MAINE STATE LEGISLATURE

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H.P. 468		Но	ouse of Re	presentative	es, February	7, 1983
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				EDW	IN H. PERT	, Clerk
Presente	ed by Representa	tive Cooper	of Wind	ham.		
		STATE C	F MAIN	Ξ		
	IN ' NINETEEN	THE YEAR HUNDRED			REE	
	AN ACT	Relating	to Tir	me Share	s.	
Be it en	nacted by the	he Peopl	e of t	he State	of Maine	as
by PL	. 1. 33 MR: 1965, c. 3	357, are	, firs	t 2 line led and	s, as ena the follo	cted wing
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	. 2. 33 MRS	SA §588,	as ena	acted by	PL 1979,	c.

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SUBCHAPTER II

TIME-SHARE CONDOMINIUMS

§591. Definitions

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As used in this subchapter, unless the context indicates otherwise, the following terms have the following meanings.

- 1. Manager. "Manager" means any person, other than all time-share owners or the association, designated in or employed pursuant to the time-share instrument or project instrument to manage the timeshare units.
- 2. Managing entity. "Managing entity" means the 14 15 manager or, if there is no manager, the association 16 of unit owners.
 - 3. Project. "Project" means real property subject a project instrument containing more than one unit. A project may include units that are not timeshare units.
 - 4. Project instrument. "Project instrument" means one or more recordable documents by whatever name denominated, applying to the whole of a project and containing restrictions or covenants regulating the use, occupancy or disposition of units in a project, including any amendments to the document, but excluding any law, ordinance or governmental regulation.
 - 5. Purchaser. "Purchaser" means any person, other than a developer, who by means of a voluntary transfer acquires a legal or equitable interest in a time share other than as security for an obligation.
- 6. Time share. "Time share" means a time-share 32 33 estate or a time-share license.
- 7. Time-share estate. "Time-share estate" means 34 interest in a unit or any of several units under 35 36 which the exclusive right of use, possession or occu-

- pancy of the unit circulates among the various timeshare owners in the unit in accordance with a fixed
 time schedule on a periodically recurring basis for
 periods of time established by the schedule coupled
 with a freehold estate or an estate for years in a
 time-share property or a specified portion thereof.
- 7 8. Time-share instrument. "Time-share instrument"
 8 means one or more documents, by whatever name denominated, creating or regulating time shares.
- 9. Time-share license. "Time-share license" means a right to occupy a unit or any of several units during 3 or more separated time periods over a period of at least 3 years, including renewal options, not coupled with a freehold estate or an estate for years.
- 16 10. Time-share owner. "Time-share owner" means a 17 person who is an owner or co-owner of a time share 18 other than as security for an obligation.
- 19 11. Time-share property. "Time-share property"
 20 means one or more time-share units subject to the
 21 same time-share instrument, together with any other
 22 real estate or rights appurtenant to those units.
- 23 <u>12. Time-share unit. "Time-share unit" means a</u> 24 <u>unit in which time shares exist.</u>
- 25 <u>13. Unit. "Unit" means real property or a portion</u> 26 <u>thereof designated for separate use.</u>
- 27 §592. Requirements of time shares
- 28 1. Specific disclosures. No time share may be 29 conveyed by a developer or conveyed for the first time unless, prior to that conveyance or the execution of an agreement for the purchase, whichever is earlier, the purchaser is provided, at no cost to the 30 31 32 33 purchaser, with a written statement containing the 34 following information, all of which shall be current to a point not more than 60 days prior to the date of 35 36 delivery to the purchaser.
- 37 A. The front cover or first page shall contain only:

1 2	(1) The name and principal address of the developer and of the project and the loca-
3	tion of the time-share property; and
4 5	(2) The following statements in conspicuous type.
6	(a) THIS CONTAINS IMPORTANT MATTERS TO
7 8	BE CONSIDERED IN ACQUIRING A TIME
9	SHARE. STATE OF MAINE LAW REQUIRES THAT THESE DISCLOSURES BE MADE BUT NO STATE
10	AGENCY OR OFFICIAL HAS REVIEWED THE
11	INFORMATION CONTAINED IN THIS BOOKLET.
12	(b) YOU MAY CANCEL THE PURCHASE TRANS-
13	ACTION WITHIN FIFTEEN DAYS FOLLOWING
14	THE DATE OF EXECUTION OF THE CONTRACT
15	OR THE RECEIPT OF A CURRENT WRITTEN
16	STATEMENT, WHICHEVER IS LATER.
17	(c) THE STATEMENTS CONTAINED INSIDE ARE
18	ONLY SUMMARY IN NATURE. IF YOU ARE
19	THINKING OF BUYING A UNIT, YOU SHOULD
20	TALK TO YOUR ATTORNEY AND LOOK AT ALL
21	EXHIBITS, INCLUDING THE DECLARATION,
22 23	PROJECT INSTRUMENT FLOOR PLAN, PLOT
23	PLAN, BYLAWS AND CONTRACTS.
24	(d) YOU SHOULD ASK YOUR ATTORNEY AND
25	THE DEVELOPER TO TELL YOU WHAT WILL HAPPEN TO YOUR DEPOSIT, INTEREST IN THE
26	HAPPEN TO YOUR DEPOSIT, INTEREST IN THE
27 28	UNIT, OR COSTS AND EXPENSES IF THE DEVELOPER OR OWNER IS DECLARED BANK-
20 29	RUPT. OBTAIN THE ANSWER FROM THE DEVEL-
30	OPER IN WRITING.
31 32	B. The following pages shall contain, in the following order:
33	(1) A general description of the time-share
34	property and the time-share units, includ-
35	ing, without limitation, the number and
36 37	types of units in the time-share property
3 / 38	and in any project of which it is a part and the schedule of commencement and completion
39	of construction of all buildings, units,
40	amenities and improvements;
	andiffered and improvementaly

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1	(2) The maximum number of units that may
2	become part of the time-share property, a
3	become part of the time-share property, a statement of the maximum number of time
4	shares that may be created or that there is
5	no maximum, and the proportion of units the
6	developer intends to rent or market in
7	blocks of units to investors;
8	(3) Copies and a brief narrative description
9	of the significant features of the project
10	instrument and time-share instrument and any
11	documents referred to therein, other than
12	the survey and floor plans; the bylaws;
13	rules; copies of any contracts and leases to
14	be signed by purchasers at closing; and a
15	brief narrative description of any contracts
16	or leases, the term of which will or may
17	extend beyond the period of developer con-
18	trol of the association;
19	(4) Any current balance sheet and a pro-
20	jected budget for the association, if there
21	is an association, for one year after the
22	date of the first transfer to a purchaser,
23	and thereafter the current budget, a state-
24	ment of who prepared the budget and a state-
25	ment of the budgetary assumptions concerning
26	occupancy and inflation factors. The budget
27	shall include, without limitation:
28	(a) A statement of the amount, or a
29	statement that there is no amount,
30	included in the budget as a reserve for
31	repairs and replacement;
32	(b) A statement of any other reserves;
33	(c) The projected common expense
34	assessment by category of expenditures
35	for the association; and
36	(d) The projected monthly common
37	(d) The projected monthly common expense assessment for each type of
38	unit;
39	(5) Any services not reflected in the budget
40	that the developer provides, or expenses

٦	that he nave and that he consists was become
1	that he pays, and that he expects may become
2	at any subsequent time a common expense of
3	the association and the projected common
4	expense assessment attributable to each of
5	those services or expenses for the associa-
6	tion and for each type of unit and each
7	time-share estate;
,	cime-share escace;
8	(6) Any initial or special fee due from the
9	purchaser at or before closing, together
10	with a description of the purpose of the fee
11	and method of its calculation;
12	(7) A description and a statement of the
13	effect on the time-share owners of any
14	liens, defects or encumbrances on or affect-
15	ing the title to the project and each time-
16	share unit;
17	(8) A description of any financing offered
18	by the developer;
10	by the developer;
10	(0) 70
19	(9) The terms and significant limitations of
20	any warranties provided by the developer,
21	including statutory warranties and limita-
22	tions on the enforcement thereof or on dam-
23	ages;
24	(10) A statement that:
24	(10) h beacement chac.
2.5	(a) Within 15 days often magaint of the
25	(a) Within 15 days after receipt of the
26	current written statement or execution
27	of a contract, whichever is later, a
28	purchaser may cancel any conveyance or
29	contract for purchase of a unit from
30	the developer; and
	<u> </u>
31	(h) If the nurchaser elects to cancel
	(b) If the purchaser elects to cancel,
32	he may do so by hand delivering a
33	notice thereof or by mailing the notice
34	by prepaid United States mail to the
35	developer. The cancellation shall be
36	without penalty and any deposit made by
37	the purchaser shall be promptly
	nofunded in its entirette
38	refunded in its entirety;

1	(11) A statement of any unsatisfied judg-
2	ments against the association, developer or
3	managing entity, the status of any pending
4	suits to which the association, developer or
5	managing entity is a party and the status of
6	any pending suits material to the property
7	of which the developer has actual knowledge;
8	(12) A statement that any deposit made in
9	connection with the purchase of a unit will
10	be returned to the purchaser if the pur-
11	chaser cancels the contract within 15 days
12	after receipt of the written statement or
13	contract;
10	
14	(13) Any restraints on transfer of time
15	shares or portions thereof;
13	shares of portions thereof;
16	(14) A description of the ingumence correspond
17	(14) A description of the insurance coverage provided for the benefit of the time-share
18	
10	owners;
19	(15) have account an amount of form on the country of
20	(15) Any current or expected fees or charges
21	to be paid by time-share owners for the use
	of the common elements and other facilities
22	related to the project;
	(16) 311
23	(16) All unusual and material circumstances,
24	features and characteristics of the project
25	and the units;
	(4=)
26	(17) The projected common expense assessment
27	for each time share and whether those
28	assessments may vary seasonally;
	(10)
29	(18) The extent to which the time-share
30	owners of a unit are jointly and severally
31	liable for the payment of real estate taxes
32	and all assessments and other charges levied
33	against that unit; and
34	(19) The extent to which a time-share unit
35	may become subject to a tax or other lien
36	arising out of claims against other time-
37	share owners of the same time-share unit

- 2. Restraint upon partition of time-share units.

 No action for partition of any unit in which time shares are created may lie.
 - 3. Cancellation of contract. Any purchaser or prospective purchaser of a time share may cancel a contract or conveyance of a time share by delivering or mailing a postage prepaid written notice of the purchaser's intention to cancel within 15 days after the date of any contract or conveyance or within 15 days after delivery of the current written statement required by subsection 1, whichever is later.
 - 4. Time share located outside State. This section shall apply to offers or sales within this State of time shares in property, even if the project is located outside of this State.
 - 5. Application with respect to foreclosures of mortgages. This section shall not apply to offers or sales by financial institutions as defined in Title 9-B of time shares in property with respect to foreclosure of any mortgage or the delivery of any deed in lieu of that foreclosure.
 - 6. Violation. Any violation of this section shall be a violation of Title 5, chapter 10.

24 STATEMENT OF FACT

 This bill reenacts essential sections of existing law to make clear that the law remains in effect even though the provisions of the Maine Condominium Act may be interpreted to repeal it. The definition of time share has been clarified.

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