

§ 93A-59. Preservation of an owner's claims and defenses.

(a) For one year following the execution of an instrument of indebtedness for the purchase of a timeshare use, the owner may assert against the developer, assignee of the developer, or other holder of the instrument of indebtedness, any claims or defenses available against the developer, and the owner may not waive the right to assert these claims or defenses in connection with a timeshare purchase. Any recovery by the owner on a claim asserted against an assignee of the developer or other holder of the instrument of indebtedness shall not exceed the amount paid by the developer under the instrument. A holder shall be the person or entity with the rights of a holder as set forth in G.S. 25-3-301.

(b) Every instrument of indebtedness for the purchase of a timeshare shall set forth in conspicuous type the following provision in substantially the following form:

"NOTICE

FOR A PERIOD OF ONE YEAR FOLLOWING THE EXECUTION OF THIS INSTRUMENT OF INDEBTEDNESS, ANY HOLDER OF THIS INSTRUMENT OF INDEBTEDNESS IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE OWNER COULD ASSERT AGAINST THE DEVELOPER OF THE TIMESHARE. RECOVERY BY THE OWNER SHALL NOT EXCEED AMOUNTS PAID BY THE OWNER UNDER THIS INSTRUMENT." (1985, c. 578, s. 13; 2021-163, s. 1(c); 2021-192, s. 5(a).)