



Energy Exclusion Codes FAQs

- W-1 OWNER-OCCUPANCY - Building has one to four units and will be occupied by purchaser as a primary or secondary residence for at least one year beginning within 60 days of transfer. (SPS 367.02(2)(a)) A stipulation to have the property certified is needed if the owner cannot owner-occupy a unit within 60 days of closing. The stipulation may be cancelled if the owner-occupancy occurs within the first year. "Owner" is defined as one having a legal or equitable interest in a rental unit. SPS 367.04(15), ss. 101.122(1)(d) Stats. Companies and corporations cannot occupy a dwelling and therefore do not qualify for this exclusion. An owner may claim not more than 2 dwelling units as owner-occupied. In multiple-use buildings, an owner may claim W-1 only if the residential portion of the building is occupied by him or her. (Mix of residential and nonresidential) (SPS 367.02(2))
- W-3 TRANSFER FEE EXEMPT - This is an exempt transfer per section 77.25, STATS. not including 77.25(2) or (2g)). (SPS 367.04(20) (various)). All transfers that are exempt from paying a real estate transfer fee are also exempt from the Rental Unit Energy Efficiency Code, except for transfers listed under s. 77.25(2), WI statutes - transfers from the United States, the state or from any instrumentality, agency or subdivision of either. These transfers are subject to the code.
- W-4 SEASONAL USE - Dwelling unit(s) will not be rented between November 1 and March 31 of each year. (SPS 367.02(2)(d)). Use for vacation homes and cottages that will never be rented out during the heating season. Does not include rehabilitated or renovated properties temporarily vacant while being worked on. Such transactions are subject to code--including those intended for sale to owner-occupant.
- W-5 LICENSED FACILITIES - Building is a Department of Health and Family Services regulated Hospital, Nursing Home, Hotel, Motel, Tourist Rooming House or Bed and Breakfast Inn. (SPS 367.02(2)(g)).
- W-6 BANKRUPTCY - Transfer in court declared bankruptcy to a party with a previous interest in the property. (SPS 367.03(1)(b)5.) Grantee must have had a financial interest in the building prior to this transaction such as a lender or seller under a land contract. Subsequent transfers are not excluded.
- W-7 NON-RESIDENTIAL - Vacant land, nonresidential property or manufactured (mobile) home. (SPS 367.02(2)(f). No building may be classified as nonresidential if there is one or more residential units in the structure. All manufactured (mobile) homes are exempt from the code even if they are no longer mobile, and even if they have large additions to the original home. Mobile homes are covered under federal energy conservation standards. Residential units in areas zoned "commercial" are still subject to the code. Mixed-use buildings such as commercial use and residential use are subject to SPS 367.
- W-8 ENERGY CODE COMPLIANT - Building constructed after December 1, 1978 (built under Uniform Dwelling Code Standards (UDC) which contains 1 or 2 dwelling units; or any building with more than 2 dwelling units constructed after April 15, 1976 (built under commercial building code standards). SPS 367.02(2)(b) & (c) For this exclusion, use the date the owner submitted for a permit or plan approval from the municipality or Department of Safety and Professional Services. If no building permit record is available, sanitary or zoning permits or assessment records could help define the age of building.
- W-9 NO MAJORITY INTEREST CHANGE - Partnership, stock or other conveyance or assignment that does not create or change a controlling interest of 51% or more. (SPS 367.04(15) & (20), (ss)101.122(1)(f)) This exclusion code is appropriate when: 1) Condo time-shares are transferred. 2) Buyer already had controlling interest of at least 51% and is purchasing additional interest in same real estate. 3) A and B each hold 50% interest when C buys out A. Transfer does not create or change controlling interest. 4) Corporation or partnership to individuals at the same percent of ownership. Exclusion does not apply when one partner holding 50% interest buys out the other partner thereby creating a controlling interest where none existed before. Unless the deed or other document specifies otherwise, it is assumed "Tenancy in Common" and "Joint Tenancy" to be equal shares of ownership. (SPS 367.04(20)).
- W-11 OTHER - Other, including court judgment; other probate besides s.77.25 (11), STATS; no rent situations such as in an e.g. a life estate; condo or co-op conversion, etc. (Explanation required for use by Department of Safety and Professional Services). Includes all court-ordered sales not exempt by 77.25, Stats. (SPS 367.04(20). Use in probate situations when personal representative deed transfers real estate from the estate to grantees (including third parties totally unrelated to the deceased). (SPS 367.04(20) (stats). May be used in life estate situations wherein the building is a single-family dwelling and there are no other units being rented out. (SPS 367.04(17) Transfer to a condominium or housing cooperative may use this exclusion. (SPS 367.04(20)(3). This exclusion is not appropriate in situations wherein parents purchase a building which their children occupy, regardless of how the mortgage payments are made. Such transactions are subject to the code.

- W-12 PRE-EXISTING CERTIFICATE OF COMPLIANCE - Building has a recorded Certificate of Compliance from DILHR or Department of Safety and Professional Services. (SPS 367.02 (1)) Enter Register of Deeds document number of recorded certificate.
- W-13 CONDOMINIUM EXCLUSION - This is a condominium which is in a building containing 3 or more units. (SPS 367.02 (2)(e)).