

**REAL ESTATE CONTRACTUAL FORMS ADVISORY COMMITTEE
MEETING MINUTES
FEBRUARY 14, 2012**

Present: Stephen Beers, Casey Clickner, Debra Conrad, Scott Minter, Kim Moermond, Michael Sewell, Richard Petershack, Gary Tritz, Michael Gordon, Peter Sveum and Cori Lamont (joined the meeting at 10:20 a.m.)

Not Present: John Flor, Jonathan Sayas, John Drzewiecki and Steven Lillestrand

Guests: Tracy Rucka

Staff: Denise Aviles, Executive Director; Yolanda McGowan, Legal Counsel; Michelle Solem, Bureau Assistant; and other Department staff

Stephen Beers, Committee Chair, called the meeting to order at 10:10 a.m. A quorum of 10 members was confirmed.

ADOPTION OF AGENDA

MOTION: Richard Petershack moved, seconded by Scott Minter, to adopt the agenda as published. Motion carried unanimously.

APPROVAL OF MINUTES

MOTION: Richard Petershack moved, seconded by Gary Tritz, to approve the minutes of July 13, 2011, as published. Motion carried unanimously.

BOARD DISCUSSION

REVIEW FINAL FARM OFFER TO PURCHASE (WB-12) AS APPROVED BY THE REAL ESTATE EXAMINING BOARD (REEB) ON NOVEMBER 16, 2011

Yolanda McGowan noted that the review of this form was for informational purposes only. The REEB had approved this form at the November so no action was necessary.

REVIEW AND REVISE COMMERCIAL OFFER TO PURCHASE (WB-15)

The Committee reviewed recommended changes that were submitted by the Wisconsin Realtors Association and also discussed comments that appeared in "Wisconsin Lawyer" and made changes to the WB-15 based on that discussion.

MOTION: Peter Sveum moved, seconded by Richard Petershack, to approve the WB-15 as to substance with a 3/1/12 optional use date and a 7/1/12 mandatory use date and to recommend final approval to the Real Estate Examining Board. Motion carried unanimously.

REVIEW AND REVISE OPTION TO PURCHASE WB-24)

The Committee will discuss this item at the next meeting.

PRIORITIZE COMPLETION OF REMAINING FORMS

The Committee discussed the remaining forms and indicated that the forms should be completed in the following order:

- | | | |
|----------|--------------|----------|
| 1. WB-24 | 4. Timeshare | 7. WB-35 |
| 2. WB-37 | 5. WB-16 | |
| 3. WB-6 | 6. WWB-17 | |

ADJOURNMENT

MOTION: Peter Sveum moved, seconded by Richard Petershack, to adjourn the meeting at 1:35 p.m. Motion carried unanimously.

WB-15 COMMERCIAL OFFER TO PURCHASE

Formatted: Top: 0.24"

1 LICENSEE DRAFTING THIS OFFER ON _____ [DATE] IS (AGENT OF BUYER) (AGENT OF
2 SELLER/LISTING BROKER) (AGENT OF BUYER AND SELLER) ~~STRIKE THOSE NOT APPLICABLE~~

3 **GENERAL PROVISIONS** The Buyer, _____
4 _____, offers to purchase the Property known as [Street Address] _____
5 _____ in the _____ of
6 _____, County of _____, Wisconsin (Insert additional
7 description, if any, at lines xxx-xxx or attach as an addendum per line xxx), on the following terms:

8 ■ **PURCHASE PRICE:** _____ Dollars (\$ _____).

9 ■ **EARNEST MONEY** of \$ _____ accompanies this Offer and earnest money of \$ _____ will be mailed, or
10 commercially or personally delivered within _____ days of acceptance to listing broker or _____
11 _____.

12 ■ **THE BALANCE OF PURCHASE PRICE** will be paid in cash or equivalent at closing unless otherwise provided below.

13 ■ **INCLUDED IN PURCHASE PRICE:** Seller is including in the purchase price the Property, all Fixtures on the Property on the date of this Offer
14 not excluded at lines XX-XX, and the following additional items: _____
15 _____

16 _____
17 _____

18 All personal property included in purchase price will be transferred by bill of sale or _____
19 _____.

20 ■ **NOT INCLUDED IN PURCHASE PRICE:** _____
21 _____
22 _____.

23 **CAUTION: Identify trade fixtures owned by tenant, if applicable, and Fixtures that are on the Property (see lines xxx-xxx) to be excluded**
24 **by Seller or which are rented and will continue to be owned by the lessor.**

25 **NOTE: The terms of this Offer, not the listing contract or marketing materials, determine what items are included/excluded.**

26 **ACCEPTANCE** Acceptance occurs when all Buyers and Sellers have signed one copy of the Offer, or separate but identical copies of the Offer.

27 **CAUTION: Deadlines in the Offer are commonly calculated from acceptance. Consider whether short term deadlines running from**
28 **acceptance provide adequate time for both binding acceptance and performance.**

29 **BINDING ACCEPTANCE** This Offer is binding upon both Parties only if a copy of the accepted Offer is delivered to Buyer on or before
30 _____ . Seller may keep the Property on the market and accept
31 secondary offers after binding acceptance of this Offer.

32 **CAUTION: This Offer may be withdrawn prior to delivery of the accepted Offer.**

33 **OPTIONAL PROVISIONS** TERMS OF THIS OFFER THAT ARE PRECEDED BY AN OPEN BOX () ARE PART OF THIS OFFER ONLY IF
34 THE BOX IS MARKED SUCH AS WITH AN "X." THEY ARE NOT PART OF THIS OFFER IF MARKED "N/A" OR ARE LEFT BLANK.

35 **DELIVERY OF DOCUMENTS AND WRITTEN NOTICES** Unless otherwise stated in this Offer, delivery of documents and written notices to a
36 Party shall be effective only when accomplished by one of the methods specified at lines xx-xx.

37 (1) **Personal Delivery:** giving the document or written notice personally to the Party, or the Party's recipient for delivery if named at line XX or XX.
38 Seller's recipient for delivery (optional): _____
39 Buyer's recipient for delivery (optional): _____

40 (2) **Fax:** fax transmission of the document or written notice to the following telephone number:
41 Seller: (_____) Buyer: (_____)

42 (3) **Commercial Delivery:** depositing the document or written notice fees prepaid or charged to an account with a commercial delivery
43 service, addressed either to the Party, or to the Party's recipient for delivery if named at line XX or XX, for delivery to the Party's delivery address
44 at line XX or XX.

45 (4) **U.S. Mail:** depositing the document or written notice postage prepaid in the U.S. Mail, addressed either to the Party, or to the Party's
46 recipient for delivery if named at line XX or XX, for delivery to the Party's delivery address at line XX or XX.

47 Delivery address for Seller: _____
48 Delivery address for Buyer: _____

49 (5) **E-Mail:** electronically transmitting the document or written notice to the Party's e-mail address, if given below at line XX or XX. If this is a
50 consumer transaction where the property being purchased or the sale proceeds are used primarily for personal, family or household purposes,
51 each consumer providing an e-mail address below has first consented electronically to the use of electronic documents, e-mail delivery and
52 electronic signatures in the transaction, as required by federal law.

53 E-Mail address for Seller (optional): _____
54 E-Mail address for Buyer (optional): _____

55 **PERSONAL DELIVERY/ACTUAL RECEIPT** Personal delivery to, or Actual Receipt by, any named Buyer or Seller constitutes personal delivery
56 to, or Actual Receipt by, all Buyers or Sellers.

57 **PROPERTY CONDITION REPRESENTATIONS** Seller represents to Buyer that as of the date of acceptance Seller has no notice or knowledge
58 of Conditions Affecting the Property or Transaction (lines xxx-xxx) other than those identified in Seller's disclosure report dated
59 and Real Estate Condition Report, if applicable, dated _____, which was/were received by Buyer prior to Buyer
60 signing this Offer and which is/are made a part of this offer by reference COMPLETE DATE OR STRIKE AS APPLICABLE and
61 _____

Formatted: Not Highlight

62 _____
63 **INSERT CONDITIONS NOT ALREADY INCLUDED IN THE DISCLOSURE OR CONDITION REPORT**

64 **CAUTION:** If the property includes 1-4 dwelling units, a Wis. Stat. § 709.03 Real Estate Condition Report may contain the disclosures
65 provided in Wis. Stat. § 709.03 may be required, in addition to the seller disclosure report, also be required. Excluded from this
66 requirement are sales of property that has never been inhabited, sales exempt from the real estate transfer fee, and sales by certain
67 court-appointed fiduciaries, (for example, personal representatives who have never occupied the Property). Buyer may have rescission
68 rights per Wis. Stat. § 709.05.

Formatted: Not Highlight

Formatted: Not Highlight

69 **CLOSING** This transaction is to be closed no later than _____
70 _____ at the place selected by Seller, unless otherwise agreed by the Parties in writing.

71 **CLOSING PRORATIONS** The following items, if applicable, shall be prorated at closing, based upon date of closing values: real estate taxes,
72 rents, prepaid insurance (if assumed), private and municipal charges, property owners association assessments, fuel and _____
73 _____.

74 **CAUTION: Provide basis for utility charges, fuel or other prorations if date of closing value will not be used.**

75 Any income, taxes or expenses shall accrue to Seller, and be prorated at closing, through the day prior to closing.

76 Real estate taxes shall be prorated at closing based on [CHECK BOX FOR APPLICABLE PRORATION FORMULA]:

77 The net general real estate taxes for the preceding year, or the current year if available (Net general real estate taxes are defined as
78 general property taxes after state tax credits and lottery credits are deducted) (NOTE: THIS CHOICE APPLIES IF NO BOX IS CHECKED)

79 Current assessment times current mill rate (current means as of the date of closing)

80 Sale price, multiplied by the municipality area-wide percent of fair market value used by the assessor in the prior year, or current year if
81 known, multiplied by current mill rate (current means as of the date of closing)

82 _____.

83 **CAUTION:** Buyer is informed that the actual real estate taxes for the year of closing and subsequent years may be substantially
84 different than the amount used for proration especially in transactions involving new construction, extensive rehabilitation, remodeling
85 or area-wide re-assessment. Buyer is encouraged to contact the local assessor regarding possible tax changes.

86 Buyer and Seller agree to re-prorate the real estate taxes, through the day prior to closing based upon the taxes on the actual tax bill for
87 the year of closing, with Buyer and Seller each owing his or her pro-rata share. Buyer shall, within 5 days of receipt, forward a copy of the bill
88 to the forwarding address Seller agrees to provide at closing. The Parties shall re-prorate within 30 days of Buyer's receipt of the actual tax
89 bill. Buyer and Seller agree this is a post-closing obligation and is the responsibility of the Parties to complete, not the responsibility of the real
90 estate brokers in this transaction.

91 **OCCUPANCY** Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in this Offer at lines XXX-
92 XXX or XXX-XXX or in an addendum attached per line XXX. At time of Buyer's occupancy, Property shall be in broom swept condition and free of
93 all debris and personal property except for personal property belonging to current tenants, or that sold to Buyer or left with Buyer's consent.
94 Occupancy shall be given subject to tenant's rights, if any.

95 **LEASED PROPERTY** If Property is currently leased and lease(s) extend beyond closing, Seller shall assign Seller's rights under said lease(s)
96 and transfer all security deposits and prepaid rents thereunder to Buyer at closing. The terms of the (written) (oral) STRIKE ONE lease(s), if any,
97 are _____

98 _____ Insert additional terms, if any, at lines XXX-XXX or XXX-XXX or attach as an addendum per line XXX.

99 **ESTOPPEL LETTERS:** Seller shall deliver to Buyer no later than ___ days before closing, estoppel letters dated within ___ days before
100 closing, from each non-residential tenant, confirming the lease term, rent installment amounts, amount of security deposit; and disclosing any
101 defaults, claims or litigation with regard to the lease or tenancy.

102 **RENTAL WEATHERIZATION** This transaction (is) (is not) STRIKE ONE exempt from Wisconsin Rental Weatherization Standards (Wis. Admin.
103 Code Ch. SPS 367). If not exempt, (Buyer) (Seller) STRIKE ONE ("Buyer" if neither is stricken) shall be responsible for compliance, including all
104 costs, with Wisconsin Rental Weatherization Standards. If Seller is responsible for compliance, Seller shall provide a Certificate of Compliance at
105 closing. **REAL ESTATE CONDITION REPORT CAUTION:** Wis. Stat. §709.02 requires owners of property which includes 1-4 dwelling units to
106 provide Buyers with a Real Estate Condition Report. Excluded from this requirement are sales of property that has never been inhabited, sales
107 exempt from the real estate transfer fee, and sales by certain court-appointed fiduciaries, (for example, personal representative who have never
108 occupied the Property). Buyer may have rescission rights. Caution: if the property includes 1-4 dwelling units, a Wis. Stat. §709.03 Real Estate
109 Condition Report may, in addition to the seller disclosure report, also be required. Caution: if this was to remain in or be removed.

Formatted: Not Highlight

110 **TIME IS OF THE ESSENCE** "Time is of the Essence" as to: (1) earnest money payment(s); (2) binding acceptance; (3) occupancy; (4) date of
111 closing; (5) contingency deadlines STRIKE AS APPLICABLE and all other dates and Deadlines in this Offer except: _____ If
112 _____

113 "Time is of the Essence" applies to a date or Deadline, failure to perform by the exact date or Deadline is a breach of contract. If "Time is of the

172 Other _____
173 _____
174 _____

175 Additional items which may be added include, but are not limited to: building, construction or component warranties, previous environmental site
176 assessments, surveys, title commitments and policies, maintenance agreements, other contracts relating to the Property, existing permits and
177 licenses, recent financial operating statements, ~~rent rolls~~, current and future rental agreements, notices of termination and non-renewal, and
178 assessment notices.

179 All documents Seller delivers to Buyer shall be true, accurate, current and complete. Buyer shall keep all such documents confidential and
180 disclose them to third parties only to the extent necessary to implement other provisions of this Offer. Buyer shall return all documents (originals
181 and any reproductions) to Seller if this Offer is terminated. ~~This contingency shall be deemed satisfied unless Buyer, within _____ days of the
182 earlier of receipt of the final document to be delivered or the deadline for delivery of the documents, delivers to Seller a written notice indicating
183 that this contingency has not been satisfied. The notice shall identify which document(s) have not been timely delivered or do not meet the
184 standard set forth for the document(s). Upon delivery of Buyer's notice, this Offer shall be null and void.~~

185 ■ CONTINGENCY SATISFACTION: This contingency shall be deemed satisfied unless Buyer, within _____ days of the earlier of receipt of
186 the final document to be delivered or the deadline for delivery of the documents, delivers to Seller a written notice indicating that this contingency
187 has not been satisfied. ~~The Such notice notice shall identify which document(s) have not been timely delivered or do not meet the standard set
188 forth for the document(s). The notice shall identify which document(s) have not been timely delivered or do not meet the standard set forth for
189 the document(s). Upon delivery of Buyer's such notice, this Offer shall be null and void.~~

190 **DEFINITIONS**

191 ■ **ACTUAL RECEIPT:** "Actual receipt" means that a Party, not the Party's recipient for delivery, if any, has the document or written notice
192 physically in the Party's possession, regardless of the method of delivery.

193 ■ **CONDITIONS AFFECTING THE PROPERTY OR TRANSACTION:** "Conditions Affecting the Property or Transaction" are defined to include:

- 194 a. Defects in structural components, e.g. roof, foundation, basement or other walls.
- 195 b. Defects in mechanical systems, e.g. HVAC, electrical, plumbing, septic, well, fire safety, security or lighting.
- 196 c. Underground or above ground storage tanks presently or previously on the Property for storage of flammable or combustible liquids,
197 including but not limited to gasoline and heating oil.
- 198 d. Defect or contamination caused by unsafe concentrations of, or unsafe conditions relating to, lead paint, asbestos, radon, radium in water
199 supplies, mold, pesticides or other potentially hazardous or toxic substances on the premises.
- 200 e. Production of or spillage of methamphetamine (meth) or other hazardous or toxic substances on the Property.
- 201 f. Zoning or building code violations, any land division involving the Property for which required state or local permits had not been obtained,
202 nonconforming structures or uses, conservation easements, rights-of-way.
- 203 g. Special purpose district, such as a drainage district, lake district, sanitary district or sewer district, that has the authority to impose
204 assessments against the real property located within the district.
- 205 h. Proposed, planned or commenced public improvements which may result in special assessments or otherwise materially affect the Property
206 or the present use of the Property.
- 207 i. Federal, state or local regulations requiring repairs, alterations or corrections of an existing condition.
- 208 j. Flooding, standing water, drainage problems or other water problems on or affecting the Property.
- 209 k. Material damage from fire, wind, floods, earthquake, expansive soils, erosion or landslides.
- 210 l. Near airports, freeways, railroads or landfills, or significant odor, noise, water intrusion or other irritants emanating from neighboring property.
- 211 m. Portion of the Property in a floodplain, wetland or shoreland zoning area under local, state or federal regulations.
- 212 n. Property is subject to a mitigation plan required under administrative rules of the Department of Natural Resources related to county
213 shoreland zoning ordinances, which obligates the owner of the Property to establish or maintain certain measures related to shoreland
214 conditions and which is enforceable by the county.
- 215 o. Encroachments; easements, other than recorded utility easements; access restrictions; covenants, conditions and restrictions; shared
216 fences, walls, wells, driveways, signage or other shared usages; or leased parking.
- 217 p. High voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the Property.
- 218 q. Structure on the Property designated as a historic building, any part of the Property located in a historic district, or burial sites or
219 archeological artifacts on the Property.
- 220 r. All or part of the land has been assessed as agricultural land, the owner has been assessed a use-value conversion charge or the payment
221 of a use-value conversion charge has been deferred.
- 222 s. All or part of the Property is subject to, enrolled in or in violation of a certified farmland preservation zoning district or a farmland preservation
223 agreement, or a Forest Crop, Managed Forest (see disclosure requirements in Wis. Stat. § 710.12), Conservation Reserve or comparable
224 program.
- 225 t. A pier is attached to the Property that is not in compliance with state or local pier regulations.
- 226 u. Government investigation or private assessment/audit (of environmental matters) conducted.
- 227 t. Other Defects affecting the Property.

228 ■ **DEADLINES:** "Deadlines" expressed as a number of "days" from an event, such as acceptance, are calculated by excluding the day the event
229 occurred and by counting subsequent calendar days. The deadline expires at midnight on the last day. Deadlines expressed as a specific number
230 of "business days" exclude Saturdays, Sundays, any legal public holiday under Wisconsin or Federal law, and other day designated by the
231 President such that the postal service does not receive registered mail or make regular deliveries on that day. Deadlines expressed as a specific
232 number of "hours" from the occurrence of an event, such as receipt of a notice, are calculated from the exact time of the event, and by counting 24

233 hours per calendar day. Deadlines expressed as a specific day of the calendar year or as the day of a specific event, such as closing, expire at
234 midnight of that day.

235 ■ **DEFECT:** "Defect" means a condition that would have a significant adverse effect on the value of the Property; that would significantly impair
236 the health or safety of future occupants of the Property; or that if not repaired, removed or replaced would significantly shorten or adversely affect
237 the expected normal life of the premises.

238 (Definitions Continued on page X)

239
240
241
242
243
244
245
246
247
248
249
250
251

IF LINE xxx IS NOT MARKED OR IS MARKED N/A LINES xxx-xxx APPLY.

252 **FINANCING CONTINGENCY:** This Offer is contingent upon Buyer being able to obtain a written _____
253 [INSERT LOAN PROGRAM OR SOURCE] first mortgage loan commitment as described below, within _____ days of acceptance of this
254 Offer. The financing selected shall be in an amount of not less than \$ _____ for a term of not less than _____ years,
255 amortized over not less than _____ years. Initial monthly payments of principal and interest shall not exceed \$ _____. Monthly
256 payments may also include 1/12th of the estimated net annual real estate taxes, hazard insurance premiums, and private mortgage insurance
257 premiums. The mortgage may not include a prepayment premium. Buyer agrees to pay discount points and/or loan origination fee in an amount
258 not to exceed _____% of the loan. If the purchase price under this Offer is modified, the financed amount, unless otherwise provided, shall
259 be adjusted to the same percentage of the purchase price as in this contingency and the monthly payments shall be adjusted as necessary to
260 maintain the term and amortization stated above.

261 **CHECK AND COMPLETE APPLICABLE FINANCING PROVISION AT LINE xxx or xxx.**

262 **FIXED RATE FINANCING:** The annual rate of interest shall not exceed _____%.
263 **ADJUSTABLE RATE FINANCING:** The initial annual interest rate shall not exceed _____%. The initial interest rate shall be
264 fixed for _____ months, at which time the interest rate may be increased not more than _____% per year. The maximum
265 interest rate during the mortgage term shall not exceed _____%. Monthly payments of principal and interest may be adjusted to
266 reflect interest changes.

267 If Buyer is using multiple loan sources or obtaining a construction loan or land contract financing, describe at lines xxx-xxx or xxx-xxx
268 or in an addendum attached per line xxx.

269 **NOTE:** If purchase is conditioned on buyer obtaining financing for operations or development consider adding a contingency for that
270 purpose.

271 ■ **BUYER'S LOAN COMMITMENT:** Buyer agrees to pay all customary loan and closing costs, to promptly apply for a mortgage loan, and to
272 provide evidence of application promptly upon request of Seller. If Buyer qualifies for the loan described in this Offer or another loan acceptable to
273 Buyer, Buyer agrees to deliver to Seller a copy of the written loan commitment no later than the deadline at line xxx. **Buyer and Seller agree that**
274 **delivery of a copy of any written loan commitment to Seller (even if subject to conditions) shall satisfy Buyer's financing contingency if,**
275 **after review of the loan commitment, Buyer has directed, in writing, delivery of the loan commitment. Buyer's written direction shall**
276 **accompany the loan commitment. -Delivery shall not satisfy this contingency if accompanied by a notice of unacceptability.**

277 **CAUTION:** The delivered commitment may contain conditions Buyer must yet satisfy to obligate the lender to provide the loan. **BUYER,**
278 **BUYER'S LENDER AND AGENTS OF BUYER OR SELLER SHALL NOT DELIVER A LOAN COMMITMENT TO SELLER OR SELLER'S**
279 **AGENT WITHOUT BUYER'S PRIOR WRITTEN APPROVAL OR UNLESS ACCOMPANIED BY A NOTICE OF UNACCEPTABILITY.**

280 ■ **SELLER TERMINATION RIGHTS:** If Buyer does not make timely delivery of said commitment; Seller may terminate this Offer if Seller delivers a
281 written notice of termination to Buyer prior to Seller's Actual Receipt of a copy of Buyer's written loan commitment.

282 ■ **FINANCING UNAVAILABILITY:** If financing is not available on the terms stated in this Offer (and Buyer has not already delivered an acceptable
283 loan commitment for other financing to Seller), Buyer shall promptly deliver written notice to Seller of same including copies of lender(s)' rejection
284 letter(s) or other evidence of unavailability. Unless a specific loan source is named in this Offer, Seller shall then have 10 days to deliver to Buyer
285 written notice of Seller's decision to finance this transaction on the same terms set forth in this Offer, and this Offer shall remain in full force and
286 effect, with the time for closing extended accordingly. If Seller's notice is not timely given, this Offer shall be null and void. Buyer authorizes Seller
287 to obtain any credit information reasonably appropriate to determine Buyer's credit worthiness for Seller financing.

288 ■ **IF THIS OFFER IS NOT CONTINGENT ON FINANCING:** Within 7 days of acceptance, a financial institution or third party in control of Buyer's
289 funds shall provide Seller with reasonable written verification that Buyer has, at the time of verification, sufficient funds to close. If such written
290 verification is not provided, Seller has the right to terminate this Offer by delivering written notice to Buyer. Buyer may or may not obtain mortgage
291 financing but does not need the protection of a financing contingency. Seller agrees to allow Buyer's appraiser access to the Property for

292 purposes of an appraisal. Buyer understands and agrees that this Offer is not subject to the appraisal meeting any particular value, unless this
293 Offer is subject to an appraisal contingency, nor does the right of access for an appraisal constitute a financing contingency.

294 **APPRAISAL CONTINGENCY:** This Offer is contingent upon the Buyer or Buyer's lender having the Property appraised at Buyer's
295 expense by a Wisconsin licensed or certified independent appraiser who issues an appraisal report dated subsequent to the date of this Offer
296 indicating an appraised value for the Property equal to or greater than the agreed upon purchase price. This contingency shall be deemed
297 satisfied unless Buyer, within _____ days of acceptance, delivers to Seller a copy of the appraisal report which indicates that the appraised value
298 is not equal to or greater than the agreed upon purchase price, accompanied by a written notice of termination.

299 **CAUTION: An appraisal ordered by Buyer's lender may not be received until shortly before closing. Consider whether deadlines provide**
300 **adequate time for performance.**

301 **ADDITIONAL PROVISIONS/CONTINGENCIES** _____
302 _____
303 _____
304 _____
305 _____
306 _____
307 _____
308 _____
309 _____
310 _____

311 **DEFINITIONS CONTINUED FROM PAGE X**

312 ■ **FIXTURE:** A "Fixture" is an item of property which is physically attached to or so closely associated with land or improvements so as to be
313 treated as part of the real estate, including, without limitation, physically attached items not easily removable without damage to the premises,
314 items specifically adapted to the premises and items customarily treated as fixtures, including, but not limited to, all: garden bulbs; plants; shrubs
315 and trees; screen and storm doors and windows; electric lighting fixtures; window shades; curtain and traverse rods; blinds and shutters; central
316 heating and cooling units and attached equipment; water heaters and treatment systems; sump pumps; attached or fitted floor coverings; awnings;
317 attached antennas; garage door openers and remote controls; installed security systems; central vacuum systems and accessories; in-ground
318 sprinkler systems and component parts; built-in appliances; ceiling fans; fences; storage buildings on permanent foundations and docks/piers on
319 permanent foundations. A "Fixture" does not include trade fixtures owned by tenants of the Property.

320 **CAUTION: Exclude fixtures not owned by Seller such as rented fixtures. See lines xx-xx.**

321 ■ **PROPERTY:** Unless otherwise stated, "Property" means the real estate described at lines X-X.

322 **EARNEST MONEY**

323 ■ **HELD BY:** Unless otherwise agreed, earnest money shall be paid to and held in the trust account of the listing broker (Buyer's agent if Property
324 is not listed or Seller's account if no broker is involved), until applied to the purchase price or otherwise disbursed as provided in the Offer.

325 **CAUTION: Should persons other than a broker hold earnest money, an escrow agreement should be drafted by the Parties or an**
326 **attorney. If someone other than Buyer makes payment of earnest money, consider a special disbursement agreement.**

327 ■ **DISBURSEMENT:** If negotiations do not result in an accepted offer, the earnest money shall be promptly disbursed (after clearance from
328 payor's depository institution if earnest money is paid by check) to the person(s) who paid the earnest money. At closing, earnest money shall be
329 disbursed according to the closing statement. If this Offer does not close, the earnest money shall be disbursed according to a written
330 disbursement agreement signed by all Parties to this Offer. If said disbursement agreement has not been delivered to broker within 60 days after
331 the date set for closing, broker may disburse the earnest money: (1) as directed by an attorney who has reviewed the transaction and does not
332 represent Buyer or Seller; (2) into a court hearing a lawsuit involving the earnest money and all Parties to this Offer; (3) as directed by court order;
333 or (4) any other disbursement required or allowed by law. Broker may retain legal services to direct disbursement per (1) or to file an interpleader
334 action per (2) and broker may deduct from the earnest money any costs and reasonable attorneys fees, not to exceed \$250, prior to
335 disbursement.

336 ■ **LEGAL RIGHTS/ACTION:** Broker's disbursement of earnest money does not determine the legal rights of the Parties in relation to this Offer.
337 Buyer's or Seller's legal right to earnest money cannot be determined by broker. At least 30 days prior to disbursement per (1) or (4) above, broker
338 shall send Buyer and Seller notice of the disbursement by certified mail. If Buyer or Seller disagree with broker's proposed disbursement, a lawsuit
339 may be filed to obtain a court order regarding disbursement. Small Claims Court has jurisdiction over all earnest money disputes arising out of the
340 sale of residential property with 1-4 dwelling units and certain other earnest money disputes. Buyer and Seller should consider consulting
341 attorneys regarding their legal rights under this Offer in case of a dispute. Both Parties agree to hold the broker harmless from any liability for good
342 faith disbursement of earnest money in accordance with this Offer or applicable Department of Regulation and Licensing regulations concerning
343 earnest money. See Wis. Admin. Code Ch. REEB 18.

344 **DEFAULT:** Seller and Buyer each have the legal duty to use good faith and due diligence in completing the terms and conditions of this Offer. A
345 material failure to perform any obligation under this Offer is a default which may subject the defaulting party to liability for damages or other legal
346 remedies.

347 If **Buyer defaults**, Seller may:
348 (1) sue for specific performance and request the earnest money as partial payment of the purchase price; or
349 (2) terminate the Offer and have the option to: (a) request the earnest money as liquidated damages; or (b) sue for actual damages.
350 If **Seller defaults**, Buyer may:

Formatted: Font: 10 pt, Not Highlight

351 (1) sue for specific performance; or
352 (2) terminate the Offer and request the return of the earnest money, sue for actual damages, or both.

353 In addition, the Parties may seek any other remedies available in law or equity.

354 The Parties understand that the availability of any judicial remedy will depend upon the circumstances of the situation and the discretion of the
355 courts. If either Party defaults, the Parties may renegotiate the Offer or seek nonjudicial dispute resolution instead of the remedies outlined above.
356 By agreeing to binding arbitration, the Parties may lose the right to litigate in a court of law those disputes covered by the arbitration agreement.

357 **NOTE: IF ACCEPTED, THIS OFFER CAN CREATE A LEGALLY ENFORCEABLE CONTRACT. BOTH PARTIES SHOULD READ THIS**
358 **DOCUMENT CAREFULLY. BROKERS MAY PROVIDE A GENERAL EXPLANATION OF THE PROVISIONS OF THE OFFER BUT ARE**
359 **PROHIBITED BY LAW FROM GIVING ADVICE OR OPINIONS CONCERNING YOUR LEGAL RIGHTS UNDER THIS OFFER OR HOW TITLE**
360 **SHOULD BE TAKEN AT CLOSING. AN ATTORNEY SHOULD BE CONSULTED IF LEGAL ADVICE IS NEEDED.**

361 **ENTIRE CONTRACT** This Offer, including any amendments to it, contains the entire agreement of the Buyer and Seller regarding the
362 transaction. All prior negotiations and discussions have been merged into this Offer. This agreement binds and inures to the benefit of the Parties
363 to this Offer and their successors in interest.

364
365
366
367
368

369 **TITLE EVIDENCE**

370 **CONVEYANCE OF TITLE:** Upon payment of the purchase price, Seller shall convey the Property by warranty deed (trustee's deed if
371 Seller is a trust, personal representative's deed if Seller is an estate or other conveyance as provided herein) free and clear of all liens
372 and encumbrances, except: municipal and zoning ordinances and agreements entered under them, recorded easements for the distribution of
373 utility and municipal services, recorded building and use restrictions and covenants, present uses of the Property in violation of the foregoing
374 disclosed in Seller's disclosure report, and Real Estate Condition Report, if applicable, and in this Offer, general taxes levied in the year of
375 closing and

376 _____
377 _____ which constitutes merchantable title for purposes of this transaction. Seller shall complete and
378 execute the documents necessary to record the conveyance at Seller's cost and pay the Wisconsin Real Estate Transfer Fee.

379 **WARNING: Municipal and zoning ordinances, recorded building and use restrictions, covenants and easements may prohibit certain**
380 **improvements or uses and therefore should be reviewed, particularly if Buyer contemplates making improvements to Property or a use**
381 **other than the current use.**

382 **TITLE EVIDENCE:** Seller shall give evidence of title in the form of an owner's policy of title insurance in the amount of the purchase price on a
383 current ALTA form issued by an insurer licensed to write title insurance in Wisconsin. Seller shall pay all costs of providing title evidence to Buyer.
384 Buyer shall pay all costs of providing title evidence required by Buyer's lender.

385 **GAP ENDORSEMENT:** Seller shall provide a "gap" endorsement or equivalent gap coverage at (Seller's)(Buyer's) **STRIKE ONE** ("Seller's" if
386 neither stricken) cost to provide coverage for any liens or encumbrances first filed or recorded after the effective date of the title insurance
387 commitment and before the deed is recorded, subject to the title insurance policy exclusions and exceptions, provided the title company will issue
388 the endorsement. If a gap endorsement or equivalent gap coverage is not available, Buyer may give written notice that title is not acceptable for
389 closing (see lines XXX-XXX).

390 **PROVISION OF MERCHANTABLE TITLE:** For purposes of closing, title evidence shall be acceptable if the required title insurance commitment is
391 delivered to Buyer's attorney or Buyer not more than _____ days after acceptance ("15" if left blank), showing title to the Property as of a date no
392 more than 15 days before delivery of such title evidence to be merchantable per lines xxx-xxx, subject only to liens which will be paid out of the
393 proceeds of closing and standard title insurance requirements and exceptions, as appropriate.

394 **TITLE NOT ACCEPTABLE FOR CLOSING:** If title is not acceptable for closing, Buyer shall notify Seller in writing of objections to title within _____
395 days ("15" if left blank) after delivery of the title commitment to Buyer or Buyer's attorney. In such event, Seller shall have a reasonable time, but
396 not exceeding _____ days ("5" if left blank), from Buyer's delivery of the notice stating title objections, to deliver notice to Buyer stating Seller's
397 election to remove the objections by the time set for closing. In the event that Seller is unable to remove said objections, Buyer may deliver to
398 Seller written notice waiving the objections, and the time for closing shall be extended accordingly. If Buyer does not waive the objections, Buyer
399 shall deliver written notice of termination and this Offer shall be null and void. Providing title evidence acceptable for closing does not extinguish
400 Seller's obligations to give merchantable title to Buyer.

401 **SPECIAL ASSESSMENTS/OTHER EXPENSES:** Special assessments, if any, levied or for work actually commenced prior to the date of this
402 Offer shall be paid by Seller no later than closing. All other special assessments shall be paid by Buyer.

403 **CAUTION:** Consider a special agreement if area assessments, property owner's association assessments, special charges for current
404 services under Wis. Stat. § 66.0627 or other expenses are contemplated. "Other expenses" are one-time charges or ongoing use fees
405 for public improvements (other than those resulting in special assessments) relating to curb, gutter, street, sidewalk, municipal water,
406 sanitary and storm water and storm sewer (including all sewer mains and hook-up/connection and interceptor charges), parks, street
407 lighting and street trees, and impact fees for other public facilities, as defined in Wis. Stat. § 66.0617(1)(f).

408 **ENVIRONMENTAL EVALUATION CONTINGENCY:** This Offer is contingent upon a qualified independent environmental consultant of
409 Buyer's choice conducting an Environmental Site Assessment of the Property (see lines xxx to xxx), at (Buyer's) (Seller's) expense **STRIKE ONE**

410 ("Buyer's" if neither is stricken), which discloses no Defects. For the purpose of this contingency, a Defect (see lines xxx-xxx) is defined to also
411 include a material violation of environmental laws, a material contingent liability affecting the Property arising under any environmental laws, the
412 presence of an underground storage tank(s) or material levels of hazardous substances either on the Property or presenting a significant risk of
413 contaminating the Property due to future migration from other properties. Defects do not include conditions the nature and extent of which Buyer
414 had actual knowledge or written notice before signing the Offer.

415 ■ **CONTINGENCY SATISFACTION:** This contingency shall be deemed satisfied unless Buyer, within ____ days of acceptance, delivers to
416 Seller a copy of the Environmental Site Assessment report and a written notice listing the Defect(s) identified in the Environmental Site
417 Assessment report to which Buyer objects (Notice of Defects).

418 **CAUTION: A proposed amendment is not a Notice of Defects and will not satisfy this notice requirement.**

419 ■ **RIGHT TO CURE:** Seller (shall) (shall not) **STRIKE ONE** ("shall" if neither is stricken) have a right to cure the Defects. If Seller has the right to
420 cure, Seller may satisfy this contingency by: (1) delivering written notice to Buyer within 10 days of Buyer's delivery of the Notice of Defects stating
421 Seller's election to cure Defects, (2) curing the Defects in a good and workmanlike manner and (3) delivering to Buyer a written report detailing the
422 work done within 3 days prior to closing. This Offer shall be null and void if Buyer makes timely delivery of the Notice of Defects and written
423 inspection report(s) and: (1) Seller does not have a right to cure or (2) Seller has a right to cure but: (a) Seller delivers written notice that Seller will
424 not cure or (b) Seller does not timely deliver the written notice of election to cure.

425
426 **PROPERTY DIMENSIONS AND SURVEYS** Buyer acknowledges that any land, building or room dimensions, or total acreage or building square
427 footage figures, provided to Buyer by Seller or by a broker, may be approximate because of rounding, formulas used or other reasons, unless
428 verified by survey or other means.

429 **CAUTION: Buyer should verify total square footage, acreage figures, and land, building or room dimensions, if material to Buyer's**
430 **decision to purchase.**

431 **BUYER'S PRE-CLOSING WALK-THROUGH** Within 3 days prior to closing, at a reasonable time pre-approved by Seller or Seller's agent, Buyer
432 shall have the right to walk through the Property to determine that there has been no significant change in the condition of the Property, except for
433 ordinary wear and tear and changes approved by Buyer, and that any defects Seller has agreed to cure have been repaired in the manner agreed
434 to by the Parties.

435 **PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING** Seller shall maintain the Property until the earlier of closing or occupancy of
436 Buyer in materially the same condition as of the date of acceptance of this Offer, except for ordinary wear and tear. If, prior to closing, the Property
437 is damaged in an amount of not more than five percent (5%) of the selling price, Seller shall be obligated to repair the Property and restore it to
438 the same condition that it was on the day of this Offer. No later than closing, Seller shall provide Buyer with lien waivers for all lienable repairs and
439 restoration. If the damage shall exceed such sum, Seller shall promptly notify Buyer in writing of the damage and this Offer may be canceled at
440 option of Buyer. Should Buyer elect to carry out this Offer despite such damage, Buyer shall be entitled to the insurance proceeds, if any, relating
441 to the damage to the Property, plus a credit towards the purchase price equal to the amount of Seller's deductible on such policy, if any. However,
442 if this sale is financed by a land contract or a mortgage to Seller, any insurance proceeds shall be held in trust for the sole purpose of restoring the
443 Property.

444 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons registered with the
445 registry by contacting the Wisconsin Department of Corrections on the Internet at <http://www.widocoffenders.org> or by telephone at (608) 240-
446 5830.

447 **DISTRIBUTION OF INFORMATION** Buyer and Seller authorize the agents of Buyer and Seller to: (i) distribute copies of the Offer to Buyer's
448 lender, appraisers, title insurance companies and any other settlement service providers for the transaction as defined by the Real Estate
449 Settlement Procedures Act (RESPA); (ii) report sales and financing concession data to multiple listing service sold databases; and (iii) provide
450 active listing, pending sale, closed sale and financing concession information and data, and related information regarding seller contributions,
451 incentives or assistance, and third party gifts, to appraisers researching comparable sales, market conditions and listings, upon inquiry.

452 **INSPECTIONS AND TESTING** Buyer may only conduct inspections or tests if specific contingencies are included as a part of this Offer. An
453 "inspection" is defined as an observation of the Property which does not include an appraisal or testing of the Property, other than testing for
454 leaking carbon monoxide, or testing for leaking LP gas or natural gas used as a fuel source, which are hereby authorized. A "test" is defined as
455 the taking of samples of materials such as soils, water, air or building materials from the Property and the laboratory or other analysis of these
456 materials. Seller agrees to allow Buyer's inspectors, testers, appraisers and qualified third parties reasonable access to the Property upon
457 advance notice, if necessary to satisfy the contingencies in this Offer. Buyer and licensees may be present at all inspections and testing. Except
458 as otherwise provided, Seller's authorization for inspections does not authorize Buyer to conduct testing of the Property.

459 **NOTE: Any contingency authorizing testing should specify the areas of the Property to be tested, the purpose of the test, (e.g., to**
460 **determine if environmental contamination is present), any limitations on Buyer's testing and any other material terms of the**
461 **contingency.**

462 Buyer agrees to promptly restore the Property to its original condition after Buyer's inspections and testing are completed unless otherwise agreed
463 to with Seller. Buyer agrees to promptly provide copies of all inspection and testing reports to Seller. Seller acknowledges that certain inspections
464 or tests may detect environmental pollution which may be required to be reported to the Wisconsin Department of Natural Resources.

465
466
467
468
469

470
471
472
473
474
475
476
477
478
479
480
481
482
483
484
485
486
487
488
489
490
491
492
493
494
495
496
497
498
499
500
501
502
503
504
505
506
507
508
509
510
511
512
513
514
515
516
517
518
519
520
521
522
523
524
525
526
527
528
529

INSPECTION CONTINGENCY: This contingency only authorizes inspections, not testing (see lines xxx-xxx). This Offer is contingent upon a qualified independent inspector(s) conducting an inspection(s) of the Property which discloses no Defects. This Offer is further contingent upon a qualified independent inspector or qualified independent third party performing an inspection of _____ (list any Property feature(s) to be separately inspected, e.g., dumpsite, etc.) which discloses no Defects. Buyer shall order the inspection (s) and be responsible for all costs of inspection(s). Buyer may have follow-up inspections recommended in a written report resulting from an authorized inspection performed provided they occur prior to the deadline specified at line xxx. Each inspection shall be performed by a qualified independent inspector or qualified independent third party.

CAUTION: Buyer should provide sufficient time for the primary inspection and/or any specialized inspection(s), as well as any follow-up inspection(s).

For the purpose of this contingency, Defects (see lines xxx-xxx) do not include conditions the nature and extent of which Buyer had actual knowledge or written notice before signing the Offer.

■ **CONTINGENCY SATISFACTION:** This contingency shall be deemed satisfied unless Buyer, within ___ days of acceptance, delivers to Seller a copy of the inspection report(s) and a written notice listing the Defect(s) identified in the inspection report(s) to which Buyer objects (Notice of Defects).

CAUTION: A proposed amendment is not a Notice of Defects and will not satisfy this notice requirement.

■ **RIGHT TO CURE:** Seller (shall)(shall not) ~~STRIKE ONE~~ ("shall" if neither is stricken) have a right to cure the Defects. If Seller has the right to cure, Seller may satisfy this contingency by: (1) delivering written notice to Buyer within 10 days of Buyer's delivery of the Notice of Defects stating Seller's election to cure Defects, (2) curing the Defects in a good and workmanlike manner and (3) delivering to Buyer a written report detailing the work done within 3 days prior to closing. This Offer shall be null and void if Buyer makes timely delivery of the Notice of Defects and written inspection report(s) and: (1) Seller does not have a right to cure or (2) Seller has a right to cure but: (a) Seller delivers written notice that Seller will not cure or (b) Seller does not timely deliver the written notice of election to cure.

CLOSING OF BUYER'S PROPERTY CONTINGENCY: This Offer is contingent upon the closing of the sale of Buyer's property located at _____, no later than _____. If Seller accepts a bona fide secondary offer, Seller may give written notice to Buyer of acceptance. If Buyer does not deliver to Seller a written waiver of the Closing of Buyer's Property Contingency and _____

[INSERT OTHER REQUIREMENTS, IF ANY (e.g., PAYMENT OF ADDITIONAL EARNEST MONEY, WAIVER OF ALL CONTINGENCIES, OR PROVIDING EVIDENCE OF SALE OR BRIDGE LOAN, etc.)] within ___ hours of Buyer's Actual Receipt of said notice, this Offer shall be null and void.

~~**SECONDARY OFFER:** This Offer is secondary to a prior accepted offer. This Offer shall become primary upon delivery of written notice to Buyer that this Offer is primary. Unless otherwise provided, Seller is not obligated to give Buyer notice prior to any deadline, nor is any particular secondary buyer given the right to be made primary ahead of other secondary buyers. Buyer may declare this Offer null and void by delivering written notice of withdrawal to Seller prior to delivery of Seller's notice that this Offer is primary. Buyer may not deliver notice of withdrawal earlier than _____ days after acceptance of this Offer. All other Offer deadlines which are run from acceptance shall run from the time this Offer becomes primary.~~

ADDENDA: The attached _____ is/are made part of this Offer.

ADDITIONAL PROVISIONS/CONTINGENCIES

Formatted: Font: 10 pt, Not Highlight

Formatted: Indent: Left: 0"

530 _____
531 _____
532 _____
533 _____
534 _____
535 _____

536 This Offer was drafted by [Licensee and Firm] _____
537 _____ on _____.

538 Buyer Entity Name (if any): _____

539 (x) _____
540 Buyer's/Authorized Signature▲ Print Name/Title Here▶ _____ Date▲ _____

541 (x) _____
542 Buyer's/Authorized Signature▲ Print Name/Title Here▶ _____ Date▲ _____

543 **EARNEST MONEY RECEIPT** Broker acknowledges receipt of earnest money as per line XX of the above Offer.

544 _____ Broker (By) _____

545 SELLER ACCEPTS THIS OFFER. THE WARRANTIES, REPRESENTATIONS AND COVENANTS MADE IN THIS OFFER SURVIVE
546 CLOSING AND THE CONVEYANCE OF THE PROPERTY. SELLER AGREES TO CONVEY THE PROPERTY ON THE TERMS AND
547 CONDITIONS AS SET FORTH HEREIN AND ACKNOWLEDGES RECEIPT OF A COPY OF THIS OFFER.

548 Seller Entity Name (if any): _____

549 (x) _____
550 Seller's/Authorized Signature▲ Print Name/Title Here▶ _____ Date▲ _____

551 (x) _____
552 Seller's/Authorized Signature▲ Print Name/Title Here▶ _____ Date▲ _____

553 This Offer was presented to Seller by [Licensee and Firm] _____
554 _____ on _____ at _____ a.m./p.m.

555 This Offer is rejected _____ This Offer is countered [See attached counter] _____
556 Seller Initials▲ Date▲ Seller Initials▲ Date▲

- Formatted: Font: 10 pt, Not Highlight
- Formatted: Not Highlight
- Formatted: Font: 10 pt, Not Highlight
- Formatted: Not Highlight
- Formatted: Font: 10 pt, Not Highlight
- Formatted: Not Highlight
- Formatted: Font: 10 pt, Not Highlight
- Formatted: Font: 10 pt