

CHAPTER 703

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703.01 Unit ownership act. Sections 703.01 to 703.28 shall be known as the "Unit Ownership Act".

State and federal regulation of condominiums Minahan, 58 MLR 55.

703.02 Definitions. In ss. 703.01 to 703.28, unless the context requires otherwise:

(1) "Unit" means a part of the property subject to this chapter intended for any type of independent use, including one or more cubicles of air at one or more levels of space, or one or more rooms or enclosed spaces located on one or more floors (or parts thereof) in a building, and with a direct exit to a public street or highway or to a common area or limited common area leading to such street or highway.

(2) "Unit owner" means the person who owns a unit and an undivided interest in the common areas and facilities appurtenant to such unit in the percentage specified and established in the declaration.

(3) "Unit number" means the number, letter, or combination thereof, designating the unit in the declaration.

(4) "Association of unit owners" means all of the unit owners acting as a group in accordance with the bylaws and declaration.

(5) "Building" means a structure containing 2 or more units, or 2 or more structures each containing 1 or more units and comprising a part of the property.

(6) "Common areas and facilities," unless otherwise provided in the declaration or amendments thereto, include:

- (a) The land on which the building is located;
- (b) The foundations, columns, girders, beams, supports, main walls, roofs, halls,

corridors, lobbies, stairs, stairways, fire escapes and entrances and exits of the building;

(c) The basements, yards, gardens, parking areas, storage spaces, play areas, swimming pools, parks and recreational facilities;

(d) The premises for the lodging of janitors or persons in charge of the property;

(e) Installations of central services such as power, light, gas, hot and cold water, heating, refrigeration, air conditioning and incinerating;

(f) The elevators, tanks, pumps, motors, fans, compressors, ducts and in general all apparatus and installations existing for common use;

(g) Such community and commercial facilities as may be provided for in the declaration; and

(h) All other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

(7) "Common expenses" mean:

(a) All sums lawfully assessed against the unit owners by the association of unit owners; and

(b) Expenses declared common expenses by this chapter or by the declaration or bylaws.

(8) "Common profits" mean the balance of all income, rents, profits and revenues from the common areas and facilities remaining after the deduction of the common expenses.

(9) "Declaration" means the instrument by which the property is subject to this chapter, and such declaration as amended from time to time.

(10) "Limited common areas and facilities" mean those common areas and facilities designated in the declaration as reserved for use of a certain unit to the exclusion of the other units in the building.

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(11) "Majority" or "majority of unit owners" means the unit owners with more than 50% of the votes in accordance with the votes assigned in the declaration to the units for voting purposes.

(12) "Person" means individual, corporation, partnership, association, trustee or other legal entity.

(13) "Property" means the air space, the land, the building, all improvements and structures thereon, all owned in fee simple absolute or held under a lease having an unexpired term of not less than 50 years at the time of recording of the declaration, and all easements, rights and appurtenances belonging thereto, and all articles of personal property intended for use in connection therewith, which have been or are intended to be subject to this chapter.

703.03 Application of chapter. This chapter is applicable only to property, the sole owner or all of the owners of which submit the same to the provisions hereof by duly executing and recording a declaration as hereinafter provided.

703.04 Status of the units. Each unit, together with its undivided interest in the common areas and facilities, shall for all purposes constitute real property.

703.05 Ownership of units. Each unit owner shall be entitled to the exclusive ownership and possession of his unit.

703.06 Common areas and facilities. (1) Each unit owner shall be entitled to an undivided interest in the common areas and facilities in the percentage expressed in the declaration. Such percentage may be computed by taking as a basis the value of the unit in relation to the value of the property or by such other means as is set forth in the declaration.

(2) Unless otherwise provided in the declaration, the percentage of the undivided interest of each unit owner in the common areas and facilities as expressed in the declaration shall have a permanent character and shall not be altered without the consent of all of the unit owners expressed in an amended declaration duly recorded. The percentage of the undivided interest in the common areas and facilities shall not be separated from the unit to which it appertains and shall be deemed to be leased, conveyed or encumbered with the unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

(3) The common areas and facilities shall remain undivided and no unit owner or any other persons shall bring any action for partition or division of any part thereof, unless the property has been removed from this chapter under ss. 703.16 and 703.26. Any covenant to the contrary shall be void.

(4) Each unit owner may use the common areas and facilities in accordance with the purpose for which they were intended in accordance with the declaration and bylaws without hindering or encroaching upon the lawful rights of the other unit owners.

(5) The necessary work of maintenance, repair and replacement of the common areas and facilities and the making of any additions or improvements thereto shall be carried out only as provided herein and in the bylaws.

(6) The association of unit owners shall have the irrevocable right, to be exercised by the manager or board of directors, to have access to each unit during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the common areas and facilities therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the common areas and facilities or to another unit.

History: 1975 c. 99.

703.07 Compliance with covenants, by-laws and administrative provisions. Each unit owner shall comply strictly with the bylaws and with the administrative rules adopted pursuant thereto, as either of the same are amended from time to time, and with the covenants, conditions, and restrictions set forth in the declaration or in the deed to his unit. Failure to comply with any of the same shall be ground for action to recover sums due, for damages or injunctive relief or both maintainable by the manager or board of directors on behalf of the association of unit owners or, in a proper case, by an aggrieved unit owner.

703.08 Certain work prohibited. No unit owner shall do any work which would jeopardize the soundness or safety of the property, reduce the value thereof or impair any easement or hereditament without first obtaining, in every such case, the unanimous consent of all the other unit owners.

703.09 Liens against units; removal from lien; effect of part payment. (1) Subsequent to recording the declaration under this chapter, and while the property remains subject to said chapter, no lien shall thereafter arise or be effective against the property. During such period liens or encumbrances shall arise or be

created only against each unit and the percentage of undivided interest in the common areas and facilities appurtenant to such unit, in the same manner and under the same conditions in every respect as liens or encumbrances may arise or be created upon or against any other separate parcel of real property subject to individual ownership. No labor performed or materials furnished with the consent or at the request of a unit owner, his agent or his contractor or subcontractor, shall be the basis for the filing of a lien pursuant to the lien law against the unit or any other property of any other unit owner not expressly consenting to or requesting the same, except that such express consent shall be deemed to be given by the owner of any unit in the case of emergency repairs thereto. Labor performed or materials furnished for the common areas and facilities, if duly authorized by the association of unit owners, the manager or board of directors in accordance with this chapter, the declaration or bylaws, shall be deemed to be performed or furnished with the express consent of each unit owner and shall be the basis for the filing of a lien pursuant to the lien law against each of the units and shall be subject to sub. (2).

(2) If a lien becomes effective against 2 or more units, any unit owner may remove the lien from his unit and from the percentage of undivided interest in the common areas and facilities appurtenant to such unit by payment of the fractional or proportionate amount attributable to his unit, such amount to be computed by reference to the percentages appearing on the declaration. Subsequent to such payment, the unit and the percentage of undivided interest in the common areas and facilities appurtenant thereto shall be free and clear of lien. Partial payment, satisfaction or discharge as to one unit shall not prevent the lienor from proceeding to enforce his lien rights against any other units and the percentage of undivided interest in the common areas and facilities appurtenant thereto, for the amount attributable to such other units.

703.10 Common profits and expenses.

The common profits of the property shall be distributed among, and the common expenses shall be charged to, the unit owners according to the percentage of the undivided interest in the common areas and facilities.

703.11 Contents of declaration. The declaration shall contain the following particulars:

(1) Description of the land on which the building and improvements are or are to be located.

(2) Description of the building, stating the number of stories and basements, the number of units and the principal materials of which it is or is to be constructed.

(3) The unit number of each unit, and a statement of its location, approximate area, number of rooms, and immediate common area to which it has access, and any other data necessary for its proper identification.

(4) Description of the common areas and facilities and the method by which the percentage of undivided interest of each unit in the common areas may be changed.

(5) Description of the limited common areas and facilities, if any, stating to which units their use is reserved.

(6) The value (if value is used as the basis for the determination of the undivided interest in the common and limited common areas) of the property and of each unit, and the percentage of undivided interest in the common areas and facilities appertaining to each unit and its owner and the vote or percentage of votes to be given to each unit owner.

(7) Statement of the purposes for which the building and each of the units are intended and restricted as to use.

(8) The name of a person to receive service of process in the cases hereinafter provided, together with the residence or place of business of such person which is within the city or county in which the building is located, and the method by which the association of unit owners may designate a successor to such person.

(9) Provision as to the percentage of votes by the unit owners which shall be determinative of whether to rebuild, repair, restore or sell the property in the event of damage or destruction of all or part of the property.

(10) Any further details in connection with the property which the person executing the declaration deems desirable to set forth consistent with this chapter.

(11) The method by which the declaration may be amended, consistent with this chapter.

(12) The declaration of trust shall be signed by the owners of the property in the same manner as required in conveyances of real property.

History: 1975 c. 100

703.12 Contents of deeds of units. Deeds of units shall include the following particulars:

(1) Description of the land as provided in s. 703.11 or the post-office address of the property, including in either case the volume and page, or the reel and image, and date of recording of the declaration.

(2) The unit number of the unit in the declaration and any other data necessary for its proper identification.

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(3) Statement of the use for which the unit is intended and restrictions on its use, or, in lieu of such statement, a reference to the recorded documents containing such information.

(4) The percentage of undivided interest appertaining to the unit in the common areas and facilities.

(5) Any further details which the grantor and grantee deem desirable to set forth consistent with the declaration and this chapter.

History: 1971 c. 228.

703.13 Survey map and floor plans to be recorded. There shall be recorded, as a part of the declaration, a plat of survey of the land showing the location of each building built or to be built thereon and a set of floor plans of each building built or to be built thereon, and such plans shall show the layout, location, unit numbers and dimensions of the units, stating the name of the building or that it has no name, and bearing the verified statement of an architect or professional engineer certifying that it is an accurate copy of portions of the plans of each building as filed with and approved by the municipality or other governmental subdivision or other public agency having jurisdiction over the issuance of permits for the construction of buildings. All survey maps and floor plans submitted for recording shall not exceed 14 inches in length and 22 inches in width. In interpreting the survey map or floor plans or any deed or other instrument affecting a building or unit, the boundaries of the building or unit constructed or reconstructed in substantial accordance with the survey map and floor plans shall be conclusively presumed to be the actual boundaries rather than the description expressed in the survey map or floor plans, regardless of the settling or lateral movement of the building and regardless of minor variations between boundaries shown on the survey map and floor plans and those of the building or unit as located and erected. After the substantial completion of any building, there may be recorded a verified statement of an architect or professional engineer that the plans and plat of the survey map theretofore recorded, or being recorded simultaneously with such statement substantially depicts the layout, location, unit numbers and dimensions of the building or buildings and units as located and erected.

History: 1973 c. 271.

703.14 Blanket mortgages and other blanket liens affecting a unit at time of first conveyance. As a condition to the first transfer of title to each unit:

(1) Every mortgage and other lien affecting such unit, including the undivided interest in the

common areas and facilities appurtenant to such unit, shall be paid and satisfied of record, or

(2) The unit being transferred and the undivided interest in the common areas and facilities appurtenant thereto shall be released by partial release duly recorded, or

(3) Such mortgage or other lien shall provide for or be amended to provide for a release of the unit and the undivided interest in the common areas and facilities appurtenant thereto from the lien of the mortgage or other lien upon the payment of a sum certain.

703.15 Recording. The declaration, any amendments thereof, any instrument by which the provisions of this chapter may be waived, and every instrument affecting the property or any unit shall be entitled to be recorded. Neither the declaration nor any amendment thereof is valid unless duly recorded.

703.16 Removal from provisions of this chapter. (1) All of the unit owners may remove a property from the provisions of this chapter by an instrument to that effect, duly recorded, provided that the holders of all liens affecting any of the units consent thereto or agree, in either case by instruments duly recorded, that their liens be transferred to the percentage of the undivided interest of the unit owner in the property.

(2) Upon removal of the property from this chapter, the property shall be deemed to be owned in common by the unit owners. The undivided interest in the property owned in common which appertains to each unit owner shall be the percentage of undivided interest previously owned by such owner in the common areas and facilities.

703.17 Removal no bar to subsequent resubmission. The removal provided for in s. 703.16 shall in no way bar the subsequent resubmission of the property to this chapter.

703.18 Bylaws. The administration of every property shall be governed by bylaws.

703.19 Contents of bylaws. The bylaws may provide for:

(1) The election from among the unit owners of a board of directors, the number of persons constituting the same, and that the terms of at least one-third of the directors shall expire annually; the powers and duties of the board; the compensation, if any, of the directors; the method of removal from office of directors; and whether or not the board may engage the services of a manager or managing agent.

(2) Method of calling meetings of the unit owners; what percentage, if other than a majority, of unit owners shall constitute a quorum.

(3) Election of a president from among the board of directors who shall preside over the meetings of the board of directors and of the association of unit owners.

(4) Election of a secretary who shall keep the minute book wherein resolutions shall be recorded.

(5) Election of a treasurer who shall keep the financial records and books of account.

(6) Maintenance, repair and replacement of the common areas and facilities and payments therefor, including the method of approving payment vouchers.

(7) Manner of collecting from the unit owners their share of the common expense.

(8) Designation and removal of personnel necessary for the maintenance, repair and replacement of the common areas and facilities.

(9) Method of adopting and of amending administrative rules governing the details of the operation and use of the common areas and facilities.

(10) Such restrictions on and requirements respecting the use and maintenance of the units and the use of the common areas and facilities, not set forth in the declaration, as are designed to prevent unreasonable interference with the use of their respective units and of the common areas and facilities by the several unit owners.

(11) The percentage of votes required to amend the bylaws.

(12) Other provisions deemed necessary for the administration of the property consistent with this chapter.

703.20 Books of receipts and expenditures; availability for examination. The manager or board of directors shall keep detailed, accurate records in chronological order, of the receipts and expenditures affecting the common areas and facilities, specifying and itemizing the maintenance and repair expenses of the common areas and facilities and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available for examination by the unit owners at convenient hours of week days.

703.21 Waiver of use of common areas and facilities; abandonment of unit. No unit owner may exempt himself from liability for his contribution towards the common expenses by waiver of the use or enjoyment of any of the common areas and facilities or by abandonment of his unit.

703.22 Separate taxation. (1) Each unit and its percentage of undivided interest in the common areas and facilities shall be deemed to be a parcel and shall be subject to separate assessments and taxation by each assessing unit and special district for all types of taxes authorized by law including but not limited to special ad valorem levies and special assessments. Neither the building, the property nor any of the common areas and facilities shall be deemed to be a parcel separate from the unit.

(2) The rights, duties and obligations of unit owners under this chapter shall inure to and be binding upon grantees under tax deeds and persons acquiring title by foreclosure of tax liens and their successors in interest.

703.23 Priority of lien. (1) (a) All sums assessed by the association of unit owners but unpaid for the share of the common expenses chargeable to any unit shall constitute a lien on such unit and on the undivided interest in the common areas and facilities appurtenant thereto prior to all other liens except:

1. Liens of general and special taxes.

2. All sums unpaid on a first mortgage recorded prior to the making of such assessment.

3. Mechanics' liens filed prior to the making of such assessment.

4. All sums unpaid on any mortgage loan made under s. 45.80.

(b) Such lien may be foreclosed by suit by the manager or board of directors, acting on behalf of the unit owners, in like manner as a mortgage of real property. In any such foreclosure the unit owner shall be required to pay a reasonable rental for the unit, if so provided in the bylaws, and the plaintiff in such foreclosure shall be entitled to the appointment of a receiver to collect the same. The manager or board of directors, acting on behalf of the unit owners, may, unless prohibited by the declaration, bid in the unit at foreclosure sale, and acquire and hold, lease, mortgage and convey the same. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same.

(2) Where the holder of a first mortgage of record or other purchaser of a unit obtains title to the unit and the undivided interest in the common areas and facilities appurtenant thereto as a result of foreclosure of the first mortgage, such acquirer of title, his successors and assigns, shall not be liable for the share of the common expenses or assessments by the association of unit owners chargeable to such unit which became due prior to the acquisition of title to such unit by such acquirer. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from

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all of the unit owners excluding such acquirer, his successors and assigns.

History: 1973 c. 208

703.24 Joint and several liability of grantor and grantee for unpaid common expenses.

In a voluntary conveyance the grantee of a unit shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his share of the common expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. However, any such grantee shall be entitled to a statement from the manager or board of directors, setting forth the amount of the unpaid assessments against the grantor and such grantee shall not be liable for, nor shall the unit conveyed be subject to a lien for, any unpaid assessment against the grantor in excess of the amount therein set forth.

703.25 Insurance. The manager or the board of directors, if required by the declaration, bylaws or by a majority of the unit owners, or at the request of the holder of a first mortgage of record covering a unit, shall have the authority to, and shall, obtain insurance for the property against the loss or damage by fire and such other hazards under such terms and for such amounts as is required or requested. Such insurance coverage shall be written on the property in the name of such manager or of the board of directors of the association of unit owners, as trustee for each of the unit owners in the percentages established in the declaration. Premiums shall be common expenses. Provision for such insurance shall be without prejudice to the right of each unit owner to insure his own unit for his benefit.

703.26 Disposition of property; destruction or damage. If, within 90 days of the date of the damage or destruction to all or part of the property, it is not determined by the association of unit owners to repair, reconstruct or rebuild, then:

(1) The property shall be deemed to be owned in common by the unit owners;

(2) The undivided interest in the property owned in common which appertains to each unit

owner shall be the percentage of undivided interest previously owned by such owner in the common areas and facilities;

(3) Any liens affecting any of the units shall be deemed to be transferred in accordance with the existing priorities to the percentage of the undivided interest of the unit owner in the property as provided herein; and

(4) The property shall be subject to an action for partition at the suit of any unit owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the property, if any, shall be considered as one fund and shall be divided among all the unit owners in a percentage equal to the percentage of undivided interest owned by each owner in the property, after first paying out of the respective shares of the unit owners, to the extent sufficient for the purpose, all liens on the undivided interest in the property owned by each unit owner.

703.27 Actions. Without limiting the rights of any unit owner, actions may be brought by the manager or board of directors, in either case in the discretion of the board of directors, on behalf of 2 or more of the unit owners, as their respective interests may appear, with respect to any cause of action relating to the common areas and facilities of more than one unit. Service of process on 2 or more unit owners in any action relating to the common areas and facilities of more than one unit may be made on the person designated in the declaration to receive service of process.

703.28 Personal application. (1) All unit owners, tenants of such owners, employees of owners and tenants, or any other persons that in any manner use property or any part thereof subject to this chapter shall be subject to this chapter and to the declaration and bylaws of the association of unit owners adopted pursuant to this chapter.

(2) All agreements, decisions and determinations lawfully made by the association of unit owners in accordance with the voting percentages established in this chapter, declaration or bylaws, shall be deemed to be binding on all unit owners.