

Wisconsin Department of Safety & Professional Services

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DIVISION OF PROFESSIONAL CREDENTIAL PROCESSING

REQUIREMENTS FOR THE SALE OF OUT-OF-STATE LOTS AND OUT-OF-STATE OR IN-STATE CONDOMINIUMS, TIME-SHARES AND CAMPGROUNDS

This form provides a brief overview of current Wisconsin requirements relating to the sale of out-of-state subdivision lots and in-state or out-of-state time-share intervals and condominium units to Wisconsin residents. If you need additional information, please call or write.

OUT-OF-STATE UNIMPROVED PROPERTIES OR SUBDIVISION LOTS

No filing of any kind need be made with the Real Estate Board or the Department before marketing out-of-state subdivision lots in Wisconsin. However, only real estate licensees may negotiate the sale of lots or conduct promotional meetings when such negotiations or meetings occur in Wisconsin.

OUT-OF-STATE OR IN-STATE CONDOMINIUMS

There is no requirement for any kind of filing with the Real Estate Board or the Department. However, when in-state or out-of-state condominium units are physically marketed in Wisconsin to Wisconsin residents, a disclosure document as defined in Wis. Stats. § 703.33, must be provided to the purchasers. That disclosure document must provide for at least a 5 business day rescission period and contain other disclosure information. Wis. Stats. § 703 is enforced by civil actions, the Department of Agriculture, Trade and Consumer Protection, the Attorney General or a district attorney. The Department is not responsible for administering Wis. Stats. § 703.

OUT-OF-STATE OR IN-STATE TIME-SHARES AND CAMPGROUNDS

There is no requirement for any kind of filing with the Real Estate Board or the Department. A time-share and campground law was enacted on May 17, 1988. The law requires that negotiations for the sale of time-share intervals or campground units be conducted only by licensed real estate brokers, salespersons or time-share salespersons. Time-share salespersons are not required to pass a real estate exam, but may only work for a licensed real estate broker and they have very limited rights as stated in Wis. Stats. § 452.025.

The Time-Share Ownership Act (which includes campgrounds) is found in Wis. Stats. § 707, and contains provisions concerning the creation of time-shares and campgrounds, definitions, zoning, plats, sales contracts, managing entities, insurance assessments, liens, blanket encumbrances, protection of purchasers, exchange programs, advertising, and other related issues.

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GENERAL LICENSING REQUIREMENTS

Any person who, physically in Wisconsin, markets in-state or out-of-state lots, condominiums, time-shares or campgrounds (even owners who are involved in a pattern of sales of their own properties) must have a Wisconsin real estate license or utilize the services of a Wisconsin real estate broker. Such persons must observe all the general statutory and rule requirements which pertain to the activities of real estate licensees. The following paragraphs list some of the “general” statutory and rule requirements, including some related problems:

- Licensees must comply with the trust account requirements found in Wis. Admin. Code ch. REEB 18. Thus, any downpayment or earnest money deposit actually paid to a licensee in connection with the purchase, lease or reservation of a time-share estate must be held in the broker’s trust account, or otherwise held and transferred pursuant to the purchase contract or the requirements of Wis. Admin. Code ch. REEB 18, or the requirements in Wis. Stats. § 707.49.
- Licensees must also comply with Wis. Admin. Code ch. REEB 16, relating to the use of Department-approved contractual forms. There are presently 2 approved offer to purchase forms (purchase agreements) for time-share intervals. The Department has also approved a Condominium Listing and Offer to Purchase. Wis. Admin. Code ch. REEB 16.03(1)(c), gives licensees considerable flexibility in using developer-prepared forms for the sale of real estate located out-of-state, including condominiums and time-shares.
- The Consumer Protection Unit in the Wisconsin Department of Agriculture, Trade and Consumer Protection has been very concerned about evidences of unfair trade practices (i.e., pressure sales tactics) which they have observed. The department has frequently received complaints relating to mass mailing techniques which include gifts to those who visit projects. For more information about such complaints please contact the Department of Agriculture, Trade and Consumer Protection, at (608) 224-4949 or 800-422-7128.

If you have questions about licensure and real estate practice requirements, call the Department at (608) 266-2112.