

HUSCH BLACKWELL



Condominium Law for Association Boards

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703.06. Alterations Prohibited

Except as otherwise provided in this chapter, no unit owner may make any alteration that would jeopardize the soundness or safety of the property, reduce the value thereof, or impair any easement or hereditament, or change the exterior appearance of a unit or any other portion of the condominium not part of the unit.

703.09. Declaration

(2) Except as provided in sub. (4) and ss. 703.093, 703.13(6)(c) and (d) and (8)(b), and 703.26, a condominium declaration may be amended with the written consent of at least two-thirds of the aggregate of the votes established under sub. (1)(f) or a greater percentage if provided in the declaration. An amendment becomes effective when it is recorded in the same manner as the declaration. The document submitting the amendment for recording shall state that the required consents and approvals for the amendment were received. A unit owner's written consent is not effective unless it is approved in writing by the first mortgagee of the unit...

703.093. Alternative Procedure for Amending Declaration

- (1) As an alternative to s. 703.09(2), a condominium declaration may be amended under this section if at least two-thirds of the aggregate of the votes established under s. 703.09(1)(f), or a greater percentage if provided in the declaration, consent to the amendment in writing and those consents are approved by the mortgagees... An amendment becomes effective when it is recorded in the same manner as the declaration.
- (2) The association has 180 days to secure the required consents and approvals under this section, commencing with the recording of an affidavit with the register of deeds of the county in which the condominium is located. The affidavit shall do all of the following:
 - (a) Set forth the text of the proposed amendment.
 - (b) Provide the name and address of the senior executive officer of the association to whom inquiries should be directed with regard to the proposed amendment.
 - (c) State that a notice was sent to each owner of record and each lender of record for each unit of the association on the date the affidavit is recorded.
 - (d) Be signed by the senior executive officer of the association.
- (3) Notice of a proposed amendment to a declaration under this section shall be mailed on the date the affidavit is recorded under sub. (2) to the owner of each condominium unit and to any mortgagee of, or holder of an equivalent security interest in, each unit...
- (4) The notice mailed under sub. (3) shall do all of the following...

703.13. Percentage Interests

4) Change in percentage interest. The percentage interests shall have a permanent character and, except as specifically provided by this chapter, may not be changed without the written consent of all of the unit owners and their mortgagees. Any change shall be evidenced by an amendment to the declaration and recorded among the appropriate land records. The percentage interests may not be separated from the unit to which they appertain. Any instrument, matter, circumstance, action, occurrence or proceeding in any manner affecting a unit also shall affect, in like manner, the percentage interests appurtenant to the unit.

(5) Alterations within units.

(a) A unit owner may make any improvements or alterations within his or her unit that do not impair the structural integrity or lessen the support of any portion of the condominium and that do not create a nuisance substantially affecting the use and enjoyment of other units or the common elements. A unit owner may not change the exterior appearance of a unit or of any other portion of the condominium without permission of the board of directors of the association.

(m) Improvements to Limited Common Elements. (a) If permitted by the condominium instruments and subject to par. (b) and to any restrictions or limitations specified in the condominium instruments, a unit owner may improve, including the enclosure of, the limited common elements appurtenant exclusively to that owner's unit if all of the conditions are met . . .

703.15. Association of Unit Owners

(1) Legal entity. The affairs of every condominium shall be governed by an association that, even if unincorporated, is constituted a legal entity for all purposes. Except for matters reserved to the association members or unit owners by this chapter, the declaration, or the bylaws, all policy and operational decisions of the association, including interpretation of the condominium instruments, bylaws, rules, and other documents relating to the condominium or the association, shall be made by its board of directors. This subsection does not affect the deference accorded to, or the standard of review of, an action of the board of directors by a court.

(4) Roster of unit owners; meetings of association.

(a) An association shall maintain a current roster of names and addresses of every unit owner to which notice of meetings of the association shall be sent.

(b) Every unit owner shall furnish the association with his or her name and current mailing address. No unit owner may vote at meetings of the association until this information is furnished.

(d) 1. At meetings of the association every unit owner is entitled to cast the number of votes appurtenant to his or her unit. Unit owners may vote by proxy, but, the proxy is effective only for a maximum period of 180 days following its issuance, unless granted to a mortgagee or lessee. If only one of multiple owners of a unit is present at a meeting of the association, the owner is entitled to cast the votes allocated to that unit.

(5) Unit owner's interest in association's property. No unit owner may have any right, title or interest in any property owned by the association other than as holder of a percentage interest in common elements appurtenant to its unit.

703.16 Common Expenses and Common Surpluses

- (2) Funds for payment of common expenses obtained by assessments.
 - (a) Funds for the payment of common expenses and for the creation of reserves for the payment of future common expenses shall be obtained by assessments against the unit owners in proportion to their percentage interests in the common elements or as otherwise provided in the declaration.
 - (b) [common expenses due from declarant and unit owners during the period of declarant control].

703.165. Lien for Unpaid Common Expenses, Unpaid Damages, and Unpaid Penalties

- (1) Definition. In this section, “assessments” means regular and special assessments for common expenses and charges, fines, or assessments against specific units or unit owners for damages to the condominium or for penalties for violations of the declaration, bylaws, or association rules.
- (2) Liability for assessments. A unit owner shall be liable for all assessments, or installments thereof, coming due while owning a unit, **including any assessments coming due during the pendency of any claim by the unit owner against the association or during any period in which the unit is not occupied by the unit owner or is leased or rented to any other person.** In a voluntary grant, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor for his or her share of the common expenses up to the time of the voluntary grant for which a statement of condominium lien is recorded, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee for such assessments. Liability for assessments may not be avoided by waiver of the use or enjoyment of any common element or by abandonment of the unit for which the assessments are made.
- (8) Form of statement of condominium lien. A statement of condominium lien is sufficient for the purposes of this chapter if it contains the following information and is substantially in the following form:
Statement of Condominium Lien

This is to certify that owner(s) of unit No. in Condominium (is) (are) indebted to the association in the amount of \$..... as of, ... (year) for (his) (her) (its) (their) (proportionate share of common expenses of the Condominium) **(damages to the condominium)(penalties for violation of condominium declaration, bylaws, or rules)** for the period from (date) to (date), plus interest thereon at the rate of ...%, costs of collection, and actual attorney fees.

(THE EFFECT OF THESE CHANGES IS TO ALLOW AN ASSOCIATION TO NOW FILE A LIEN FOR FINES FOR VIOLATION OF THE RULES AND REGULATIONS OF THE ASSOCIATION.)

703.163. Statutory Reserve Account

(SUMMARY – actually there are subsections 1 11) requires that “if there is a statutory reserve account for the condominium, the annual budget adopted under Sec. 703.161 shall provide for reserve funds.” 703.163(7). Moreover, the association must execute a statutory reserve account statement and its recording regardless of whether the association establishes a statutory reserve account or elects not to establish one. 703.163(5) & (6)(c) Wis. Stats. Moreover, regardless of the decision, the statutory reserve account statement must be recorded with the register of deeds of the count where the condominium instruments are recorded. 703.163(11) Wis. Stat.

703.17. Insurance

(1) An association shall obtain insurance for the property against loss or damage by fire and such other hazards for not less than full replacement value of the property insured and a liability policy covering all claims commonly insured against.

703.18. Repair or Reconstruction

(2)(a) Unless otherwise provided in the declaration, in the event of damage to or destruction of common elements of a condominium, the association shall promptly undertake to repair or reconstruct it to a condition compatible with the remainder of the condominium. All cost of the repair or reconstruction in excess of available insurance proceeds shall be a common expense.

703.20. Books of Receipts and Expenditures

(1) Record keeping; availability for examination. An association shall keep detailed, accurate records using standard bookkeeping procedures of the receipts and expenditures affecting the common elements, specifying and itemizing the maintenance and repair expenses of the common elements and any other expenses incurred. The records and the vouchers authorizing the payments shall be available for examination by the unit owners at convenient hours.

(2) Disclosure information. Within 10 days after a request by a seller other than the declarant, an association shall furnish the information necessary for the seller to comply with s. 703.33. The seller shall pay the association the actual costs of furnishing the information.

703.24. Remedies for Violation by Unit Owner or Tenant of a Unit Owner

(1) Definition. In this section, “violation” means failure to comply with this chapter or the declaration, bylaws, or association rules.

(2) Liability for unit owner violation. A unit owner who commits a violation is liable for any charges, fines, or assessment imposed by the association pursuant to the bylaws or association rules as a result of the violation and may be subject to a temporary or permanent injunction.

(3) Liability for violation by tenant.

(a) If a tenant of a unit commits a violation that results in a charge, fine, or assessment imposed by the association pursuant to the bylaws or association rules, the tenant is liable for the charge, fine, or assessment.

(b) If the association complies with the notice requirement of sub. (4), the owner of the unit occupied by the tenant when the violation occurred is liable for any charges, fines, or assessments imposed by the association for which the tenant is liable under par. (a) that are not paid by the tenant within 30 days after receiving the notice under sub. (4). This paragraph does not affect the liability of the tenant to the unit owner...

(4) Notice requirement for violation by tenant. If an association imposes a charge, fine, or assessment as a result of a violation by a tenant of a unit in the condominium, the association shall give notice to the tenant by any method under s. 704.21(1)(a) to (e) and to the owner of the unit occupied by the tenant by any method under s. 704.21(2)(a) to (d). The notice shall include all of the following:

(a) The amount of charges, fines, or assessments for which the tenant is liable.

(b) Notice that if the tenant fails to pay the association the amount for which the tenant is liable within 30 days after the tenant receives the notice, the owner is liable to the association for the amount unpaid by the tenant although the tenant may be liable to the unit owner for any amounts the unit owner pays.

(5) Other liability not affected. This section does not otherwise affect the liability of a unit owner or tenant who commits a violation.

703.315. Lease or Rental Agreement for Residential Units

(1) Definitions . . .

(2) Agreement for Compliance . . .

(3) Copy of written agreement to Association. Within 5 business days after entering into or renewing a written condominium rental agreement, the unit owner shall provide a copy of the agreement to the association. The association shall keep a copy of any condominium rental agreement on file while the agreement is in effect. Material to be furnished by seller to purchaser before closing.

(4) Contact of unit owner and tenant by association. The association may contact or give notice to the tenant or unit owner by:

(a) Making the contact or giving the notice by the means indicated by the tenant or unit owner in writing to the association.

(b) If par. (a) does not apply, by any method under s. 704.21(1)(a) to (e), in the case of the tenant, or by any method under s. 704.21(2)(a) to (d), in the case of the unit owner.

(5) Copy of condominium document to tenant. Before a tenant occupies a unit, the unit owner shall provide a copy of the declaration and the association bylaws and rules to the tenant or place the information in the unit.