

1 which is physically located entirely within a single county shall be recorded
2 only in that county, even if the common elements are not physically located
3 entirely within that county. Subsequent amendments shall be indexed under the
4 name of the developer.

5 707.215 PROJECT AND TIME-SHARE PROPERTY PLAT. (1) RECORDING
6 REQUIREMENT. When a time-share instrument is recorded under s. 707.21 (3),
7 the developer shall file for record a plat, as described in sub. (2), of the
8 time-share property and the project, if any, within which the time-share
9 property is located, except that if a plat of the project was previously
10 recorded the developer need only file the information necessary to update the
11 recorded plat.

12 (2) REQUIRED CONTENTS. A plat filed for recording under sub. (1) may
13 consist of one or more sheets and shall contain at least all of the following:

14 (a) On each sheet of the plat, the name of the project and time-share
15 property and the county in which the project and time-share property are
16 located. If there is more than one sheet, each sheet shall be consecutively
17 numbered and show the relation of that sheet number to the total number of
18 sheets.

19 (b) A survey of the project and time-share property complying with mini-
20 mum standards for property surveys adopted by the examining board, as defined
21 in s. 443.01 (3), and showing the location of any time-share unit, unit or
22 other building located or to be located on the property.

23 (c) Diagrammatic floor plans of each building located or to be located on
24 the property which show the approximate dimensions, floor area and location of
25 each time-share unit and unit in a building. Common elements shall be shown
26 graphically to the extent feasible.

27 (3) FORM OF MAPS AND PLANS. All survey maps and floor plans submitted
28 for recording shall be legibly prepared with a binding margin of 1.5 inches on

1 the left side and a one-inch margin on all other sides on durable white paper
2 14 inches in length and 22 inches in width with nonfading black image or
3 reproduced with photographic silver haloid image on double matt polyester film
4 of not less than 4 millimeter thickness and 14 inches long by 22 inches wide.
5 The maps and plans shall be drawn to a convenient scale.

6 (4) DESIGNATION OF TIME-SHARE UNITS AND UNITS. Every time-share unit and
7 unit shall be designated on the plat by number or other appropriate
8 designation.

9 (5) SURVEYOR'S CERTIFICATE. A plat is sufficient for the purposes of
10 this chapter if attached to or included in the plat is a certificate of a land
11 surveyor licensed to practice in this state, and the certificate provides all
12 of the following:

13 (a) That the plat is a correct representation of the project and the
14 time-share property.

15 (b) The identification and location of each time-share unit and each unit
16 and the common elements can be determined from the plat.

17 (6) NONAPPLICABILITY. Chapter 236 does not apply to plats required under
18 this section.

19 707.22 ALLOCATION OF TIME-SHARE LIABILITY AND VOTING RIGHTS. (1) ALLO-
20 CATION OF EXPENSES. The time-share instrument shall state the amount of, or
21 formula used to determine, any time-share liability.

22 (2) ALLOCATION OF VOTING RIGHTS. (a) If the time-share instrument pro-
23 vides for voting, it shall allocate votes to each time-share unit and to each
24 time share under par. (b), but shall not allocate votes to any other property
25 or person.

26 (b) The number of votes allocated to each time share shall be equal for
27 all time shares or proportionate to each time share's value, as estimated by
28 the developer, time-share liability or time-share unit size. The time-share

1 instrument may specify matters as to which the votes shall be equal and other
2 matters as to which votes shall be proportionate.

3 (3) ALTERING ALLOCATION. Except as otherwise provided under s. 707.21
4 (1) (f), the votes and time-share liability may not be altered without the
5 unanimous consent of all time-share owners entitled to vote and voting either
6 at a meeting or in an initiative or referendum in which at least 80% of the
7 votes allocated to time shares are cast.

8 (4) SUM OF EXPENSES. Except for minor variations due to rounding, the
9 sum of the time-share liabilities assigned to all time shares shall equal one,
10 if stated as fractions, or 100% if stated as percentages. If a discrepancy
11 occurs between the time-share liability or votes allocated to a time share and
12 the result derived from the application of the formulas, the allocated time-
13 share liability or vote prevails.

14 707.23 PARTITION. Notwithstanding ch. 842, no action for partition of a
15 time-share unit may be maintained except as permitted by the time-share
16 instrument or under s. 707.24 (3) (b).

17 707.24 TERMINATION OF TIME SHARES. (1) TERMINATION BY AGREEMENT. All
18 time shares in a time-share property may be terminated only by agreement of
19 the time-share owners having at least 80% of the time shares, except that the
20 time-share instrument may require approval by a greater majority.

21 (2) RECORDING OF AGREEMENT. (a) An agreement to terminate all time
22 shares in a time-share property shall be evidenced by a termination agreement
23 which meets the requirements of s. 706.05 (2) for recording, is signed by each
24 of the time-share owners who agree to termination under sub. (1) and provides
25 that the agreement will be void unless the agreement is recorded before a
26 specified date.

1 (b) A termination agreement shall be recorded in the office of the
2 register of deeds of each county in which a portion of the time-share property
3 is located and shall be effective only upon recordation.

4 (3) AGREEMENT WITHOUT SALES CONTRACT. (a) Unless the termination
5 agreement sets forth a sales contract described in sub. (4), title to an
6 estate or interest in each time-share unit, equal to the sum of the time
7 shares in the time-share unit, shall vest upon termination in the time-share
8 owners of the time-share unit in proportion to their respective interests
9 under sub. (6m) or (7), and liens on the time shares shall shift accordingly
10 to encumber those interests.

11 (b) Upon termination, an owner of an estate or interest in a time-share
12 unit under par. (a) may maintain an action for partition under ch. 842.

13 (4) AGREEMENT WITH SALES CONTRACT. If the termination agreement sets
14 forth the material terms of a contract or proposed contract under which an
15 estate or interest in each time-share unit, equal to the sum of the time
16 shares in the time-share unit, is to be sold and designates a trustee to
17 effect the sale, title to that estate or interest shall vest upon termination
18 in the trustee for the benefit of the time-share owners, to be transferred
19 under the contract. Proceeds of the sale shall be distributed to time-share
20 owners and lienholders under sub. (6).

21 (5) RIGHTS AND LIABILITIES AFTER TERMINATION. Except as otherwise
22 specified in the termination agreement, if the former time-share owners or
23 their trustee holds title to the estate or interest equal to the sum of the
24 time shares, each former time-share owner and the time-share owner's succes-
25 sors in interest have the same rights with respect to occupancy in the former
26 time-share unit that the former time-share owner would have had if termination
27 had not occurred, together with the same liabilities and other obligations
28 imposed under this chapter or the time-share instrument.

1 (6) DISTRIBUTION OF PROCEEDS. After termination of all time shares in a
2 time-share property and adequate provision for the payment of the claims of
3 the creditors for time-share expenses, the proceeds shall be distributed to
4 the former time-share owners and their successors in interest in proportion to
5 their interests as determined under sub. (6m) or (7). The distribution shall
6 consist of the proceeds of any sale under this section and the proceeds of any
7 personalty or other funds held for the use and benefit of the former time-
8 share owners. After termination, creditors of the association holding liens
9 perfected against the time-share property before the termination may enforce
10 those liens in the same manner as any other lienholder. All other creditors
11 of the association shall be treated as if they had liens on time-share prop-
12 erty which were perfected immediately before termination.

13 (6m) INTERESTS SPECIFIED. The time-share instrument may specify the
14 respective fractional or percentage interest in the estate or interest in each
15 time-share unit equal to the sum of the time shares in the time-share unit
16 that will be owned by each former time-share owner.

17 (7) APPRAISALS. (a) If the specification under sub. (6m) is not made,
18 an appraisal under par. (b) of the fair market value of each time share shall
19 be made not more than 180 days before the termination by one or more impartial
20 qualified appraisers, selected either by the trustee designated in the termi-
21 nation agreement or by the managing entity if no trustee is designated.

22 (b) The appraisal shall state the corresponding fractional or percentage
23 interests calculated in proportion to those values and shall be made in
24 accordance with all of the following:

25 1. If the termination agreement sets forth a sales contract described in
26 sub. (4), each time share conferring a right of occupancy during a limited
27 number of time periods shall be appraised as if the time until the date
28 specified for the conveyance of the property had already elapsed.

1 2. If the termination agreement does not set forth a sales contract de-
2 scribed in sub. (4), each time share conferring a right of occupancy during a
3 limited number of time periods shall be appraised as if the date specified
4 under sub. (2) had already elapsed.

5 3. The interest of each time-share owner is the value of the time share
6 divided by the sum of the values of all time shares in the unit or units to
7 which the time share applies.

8 (c) A notice stating all values and corresponding interests determined
9 under par. (b) and the return address of the sender shall be sent by certified
10 or registered mail by the managing entity or by the trustee designated in the
11 termination agreement to all time-share owners.

12 (d) The appraisal governs the magnitude of each interest unless at least
13 25% of the time-share owners deliver, within 60 days after the notices
14 required under par. (c) are mailed, written disapprovals to the sender of the
15 notice or unless a court determines that the appraisal should be set aside.

16 (8) FORECLOSURE. Foreclosure or enforcement of a lien or encumbrance
17 against all of the time shares in a time-share property does not, of itself,
18 terminate those time shares.

19 707.25 USE FOR SALES PURPOSES. (1) Except as provided in sub. (2), a
20 developer may maintain sales offices, management offices and models in the
21 time-share property only if the time-share instrument so provides and speci-
22 fies the rights of a developer with regard to the number, size, location and
23 relocation of the offices. The developer may maintain signs on the time-share
24 property advertising the time-share property.

25 (2) A developer's authority under sub. (1) is subject to restrictions in
26 ordinances and the project instrument.

27 707.26 RIGHTS OF SECURED LENDERS. The time-share instrument may require
28 that all or a specified number or percentage of holders of mortgages or

1 equivalent security interests encumbering units or time shares approve speci-
2 fied actions of the unit owners, time-share owners, the developer or the man-
3 aging entity as a condition to the effectiveness of those actions, but no
4 requirement for approval may do any of the following:

5 (1) CONTROL OVER ADMINISTRATION. Deny or delegate control over the gen-
6 eral administrative affairs of an association by the unit owners or time-share
7 owners, or their elected representatives.

8 (2) INVOLVEMENT IN LITIGATION. Prevent an association from commencing,
9 intervening in or settling any litigation or proceeding or receiving and dis-
10 tributing insurance proceeds under s. 707.35.

11 SUBCHAPTER III

12 MANAGEMENT OF TIME-SHARE PROPERTY

13 707.30 MANAGING ENTITY; ASSOCIATION OF UNIT OWNERS. (1) LEGAL ENTITY.

14 Except as otherwise provided in this section, the affairs of every time-share
15 property shall be managed by an association which, whether incorporated or
16 unincorporated, is a legal entity for all purposes.

17 (2) ORGANIZATION OF ASSOCIATION. (a) More than 12 time shares. 1. If
18 the number of time shares in a time-share property exceeds 12, the developer
19 shall establish an association to govern the time-share property not later
20 than the date of the first conveyance of a time share in the time-share prop-
21 erty to a purchaser. The association shall be organized as a profit or non-
22 profit corporation or as an unincorporated association. After it is
23 organized, the membership of the association shall at all times consist
24 exclusively of all of the time-share owners.

25 2. If a developer does not establish an association under subd. 1, any
26 interested party, including a time-share owner or a holder of a lien in the
27 time-share property, may petition the circuit court in the county in which the

1 time-share property is located to establish an association and prescribe the
2 powers of the managing entity in accordance with sub. (5).

3 (b) Twelve or fewer time shares. If the number of time shares in the
4 time-share property is 12 or fewer, 3 or more time-share owners may form an
5 association to manage the time-share property.

6 (3) DEVELOPER CONTROL PERIOD. Until an association is established under
7 sub. (2) or unless time-share owners exercise the authority granted under sub.
8 (6), the developer has the power and responsibility to act in all instances in
9 which this chapter, any other provision of law, the time-share instrument or
10 project instrument requires action by the association or its officers.

11 (4) BOARD OF DIRECTORS. (a) All powers of the association under sub.
12 (5) shall be exercised by and under the authority of, and the business and
13 affairs of the association shall be conducted by, a board of directors elected
14 in accordance with pars. (b) to (d).

15 (b) The developer or persons designated by the developer may appoint or
16 remove the members of the association's board of directors, except as provided
17 in par. (c).

18 (c) 1. Time-share owners other than the developer may elect no less than
19 one-third of the members of the board of directors of the association when
20 time-share owners other than the developer own 15% or more of the time shares
21 in a time-share property.

22 2. Time-share owners other than the developer may elect no less than a
23 majority of the members of the board of directors of an association when the
24 first of any of the following occurs:

25 a. Three years after 50% of the time shares in a time-share property have
26 been conveyed to purchasers.

27 b. Three months after 90% of the time shares in a time-share property
28 have been conveyed to purchasers.

1 c. All of the time shares that will ultimately be operated by the asso-
2 ciation have been completed, some of them have been conveyed to purchasers,
3 and none of the others is being offered for sale by the developer in the
4 ordinary course of business.

5 d. Some of the time shares have been conveyed to purchasers and none of
6 the others is being constructed or offered for sale by the developer in the
7 ordinary course of business.

8 3. The developer or persons designated by the developer may not remove
9 any member of the board of directors who was elected by the time-share owners.

10 (d) Within 60 days after the time-share owners are entitled under par.
11 (c) to elect a member or members of the board of directors of an association,
12 the association shall call, upon not less than 30 days' nor more than 40 days'
13 notice, a meeting of the time-share owners to elect the members of the board
14 of directors. Any time-share owner may call and give notice of a meeting
15 under this paragraph if the association fails to do so.

16 (5) POWERS OF MANAGING ENTITY. (a) Subject to par. (c) and the time-
17 share instrument, the association may do any of the following:

- 18 1. Adopt, amend and repeal bylaws, rules and regulations.
- 19 2. Adopt and amend budgets for revenues, expenditures and reserves, and
20 levy and collect assessments for time-share expenses from time-share owners.
- 21 3. Employ and dismiss employees, agents and independent contractors.
- 22 4. Commence, defend or intervene in court actions or administrative pro-
23 ceedings in its name on behalf of itself or 2 or more time-share owners on
24 matters affecting the time-share property or time shares.
- 25 5. Make contracts and incur liabilities.
- 26 6. Regulate the use, maintenance, repair, replacement and modification of
27 the time-share property.
- 28 7. Cause additional improvements to be made to the time-share property.

1 8. Impose charges for late payment of assessments and, after notice and
2 an opportunity to be heard, levy reasonable fines for violations of the time-
3 share instrument, bylaws and rules or regulations of the association.

4 9. Impose reasonable charges for the preparation of resale certificates
5 required by s. 707.48 (2) or statements of unpaid assessments.

6 10. Exercise any other powers conferred by the time-share instrument or
7 bylaws.

8 11. Impose and receive any payments, fees or charges for the use, rental
9 or operation of the time-share property and for services provided to time-
10 share owners.

11 12. Acquire, hold, encumber and convey in its name any right, title or
12 interest in or to real or personal property.

13 13. Assign its right to future income, including the right to receive
14 assessments for time-share expenses, but only to the extent that the time-
15 share instrument expressly so provides.

16 14. Provide for the indemnification of its directors and officers and
17 maintain directors' and officers' liability insurance.

18 15. Exercise all other powers that may be exercised in this state by
19 legal entities of the same type as the association.

20 16. Exercise any other powers necessary and proper for the governance and
21 operation of the association.

22 (b) Except as otherwise provided in the time-share instrument, the
23 manager, to the extent permitted by the management contract, may exercise the
24 powers specified in par. (a) 1 to 11.

25 (c) 1. The time-share instrument may not impose limitations on the power
26 of the association to deal with the developer which are more restrictive than
27 the limitations imposed on the power of the association to deal with other
28 persons.

1 2. If the time-share property is a part of a project, this section may
2 not confer any powers on the managing entity, the developer or the time-share
3 owners with respect to any portion of the project other than the units
4 comprising the time-share property.

5 (6) POWERS AND RESPONSIBILITY IF NO MANAGING ENTITY. If the number of
6 time shares in the time-share property is 12 or fewer and no managing entity
7 is established, the time-share owners shall have all of the following:

8 (a) The powers in sub. (5) (a) 1 to 11, subject to any restrictions and
9 limitations specified by the time-share instrument. If the time-share
10 instrument is silent with respect to the manner of exercise of any of these
11 powers, the time-share owners may exercise the power only by unanimous action.

12 (b) The responsibilities and liabilities of an association under ss.
13 707.33 and 707.34.

14 (7) CAMPGROUNDS EXCLUDED. This section does not apply to time-share
15 property in which a campground member owns a time-share easement in a
16 campground.

17 707.31 TRANSFER OF SPECIAL DEVELOPER RIGHTS. (1) DEFINITION. In this
18 section, "special developer right" means a developer's right to do any of the
19 following:

20 (a) Add more units to a time-share property under s. 707.21 (1) (f).

21 (b) Maintain sales offices, management offices, models and signs under s.
22 707.25.

23 (c) Appoint, control or serve as the managing entity.

24 (2) REQUIREMENTS FOR TRANSFER. No special developer right may be trans-
25 ferred except by an instrument executed by both the transferor and transferee
26 which evidences the transfer and is recorded in every county in which any
27 portion of the time-share property is located.

1 (3) LIABILITY OF TRANSFEROR. Upon transfer of a special developer right,
2 the liability of a transferor shall be as follows:

3 (a) The transferor may not be relieved of any obligation or liability
4 arising before the transfer, and the transferor shall remain liable for war-
5 ranty obligations imposed upon him or her under s. 707.53. Lack of privity
6 may not deprive a time-share owner of standing to maintain an action to
7 enforce an obligation of the transferor.

8 (b) If a successor to a special developer right is an affiliate of the
9 developer, the transferor shall be jointly and severally liable with the suc-
10 cessor for any obligations or liabilities of the successor relating to the
11 time-share property.

12 (c) If the transferor retains any special developer right but transfers
13 other special developer rights to a successor who is not an affiliate of the
14 developer, the transferor shall be liable for any obligations or liabilities
15 imposed on a developer either by this chapter or by the time-share instrument
16 relating to the retained special developer rights and arising after the
17 transfer.

18 (d) A transferor is not liable for any act or omission or any breach of a
19 contractual or warranty obligation arising from the exercise of a special
20 developer right by a successor developer who is not an affiliate of the
21 transferor.

22 (4) RIGHTS WHERE FORECLOSURE OR TAX SALE. (a) 1. Unless otherwise pro-
23 vided in a mortgage instrument or deed of trust, in case of foreclosure of a
24 mortgage, tax sale, judicial sale, sale by a trustee under a deed of trust, or
25 sale under bankruptcy or receivership proceedings, of any time shares owned by
26 a developer in the time-share property, a person acquiring title to all of the
27 time shares being foreclosed or sold shall succeed, depending upon his or her
28 request, to one of the following:

1 a. All special developer rights.

2 b. Any rights reserved in the time-share instrument under s. 707.25
3 allowing the developer to maintain sales offices, management offices, models
4 and signs.

5 2. The judgment or instrument conveying title shall provide for transfer
6 of only those special developer rights requested under subd. 1.

7 (b) Upon foreclosure, tax sale, judicial sale, sale by a trustee under a
8 deed of trust, or sale under bankruptcy or receivership proceedings of all
9 time shares in a time-share property owned by a developer, all of the follow-
10 ing shall occur:

11 1. The right to appoint, control or serve as the managing entity shall
12 terminate unless the judgment or instrument conveying title provides for
13 transfer of all special developer rights to a successor developer.

14 2. The developer shall cease to have any other special developer rights.

15 (5) RIGHTS, LIABILITIES AND DUTIES OF SUCCESSOR. (a) A successor to any
16 special developer right who is an affiliate of a developer is subject to all
17 obligations and liabilities imposed on the transferor by this chapter or the
18 time-share instrument.

19 (b) 1. A successor to any special developer right, other than a successor
20 described in par. (c) or (d), who is not an affiliate of a developer, is
21 subject to any of the following obligations and liabilities imposed by this
22 chapter or the time-share instrument:

23 a. On a developer, which relate to a developer's exercise or nonexercise
24 of special developer rights.

25 b. On the successor's transferor, except as provided in subd. 2.

26 2. A successor described in subd. 1 is not subject to any of the follow-
27 ing obligations and liabilities of the successor's transferor:

28 a. Liability for misrepresentations by a previous developer.

1 b. Warranty obligations on improvements made by any previous developer or
2 made before the property became a time-share property.

3 c. Breach of any fiduciary obligation by any previous developer or any
4 developer's appointees.

5 d. Any liability or obligation imposed on the transferor as a result of
6 the transferor's acts or omissions after the transfer.

7 (c) A successor to only the right to maintain sales offices, management
8 offices, models and signs under s. 707.25, if the successor is not an affili-
9 ate of a developer, may not exercise any other special developer right and is
10 not subject to any liability or obligation as a developer, except the obli-
11 gation to provide a time-share disclosure statement and any liability arising
12 as a result of providing the time-share disclosure statement.

13 (d) If a successor to all special developer rights held by a transferor
14 is not an affiliate of the developer and has succeeded to those rights by deed
15 in lieu of foreclosure, judgment or an instrument conveying title to the time
16 shares under sub. (4), the successor may declare in a recorded instrument the
17 intention to hold those rights solely for transfer to another person.
18 Thereafter, until transferring all special developer rights, that successor
19 may not exercise any of those rights other than any right held by the trans-
20 feror to appoint, control or serve as the managing entity, and any attempted
21 exercise of those rights is void. During any period in which a successor may
22 not exercise special developer rights under this paragraph, the successor is
23 not subject to any liability or obligation as a developer other than liability
24 for his or her acts and omissions in appointing, controlling or serving as the
25 managing entity.

26 (6) PRESERVATION OF PURCHASER'S CLAIMS AND DEFENSES. (a) Any claim or
27 defense based on any written documentation which a purchaser may raise against

1 the person who sold the time share to the purchaser is preserved against any
2 assignee or successor to any of the following:

3 1. The contract of sale.

4 2. Any credit contract in connection with the sale of the time share
5 which is executed by the purchaser and which may be retained by or assigned to
6 the developer, an affiliate of the developer or a creditor having a contrac-
7 tual relationship with the developer.

8 (b) Any recovery by a purchaser under par. (a) may not exceed the amounts
9 paid by the purchaser under the contract.

10 (c) Sellers and creditors shall include the following language in prom-
11 issory notes executed in connection with the sale of time shares:

12 NOTICE

13 ANY HOLDER OF THIS CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES
14 WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF SERVICES OR PROPERTY
15 OBTAINED PURSUANT TO THE CREDIT CONTRACT OR WITH THE PROCEEDS OF THE CREDIT
16 CONTRACT. RECOVERY UNDER THE CREDIT CONTRACT BY THE DEBTOR MAY NOT EXCEED
17 AMOUNTS PAID BY THE DEBTOR UNDER THE CREDIT CONTRACT.

18 (7) EXTENT OF OBLIGATIONS. Nothing in this section subjects any succes-
19 sor to a special developer right to any claims against or other obligations of
20 a transferor developer, other than claims and obligations arising under this
21 chapter or any written documentation.

22 707.32 TERMINATION OF CONTRACTS AND LEASES OF DEVELOPER. (1)
23 DEFINITION. In this section, "time-share property" does not include a
24 campground.

25 (1m) AUTHORITY OF THE ASSOCIATION. The following contracts or leases
26 relating to the time-share property which are entered into before the devel-
27 oper ceases under s. 707.30 (4) (c) to appoint a majority of the board of
28 directors may be terminated without penalty by the association at any time

1 after the developer ceases to appoint a majority of the board of directors,
2 upon not less than 90 days' notice to the other party to the contract or
3 lease:

4 (a) Any management contract, employment contract, or lease of recrea-
5 tional or parking areas or facilities.

6 (b) Any contract or lease between the managing entity and a developer or
7 an affiliate of a developer.

8 (c) Any contract or lease that is not bona fide or was unconscionable to
9 the time-share owners when entered into under the circumstances then
10 prevailing.

11 (2) APPLICABILITY TO LEASES. This section does not apply to a lease if
12 termination of the lease would terminate the time-share property or reduce its
13 size, unless the real estate subject to the lease was included in the time-
14 share property for the purpose of avoiding the right to terminate a lease
15 under this section.

16 (3) ACTION BY TIME-SHARE OWNER. If no association is established under
17 s. 707.30 (2), any time-share owner, individually or on behalf of the class of
18 time-share owners, may maintain an action under sub. (1m) to terminate a con-
19 tract or lease of the developer relating to the time-share property.

20 707.33 UPKEEP OF UNITS. (1) RESPONSIBILITY OF MANAGING ENTITY AND
21 REQUIRED ACCESS. (a) Unless otherwise provided in the time-share instrument,
22 the managing entity shall be responsible for maintenance, repair and replace-
23 ment of the time-share units and any personal property available for use by
24 time-share owners in conjunction with the time-share units, other than per-
25 sonal property separately owned by a time-share owner.

26 (b) Each time-share owner shall afford access through the time-share unit
27 reasonably necessary for the purposes described in par. (a), but the managing
28 entity shall promptly repair any damage to the time-share unit or personal

1 property in the time-share unit which results from the access required under
2 this paragraph.

3 (2) ALTERATION OF UNIT. Subject to the time-share instrument, a time-
4 share owner may not change the appearance of a time-share unit without the
5 consent of the managing entity.

6 707.34 TORT AND CONTRACT LIABILITY. (1) ACTIONS AGAINST DEVELOPER AND
7 THE ASSOCIATION. (a) An action in tort alleging a wrong done by a developer
8 or a manager selected by the developer, or an agent or employe of either, in
9 connection with any portion of the time-share property or other property which
10 the developer or the manager has the responsibility to maintain may not be
11 maintained against the association or any time-share owner other than a
12 developer.

13 (b) An action in tort alleging a wrong done by an association or by an
14 agent or employe of the association or an action arising from a contract made
15 by or on behalf of the association may be maintained only against the
16 association.

17 (bm) If a tort or breach of contract action against an association under
18 par. (b) is based upon conduct which occurred during any period of developer
19 control, the developer is subject to liability for all unreimbursed losses
20 suffered by the association or time-share owners, including costs and reason-
21 able attorney fees notwithstanding s. 814.04 (1). Any statute of limitations
22 affecting the right of action of the association or time-share owners under
23 this paragraph is tolled until the period of developer control terminates.

24 (c) No time-share owner may be precluded from bringing an action under
25 this subsection because the person is a time-share owner or a member, officer
26 or director of the association.

1 (2) ACTIONS AGAINST TIME-SHARE OWNER. (a) Except as provided in sub.
2 (3), a time-share owner is personally liable for his or her acts and
3 omissions.

4 (b) Each time-share owner shall be liable to the association for any
5 damage, except ordinary wear and tear, done to the time-share property by the
6 time-share owner or a person using the time-share property under the rights of
7 the time-share owner.

8 (c) An action may not be maintained against a time-share owner merely
9 because he or she owns a time share.

10 (3) LIABILITY OF VOLUNTEER DIRECTORS AND OFFICERS. A director or officer
11 of an association who is not paid for services to the association is not
12 personally liable for damages resulting solely because of his or her member-
13 ship on the board or participation in association activities.

14 (4) JUDGMENT LIEN. A judgment for money against an association shall be
15 a lien against all of the time shares if properly docketed under ch. 806, but,
16 notwithstanding s. 806.15 (1), the judgment shall not constitute a lien
17 against any other property of a time-share owner.

18 707.35 INSURANCE; REPAIR OR REPLACEMENT OF DAMAGED PROPERTY. (1)
19 REQUIRED INSURANCE. Beginning not later than when a developer offers a time
20 share for sale in a time-share property in which the number of time shares
21 exceeds 12, the managing entity shall maintain all of the following insurance,
22 to the extent reasonably available and applicable and not otherwise unani-
23 mously agreed by the time-share owners or provided by the developer or by a
24 person managing a project of which the time-share property is a part:

25 (a) Property insurance on the time-share property and any personal prop-
26 erty available for use by time-share owners in conjunction with the time-share
27 property, other than personal property separately owned by a time-share owner,
28 insuring against all risks of direct physical loss commonly insured against,

1 for not less than full replacement value of the property insured, exclusive of
2 items normally excluded from property insurance policies.

3 (b) Liability insurance, including medical payments insurance, in an
4 amount determined by the managing entity but not less than any amount speci-
5 fied in the time-share instrument, covering all occurrences commonly insured
6 against for death, bodily injury and property damage arising out of or in
7 connection with the use, ownership or maintenance of the time-share property
8 and time-share units.

9 (2) NOTICE REQUIREMENT. If the insurance under sub. (1) is not reason-
10 ably available, the managing entity shall promptly mail or hand deliver notice
11 of that fact to all time-share owners.

12 (2m) INSPECTION OF POLICIES. The managing entity shall make copies of
13 all insurance policies carried under sub. (1) available for inspection by the
14 time-share owners during normal business hours.

15 (3) CONTENTS OF POLICY. Each insurance policy carried under sub. (1)
16 shall provide all of the following:

17 (a) That each time-share owner is an insured person under the policy
18 whether designated as an insured by being named individually or as part of a
19 named group or otherwise, as the time-share owner's interest may appear.

20 (b) That the insurer waives its right to subrogation under the policy
21 against any time-share owner or members of the time-share owner's household.

22 (c) That an act or omission by any time-share owner shall not void the
23 policy or be a condition to recovery by any other person under the policy
24 unless the time-share owner is acting within the scope of his or her authority
25 on behalf of the association.

26 (d) That the policy is primary insurance not contributing with any other
27 insurance in the name of a time-share owner covering the same risk covered by

1 the policy, and the other insurance in the name of a time-share owner applies
2 only to loss in excess of the primary coverage.

3 (4) INSURANCE TRUSTEE. (a) Except as provided in par. (d), any loss
4 covered by the property insurance required under sub. (1) (a) shall be
5 adjusted with, and the insurance proceeds from that loss payable to, the
6 insurance trustee designated in the time-share instrument. If a trustee has
7 not been designated or if the designated trustee fails to serve, the managing
8 entity shall be the insurance trustee.

9 (b) Except as provided in par. (c), the insurance trustee shall hold any
10 insurance proceeds in trust for time-share owners and lienholders as their
11 interests may appear and be determined in accordance with s. 707.24.

12 (c) Subject to sub. (7), the insurance trustee shall disburse insurance
13 proceeds for the repair or restoration of the time-share property, and time-
14 share owners and lienholders may not receive payment of any portion of the
15 proceeds unless there is a surplus of proceeds after the property has been
16 completely repaired or restored, or there is a termination under s. 707.24.

17 (d) This subsection does not apply if the property insurance required
18 under sub. (1) (a) is provided by a person managing a project of which the
19 time-share property is a part.

20 (5) OTHER INSURANCE PROTECTION. (a) The time-share instrument may
21 require the managing entity to carry any other insurance and the managing
22 entity may carry any other insurance deemed appropriate.

23 (b) An insurance policy issued under sub. (1) may not prevent a time-
24 share owner from obtaining insurance for the time-share owner's benefit.

25 (6) CERTIFICATES; CANCELLATION. (a) An insurer that has issued an
26 insurance policy under this section shall issue certificates or memoranda of
27 insurance to any association and, upon written request, to any time-share
28 owner, mortgagee or beneficiary under a deed of trust.

1 (b) An insurer that has issued an insurance policy under this section may
2 terminate the policy only as provided in s. 631.36, except that notice of
3 cancellation or nonrenewal shall be mailed to the last-known address of the
4 managing entity and each person to whom a certificate or memorandum of insur-
5 ance has been issued.

6 (7) DAMAGED PROPERTY; REPAIR OR REPLACEMENT. (a) Any portion of the
7 time-share property damaged or destroyed shall be repaired or replaced
8 promptly by the managing entity unless any of the following occur:

- 9 1. Another person repairs or replaces it.
- 10 2. There is a termination under s. 707.24.
- 11 3. Repair or replacement would be illegal under any state or local health
12 or safety statute or ordinance, including a zoning ordinance.
- 13 4. Fifty percent of the time-share owners of undamaged or undestroyed
14 time-share units and 80% of the time-share owners of damaged or destroyed
15 time-share units vote not to rebuild.
- 16 5. A decision not to rebuild the damaged property is made by another
17 person empowered to make that decision.

18 (b) Unless the time-share instrument provides otherwise, all of the
19 following apply if the entire time-share property need not be repaired or
20 replaced:

- 21 1. The insurance proceeds attributable to the damaged area shall be used
22 to restore the damaged area to a condition compatible with the remainder of
23 the property.
- 24 2. The insurance proceeds attributable to time-share units that are not
25 rebuilt shall be distributed as if those units constituted a time-share prop-
26 erty in which all time shares had been terminated under s. 707.24.

27 (c) The cost of repair or replacement of the time-share property in
28 excess of insurance proceeds and reserves shall be a time-share expense.

1 (8) WAIVER. Notwithstanding s. 707.05, this section may be varied or
2 waived in the case of a time-share property in which none of the time-share
3 units may be used as dwellings or for recreational purposes.

4 707.36 DISPOSITION OF SURPLUS FUNDS. Unless otherwise provided in the
5 time-share instrument, any surplus funds derived from the time-share owners or
6 from property belonging to the time-share owners or their association and held
7 by a managing entity, which are remaining after payment of or provision for
8 time-share expenses and any prepayment of reserves, shall be paid to the
9 time-share owners in proportion to their time-share liabilities, credited to
10 the owners to reduce their future time-share liabilities or used for any other
11 purpose as the association decides.

12 707.37 ASSESSMENTS FOR TIME-SHARE EXPENSES; LIEN. (1) LIABILITY FOR
13 ASSESSMENTS. (a) Until assessments for time-share expenses are made against
14 the time-share owners, the developer shall pay all time-share expenses.

15 (b) When assessments for time-share expenses are made against the time-
16 share owners, assessments for time-share expenses shall be made at least
17 annually, based on a budget adopted at least annually by the managing entity
18 and in accordance with the allocation set forth in the time-share instrument
19 under s. 707.22 (1). Except as provided in pars. (c) to (f), no time-share
20 owner may be excused from payment of his or her share of time-share expenses
21 unless all of the time-share owners are excused from payment.

22 (c) A developer may be excused from the payment of the developer's share
23 of the time-share expenses which would have been assessed against the time
24 shares during a stated period during which the developer has guaranteed to
25 each purchaser in the time-share disclosure statement, or by agreement between
26 the developer and a majority of the time-share owners other than the
27 developer, that the assessment for time-share expenses imposed upon the time-
28 share owners would not increase over a stated dollar amount. If the developer

1 makes such a guarantee, the developer shall pay any amount of time-share
2 expenses incurred during the guarantee period which was not produced by the
3 assessments at the guarantee level from other time-share owners.

4 (d) To the extent required by the time-share instrument, any time-share
5 expense benefiting fewer than all of the time-share owners may be assessed
6 only against the time-share owners benefited.

7 (e) Assessments to pay any judgment against the association may be made
8 only against the time shares in the time-share property when the judgment was
9 entered, in proportion to their time-share liabilities.

10 (f) If any time-share expense is caused by the misconduct of a time-share
11 owner, the managing entity may assess that expense exclusively against that
12 time-share owner's time share.

13 (1m) INTEREST; REALLOCATION. (a) Any past due assessment or instalment
14 shall bear interest at the rate established by the managing entity or the
15 time-share instrument.

16 (b) If time-share liabilities are reallocated, assessments for time-share
17 expenses and any instalment not yet due shall be recalculated in accordance
18 with the reallocated time-share liabilities.

19 (2) ASSESSMENTS CONSTITUTE LIEN. (a) All assessments for time-share
20 expenses, until paid, together with interest and actual costs of collection,
21 constitute a lien on the time shares on which they are assessed, if a state-
22 ment of time-share lien is filed under par. (b) within 2 years after the date
23 on which the assessment becomes due. The lien shall be effective against a
24 time share when the assessment became due regardless of when within the 2-year
25 period it is filed.

26 (b) A statement of time-share lien shall be filed in the land records of
27 the office of the clerk of circuit court of the county where the time-share
28 property is located, stating the description of the time-share property and

1 the time share, the name of the time-share owner, the amount due and the
2 period for which the assessment for time-share expenses was due. The clerk
3 shall index the statement of time-share lien under the name of the time-share
4 owner in the lien docket. The statement of time-share lien shall be signed
5 and verified by an officer or agent of the association as specified in the
6 bylaws or, if there is no association, a representative of the time-share
7 owners. On full payment of the assessment for which the lien is claimed, the
8 time-share owner shall be entitled to a filable satisfaction of the lien.

9 (2m) LIABILITY FOR ASSESSMENTS UPON TRANSFER. A time-share owner shall
10 be liable for all time-share expenses assessed against the time-share owner
11 and coming due while the time-share owner owns a time share and until the
12 time-share owner notifies the managing entity in writing of the transfer of
13 the time share. In a voluntary grant of a time share, the grantee shall be
14 jointly and severally liable with the grantor for those time-share expenses
15 which are assessed against the grantor up to the time of the voluntary grant
16 and for which a statement of lien is filed under sub. (2), except as provided
17 in sub. (3), without prejudice to the rights of the grantee to recover from
18 the grantor the amounts paid by the grantee for the assessments. Liability
19 for assessments may not be avoided by waiver of the use or enjoyment of any
20 part of the time-share property or by abandonment of the time share for which
21 the assessments are made.

22 (3) STATEMENT OF UNPAID ASSESSMENTS. Any grantee of a time share is
23 entitled to a statement from the managing entity setting forth the amount of
24 unpaid assessments for time-share expenses against the grantor. The grantee
25 is not liable for, nor shall the time share conveyed be subject to a lien
26 which is not filed under sub. (2) for, any unpaid assessment against the
27 grantor in excess of the amount set forth in the statement. If the managing
28 entity does not provide the statement within 10 business days after the

1 grantee's request, it is barred from claiming any lien against the grantee
2 which is not filed under sub. (2) before the request for the statement.

3 (4) PRIORITY OF LIEN. A lien under sub. (2) is prior to other liens
4 except all of the following:

5 (a) Liens of general and special taxes.

6 (b) All sums unpaid on a first mortgage on the time share which is
7 recorded before the assessment is made.

8 (c) Mechanic's liens filed before the assessment on the time-share unit,
9 divided into the time share involved.

10 (5) FORM OF STATEMENT OF TIME-SHARE LIEN. A statement of time-share lien
11 is sufficient for the purposes of this chapter if it contains the following
12 information and is substantially in the following form:

13 STATEMENT OF TIME-SHARE LIEN

14 This is to certify that owner(s) of time share No. in, a
15 time-share property (is) (are) indebted to, the managing entity, in the
16 amount of \$.... as of, 19.. for (his) (her) (its) (their) proportionate
17 share of time-share expenses for the period from (date) to (date), plus
18 interest thereon at the rate of%, costs of collection, and actual attor-
19 ney fees.

20 (Managing Entity)

21 By:.....

22 Officer's title (or agent)

23 Address.....

24 Phone number.....

25 I hereby affirm under penalties of perjury that the information contained
26 in the foregoing Statement of Time-Share Lien is true and correct to the best
27 of my knowledge, information and belief.

28

Officer (or agent)

1
2 (6) ENFORCEMENT OF LIEN. A lien may be enforced and foreclosed by a
3 managing entity or any other person specified in the time-share instrument, in
4 the same manner, and subject to the same requirements, as a foreclosure of
5 mortgages on real property in this state. The managing entity may recover
6 costs and actual attorney fees. The managing entity may, unless prohibited by
7 the project instrument or time-share instrument, bid on the time share at
8 foreclosure sale and acquire, hold, mortgage and convey the time share. Suit
9 to recover a money judgment for unpaid time-share expenses shall be maintain-
10 able without foreclosing or waiving the lien securing the time-share expenses.
11 Suit for any deficiency following foreclosure may be maintained in the same
12 proceeding. No action may be brought to foreclose the lien unless brought
13 within 3 years after the recording of the statement of time-share lien and
14 unless 10 days' prior written notice is given to the time-share owner by
15 registered mail, return receipt requested, to the address of the time-share
16 owner shown on the books of the managing entity.

17 (7) FINANCIAL RECORDS. A person who has a duty to make assessments for
18 time-share expenses shall keep financial records sufficiently detailed to
19 enable the person to comply with s. 707.48. All financial and other records
20 shall be made reasonably available for examination by any time-share owner or
21 the time-share owner's authorized agent.

22 707.38 BLANKET ENCUMBRANCES; LIENS. (1) DEFINITION. In this section,
23 blanket encumbrance" means any mortgage, lien or other interest which secures
24 or evidences an obligation to pay money or to convey or otherwise dispose of
25 all or any part of a time-share property, affects the time-share property or
26 time shares owned by more than one time-share owner and permits or requires
27 the foreclosure or other disposition of the time-share property to which it
28 attaches, but does not include any of the following:

1 (a) A lien for taxes and assessments levied by a public body which are
2 not yet due and payable.

3 (b) A lien for common expenses in favor of a homeowners', condominium or
4 community association which is not a judgment lien.

5 (c) A lease.

6 (d) A recorded agreement for the payment of reasonable fees or other
7 compensation for management services performed on behalf of the time-share
8 property.

9 (e) Any interest arising from an agreement to sell or pledge the owner-
10 ship interest in an individual time share.

11 (1m) NONDISTURBANCE AGREEMENT. If delivery of a time-share disclosure
12 statement is required under s. 707.41 (2), a developer whose project is
13 subject to a blanket encumbrance shall, before transferring a time share,
14 obtain from the holder of the blanket encumbrance a nondisturbance agreement,
15 which shall be recorded in the office of the register of deeds under s.
16 706.05, for the benefit of the purchaser and the purchaser's successors in
17 interest, by which the holder agrees to all of the following:

18 (a) The holder's rights in the time-share property are subordinate to the
19 rights of time-share owners upon recording of the nondisturbance agreement.

20 (b) The holder and any successor or assign, or any person who acquires
21 the time-share property through foreclosure or by deed in lieu of foreclosure
22 or in fulfillment of the blanket encumbrance, shall take the time-share prop-
23 erty subject to the rights of time-share owners.

24 (c) The holder and any successor acquiring the time-share property under
25 the blanket encumbrance may not use or cause the time-share property to be
26 used in a manner which would prevent the time-share owners from using and
27 occupying the time-share property in a manner contemplated by the project
28 instrument and time-share instrument.

1 (2) RELEASE FROM BLANKET ENCUMBRANCE. (a) If a blanket encumbrance
2 becomes effective against a time share after purchase of the time share, the
3 time-share owner is entitled to a release of the time share from the blanket
4 encumbrance upon payment of an amount proportionate to the ratio that the
5 time-share owner's time-share liability bears to the total time-share liabil-
6 ity of all time shares subject to the blanket encumbrance. Upon receipt of
7 payment, the holder shall promptly deliver to the time-share owner a release
8 of the blanket encumbrance covering that time share.

9 (b) Upon release under par. (a) of a time share from a blanket
10 encumbrance, the managing entity may not assess or have a lien against that
11 time share for any portion of the expenses incurred in connection with the
12 blanket encumbrance.

13 (3) EFFECT OF OTHER LIENS. Except as provided in s. 707.37 (2) to (6),
14 after creation of a time-share property, all liens which are not blanket
15 encumbrances exist only against individual time shares in the same manner and
16 under the same conditions as liens or encumbrances may arise or be created
17 upon or against separate parcels of real property owned in individual
18 ownership.

19 (4) LIENHOLDER'S RIGHTS. (a) Except as provided in s. 707.37 (2) to
20 (6), the holder of a lien against an individual time share in a time-share
21 property shall have the lien rights preserved against a purchaser of the time
22 share unless the purchaser objects and shows within the time specified in par.
23 (b) that the project instrument is invalid, void or voidable.

24 (b) The developer shall give a purchaser written notice, by certified
25 mail or personal delivery, that the developer has assigned a receivable
26 related to the time share to the lienholder and that the time-share owner has
27 30 days to object and show the invalidity or defect of the project instrument.
28 A purchaser who fails to assert an objection as provided in this paragraph may

1 not raise the issue in any later action for enforcement of the collection of
2 the receivable or enforcement of the lien by the lienholder.

3 (5) SERVICE OF PROCESS. If a lien is to be foreclosed or enforced
4 against all time shares in a time-share property, service of process in the
5 action upon the managing entity, if any, shall constitute service upon all of
6 the time-share owners for the purposes of foreclosure or enforcement. The
7 managing entity shall promptly forward, by certified or registered mail, a
8 copy of the process to each time-share owner at his or her last address known
9 to the managing entity. The cost of forwarding shall be advanced by the
10 holder of the lien and may be taxed as a cost of the enforcement proceeding.
11 This notice does not suffice for the entry of a deficiency or other personal
12 judgment against any time-share owner.

13 707.39 INITIATIVE, REFERENDUM AND RECALL. (1) DEFINITIONS. In this
14 section:

15 (a) "Owner" means a person who, other than as security for an obligation,
16 is an owner or coowner of a time share or is an owner or coowner of a unit
17 that is not a time-share unit.

18 (b) "Time share" does not include a time-share easement in a campground.

19 (c) "Unit" does not include real property in which a time-share easement
20 in a campground exists.

21 (2) APPLICABILITY. This section applies only to a project in which at
22 least 50% of the votes are allocated to time shares.

23 (3) ADDRESS LIST. For purposes of this section, the managing entity
24 shall keep reasonably available for inspection and copying by any owner all
25 addresses, known to it or to the developer, of all of the owners, with the
26 principal permanent residence address of each indicated, if known. The man-
27 aging entity shall revise continually the list of addresses based on any new

1 information it obtains, and the developer shall keep the managing entity
2 advised of any information which the developer has or obtains.

3 (4) GENERAL PROVISIONS. (a) Each ballot prepared under subs. (5) to (7)
4 shall contain all of the following:

5 1. A statement that the ballot will not be counted unless signed by an
6 owner.

7 2. The date, not less than 30 days nor more than 180 days after the date
8 the ballot is mailed, by which the ballot must be received by the person to
9 whom it is to be returned, and a statement that the ballot will not be counted
10 unless received by that date.

11 3. The name and address of the person to whom the ballot is to be
12 returned.

13 4. No material other than what is required by this section.

14 (b) Each ballot mailed under subs. (5) to (7) shall be mailed to the
15 principal permanent residence of the owner to whom it is addressed, if known
16 to the person responsible for mailing it, and that person shall procure and
17 keep reasonably available for inspection for at least one year after the vote
18 is calculated a certificate of mailing for each ballot mailed and the original
19 or a photocopy of each ballot returned by the date specified in par. (a) 2.

20 (c) If the developer or a person on behalf of the developer communicates
21 with an owner, other than as expressly authorized by sub. (5), (6) or (7), on
22 the subject matter of any petition or ballot prepared under any of those
23 subsections, the expense of that communication may not be assessed directly or
24 indirectly in whole or in part to any owner other than the developer.

25 (d) The vote allocated to any time share and to any unit other than a
26 time-share unit shall be counted as having been cast in accordance with the
27 ballot of any owner of that time share or unit. If the ballots of different
28 owners of the same time share, or of the same unit other than a time-share

1 unit, are not in accord with one another, the vote allocated to that time
2 share or unit shall be divided in proportion to the number of owners of the
3 time share or unit voting each way and shall be counted accordingly. Any
4 ballot that is not signed by an owner or is not received by the date specified
5 under par. (a) 2 is void.

6 (e) The managing entity shall take action reasonably calculated to notify
7 all owners of the resolution of any matter considered under sub. (5), (6) or
8 (7).

9 (f) No right or power of an owner under this section may be waived,
10 limited or delegated by contract, power of attorney, proxy or otherwise, in
11 favor of the developer, an affiliate of a developer, a managing entity or a
12 designee of any of them.

13 (4m) AMENDMENT TO PROJECT INSTRUMENT. The project instrument may be
14 amended by the owners by direct initiative under sub. (5) or by referendum
15 under sub. (6). An amendment adopted under sub. (5) or (6) shall be promptly
16 recorded by the managing entity with a statement of the vote and becomes
17 effective upon recordation.

18 (5) DIRECT INITIATIVE BY OWNERS. (a) The owners may amend the project
19 instrument or any unrecorded document governing the project, or approve or
20 reject any proposed expenditure, in accordance with this subsection or in any
21 manner permitted by the project instrument or document.

22 (b) An owner may deliver to the managing entity a petition containing the
23 language of a proposed amendment and signed by the owners of at least one time
24 share or other estate or interest in each of a number of units to which at
25 least 33 1/3% of the votes are allocated or any smaller percentage specified
26 by the document to be amended. A writing of not more than 750 words in sup-
27 port of the proposal may be attached to the petition and mailed with the bal-
28 lots under par. (c).

1 (c) Within 20 days after receiving the petition under par. (b), the man-
2 aging entity shall mail to each owner a ballot setting forth the language of
3 the petition and affording an opportunity to approve or reject the proposal,
4 together with a copy of the writing, if any, attached to the petition. A
5 writing of not more than 750 words from the managing entity recommending
6 approval or rejection of the proposal may be mailed with the ballots.

7 (d) 1. Within 10 days after the date specified under sub. (4) (a) 2, the
8 managing entity shall examine the ballots that have been returned and deter-
9 mine the vote. A signature on the petition shall be treated for the purpose
10 of sub. (4) (d) as a ballot from the signer indicating approval of the pro-
11 posed amendment.

12 2. Except as provided in s. 707.20 (2), a simple majority of the votes
13 counted shall be sufficient for the adoption of the proposal unless the docu-
14 ment to be amended specifies a larger majority or, in the case of a proposed
15 expenditure, the project instrument specifies a larger majority not exceeding
16 $66 \frac{2}{3}\%$, except that no document may specify more than a simple majority for a
17 proposal which the managing entity could effect unilaterally.

18 3. No proposal may be adopted by an initiative in which the ballots
19 favoring the proposal represent less than 10% of the votes allocated to all
20 owners.

21 (e) A proposal adopted under this subsection may not be repealed or
22 modified within 3 years after adoption except by another initiative under this
23 subsection. After the 3-year period, the managing entity may not repeal or
24 modify the result without the approval of the owners in a referendum under
25 sub. (6). If the project instrument permits the managing entity to initiate a
26 referendum for that purpose, no referendum may be initiated for that purpose
27 more often than once every 3 years.

1 (6) REFERENDUM OF OWNERS. (a) The owners may amend the project instru-
2 ment by referendum, and the project instrument may specify other matters which
3 the owners may determine by referendum and may permit the managing entity to
4 select matters which the owners may determine by referendum.

5 (b) If an amendment to a project instrument proposed by the managing
6 entity, or other matter, is to be determined by referendum, the managing
7 entity shall prepare and, not less than 30 days nor more than 180 days before
8 the votes are to be counted, mail to each owner a ballot stating each matter
9 to be determined and affording the opportunity to approve or reject each
10 matter. The ballot may be accompanied by a writing of not more than 750 words
11 from the managing entity recommending a particular decision.

12 (c) Within 10 days after the date specified under sub. (4) (a) 2, the
13 managing entity shall examine the ballots and determine the vote. Except as
14 provided in s. 707.20 (2), a simple majority of the votes counted shall
15 determine each matter in question unless the project instrument specifies a
16 larger majority, but no matter may be determined by referendum unless the
17 ballots favoring the majority decision represent at least 10% of the votes
18 allocated to all owners.

19 (7) RECALL OF MANAGER BY OWNERS. (a) In addition to any manner permit-
20 ted by the project instrument, the owners may discharge the manager with or
21 without cause in the manner provided by this subsection.

22 (b) 1. An owner may prepare a ballot affording the opportunity to indi-
23 cate a preference between retaining the present manager and discharging the
24 present manager in favor of a new manager. A writing of not more than 750
25 words supporting discharge of the manager may be attached to the ballot.

26 2. A copy of the ballot and of any writing that is to be mailed with the
27 ballots shall be delivered to the manager. Not less than 10 days nor more
28 than 30 days after the ballot and writing are delivered to the manager, the

1 owner who prepared the ballot shall mail to each owner the ballot and writing,
2 if any, supporting discharge, and a copy of any written reply from the manager
3 of not more than 750 words.

4 (c) 1. Within 10 days after the date specified under sub. (4) (a) 2, the
5 person who receives the ballots shall examine those that have been returned,
6 determine the vote and promptly notify the manager of the result. If at least
7 $66 \frac{2}{3}\%$ of the vote, representing at least $33 \frac{1}{3}\%$ of the votes allocated to
8 all owners, favors discharging the manager, then all of the following shall
9 occur:

10 a. The developer shall be notified of the result and the ballots or
11 photocopies of the ballots shall be given promptly to the manager.

12 b. The developer shall diligently attempt to procure offers for manage-
13 ment contracts from prospective managers. Any owner other than the developer
14 also may attempt to procure such offers.

15 2. If the developer or any owner obtains an offer within 60 days after
16 the date on which the vote was tabulated, the developer or owner shall
17 promptly notify the developer and the owner who was responsible for tabulating
18 the vote. If no offer is obtained from a prospective manager other than the
19 current manager within the 60-day period, that period shall be extended for
20 successive intervals of 30 days each until an offer is obtained.

21 3. At the end of any period under subd. 2 during which an offer from a
22 prospective manager other than the current manager is obtained, the owner who
23 prepared the ballot, or the developer if that owner so directs in a writing
24 delivered to the developer, shall promptly prepare and mail to each owner a
25 2nd ballot stating the term and compensation provided by each offer that has
26 been received and affording an opportunity to indicate a preference for any
27 one of the offers or for retaining the current manager. A letter recommending
28 that a particular offer be accepted or that the current manager be retained

1 may accompany the ballot, and if the developer prepared the ballot, the
2 developer shall enclose a copy of any letter submitted by the owner who was
3 responsible for tabulating the vote.

4 4. The developer has no obligation under this paragraph and nothing need
5 be delivered to the developer if the developer owned no estate or interest in
6 any unit on the date that the first ballot was delivered to the manager and
7 neither the developer nor the affiliates of the developer or the developer's
8 appointees caused the current manager to be hired.

9 (d) Within 10 days after the date specified under sub. (4) (a) 2, the
10 person who receives the ballots prepared under par. (c) 3 shall examine the
11 ballots that have been returned, determine the vote, notify the manager of the
12 result, and hold the ballots available for inspection by the manager and any
13 proposed manager for at least 30 days. If more votes favor accepting a par-
14 ticular offer rather than retaining the manager, the manager shall be dis-
15 charged 90 days after being notified of the result, except that if the ballot
16 prepared under par. (b) was delivered to the manager before the current term
17 of the manager began, the manager is discharged immediately upon being noti-
18 fied of the result. The person who received the ballots prepared under par.
19 (c) 3 shall accept on behalf of the owners the offer that received the largest
20 number of votes. The expenses under a contract accepted under this paragraph
21 are time-share expenses.

22 (e) A manager discharged under this subsection is not entitled because of
23 the discharge to any penalty or other charge payable directly or indirectly in
24 whole or in part by any owner other than the developer.

25 (f) If the manager is discharged under par. (d), the reasonable expenses
26 incurred by the developer or any owner in obtaining offers and preparing and
27 mailing ballots under this subsection, including reasonable attorney fees,

1 shall be promptly collected by the managing entity from all owners as a time-
2 share expense and paid to the developer or the owner.

3 SUBCHAPTER IV
4 PROTECTION OF PURCHASERS

5 707.40 APPLICABILITY; EXEMPTIONS. This subchapter applies to all time
6 shares subject to this chapter, except that ss. 707.41 to 707.45 and 707.48 do
7 not apply to any of the following:

8 (1) The disposition of a time share in any of the following
9 circumstances:

10 (a) By gift.

11 (b) By court order.

12 (c) By a government or governmental agency.

13 (d) By foreclosure or deed in lieu of foreclosure.

14 (2) The disposition of a time share if the purchaser may cancel at any
15 time and for any reason without penalty.

16 (3) The disposition of a time share in a unit situated wholly outside
17 this state under a contract executed wholly outside this state, if there has
18 been no offering within this state.

19 (4) An offering by a developer of time shares in not more than one time-
20 share unit at any one time.

21 (5) Disposition to one purchaser of a time-share property or all of the
22 time shares in a time-share property.

23 (6) A transaction normal and customary in the hotel and motel business,
24 including but not limited to acceptance of advance reservations, if the person
25 engaging in the transaction operates or owns a motel or hotel substantially
26 engaged in the business of accepting short-term, single reservation contracts
27 with customers who obtain no associated long-term use rights.

1 707.41 TIME-SHARE DISCLOSURE STATEMENT. (1) PREPARATION OF STATEMENT.

2 (a) Except as provided in par. (b), a developer, before offering an interest
3 in a time-share unit, shall prepare a time-share disclosure statement
4 conforming to the requirements of this section and, if applicable, ss. 707.42
5 to 707.45.

6 (b) A developer may transfer responsibility for preparation of all or a
7 part of the time-share disclosure statement to a successor developer or to a
8 person in the business of selling real estate who intends to offer time shares
9 in the time-share property for the person's own account. The developer shall
10 provide the transferee with any information necessary to enable the transferee
11 to fulfill the requirements of this section.

12 (2) DELIVERY OF STATEMENT; SINGLE STATEMENT. (a) A developer or other
13 person in the business of selling real estate who offers a time share for the
14 person's own account to a purchaser shall deliver a time-share disclosure
15 statement to a prospective purchaser in the manner prescribed in s. 707.47
16 (1).

17 (b) If a time-share property is part of any other real estate venture in
18 connection with the sale of which the delivery of a disclosure statement is
19 required under the laws of this state, a single disclosure statement conform-
20 ing to the requirements of this section and, if applicable, ss. 707.42 to
21 707.45, as those requirements relate to all real estate ventures in which the
22 time-share property is located, and to any other requirements imposed under
23 the laws of this state, may be prepared and delivered in lieu of providing 2
24 or more disclosure statements.

25 (3) LIABILITY FOR STATEMENT. The person who prepared all or a part of
26 the time-share disclosure statement is liable under ss. 707.47 and 707.57 for
27 any false or misleading statement set forth in, or any omission of material

1 fact from, that portion of the time-share disclosure statement which the
2 person prepared.

3 (4) CONTENTS OF STATEMENT. A time-share disclosure statement shall con-
4 tain or fully and accurately disclose all of the following:

5 (a) A cover sheet bearing the title "Time-Share Disclosure Statement" and
6 the name and principal business address of the developer and the developer's
7 agent, if any, the name and location of the time-share property and the
8 following 3 statements in boldface type or capital letters no smaller than the
9 largest type on the page:

10 1. THESE ARE THE LEGAL DOCUMENTS COVERING YOUR RIGHTS AND RESPONSIBILI-
11 TIES AS A TIME-SHARE OWNER. IF YOU DO NOT UNDERSTAND ANY PROVISIONS CONTAINED
12 IN THEM, YOU SHOULD OBTAIN PROFESSIONAL ADVICE.

13 2. THESE DISCLOSURE MATERIALS GIVEN TO YOU AS REQUIRED BY LAW MAY BE
14 RELIED UPON AS CORRECT AND BINDING. ORAL STATEMENTS MAY NOT BE LEGALLY
15 BINDING.

16 3. YOU MAY CANCEL IN WRITING ANY CONTRACT FOR THE PURCHASE OF A TIME
17 SHARE, WITHOUT ANY PENALTY OR OBLIGATION, WITHIN 5 BUSINESS DAYS FROM THE DATE
18 YOU SIGN THE CONTRACT OR UNTIL 5 BUSINESS DAYS AFTER YOU RECEIVE THE TIME-
19 SHARE DISCLOSURE STATEMENT, WHICHEVER IS LATER. IF YOU SO CANCEL THE
20 CONTRACT, YOU ARE ENTITLED TO RECEIVE A FULL REFUND OF ANY DEPOSITS MADE,
21 EXCEPT, IF YOU HAVE USED OR OCCUPIED THE TIME-SHARE PROPERTY FOR MORE THAN 12
22 HOURS, THE MANAGING ENTITY OR CAMPGROUND OPERATOR MAY SUBTRACT FROM DEPOSITS
23 MADE A REASONABLE CHARGE TO COVER THE LENGTH OF STAY PLUS THE COST FOR DAMAGES
24 TO THE TIME-SHARE PROPERTY DIRECTLY ATTRIBUTABLE TO YOU OR ANY MEMBER OF YOUR
25 PARTY.

26 (b) A general description of the time-share property and the time-share
27 units, including the number of units in the time-share property and in any
28 project of which it is a part, and the schedule of commencement and completion

1 of all promised improvements as described in the time-share instrument, pro-
2 motional materials, advertising and the time-share disclosure statements.

3 (c) As to all units owned or offered by the developer in the same
4 project, all of the following:

- 5 1. The types and number of units.
- 6 2. Identification of units that are time-share units.
- 7 3. The types and durations of the time shares.
- 8 4. The maximum number of units that may become part of the time-share
9 property.
- 10 5. A statement of the maximum number of time shares that may be created
11 or a statement that there is no maximum.

12 (d) Copies and a brief narrative description of the significant features
13 of the time-share instrument and any documents, other than plats and plans,
14 referred to in the time-share instrument, copies of any contracts or leases to
15 be signed by the purchaser at closing, and a brief narrative description of
16 any contracts or leases that may be cancelled by the association under s.
17 707.32.

18 (e) The identity of the managing entity and the manner, if any, by which
19 the developer may change the managing entity or its control.

20 (f) A current balance sheet and budget for the association, if there is
21 an association, either within or as an exhibit to the time-share disclosure
22 statement. During the 12 months after the date of the first transfer to a
23 purchaser the budget may be a projected budget. The budget shall include all
24 of the following:

- 25 1. A statement of who prepared the budget and the budgetary assumptions
26 concerning occupancy and inflation factors.
- 27 2. A statement of the amount, or a statement that there is no amount,
28 included in the budget as a reserve for repairs and replacement.

1 3. A statement of any other reserves.

2 4. The projected time-share expenses by category of expenditure, for the
3 time-share units.

4 5. The projected time-share liability for each time share.

5 (g) A description of the nature and purposes of all charges, dues,
6 maintenance fees and other expenses that may be assessed, the current amounts
7 assessed and the method and formula for changes.

8 (h) Any services provided by the developer or expenses paid by the
9 developer which the developer expects may become a time-share expense, and the
10 projected time-share liability attributable to each of those services or
11 expenses for each time share.

12 (i) Any initial or special fee due from the purchaser at closing and a
13 description of the purpose of, and method of calculating, the fee.

14 (j) A statement of the effect on the time-share owners of liens, defects
15 or encumbrances on, or affecting the title to, the time-share units.

16 (k) A description of any financing offered by the developer.

17 (L) The terms and significant limitations of any warranties provided by
18 the developer, including statutory warranties and limitations on the enforce-
19 ment of the warranties or on damages.

20 (m) If of significance to the time-share units, a statement of any
21 unsatisfied judgments against the managing entity or the developer, the status
22 of any pending suits involving the sale or management of real estate to which
23 the managing entity or the developer or an affiliate of the developer is a
24 defending party, and the status of any pending suits of which the developer
25 has actual knowledge.

26 (n) A statement that an amount equal to 50% of the deposits, as defined
27 in s. 707.49 (1) (b), made in connection with the purchase of a time share
28 will be held in an escrow account, except as provided in s. 707.49 (4), until

1 all of the events listed in s. 707.49 (3) (b) 3 have occurred or any later
2 time specified in the contract to purchase the time share, and that the full
3 amount of the deposit, minus any amount that may be withheld under s. 707.47
4 (6) (b), will be returned to the purchaser if the purchaser cancels the con-
5 tract under s. 707.47.

6 (o) Any restraints on transfer of time shares or portions of time shares.

7 (p) A description of the insurance coverage provided for the benefit of
8 time-share owners in accordance with s. 707.35.

9 (q) Any current or expected fees or charges to be paid by time-share
10 owners for the use of any facilities related to the project.

11 (r) The extent to which financial arrangements have been provided for
12 completion of all promised improvements as described in the time-share
13 instrument, promotional materials, advertising and the time-share disclosure
14 statements.

15 (s) The extent to which a time-share unit may become subject to a tax or
16 other lien arising out of claims against other time-share owners of the same
17 time-share unit.

18 (t) A description of the rights and remedies provided in the time-share
19 instrument to a time-share owner who is prevented from enjoying exclusive
20 occupancy of a time-share unit by others, or a statement that there are none
21 provided in the time-share instrument.

22 (u) All unusual and material circumstances, features and characteristics
23 of the project.

24 707.42 EXCHANGE OR RECIPROCAL PROGRAM; ADDITIONAL REQUIREMENTS. (1)
25 DEFINITIONS. In this section:

26 (a) "Exchange company" means a person operating an exchange program.

1 (b) "Exchange program" means an arrangement where time-share owners
2 exchange occupancy rights among themselves or with time-share owners of other
3 time-share units or both.

4 (c) "Reciprocal program" means an arrangement allowing a campground
5 member to use one or more campgrounds, the owners of which are persons other
6 than the campground operator who entered into the campground contract with the
7 campground member.

8 (2) EXCHANGE PROGRAM; DISCLOSURES. If time-share owners are permitted or
9 required to become members of or to participate in an exchange program, the
10 time-share disclosure statement or a supplement delivered with the statement
11 shall contain or fully and accurately disclose, in addition to the information
12 required by s. 707.41 (4) and, if applicable, ss. 707.43 to 707.45, all of the
13 following information:

14 (a) Whether membership or participation in the exchange program by a
15 time-share owner is voluntary or mandatory.

16 (b) The name and address of the exchange company, whether the exchange
17 company is an affiliate of the developer, and whether the exchange company or
18 any of its officers or directors has any legal or beneficial interest in any
19 developer or manager of any time-share property participating in the exchange
20 program.

21 (c) The names of all officers, directors and shareholders owning 5% or
22 more of the outstanding stock of the exchange company.

23 (d) The terms and conditions of the contractual relationship between the
24 time-share owner and the exchange company.

25 (e) The procedures whereby the contractual relationship between the
26 time-share owner and the exchange company may be changed or terminated, and
27 whether it may be terminated or otherwise affected by action or inaction of

1 the developer or the managing entity or by other factors beyond the control of
2 the time-share owner.

3 (f) A complete and accurate description of all limitations, restrictions
4 or priorities used in the operation of the exchange program, including
5 limitations on exchanges based on the season, unit size or levels of
6 occupancy, expressed in boldface type, and if the limitations, restrictions or
7 priorities are not uniformly applied by the exchange program, a clear
8 description of the manner in which they are applied.

9 (g) The procedures to qualify for and effectuate exchanges and the manner
10 in which exchanges are arranged by the exchange company.

11 (h) Whether exchanges are arranged on a space-available basis and whether
12 the exchange program guarantees fulfilling specific requests for exchanges.

13 (i) Whether and under what circumstances a time-share owner, in dealing
14 with the exchange company, may lose the use and occupancy of the time share in
15 an exchange which the time-share owner properly applied for without being
16 provided with substitute accommodations by the exchange company.

17 (j) The fees or range of fees for participation by time-share owners in
18 the exchange program, a statement of whether the fees may be altered by the
19 exchange company and the circumstances under which changes in the fees may be
20 made.

21 (k) The name and address of the site of each time-share property, accom-
22 modation or facility that is participating in the exchange program.

23 (L) The number of units in each time-share property participating in the
24 exchange program that are available for occupancy and that qualify for parti-
25 cipation in the program, expressed with the following numerical groupings:
26 1-5, 6-10, 11-20, 21-50, and 51 and over.

27 (m) The number of time-share owners with respect to each time-share
28 property who are eligible to participate in the exchange program expressed

1 within the following numerical groups: 1-100, 101-249, 250-499, 500-999, and
2 1,000 and over.

3 (n) The disposition made by the exchange company of time shares deposited
4 with the exchange program by time-share owners eligible to participate in the
5 exchange program and not used by the exchange company in effecting exchanges.

6 (o) All of the following information, which shall be independently
7 audited by an independent, certified public accountant or accounting firm in
8 accordance with generally accepted accounting principles:

9 1. The number of time-share owners eligible to participate in the
10 exchange program and a description of the relationship between the exchange
11 company and time-share owners as either fee-paying or gratuitous.

12 2. The number of time-share properties, accommodations or facilities
13 eligible to participate in the exchange program, categorized by those having a
14 contractual relationship between the developer or the managing entity and the
15 exchange company and those having solely a contractual relationship between
16 the exchange company and time-share owners directly.

17 3. The percentage of confirmed exchanges, which shall be the number of
18 exchanges confirmed by the exchange company divided by the number of exchanges
19 properly applied for, together with a complete and accurate statement of the
20 criteria used to determine whether an exchange request was properly applied
21 for and the statement specified in sub. (4).

22 4. The number of time shares for which the exchange company has an out-
23 standing obligation to provide an exchange to a time-share owner who relin-
24 quished a time share during the year in exchange for a time share in any
25 future year.

26 5. The number of exchanges confirmed by the exchange company during the
27 year.

1 (3) DELIVERY. If an exchange company offers an exchange program directly
2 to the purchaser or time-share owner, the exchange company shall deliver to
3 each purchaser or time-share owner the information set forth in sub. (2).
4 This subsection does not apply to any renewal of the contract between a time-
5 share owner and an exchange company, unless there are material changes in the
6 information required by sub. (2) adversely affecting the interests of the
7 time-share owner.

8 (4) BOLDFACE STATEMENT. Each exchange company offering an exchange pro-
9 gram to purchasers in this state shall include the following statement in
10 boldface type on all promotional brochures, pamphlets, advertisements or other
11 materials disseminated by the exchange company which also contain the per-
12 centage of confirmed exchanges described in sub. (2) (c) 3: THE PERCENTAGE OF
13 CONFIRMED EXCHANGES IS A SUMMARY OF THE EXCHANGE REQUESTS ENTERED WITH THE
14 EXCHANGE COMPANY IN THE PERIOD REPORTED. THE PERCENTAGE OF CONFIRMED EX-
15 CHANGES DOES NOT INDICATE A PURCHASER'S PROBABILITIES OF BEING CONFIRMED TO
16 ANY SPECIFIC CHOICE OR RANGE OF CHOICES, SINCE AVAILABILITY AT INDIVIDUAL
17 LOCATIONS MAY VARY.

18 (5) MISREPRESENTATION IN EXCHANGE COMPANY INFORMATION; REPRESENTATIONS BY
19 DEVELOPER. (a) If the developer relies in good faith on information provided
20 by others in making disclosures required by this section, the developer shall
21 be responsible for a misrepresentation based upon that information only if the
22 developer has knowledge of its falsity.

23 (b) Except for written information provided to the developer by the
24 exchange company, an exchange company is not liable for any of the following:

25 1. Representations made by the developer relating to the exchange program
26 or the exchange company.

27 2. The use, delivery or publication by the developer of any information
28 relating to the exchange program or the exchange company.

1 (6) CAMPGROUNDS; RECIPROCAL PROGRAM. A campground operator shall maintain
2 any reciprocal program that is represented in a campground contract as avail-
3 able to a campground member when the campground contract is signed, except
4 that the campground operator may cancel a reciprocal program if any of the
5 following occurs:

6 (a) The campground operator acquires for the use of campground members the
7 number of campgrounds specified in the campground contract as constituting a
8 replacement for the reciprocal program.

9 (b) The term of the reciprocal program, as specified in the campground
10 contract, expires.

11 (c) The campground operator substitutes a comparable reciprocal program,
12 as provided in the campground contract.

13 707.43 MULTILLOCATION DEVELOPER; ADDITIONAL REQUIREMENTS. (1) DEFINITION.
14 As used in this section, "multilocation developer" means a developer creating
15 or selling its own time shares in more than one time-share property under a
16 program permitting time-share owners, by reservation or other similar
17 procedure, to occupy time-share units in more than one time-share property.

18 (2) ADDITIONAL REQUIREMENTS. If time-share owners are permitted or
19 required to participate in a multilocation program, the time-share disclosure
20 statement or a supplement delivered with the statement shall contain or fully
21 and accurately disclose, in addition to the information required by s. 707.41
22 (4) and, if applicable, ss. 707.42, 707.44 and 707.45, all of the following
23 information:

24 (a) A complete and accurate description of the procedure to qualify for
25 and effectuate use rights in time-share units in the multilocation program.

26 (b) A complete and accurate description of all limitations, restrictions
27 or priorities employed in the operation of the multilocation program, includ-
28 ing limitations on reservations, use or entitlement rights based on the

1 season, unit size, levels of occupancy or class of owner, expressed in bold-
2 face type, and, if the limitations, restrictions or priorities are not uni-
3 formly applied by the multilocation program, a clear description of the manner
4 in which they are applied.

5 (c) Whether use is arranged on a space-available basis and whether the
6 multilocation developer guarantees fulfilling specific requests for use.

7 (d) The name and address of the site of each time-share property included
8 in the multilocation program.

9 (e) The number of time-share units in each time-share property which is
10 available for occupancy and all of the following about each such time-share
11 unit:

12 1. The interest which the multilocation developer has in the time-share
13 unit and, if less than fee ownership, a statement of all relevant terms of the
14 multilocation developer's interest in the time-share unit.

15 2. Whether the time-share unit may be withdrawn from the multilocation
16 program.

17 (f) All of the following information, which shall be independently
18 audited by an independent, certified public accountant or accounting firm in
19 accordance with generally accepted accounting principles:

20 1. The number of time-share owners in the multilocation program.

21 2. For each time-share property in the multilocation program, the number
22 of properly made requests for use of time-share units in the time-share
23 property.

24 3. For each time-share property, the number of time-share owners who
25 received the right to use a unit in the time-share property, expressed as a
26 percentage of the time-share owners who properly requested such use in the
27 time-share property.

1 (g) The following statement in boldface type: THE PERCENTAGE OF TIME-
2 SHARE OWNERS WHO RECEIVED THE RIGHT TO USE A UNIT IN THE TIME-SHARE PROPERTY
3 DOES NOT INDICATE A PURCHASER'S PROBABILITIES OF BEING ABLE TO USE ANY TIME-
4 SHARE UNIT, SINCE AVAILABILITY AT INDIVIDUAL LOCATIONS MAY VARY.

5 707.44 CONVERSION BUILDING; ADDITIONAL REQUIREMENTS. (1) ADDITIONAL
6 REQUIREMENTS. If a conversion building includes or will include one or more
7 time-share units, is more than 10 years old and the developer or any affili-
8 ates of the developer own or control more than 50% of all units in the
9 project, the time-share disclosure statement shall contain, in addition to the
10 information required by s. 707.41 (4) and, if applicable, ss. 707.42, 707.43
11 and 707.45, all of the following information:

12 (a) A statement by the developer, based on a report prepared by an inde-
13 pendent registered architect or engineer, describing the present condition of
14 all structural components and mechanical and electrical installations which
15 are material to the use and enjoyment of the time-share units.

16 (b) A statement by the developer of the expected useful life of each item
17 reported on in par. (a) or a statement that no representations are made in
18 that regard.

19 (c) A list of any outstanding notices of uncorrected violations of
20 building codes or other state and municipal regulations, together with the
21 estimated cost of correcting those violations.

22 (2) APPLICABILITY. This section applies only to units which may be used
23 as a dwelling or for recreational purposes or both.

24 707.45 AMENDMENTS TO STATEMENT. A developer shall promptly amend all of
25 the following:

26 (1) The time-share disclosure statement to report any material change in
27 the information required by s. 707.41 or 707.44.

1 (2) The time-share disclosure statement or any supplement to the state-
2 ment to report any material change known to the developer in the information
3 required by s. 707.42, except that:

4 (a) The developer shall report to purchasers any significant change in
5 information required by s. 707.42 (2) (b), (c) and (k) that adversely affects
6 purchasers' interests within 30 days after the change occurs, and if the
7 developer reports the change as required, the developer is not liable to pur-
8 chasers for any harm resulting because purchasers were not informed earlier of
9 the change.

10 (b) The information required by s. 707.42 (2) (m) to (o) shall be
11 calculated, at a minimum, from the records of the exchange company, as defined
12 in s. 707.42 (1) (a), for each calendar year and shall be available no later
13 than July 1 of the succeeding year.

14 (3) The time-share disclosure statement or any supplement to the state-
15 ment to report any material change in the information required by s. 707.43,
16 except that the information required by s. 707.43 (2) (d) to (f) shall be
17 calculated, at a minimum, from the records of the multilocation developer, as
18 defined in s. 707.43 (1), for the preceding calendar year and shall be avail-
19 able no later than July 1 of the succeeding year.

20 707.46 CONTRACT; MINIMUM REQUIREMENTS. (1) REQUIRED PROVISIONS. All
21 contracts for the purchase of a time share shall contain at least all of the
22 following provisions:

23 (a) The actual date that the contract is executed by each party.

24 (b) The name and address of the developer or seller and of any agent
25 acting on behalf of the developer or seller, and, if different than the
26 developer or seller, any owner of the land or buildings included in the
27 project of which the time shares are a part.

1 (c) The total financial obligation of the purchaser, including the ini-
2 tial purchase price and any additional charges to which the purchaser may be
3 subject, such as financing, reservation and recreation charges and time-share
4 expenses.

5 (d) The projected date of completion of construction, as defined in s.
6 707.49 (1) (a), of each part of the project of which time shares are a part
7 which is not completed at the time the purchase contract is executed.

8 (e) A description of the nature and duration of the time share being
9 sold.

10 (f) A description of the purchaser's rights under s. 707.47.

11 (2) CAMPGROUNDS; ADDITIONAL PROVISIONS. In addition to the information
12 required under sub. (1), a contract for the purchase of a time-share easement
13 in a campground shall include all of the following information:

14 (a) Any policy or other existing obligation to allow persons who are not
15 campground members to use the campground or campground amenities.

16 (b) The maximum ratio of campground contracts projected to be sold per
17 campsite during the course of a campground contract.

18 707.47 PURCHASER'S RIGHT TO CANCEL. (1) PROVISION OF STATEMENT. A
19 person required to deliver a time-share disclosure statement under s. 707.41
20 (2) shall, before transfer of a time share and no later than the date of any
21 contract for the purchase of a time share, provide a prospective purchaser
22 with a copy of the time-share disclosure statement and all amendments and
23 supplements to the statement.

24 (2) RIGHT TO CANCEL. If delivery of a time-share disclosure statement is
25 required under s. 707.41 (2), the purchaser may cancel a contract for the
26 purchase of a time share until midnight of the 5th business day after which-
27 ever of the following is later:

28 (a) The date that the contract is executed.