



WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

2017 Wisconsin Act 303
[2017 Assembly Bill 518]

**Condominium Disclosure
Materials and Payoff Statements**

2017 Wisconsin Act 303 makes several changes, described below, to the law relating to the administration of condominium associations.

FEES FOR FURNISHING DISCLOSURE DOCUMENTS

State law requires a condominium association to furnish certain disclosure documents to a seller, so that the seller may provide those documents to a buyer in the course of a real estate transaction relating to the condominium.

Generally, Act 303 specifies the fees an association may charge a seller for initial disclosure documents as the actual costs of providing the documents or \$50, whichever is less. For updated disclosure documents, the Act limits the fee to the actual costs of providing the documents or \$15, whichever is less. The Act also creates a process through which an association may adopt a written resolution to charge an initial fee higher than the limit described above.

CONTENTS OF EXECUTIVE SUMMARY

State law specifies the contents of the executive summary of the condominium disclosure documents, including items such as the name of the condominium, and information on governance, amenities, maintenance, parking, pets, reserves, rental, and fees.

Act 303 revises the contents of the executive summary to include information on items such as the amount of a condominium's reserve balance, first right of purchase, transfer fees, disclosure document fees, and payoff statement fees.

This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature's Web site at: <http://www.legis.wisconsin.gov>.

REQUEST FOR PAYOFF STATEMENT

The Act also creates a process under which a condominium unit owner may request a payoff statement from an association. Under the Act, the payoff statement must state the total amount necessary to satisfy all monetary obligations, including unpaid assessments, owed by a unit owner to the association in connection with a particular unit. Unless specified by written resolution, the Act specifies that no fee may be charged for production of one payoff statement during any two-month period. If a payoff statement is not provided within 10 business days after a written request, the Act specifies that the association is liable to the owner for damages in the amount of actual damages or \$350, whichever is less.

Effective date: April 18, 2018. The treatment of the Act relating to payoff statements and contents of an association's executive summary first apply as of July 1, 2018.

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