

National Association of Condo Hotel Owners Enters the Equation

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Earlier this week, our client, the National Association of Condo Hotel Owners, a nonprofit association headquartered in Scottsdale, Arizona, announced its launch and the launch of its web site, www.nacho.us. The Association impacts the issues currently confronting the condo hotel industry.

Application of securities laws to condo hotels may be deemed a sale of a security unless the information flow to potential buyers is substantially limited. (See [Condominium-Hotel Development: Beware the Securities Law Minefield](#), June 2, 2005.) These securities laws may be having an unintended consequence. Because the laws inhibit developers from providing unit buyers with information on the feasibility of a hotel, the marketplace may not be working efficiently to distinguish good projects from bad ones.

The National Association of Condo Hotel Owners is entering this equation. It seeks to address the inefficiencies and thereby benefit and protect the fledgling condo hotel industry.

We would be pleased to discuss your comments and questions about this association and its implications for your company and the industry in general.

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Related Article

[Condo Hotels: How Developers and Owners' Associations can Avert a Hotel Implosion](#), January 17, 2006.

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