

WOODSTOCK PLANNING BOARD

MEMORANDUM

Date: December 16, 1993

From: Planning Board

To: Applicant

Subject: General Business Law §352-e [Martin Act]

The above section requires that offers for sale of a participation interest in realty is prohibited without prior registration with the State of New York Department of Law. A participation interest can be defined as any obligation to own/or maintain property in common with other purchasers in the subdivision. Examples are: private roads, shared water/sewer systems, ponds, buffer areas, etc.

Registration consists of the submission of a proposed prospectus setting out the terms and risks of the offer of sale. Upon acceptance for filing of the prospectus by the Attorney General, lots in the subdivision may be offered for sale. The prospectus is valid for twelve (12) months and must be amended semi-annually initially, and annually, thereafter to remain effective until all lots are sold. In some cases most registration requirements are waived and a "NO-ACTION" letter issued. These letters are limited to offers that involve minimal obligations, e.g., four or fewer lots sharing a road.

The Town of Woodstock has no responsibility in and will take no enforcement action as to the above. However, failure to register may subject the offeror and any agent of the offeror to substantial costs and other penalties.

For further registration information contact:

State of New York Department of Law
Real Estate Finance Bureau 23 Floor
120 Broadway
New York, NY 10271