



**STATE OF GEORGIA  
GOVERNOR'S OFFICE OF CONSUMER PROTECTION**

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### **Pre-sale Investigation Guidelines**

Every gym that has been approved to pre-sell memberships must be inspected by the Administrator's designee. Appointments for pre-sale inspection should be scheduled within fifteen days of a planned opening. When there are delays in gym equipment delivery or construction, gym owners may be compelled to change the date of their gym's opening and pre-sale inspection. In such cases, owners must contact this office to schedule a new inspection appointment.

On the day of the pre-sale inspection, gym owners will be required to provide:

1. A copy of a permanent Certificate of Occupancy.
2. A list of all pre-sale memberships, including names, addresses and amounts paid.
3. Copies of the escrow account statements for all months through the date of the inspection.
4. Membership contracts for review, even if the contracts are stored electronically.
5. An in-depth onsite examination of the facility and services.

Please be aware that temporary Certificates of Occupancy will not be accepted by this office. If a local municipality does not provide Certificates of Occupancy, a letter or other documentation must be provided by that office which authorizes the occupancy of the facility. In addition, all construction must be completed within the facility prior to the pre-sale inspection.

The pre-sale membership list must be in a format which includes complete names, addresses, zip codes and amounts paid at the execution of each membership contract. The list must include a total of all funds collected by the gym during the pre-sale. Remember, the list total, must be reconciled to the final escrow account statement balance. This means that all deposits and credits must be reflected in the final escrow account statement.

Membership contracts will be inspected for completion. Each contract should accurately show the member name, address, amount paid, term of the contract, 7 day cancellation date and signatures of the gym's representative and member. There should be no blank spaces or errors within the contracts at any time.

After the pre-sale inspection, a written statement will be issued by this office which will certify to the bank or trust company that the health spa is fully operational and available for use and, that all funds which are held in trust may be released to the gym.

### **In Summary**

- Every gym that has been approved to pre-sell memberships must be inspected by the Administrator's designee. Appointments for pre-sale inspection should be scheduled within fifteen days of a planned opening.

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5. An in-depth onsite examination of the facility and services.

After the pre-sale inspection, all funds which are held in trust will be released to the gym.

- If there are any questions regarding this material or past podcasts, please do not hesitate to contact this office.



For concise Health Spa compliance updates and information, please follow us on twitter at [www.twitter.com/GOCA2](http://www.twitter.com/GOCA2).