the Bureau's implementing regulations, please email CFPB_reinquiries@cfpb.gov with your specific question, including reference to the applicable regulation section(s).

Bureau staff responding to queries cannot provide legal advice and are not authorized to provide official interpretations of ILSA or of the Bureau's implementing regulations.

Regulatory Requirements

This Compliance Bulletin summarizes existing requirements under the law, and does not itself establish any binding obligations. It is therefore exempt from notice and comment rulemaking requirements under the Administrative Procedure Act pursuant to 5 U.S.C. 553(b). Because no notice of proposed rulemaking is required, the Regulatory Flexibility Act does not require an initial or final regulatory flexibility analysis. 5 U.S.C. 603(a), 604(a). The Bureau has determined that this Compliance Bulletin does not impose any new or revise any existing recordkeeping, reporting, or disclosure requirements on covered entities or members of the public that would be collections of information requiring OMB approval under the Paperwork Reduction Act, 44 U.S.C. 3501 *et seq.*