



**TELECONFERENCE/VIRTUAL
REAL ESTATE EXAMINING BOARD
Virtual, 4822 Madison Yards Way, Madison
Contact: Christian Albouras (608) 266-2112
August 20, 2020**

The following agenda describes the issues that the Board plans to consider at the meeting. At the time of the meeting, items may be removed from the agenda. Please consult the meeting minutes for a record of the actions of the Board.

AGENDA

10:00 A.M.

OPEN SESSION – CALL TO ORDER – ROLL CALL

- A. Adoption of Agenda (1-4)**
- B. Approval of Minutes of June 18, 2020 (5-9)**
- C. Introductions, Announcements and Recognition
- D. Administrative Matters**
 - 1) Department, Staff and Board Updates
 - 2) Board Members – Term Expiration Dates
- E. Legislative and Policy Matters – Discussion and Consideration
- F. Administrative Rules Matters – Discussion and Consideration (10)**
 - 1) REEB 12 Service Member, Former Service Member and Service Member Spouse Reciprocal License (2019 Act 143)
 - 2) REEB 12 Relating to Predetermination on Licenses and Obsolete Reference to Apprenticeships in Broker Application Requirements (Provisions Identified in Report Pursuant to S. 227.29)
 - 3) REEB 24 Relating to Conduct and Ethical Practices **(11-15)**
 - 4) Pending or Possible Rulemaking Projects
- G. Real Estate Contractual Forms Advisory Council Update – Discussion and Consideration**
- H. Report and Possible Action from the Real Estate Curriculum and Examination Council**
 - 1) 2021-2022 Real Estate Continuing Education Curriculum **(16-24)**
- I. COVID-19 – Discussion and Consideration**
- J. Newsletter Process and Planning – Discussion and Consideration**

- K. Discussion and Consideration of Items Added After Preparation of Agenda:
- 1) Introductions, Announcements and Recognition
 - 2) Administrative Matters
 - 3) Election of Officers
 - 4) Appointment of Liaisons and Alternates
 - 5) Delegation of Authorities
 - 6) Education and Examination Matters
 - 7) Credentialing Matters
 - 8) Practice Matters
 - 9) Legislative and Policy Matters
 - 10) Administrative Rule Matters
 - 11) Liaison Reports
 - 12) Board Liaison Training and Appointment of Mentors
 - 13) Informational Items
 - 14) Division of Legal Services and Compliance (DLSC) Matters
 - 15) Presentations of Petitions for Summary Suspension
 - 16) Petitions for Designation of Hearing Examiner
 - 17) Presentation of Stipulations, Final Decisions and Orders
 - 18) Presentation of Proposed Final Decisions and Orders
 - 19) Presentation of Interim Orders
 - 20) Petitions for Re-Hearing
 - 21) Petitions for Assessments
 - 22) Petitions to Vacate Orders
 - 23) Requests for Disciplinary Proceeding Presentations
 - 24) Motions
 - 25) Petitions
 - 26) Appearances from Requests Received or Renewed
 - 27) Speaking Engagements, Travel, or Public Relation Requests, and Reports

L. Public Comments

CONVENE TO CLOSED SESSION to deliberate on cases following hearing (s. 19.85(1)(a), Stats.); to consider licensure or certification of individuals (s. 19.85(1)(b), Stats.); to consider closing disciplinary investigations with administrative warnings (ss. 19.85(1)(b), and 440.205, Stats.); to consider individual histories or disciplinary data (s. 19.85(1)(f), Stats.); and to confer with legal counsel (s. 19.85(1)(g), Stats.).

M. Deliberation on Department of Legal Services and Compliance (DLSC) Matters

- 1) Stipulations, Final Decisions and Orders**
 - a. 17 REB 118 – Laine Anderson **(25-31)**
 - b. 18 REB 044 – Lyn M. Herriot, Yellow House Realty, LLC **(32-39)**
 - c. 18 REB 045 – James A. Roberts, J & V Roberts Investments, Inc. **(40-46)**
- 2) Administrative Warnings**
 - a. 18 REB 007 – S.M.P., S.P.R.G. **(47-49)**
 - b. 19 REB 006 – S.M.S. **(50-51)**
- 3) Case Closings**
 - a. 17 REB 118 – A.Y.S., W.H. **(52-56)**
 - b. 18 REB 101 – K.R.W., N.A.C.A. **(57-62)**

- c. 19 REB 025 – E.R., M.A.L., G.A.L., J.A.K., B.D.M., P.L.B. **(63-68)**
- d. 19 REB 079 – M.R.J., W.D.K., A.C.S. **(69-74)**
- e. 19 REB 081 – K.J., P.B. **(75-81)**
- 4) **Monitoring Matters (82-83)**
 - a. Dwayne Bryant – Requesting Full Licensure **(84-98)**
 - b. Francoise Cain – Requesting Termination of Suspension **(99-140)**
 - c. Donyell George – Requesting Full Licensure **(141-151)**
 - d. Reed Rentmeester – Requesting Full Licensure **(152-167)**

N. Deliberation on Proposed Final Decision and Orders

- 1) Joseph L. Hazelwood, Respondent (DHA Case Number SPS-19-0062/DLSC Case Numbers 17 REB 101 and 18 REB 006) **(168-177)**
- 2) Jennifer A. Holliday, Respondent (DHA Case Number SPS-19-0045/DLSC Case Number 17 REB 124) **(178-189)**

O. Deliberation of Items Added After Preparation of the Agenda

- 1) Education and Examination Matters
- 2) Credentialing Matters
- 3) DLSC Matters
- 4) Monitoring Matters
- 5) Professional Assistance Procedure (PAP) Matters
- 6) Petitions for Summary Suspensions
- 7) Petitions for Designation of Hearing Examiner
- 8) Proposed Stipulations, Final Decisions and Order
- 9) Proposed Interim Orders
- 10) Administrative Warnings
- 11) Review of Administrative Warnings
- 12) Proposed Final Decisions and Orders
- 13) Matters Relating to Costs/Orders Fixing Costs
- 14) Case Closings
- 15) Board Liaison Training
- 16) Petitions for Assessments and Evaluations
- 17) Petitions to Vacate Orders
- 18) Remedial Education Cases
- 19) Motions
- 20) Petitions for Re-Hearing
- 21) Appearances from Requests Received or Renewed

P. Consulting with Legal Counsel

RECONVENE TO OPEN SESSION IMMEDIATELY FOLLOWING CLOSED SESSION

Q. Vote on Items Considered or Deliberated Upon in Closed Session, if Voting is Appropriate

R. Open Session Items Noticed Above Not Completed in the Initial Open Session

ADJOURNMENT

NEXT MEETING: OCTOBER 29, 2020

MEETINGS AND HEARINGS ARE OPEN TO THE PUBLIC, AND MAY BE CANCELLED WITHOUT NOTICE.

Times listed for meeting items are approximate and depend on the length of discussion and voting. All meetings are held at 4822 Madison Yards Way, Madison, Wisconsin, unless otherwise noted. In order to confirm a meeting or to request a complete copy of the board's agenda, please call the listed contact person. The board may also consider materials or items filed after the transmission of this notice. Times listed for the commencement of disciplinary hearings may be changed by the examiner for the convenience of the parties. Interpreters for the hearing impaired provided upon request by contacting the Affirmative Action Officer, 608-266-2112 or the Meeting Staff at 608-266-5439.

**TELECONFERENCE/VIRTUAL
REAL ESTATE EXAMINING BOARD
MEETING MINUTES
JUNE 18, 2020**

PRESENT: Robert Larson, Cathy Lacy, Elizabeth Lauer (*excused at 12:07 p.m.*), Dennis Pierce, Thomas Richie

EXCUSED: Robert Webster

STAFF: Christian Albouras, Executive Director; Yolanda McGowan, Board Legal Counsel; Sharon Henes, Administrative Rules Coordinator; Megan Glaeser, Bureau Assistant; and Other Department Staff

CALL TO ORDER

Thomas Richie, Chairperson, called the meeting to order at 10:05 a.m. A quorum was confirmed with five (5) members present.

ADOPTION OF AGENDA

MOTION: Robert Larson moved, seconded by Dennis Pierce, to adopt the Agenda as published. Motion carried unanimously.

APPROVAL OF MINUTES OF FEBRUARY 20, 2020

Amendments to the Minutes:

- *Under Appointment of Liaisons: Amend Council on Real Estate Curriculum & Examination Chairperson Representative*

MOTION: Robert Larson moved, seconded by Elizabeth Lauer, to approve the Minutes of February 20, 2020 as amended. Motion carried unanimously.

INTRODUCTIONS, ANNOUNCEMENTS AND RECOGNITION

Recognition of Jerry Lyons, Real Estate Broker Member

MOTION: Thomas Richie moved, seconded by Dennis Pierce, to recognize and thank Jerry Lyons for his years of service to the Real Estate Examining Board and the State of Wisconsin. Motion carried unanimously.

ADMINISTRATIVE MATTERS

Appointment of Liaisons and Alternates

2020 LIAISON APPOINTMENTS	
Newsletter or Digest Liaison	Thomas Richie
Screening Panel Team 3	Dennis Pierce, Robert Larson, and Cathy Lacy

Delegation of Authorities

MOTION: Dennis Pierce moved, seconded by Cathy Lacy, to delegate authority to the DSPS attorneys and paralegals to review and approve Real Estate Business Entity Applications in which the identified licensed Broker Business Representatives have previously been approved for a full Real Estate Broker credential or renewal after criminal background check and there has been no criminal activity since the previous license/renewal approval. Motion carried unanimously.

ADMINISTRATIVE RULES MATTERS

Adopt CR 19-128 Relating to Obsolete References

MOTION: Elizabeth Lauer moved, seconded by Thomas Richie, to approve the Adoption Order for Clearinghouse Rule CR 19-128, relating to obsolete references. Motion carried unanimously.

Scope Amending REEB 12 Service Member, Former Service Member and Service Member Spouse Reciprocal License (2019 Act 143)

MOTION: Elizabeth Lauer moved, seconded by Cathy Lacy, to approve the Scope Statement revising REEB 12 relating to service member, former service member and service member spouse reciprocal license (2019 Act 143), for submission to the Department of Administration and Governor's Office and for publication. Additionally, the Board authorizes the Chairperson to approve the Scope Statement for implementation no less than 10 days after publication. Motion carried unanimously.

Scope Amending REEB 12 Relating to Provisions Identified in the Board's Report Pursuant to s. 227.29

MOTION: Elizabeth Lauer moved, seconded by Robert Larson, to approve the Scope Statement revising REEB 12 relating to provisions identified in the board's report pursuant to s. 227.29, for submission to the Department of Administration and Governor's Office and for publication. Additionally, the Board authorizes the Chairperson to approve the Scope Statement for implementation no less than 10 days after publication. Motion carried unanimously.

REAL ESTATE CONTRACTUAL FORMS ADVISORY COUNCIL UPDATE

WB-11 – Residential Offer to Purchase

MOTION: Elizabeth Lauer moved, seconded by Cathy Lacy, to approve the WB-11 Residential Offer to Purchase forms as presented on pages 27-36 of the June 18, 2020 meeting agenda materials with amendments, and to designate the Chairperson to approve the final version of this form. Motion carried unanimously.

WB-14 – Residential Condominium Offer to Purchase

MOTION: Elizabeth Lauer moved, seconded by Cathy Lacy, to approve the WB-14 Residential Condominium Offer to Purchase forms as presented on pages 37-49 of the June 18, 2020 meeting agenda materials with amendments, and to designate the Chairperson to approve the final version of this form. Motion carried unanimously.

COVID-19

Testing

MOTION: Thomas Richie moved, seconded by Dennis Pierce, to request Department staff explore and report to the board as soon as feasible on available options for virtual examinations. Motion carried unanimously.

(Elizabeth Lauer was excused at 12:07 p.m.)

NEWSLETTER PROCESS AND PLANNING

MOTION: Cathy Lacy moved, seconded by Thomas Richie, to delegate authority to the newsletter or digest liaison to handle all matters relating to newsletters or digests. Motion carried unanimously.

CLOSED SESSION

MOTION: Thomas Richie moved, seconded by Cathy Lacy, to convene to closed session to deliberate on cases following hearing (s. 19.85(1)(a), Stats.); to consider licensure or certification of individuals (s. 19.85(1)(b), Stats.); to consider closing disciplinary investigations with administrative warnings (ss. 19.85(1)(b), and 440.205, Stats.); to consider individual histories or disciplinary data (s. 19.85(1)(f), Stats.); and to confer with legal counsel (s. 19.85(1)(g), Stats.). Thomas Richie, Chairperson, read the language of the motion. The vote of each member was ascertained by voice vote. Roll Call Vote: Robert Larson-yes; Cathy Lacy-yes; Dennis Pierce-yes; and Thomas Richie-yes. Motion carried unanimously.

The Board convened into Closed Session at 12:41 p.m.

DIVISION OF LEGAL SERVICES AND COMPLIANCE (DLSC) MATTERS

Stipulations, Final Decisions and Orders

MOTION: Thomas Richie moved, seconded by Robert Larson, to adopt the Findings of Fact, Conclusions of Law and Order in the matter of disciplinary proceedings of the following cases:

1. 17 REB 115 – William J. Kratzke
2. 18 REB 060 – SueAnne E. Hartfiel, United Realty Fox Valley LLC
3. 18 REB 100 – Robin L. Stich
4. 18 REB 125 – Rhonda Ellenberger
5. 19 REB 105 – Jeremy C. Arrington

Motion carried unanimously.

Administrative Warnings

MOTION: Robert Larson moved, seconded by Cathy Lacy, to issue an Administrative Warning in the matter of the following cases:

1. 18 REB 124 – S.D.D.
2. 18 REB 140 – A.L.W.

Motion carried unanimously.

MOTION: Thomas Richie moved, seconded by Cathy Lacy, to issue an Administrative Warning in the matter of the following cases:

1. 18 REB 075 – E.R.
2. 18 REB 075 – L.M.F.G.
3. 18 REB 075 – M.A.L.

Motion carried unanimously.

Case Closings

MOTION: Cathy Lacy moved, seconded by Dennis Pierce, to close the following DLSC Cases for the reasons outlined below:

1. 17 REB 101 – C.J.M. – Prosecutorial Discretion (P1)
2. 18 REB 100 – D.M.S., T.R.E.I. – No Violation
3. 18 REB 124 – B.R.V., A.R. – No Violation
4. 18 REB 125 – J.A.D., A.R.L. – No Violation
5. 18 REB 137 – J.D.S. – Prosecutorial Discretion (P7)
6. 18 REB 140 – B.R.V., A.R. – No Violation
7. 19 REB 023 – S.D.S., S.B. – Prosecutorial Discretion (P2)

Motion carried unanimously.

Monitoring Matters

Paul Rapala – Requesting Full Licensure

MOTION: Thomas Richie moved, seconded by Robert Larson, to grant the request of Paul Rapala for Full Licensure. Motion carried unanimously.

Paula Wegner - Requesting Full Licensure

MOTION: Robert Larson moved, seconded by Cathy Lacy, to grant the request of Paula Wegner for Full Licensure. Motion carried unanimously.

RECONVENE TO OPEN SESSION

MOTION: Thomas Richie moved, seconded by Cathy Lacy, to reconvene into Open Session. Motion carried unanimously.

The Board reconvened into Open Session at 1:51 p.m.

**VOTE ON ITEMS CONSIDERED OR DELIBERATED UPON IN CLOSED SESSION,
IF VOTING IS APPROPRIATE**

MOTION: Robert Larson moved, seconded by Thomas Richie, to affirm all motions made and votes taken in Closed Session. Motion carried unanimously.

(Be advised that any recusals or abstentions reflected in the closed session motions stand for the purposes of the affirmation vote.)

ADJOURNMENT

MOTION: Thomas Richie moved, seconded by Robert Larson, to adjourn the meeting. Motion carried unanimously.

The meeting adjourned at 1:55 p.m.

DRAFT

**State of Wisconsin
Department of Safety & Professional Services**

AGENDA REQUEST FORM

1) Name and Title of Person Submitting the Request: Sharon Henes Administrative Rules Coordinator		2) Date When Request Submitted: 10 August 2020 Items will be considered late if submitted after 12:00 p.m. on the deadline date which is 8 business days before the meeting																
3) Name of Board, Committee, Council, Sections: Real Estate Examining Board																		
4) Meeting Date: 20 August 2020	5) Attachments: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	6) How should the item be titled on the agenda page? Administrative Rule Matters <ol style="list-style-type: none"> 1. REEB 12 Relating to Service Member, Former Service Member and Service Member Spouse Reciprocal License (2019 Act 143) 2. REEB 12 Relating to Predetermination on Licenses and Obsolete Reference to Apprenticeships in Broker Application Requirements (Provisions identified in report pursuant to s. 227.29) 3. REEB 24 Relating to Conduct and Ethical Practices 4. Updates on Pending or Possible Rulemaking Projects 																
7) Place Item in: <input type="checkbox"/> Open Session <input type="checkbox"/> Closed Session	8) Is an appearance before the Board being scheduled? <input type="checkbox"/> Yes <input type="checkbox"/> No	9) Name of Case Advisor(s), if required:																
10) Describe the issue and action that should be addressed: Review REEB 24 Conduct and Ethical Practices to determine any recommendations for modifications to the chapter.																		
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; vertical-align: top;">11)</td> <td style="width: 60%; text-align: center; vertical-align: top;">Authorization</td> <td style="width: 30%;"></td> </tr> <tr> <td></td> <td style="text-align: center; vertical-align: top;"><i>Sharon Henes</i></td> <td style="text-align: center; vertical-align: top;"><i>08/10/20</i></td> </tr> <tr> <td></td> <td style="text-align: center; font-size: small;">Signature of person making this request</td> <td style="text-align: center; font-size: small;">Date</td> </tr> <tr> <td></td> <td style="text-align: center; font-size: small;">Supervisor (if required)</td> <td style="text-align: center; font-size: small;">Date</td> </tr> <tr> <td></td> <td style="text-align: center; font-size: small;">Executive Director signature (indicates approval to add post agenda deadline item to agenda)</td> <td style="text-align: center; font-size: small;">Date</td> </tr> </table>				11)	Authorization			<i>Sharon Henes</i>	<i>08/10/20</i>		Signature of person making this request	Date		Supervisor (if required)	Date		Executive Director signature (indicates approval to add post agenda deadline item to agenda)	Date
11)	Authorization																	
	<i>Sharon Henes</i>	<i>08/10/20</i>																
	Signature of person making this request	Date																
	Supervisor (if required)	Date																
	Executive Director signature (indicates approval to add post agenda deadline item to agenda)	Date																
Directions for including supporting documents: <ol style="list-style-type: none"> 1. This form should be attached to any documents submitted to the agenda. 2. Post Agenda Deadline items must be authorized by a Supervisor and the Policy Development Executive Director. 3. If necessary, provide original documents needing Board Chairperson signature to the Bureau Assistant prior to the start of a meeting. 																		

Chapter REEB 24

CONDUCT AND ETHICAL PRACTICES FOR REAL ESTATE LICENSEES

REEB 24.01 Authority and intent.
 REEB 24.02 Definitions.
 REEB 24.03 Competent services.
 REEB 24.04 Advertising.
 REEB 24.05 Disclosure of compensation and interests.
 REEB 24.06 Unauthorized practice of law.
 REEB 24.07 Inspection and disclosure duties.
 REEB 24.075 Tie-in arrangements.
 REEB 24.08 Agreements to be in writing.

REEB 24.085 False portrayal of interest, prohibited.
 REEB 24.09 Securing agency agreements.
 REEB 24.10 Net listing prohibited.
 REEB 24.12 Confidentiality of offers.
 REEB 24.13 Drafting and submission of written proposals.
 REEB 24.15 Adequate funds required.
 REEB 24.16 Availability of rules.
 REEB 24.17 Miscellaneous requirements.

Note: Chapter REB 15 as it existed on February 29, 1980 was repealed and a new chapter REB 15 was created effective March 1, 1980. Renumbered from chapter REB 15, effective March 1, 1983. Chapter RL 24 was renumbered chapter REEB 24 under s. 13.92 (4) (b) 1., Stats., Register November 2011 No. 671.

REEB 24.01 Authority and intent. (1) The rules in this chapter are adopted pursuant to ss. 227.11, 452.01, 452.07, 452.133, 452.138, 452.139 and 452.14, Stats.

(2) The intent of the board in adopting the rules in this chapter is to establish minimum standards of conduct for real estate licensees and to define that conduct which may result in board discipline pursuant to s. 452.14, Stats.

(3) If a licensee violates rules in this chapter, the licensee has demonstrated incompetency to act as a broker or salesperson in such manner as to safeguard the interests of the public under s. 452.14 (3) (i), Stats. However, the term “incompetency” is not limited in its meaning to violations of this chapter.

(4) If a licensee violates the rules set forth in s. REEB 24.075, the licensee has engaged in improper, fraudulent or dishonest dealing as used in s. 452.14 (3) (k), Stats. However, the terms “improper, fraudulent or dishonest dealing” are not limited in their meaning to violations of s. REEB 24.075.

History: Cr. Register, February, 1980, No. 290, eff. 3-1-80; renum. (3) to be (5), (3) renum. from REB 15.02 (2) and cr. (4), Register, December, 1980, No. 300, eff. 1-1-81; renum. from REB 15.01 and am. (2) to (4), Register, February, 1983, No. 326, eff. 3-1-83; am. (1) and (3), r. (5) (intro.) and (d), renum. (5) (a) to (c) to be RL 24.025, RL 24.03 (2) (b) and (c), Register, January, 1987, No. 373, eff. 2-1-87; correction in (4) made under s. 13.93 (2m) (b) 4., Stats., Register, May, 1988, No. 389; am. Register, April, 1995, No. 472, eff. 5-1-95; correction in (2), (4) made under s. 13.92 (4) (b) 6., 7., Stats., Register November 2011 No. 671; EmR1620: emerg. am. (3), eff. 7-1-16; CR 16-042: am. (3) Register February 2017 No. 734, eff. 3-1-17.

REEB 24.02 Definitions. (1) “Adverse fact” means any of the following:

(a) A condition or occurrence that is generally recognized by a competent licensee as doing any of the following:

1. Significantly and adversely affecting the value of the property.
2. Significantly reducing the structural integrity of improvements to real estate.
3. Presenting a significant health risk to occupants of the property.

(b) Information that indicates that a party to a transaction is not able to or does not intend to meet his or her obligations under a contract or agreement made concerning the transaction.

(3) “Brokerage service” means any service described under s. 452.01 (2), Stats., provided to a person by a firm and any licensees associated with the firm.

(4) “Builder” means any person engaged in the business of constructing homes without a buyer under contract or constructing homes under a contract with the buyer.

(5) “Buyer’s firm” means a firm who has an agency agreement with a buyer.

(7) “Commonly controlled corporation” means one of 2 or more corporations in which the same person or persons own stock in each of the corporations, possessing at least 80% of the total combined voting power of all classes of stock entitled to vote and at least 80% of the total number of shares of all other classes of stock of the corporations.

(10) “Effectively controlled” means having the power or authority to cause the transfer of an interest in real estate for oneself or another but does not include the authority conferred by a real estate listing contract.

(12) “Material adverse fact” means an adverse fact that a party indicates is of such significance, or that is generally recognized by a competent licensee as being of such significance to a reasonable party, that it affects or would affect the party’s decision to enter into a contract or agreement concerning a transaction or affects or would affect the party’s decision about the terms of such a contract or agreement.

(13) “Party” means a person seeking to engage in a transaction.

(13m) “Principal firm” means a firm who engages a subagent to provide brokerage services in a transaction.

(14) “Qualified third party” means a federal, state or local governmental agency, or any person whom the broker, salesperson or a party to the real estate transaction reasonably believes has the expertise necessary to meet the industry standards of practice for the type of inspection or investigation that has been conducted by the third party in order to prepare the written report described in s. 452.23 (2) (b), Stats.

(15) “Secured lender” means an individual or organization originating a loan in a real estate or business opportunity transaction secured by real estate or by the assets of a business or a business opportunity.

(16) “Real estate practice” means engaging in conduct which requires a license under ch. 452, Stats.

(18) “Transaction” means the sale, exchange, purchase or rental of, or the granting or acceptance of an option to sell, exchange, purchase or rent, an interest in real estate, a business or a business opportunity.

(19) “Written proposal” means any written document provided by one party to another during the course of a transaction, including but not limited to notices, offers, counteroffers, options, exchanges, rental agreements, and amendments.

History: Cr. Register, February, 1980, No. 290, eff. 3-1-80; renum. (1) to be (5), renum. (2) to be REB 15.01 (3), cr. (1) to (4) and (6), Register, December, 1980, No. 300, eff. 1-1-81; renum. from REB 15.02, Register, February, 1983, No. 326, eff. 3-1-83; renum. (4) to (6) to be (7) to (9) under s. 13.93 (2m) (b) 1., Stats., Register, September, 1990, No. 417; renum. (1) to (3) to be (2), (4) and (6), cr. (1), (3) and (5), Register, September, 1990, No. 417, eff. 10-1-90; am. (1), Register, January, 1992, No. 433, eff. 2-1-92; am. (1), Register, July, 1993, No. 451, eff. 8-1-93; r. and recr. (1), renum. (2) to (4) to be (4), (5), (7), (6) and (7) to be (8) and (10), (8) to be (11) and am., (a) to be (17), r. (5), cr. (2), (3), (6), (9), (12) to (16), (18), Register, April, 1995, No. 472, eff. 5-1-95; am. (7), r. (11), Register, July, 1998, No. 511, eff. 8-1-98; correction in (3) made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671; CR 10-136: am. (2) to (5), r. (8), am. (13), cr. (13m), r. (17), cr. (19) Register

April 2012 No. 676, eff. 7-1-12; EmR1620: emerg. r. (2), am. (3), (5), (6), (9), (13m), eff. 7-1-16; CR 16-042: r. (2), am. (3), (5), renum. (6), (9) to REEB 11.02 (3m), (4m), am. (13m) February 2017 No. 734, eff. 3-1-17.

REEB 24.03 Competent services. (1) DISCRIMINATION PROHIBITED. Licensees may not discriminate against, nor deny equal services to, nor be a party to any plan or agreement to discriminate against any person in any manner unlawful under applicable federal, state or local fair housing law.

Note: The primary references for federal and state fair housing laws are the 1988 amendments to the Federal Housing Act (Title VII of the Civil Rights Act of 1968) and Chapter 106, Subchapter II, Stats.

(2) COMPETENCE REQUIRED. (a) Licensees shall not provide services which the licensee is not competent to provide unless the licensee engages the assistance of one who is competent. Any person engaged to provide such assistance shall be identified and that person's contribution shall be described.

(b) Licensees shall act to protect the public against fraud, misrepresentation and unethical practices.

(c) Licensees shall be knowledgeable regarding laws, public policies and current market conditions on real estate matters and assist, guide and advise the buying or selling public based upon these factors.

(d) Licensees are not required to have the technical knowledge, skills or training possessed by competent third party inspectors and investigators of real estate and related areas.

Note: Paragraph (d) recognizes that licensees are not required to have the knowledge, skills or training possessed by, for example, persons such as home inspectors, plumbers, electricians or land surveyors.

History: Cr. Register, February, 1980, No. 290, eff. 3-1-80; am. (1), Register, March, 1981, No. 303, eff. 4-1-81; renum. from REB 15.03, Register, February, 1983, No. 326, eff. 3-1-83; am. (1), renum. (2) to be (2) (a), (2) (b) and (c) renum. from RL 24.01 (5) (b) and (c) and am., Register, January, 1987, No. 373, eff. 2-1-87; am. (1), cr. (2) (d), Register, July, 1993, No. 451, eff. 8-1-93.

REEB 24.04 Advertising. (1) FALSE ADVERTISING. Licensees shall not advertise in a manner which is false, deceptive, or misleading.

(2) DISCLOSURE OF NAME. (a) Except for advertisements for the rental of real estate owned by the licensee, a licensee shall in all advertising disclose the firm name exactly as printed on the licensed individual broker or the licensed broker business entity's license or disclose a trade name previously filed with the department, as required by s. REEB 23.03, and in either case clearly indicate that the firm is a business concern and not a private party.

(b) Except for advertisements for the rental of real estate owned by the licensee, a licensee associated with a firm shall advertise under the supervision of and in the name of the firm.

(c) A licensee may advertise the occasional sale of real estate owned by the licensee or the solicitation of real estate for purchase by the licensee without complying with pars. (a) and (b), provided that the licensee clearly identifies himself, herself or itself as a real estate licensee in the advertisement.

(3) ADVERTISING WITHOUT AUTHORITY PROHIBITED. Licensees shall not advertise property without the consent of the owner.

(4) ADVERTISED PRICE. Licensees shall not advertise property at a price other than that agreed upon with the owner; however, the price may be stated as a range or in general terms if it reflects the agreed upon price.

History: Cr. Register, February, 1980, No. 290, eff. 3-1-80; am. (4), Register, March, 1981, No. 303, eff. 4-1-81; renum. from REB 15.04 and am. (2), Register, February, 1983, No. 326, eff. 3-1-83; renum. (2) to be (2) (a) and am., cr. (2) (b) and (c), Register, January, 1987, No. 373, eff. 2-1-87; am. (2) (c), Register, April, 1995, No. 472, eff. 5-1-95; correction in (2) (a) made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671; EmR1620: emerg. am. (2) (a), (b), (3), (4), eff. 7-1-16; CR 16-042: am. (2) (a), (b), (3), (4) Register February 2017 No. 734, eff. 3-1-17.

REEB 24.05 Disclosure of compensation and interests. (1) COMPENSATION. (a) A licensee acting as an agent in a real estate or business opportunity transaction may not accept any fee or compensation related to the transaction from any person, other than the licensee's client, principal firm, or firm the licensee is associated with without prior written consent from all parties to the transaction.

(b) A licensee acting as an agent in a real estate or business opportunity transaction may not recommend or suggest to a party to the transaction the services of another individual or entity from which the licensee may receive compensation for a referral or in which the licensee has an interest, unless the licensee, prior to or at the time of the referral, discloses to the party in writing the fact that he or she may receive compensation for the referral or that he or she has an interest in the individual or entity providing the services. This paragraph does not apply when the licensee makes a referral to another licensee for real estate services under s. 452.19, Stats.

(2) DISCLOSURE OF INTEREST. A licensee acting as an agent in a real estate or business opportunity transaction may not act in the transaction on the licensee's own behalf, on behalf of the licensee's firm, on behalf of any member of the licensee's immediate family or any combination of members of the licensee's immediate family, or on behalf of any other organization or business entity in which the licensee has an interest without the prior written consent of all parties to the transaction. For the purpose of this subsection, a licensee shall obtain the written consent in the offer to purchase, option, lease or other transaction contract.

(4) DISCLOSURE TO SELLER. A listing firm may not pay any compensation or incentive to a licensee who is acting as a buyer in a transaction without prior written consent from the seller.

(5) DISCLOSURE OF LICENSURE. (a) A licensee acting as a principal in a real estate or business opportunity transaction shall disclose his, her, or its license status and intent to act in the transaction as a principal at the earliest of all of the following:

1. The first contact with the other party or an agent representing the other party where information regarding the other party or the transaction is being exchanged.

2. A showing of the property.

3. Any other negotiation with the seller or the listing firm.

(b) The disclosure under this subsection shall be made in writing to the other party in a transaction or to an agent representing the other party.

History: Cr. Register, February, 1980, No. 290, eff. 3-1-80; renum. (3) and (4) to be (4) and (5), cr. (3), Register, December, 1980, No. 300, eff. 1-1-81; am. (5), Register, March, 1981, No. 303, eff. 4-1-81; renum. from REB 15.05, Register, February, 1983, No. 326, eff. 3-1-83; am. (1) and (5), Register, June, 1988, No. 390, eff. 7-1-88; r. and recr. Register, July, 1993, No. 451, eff. 8-1-93; am. (1), (2), (3), (5), Register, April, 1995, No. 472, eff. 5-1-95; renum. (5) to be (5) (a) (intro.), cr. (5) (a) 1. to 3., and (b), Register, January, 2001, No. 541, eff. 2-1-01; CR 10-136: am. (title), (1) (title), renum. (1) to be (1) (a) and am., am. (2), r. (3) (title), renum. (3) to be (1) (b) and am., r. and recr. (4), am. (5) (b) Register April 2012 No. 676, eff. 7-1-12; EmR1620: emerg. am. (1) (a), (2), (4), (5) (a) 3., eff. 7-1-16; CR 16-042: am. (1) (a), (2), (4), (5) (a) 3. Register February 2017 No. 734, eff. 3-1-17.

REEB 24.06 Unauthorized practice of law.

(1) UNAUTHORIZED PRACTICE OF LAW PROHIBITED. Licensees shall not engage in activities that constitute the unauthorized practice of law.

(2) LEGAL COUNSEL NOT TO BE DISCOURAGED. Licensees shall not discourage any person from retaining an attorney.

History: Cr. Register, February, 1980, No. 290, eff. 3-1-80; renum. from REB 15.06, Register, February, 1983, No. 326, eff. 3-1-83.

REEB 24.07 Inspection and disclosure duties.

(1) INSPECTION OF REAL ESTATE. (a) *General requirement.* A licensee, when engaging in real estate practice which involves real estate improved with a structure, shall conduct a reasonably competent and diligent inspection of accessible areas of the structure and immediately surrounding areas of the property to detect observable, material adverse facts. A licensee, when engaging in real estate practice which involves vacant land, shall, if the vacant land is accessible, conduct a reasonably competent and diligent inspection of the vacant land to detect observable material adverse facts.

(b) *Listing firm.* When listing real estate and prior to execution of the listing contract, a licensee shall inspect the real estate as required by sub. (1), and shall make inquiries of the seller on the condition of the structure, mechanical systems and other relevant

aspects of the property as applicable. The licensee shall request that the seller provide a written response to the licensee's inquiry.

(c) *Other licensees.* Licensees, other than listing firms, shall inspect the real estate as required by sub. (1) prior to or during the showing of the property, unless the licensee is not given access for a showing.

(d) *Specific conduct regarding inspections.* A reasonably competent and diligent inspection of real estate improved with a structure does not require the operation of mechanical equipment; the opening of panels, doors or covers for access to mechanical systems; or the moving of furniture, boxes or other property; nor does it require a licensee to observe areas of the property for which entry presents an unreasonable risk of injury or areas accessible only by ladder, by crawling or other equivalent means of access. A licensee is not required to retain third party inspectors or investigators to complete a reasonably competent and diligent inspection. A reasonably competent and diligent inspection of vacant land does not require an observation of the entire property, but shall include, if given access, an observation of the property from at least one point on or adjacent to the property.

(2) **DISCLOSURE OF MATERIAL ADVERSE FACTS.** A licensee may not exaggerate or misrepresent facts in the practice of real estate. A licensee, when engaging in real estate practice, shall disclose to each party, in writing and in a timely fashion, all material adverse facts that the licensee knows and that the party does not know or cannot discover through a reasonably vigilant observation, unless the disclosure of the material adverse fact is prohibited by law. This provision is not limited to the condition of the property, but includes other material adverse facts in the transaction.

Note: Certain "material adverse facts", as defined in s. REEB 24.02 (12), may not be disclosed by law. For example, unless specifically authorized by a seller, a licensee may not disclose to a potential buyer the actual minimum sales price the seller will accept. See s. 452.133 (1) (d), Stats.

(3) **DISCLOSURE OF INFORMATION SUGGESTING MATERIAL ADVERSE FACTS.** A licensee, when engaging in real estate practice, who becomes aware of information suggesting the possibility of material adverse facts to the transaction, shall be practicing competently if the licensee discloses to the parties the information suggesting the possibility of material adverse facts to the transaction in writing and in a timely fashion, recommends the parties obtain expert assistance to inspect or investigate for possible material adverse facts to the transaction, and, if directed by the parties, drafts appropriate inspection or investigation contingencies. This provision is not limited to the condition of the property, but includes other material adverse facts to the transaction, including but not limited to defects and conditions included within the report form under ss. 703.33 and 709.03, Stats. A licensee is not required to retain third party inspectors or investigators to perform investigations of information suggesting the possibility of a material adverse fact to the transaction.

(4) **DISCLOSURE OF SIDE AGREEMENTS.** A licensee, when engaging in real estate practice, who becomes aware of the fact that a party to the transaction has not disclosed that party's entire agreement regarding the transaction to that party's secured lender, shall disclose this fact, in writing and in a timely manner, to the party's secured lender.

(5) **RELIANCE UPON THIRD PARTY INSPECTIONS AND INVESTIGATIONS.** If a licensee or a party in a transaction engages the services of a qualified third party to conduct a property inspection or investigation of material facts, the licensee may rely on the results of the inspection or investigation providing the licensee obtains a written report of the inspection or investigation and delivers a copy of the report to all interested parties in a timely manner.

(6) **INCONSISTENCIES.** If a licensee's reasonably competent and diligent inspection reveals facts materially inconsistent with or materially contradictory to the seller's statements provided under sub. (1) (a), or the inspection or investigation report of a third party, the inconsistency shall be disclosed in writing and in a timely manner to the parties.

(7) **FALSE INFORMATION.** Licensees shall not knowingly give false information about another licensee or property listed with another licensee.

(8) **DISCLOSURE OF AGENCY.** (a) *General requirements.* 1. A firm may not negotiate on behalf of a party who is not the firm's client unless the firm provides to the party a copy of the disclosure to customers required under s. 452.135 (1), Stats. If the brokerage services are related to real estate primarily intended for use as a residential property containing one to 4 dwelling units, the firm shall request the party's signed acknowledgement that the party has received a copy of the written disclosure statement.

1g. A firm may not negotiate on behalf of a client unless the firm gives the client a copy of the disclosure required under s. 452.135 (2), Stats.

1r. If a client enters into an agency agreement with a firm to receive brokerage services related to real estate primarily intended for use as a residential property containing one to 4 dwelling units, and the disclosure to clients is not incorporated into the agency agreement, the firm shall request the client's signed acknowledgement that the client has received a copy of the written disclosure statement required in s. 452.135 (2), Stats.

2. Licensees acting as agents of potential buyers of real estate that is used or intended to be used principally for one to 4 family residential purposes, who are negotiating directly with the seller or who are aware that the owner of the real estate has granted a listing firm the exclusive right to sell, shall notify the seller or the listing firm, as applicable, of the licensee's buyer agency relationship at the earlier of all of the following:

a. The first contact with the seller or the listing firm where information regarding the seller or transaction is being exchanged.

b. A showing of the property.

c. Any other negotiation with the seller or the listing firm.

3. When the nature of a licensee's representation of a client or customer changes such that it makes the initial disclosure that was provided under s. 452.135, Stats., incomplete, misleading, or inaccurate, the licensee shall provide the customer or client with a new disclosure, as required in s. 452.135, Stats.

(b) *Agency agreements.* 1. Firms and the licensees associated with the firm shall explain to their clients the responsibilities of listing agents, buyer's agents, and subagents before entering into an agency agreement.

2. No firm or licensees associated with the firm may permit other firms to act as subagents in a transaction unless the firm's client has authorized the use of a subagent in the agency agreement.

(c) *Written proposals.* Licensees shall state, in the offer to purchase, the lease, the option to purchase, or the exchange agreement, whom the licensee represents as an agent in a transaction.

(d) *Subagency arrangements.* 1. A listing firm shall provide a disclosure statement to a customer as required in s. 452.135 (1), Stats., to the buyer if negotiations are being conducted directly with the buyer and not through a buyer's firm.

2. A buyer's firm shall provide a disclosure statement to a customer as required in s. 452.135 (1), Stats., to a seller if negotiations are being conducted directly with the seller and not through a seller's firm.

3. A subagent shall provide a disclosure statement to a customer as required in s. 452.135 (1), Stats., with whom he or she is working but not to the principal firm's client.

4. A principal firm is not required to provide a disclosure statement to a customer as required in s. 452.135 (1), Stats., to a customer of their subagents.

(e) *Agency agreements for lease and property management contracts.* 1. A licensee who is entering into agency agreements for lease or property management contracts shall provide to his or

her clients the disclosure statement as required in s. 452.135 (2), Stats.

2. A licensee shall provide to prospective tenants a disclosure statement as required in s. 452.135 (1), Stats., when negotiating the terms of a lease on behalf of the client.

History: Cr. Register, February, 1980, No. 290, eff. 3-1-80; emerg. r. (2), eff. 10-14-80; cr. (3), Register, December, 1980, No. 300, eff. 1-1-81; r. (2), Register, March, 1981, No. 303, eff. 4-1-81; renum. from REB 15.07, Register, February, 1983, No. 326, eff. 3-1-83; cr. (2), Register, January, 1987, No. 373, eff. 2-1-87; am. (1), r. and recr. (2), cr. (4), Register, June, 1988, No. 390, eff. 7-1-88; am. (1), cr. (1) (a) to (c) and (4) (d), r. and recr. (2), Register, September, 1990, No. 417, eff. 10-1-90; r. and recr. (1), renum. (2), (3), (4) to be (5), (6), (7), cr. (2), (3), (4), Register, July, 1993, No. 451, eff. 8-1-93; am. (1) (a), (d), (2), (3), (5), renum. (1) (a), (b) to be (1) (b), (c) and am., (6) to be (7), r. (1) (c), (7), r. and recr. (4), cr. (6), (8), Register, April, 1995, No. 472, eff. 5-1-95; am. (8) (a) 2. (intro.), a. and c., Register, January, 2001, No. 541, eff. 2-1-01; CR-136: r. and recr. (8) (a) 1., cr. (8) (a) 1g., Ir., am. (8) (a) 2. (intro.), 3., r. (8) (a) 4., am. (8) (b) (title), 1., 2., (c), r. and recr. (8) (d), (e) Register April 2012 No. 676, eff. 7-1-12; EmR1620: emerg. am. (1) (b) (title), (c), (3), (8) (a) 1. to 1r., 2. (intro.), a., c., (b), (d), (e), eff. 7-1-16; CR 16-042: am. (1) (b) (title), (c), (3), (8) (a) 1. to 1r., 2. (intro.), a., c., (b), (d), (e) Register February 2017 No. 734, eff. 3-1-17.

REEB 24.075 Tie-in arrangements. Licensees shall not:

(1) Condition the sale of real estate owned by the licensee or whose sale is effectively controlled by the licensee to a buyer upon the buyer's agreement to purchase another parcel or real estate.

(2) Condition the sale of real estate owned by the licensee or whose sale is effectively controlled by the licensee upon the buyer's agreement to list the real estate or other real estate owned by the buyer with the licensee.

Note: The following are 2 common examples of activities which would violate this subsection: (1) requiring a builder to list a speculation home with the licensee; and (2) requiring a buyer to list a present home with the licensee.

(3) Condition the sale of vacant real estate owned by the licensee or whose sale is effectively controlled by the licensee upon the buyer's agreement to employ one or more specific builders to make improvements on the real estate unless:

(a) The builder owns a bona fide interest in the real estate; and there is full disclosure as specified in s. REEB 24.05 (1) (b).

(b) The builder and the licensee or the builder and the owner of the real estate are the same person or are commonly controlled corporations and whose business is selling improved property and not vacant land; and there is full disclosure as in s. REEB 24.05 (1) (b).

(c) The agreement is a bona fide effort to maintain development quality or architectural uniformity and no consideration passes from contractor to licensee for soliciting this agreement.

History: Cr. Register, December, 1980, No. 300, eff. 1-1-81; renum. from REB 15.075 and am. (3) (a) and (b), Register, February, 1983, No. 326, eff. 3-1-83; correction in (3) (a), (b) made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671; correction in (3) (a), (b) made under s. 13.92 (4) (b) 7. Stats., Register April 2012 No. 676.

REEB 24.08 Agreements to be in writing. A licensee shall put in writing all listing contracts, guaranteed sales agreements, buyer agency agreements, offers to purchase, property management agreements, option contracts, financial obligations and any other commitments regarding transactions, expressing the exact agreement of the parties unless the writing is completed by the parties or their attorneys or the writing is outside the scope of the licensee's authority under ch. REEB 16.

History: Cr. Register, February, 1980, No. 290, eff. 3-1-80; renum. from REB 15.08, Register, February, 1983, No. 326, eff. 3-1-83; am. Register, January, 1987, No. 373, eff. 2-1-87; am. Register, June, 1988, No. 390, eff. 7-1-88; am. 24.08, Register, July, 1993, No. 451, eff. 8-1-93; correction made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671.

REEB 24.085 False portrayal of interest, prohibited. No licensee shall draft or use any document which the licensee knows falsely portrays an interest in real estate.

History: Cr. Register, December, 1980, No. 300, eff. 1-1-81; renum. from REB 15.085, Register, February, 1983, No. 326, eff. 3-1-83.

REEB 24.09 Securing agency agreements. Licensees may not mislead a potential client regarding the benefits which might be realized through the use of the licensee's services.

A licensee also may not mislead a potential client regarding the market value of real estate or a business opportunity to be leased, rented, purchased, optioned, or sold under an agency agreement.

History: Cr. Register, February, 1980, No. 290, eff. 3-1-80; renum. from REB 15.09, Register, February, 1983, No. 326, eff. 3-1-83; r. and recr. Register, April, 1995, No. 472, eff. 5-1-95; CR 10-136: am. Register April 2012 No. 676, eff. 7-1-12.

REEB 24.10 Net listing prohibited. Licensees shall not obtain, negotiate or attempt to obtain or negotiate any listing contract providing for a stipulated net price to the owner with the excess over the stipulated net price to be received by the firm as commission.

History: Cr. Register, February, 1980, No. 290, eff. 3-1-80; renum. from REB 15.10, Register, February, 1983, No. 326, eff. 3-1-83; EmR1620: emerg. am., eff. 7-1-16; CR 16-042: am. Register February 2017 No. 734, eff. 3-1-17.

REEB 24.12 Confidentiality of offers. (1) Except as provided in sub. (2), a licensee acting as a principal or an agent in a real estate or business opportunity transaction shall not disclose any of the terms of one prospective buyer's offer to purchase, exchange agreement or option contract proposal to any other prospective buyer or to any person with the intent that this information be disclosed to any other prospective buyer. Licensees shall encourage all prospective buyers to submit their best offers. A licensee may, but is not required to, disclose information known by the licensee regarding the existence of other offers on the property, the fact that a seller has accepted an offer, that the offer is subject to contingencies and that the offer is subject to a clause requiring removal of certain contingencies upon the occurrence of an event such as receipt, acceptance or conditional acceptance of another offer.

(2) As used in this subsection, "right of first refusal" means the right of a person to have the first opportunity to purchase or lease real property. "Right of first refusal" does not mean a so-called "bump clause" which is a contingency provision in a purchase agreement that requires the prospective buyer to remove certain contingencies in the buyer's purchase agreement or to relinquish the buyer's primary status to a secondary offer. If a licensee is providing brokerage services in a transaction and the licensee has knowledge that the property is subject to a right of first refusal, the licensee shall disclose the right of first refusal, in writing and in a timely manner, to all persons seeking to acquire an interest subject to the right of first refusal. After disclosure of the right of first refusal to a party seeking to acquire an interest in the property, the licensee may deliver a copy of that party's subsequent offer to purchase, exchange agreement, option contract or lease proposal to the party holding the right of first refusal.

History: Cr. Register, February, 1980, No. 290, eff. 3-1-80; am. Register, March, 1981, No. 303, eff. 4-1-81; renum. from REB 15.12, Register, February, 1983, No. 326, eff. 3-1-83; am. Register, July, 1993, No. 451, eff. 8-1-93; renum. RL 24.12 to be (1), cr. (2), Register, January, 2001, No. 541, eff. 2-1-01.

REEB 24.13 Drafting and submission of written proposals. (1) REFUSAL PROHIBITED. Licensees shall not refuse to draft or submit any written proposal unless the terms of the written proposal would be contrary to specific instructions of the other party.

(2) WITHHOLDING WRITTEN PROPOSALS PROHIBITED. (a) Listing firms shall permit access to listed property for showing purposes, to all buyers and persons assisting or advising buyers, without unreasonable delay, unless the buyer's or other person's access is contrary to specific written instructions of the seller.

(b) Licensees shall promptly present all written proposals received to the licensee's client or customer. Licensees shall not withhold any written proposal from presentation pending the party's action on a written proposal previously presented.

(3) FAIR PRESENTATION OF WRITTEN PROPOSALS. (a) Licensees shall present all written proposals in an objective and unbiased manner to their clients and customers. Licensees shall inform their clients and customers of the advantages and disadvantages of all submitted written proposals.

(b) A listing licensed individual broker acting as a sole proprietor or licensee associated with a listing firm may not submit his or her own personal written proposal or offer to purchase a property which the firm has listed if the licensee has knowledge of the terms of any pending offer, except that a firm may arrange for a guaranteed sale at the time of listing.

(4) **NOTIFICATION OF ACTION ON WRITTEN PROPOSAL.** Licensees shall promptly inform their clients and customers whether the other party has accepted, rejected, or countered their written proposal. A licensee shall immediately provide a written statement to the other party's firm that includes the date and time when the written proposal was presented when such a statement is requested by the other party or the other party's firm. A licensee shall immediately provide a written statement to the other party's firm that includes the date and time when the written proposal was rejected or had expired without acceptance when such a statement is requested by the other party or the other party's firm.

(5) **NEGOTIATION THROUGH FIRM.** A licensee may not negotiate a sale or lease of real estate directly with a party if the licensee knows that the party has an unexpired written contract in connection with the real estate which grants to another licensee an exclusive right to sell, lease, or negotiate. All negotiations shall be conducted with the firm holding the exclusive right to sell, lease, or negotiate, and not with the party, except with the consent of the firm or where the absence of the firm, or other similar circumstances, reasonably compels direct negotiation with the party. A listing firm has no duty to investigate whether a buyer has granted a buyer's agent an exclusive right to negotiate.

Note: The Department of Safety and Professional Services' approved form, WB-36, does not grant the buyer's agent an exclusive right to negotiate.

History: Cr. Register, February, 1980, No. 290, eff. 3-1-80; cr. (5), Register, March, 1981, No. 303, eff. 4-1-81; renum. from REB 15.13, Register, February, 1983, No. 326, eff. 3-1-83; renum. (3) to be (3) (a), cr. (3) (b), am. (4), Register, January, 1987, No. 373, eff. 2-1-87; am. (3) (a), Register, June, 1988, No. 390, eff. 7-1-88; am. (3) (b), r. and recr. (2), Register, July, 1993, No. 451, eff. 8-1-93; am. (3) (b) and (5), Register, January, 2001, No. 541, eff. 2-1-01; CR 10-136: am. (title), (1), (2) (title), (b), (3) (title), (a), (4), (5) Register April 2012 No. 676, eff. 7-1-12; EmR1620: emerg. am. (2) (a), (3) (b), (4), (5), eff. 7-1-16; CR 16-042: am. (2) (a), (3) (b), (4), (5) Register February 2017 No. 734, eff. 3-1-17.

REEB 24.15 Adequate funds required. Licensees shall not issue checks upon business or trust accounts which contain insufficient funds.

History: Cr. Register, February, 1980, No. 290, eff. 3-1-80; renum. from REB 15.15, Register, February, 1983, No. 326, eff. 3-1-83.

REEB 24.16 Availability of rules. Firms shall have the

rules of the department readily available in all offices for the use of all licensees.

History: Cr. Register, February, 1980, No. 290, eff. 3-1-80; renum. from REB 15.16, Register, February, 1983, No. 326, eff. 3-1-83; am. Register, January, 1987, No. 373, eff. 2-1-87; correction made under s. 13.92 (4) (b) 6., Stats., Register November 2011 No. 671; CR 10-136: am. Register April 2012 No. 676, eff. 7-1-12; EmR1620: emerg. am., eff. 7-1-16; CR 16-042: am. Register February 2017 No. 734, eff. 3-1-17.

REEB 24.17 Miscellaneous requirements. (1) VIOLATIONS OF LAW. Licensees may not violate, or aid or abet the violation of, any law the circumstances of which substantially relate to the practices of a real estate licensee. A licensee who has been convicted of a crime shall send to the board within 48 hours after the judgment of conviction a copy of the complaint or other information which describes the nature of the crime and the judgment of conviction in order that the board may determine whether the circumstances of the crime of which the licensee was convicted are substantially related to the practice of a real estate licensee, pursuant to s. 111.335 (3) (a), Stats.

(2) **CONVICTION.** The board may discipline a licensee on the basis of a conviction of any crime, the circumstances of which substantially relate to the practice of real estate. A certified copy of a judgment of a court of record showing such conviction, within this state or without, shall be presumptive evidence of conviction.

(2m) **FELONY CONVICTION.** The board may revoke a license or registration on the basis of a conviction of a felony that is a bar to licensure or registration under s. 452.25 (1) (a), Stats.

(3) **VIOLATION OF STATUTES, ADMINISTRATIVE CODE AND BOARD ORDERS.** Licensees shall not violate any provisions or terms or conditions of, or aid or abet the violation of ch. 452, Stats., chs. REEB 11 to 25 or any order of, the board.

(4) **IMPAIRED PRACTICE.** Licensees shall not render services while the ability of the licensee to competently perform duties is impaired by mental or emotional disorder, drugs or alcohol.

(5) **DUTY TO COOPERATE WITH THE BOARD AND THE DEPARTMENT.** Licensees and applicants shall respond to the department and the board regarding any request for information within 30 days of the date of the request.

History: Cr. Register, February, 1980, No. 290, eff. 3-1-80; am. (2), Register, December, 1980, No. 300, eff. 1-1-81; renum. from REB 15.17 and am. (2), Register, February, 1983, No. 326, eff. 3-1-83; am. (1), Register, January, 1986, No. 373, eff. 2-1-87; renum. (2) and (3) to be (3) and (4), cr. (2), Register, June, 1988, No. 390, eff. 7-1-88; am. (3), Register, July, 1998, No. 511, eff. 8-1-98; correction in (1), (3) made under s. 13.92 (4) (b) 6., 7., Stats., Register November 2011 No. 671; CR 10-136: am. (1), cr. (5) Register April 2012 No. 676, eff. 7-1-12; CR 15-051: cr. (2m) Register January 2016 No. 721, eff. 2-1-16; correction in (3) made under s. 13.92 (4) (b) 7., Stats., Register January 2014 No. 721; EmR1620: emerg. am. (1), eff. 7-1-16; CR 16-042: am. (1) Register February 2017 No. 734, eff. 3-1-17; correction in (1) made under s. 13.92 (4) (b) 7., Stats., Register December 2018 No. 756; CR 18-051: am. (3) Register July 2019 No. 763, eff. 8-1-19.

2021-2022 Continuing Education Curriculum

Under the 2021-2022 continuing education:

- Licensees are required to complete 18 hours of continuing education.
- Licensees are required to complete six approved courses.
- Each approved course will be comprised of several topics.
 - Each topic will include 50 minutes of instruction.
 - A licensee must complete three, 50-minute topics within one course to complete the course.
- For Courses 1-4, a licensee must complete one mandatory topic and choose two topics from the approved list.
- For Courses 5-6, a licensee must complete three topics selected from the approved list of eight topics.
- Example: To complete Course 1 Wisconsin Listing Contracts, a licensee must complete the mandatory course topic as indicated below and then select two from the remaining approved topics:
 - **Protected Buyers, Exclusions, and Extension of the Listing (50 minutes) MANDATORY**
 - Modifying the Listing Contract (50 minutes)
 - Commission, Cooperation, and Offers of Compensation (50 minutes)
 - Marketing (50 minutes)
 - Agency (50 minutes)
- In summary the six courses include:
 - Course 1 Wisconsin Listing Contracts
 - Course 2 Wisconsin Offers to Purchase
 - Course 3 Wisconsin New Development
 - Course 4 Wisconsin Risk Reduction through Professionalism (Satisfies NAR Ethics Requirements)
 - Course 5 Wisconsin Real Estate Law and Practice
 - Course 6 Wisconsin Real Estate Transactions
- A certificate of completion cannot be issued by an approved provider for a course until all three hours are completed and the examination is passed.
- All three hours for any one course must be completed through the same approved provider.
- Approved providers must incorporate forms into courses with the current mandatory use date and all content references to statutes and rules must be current.

1. COURSE 1 - WISCONSIN LISTING CONTRACTS

- a. **Protected Buyers, Exclusions, and Extension of the Listing (50 minutes) (Mandatory)**
 - i. Exclusions (relevant WB Listing Contract, e.g., lines 159-166 of the WB-1, Wis. Stat. § 106.50)
 - ii. Protected buyers (relevant WB Listing Contract, e.g., lines 205-219 of the WB-1)
 - iii. Extension of the Listing (relevant WB Listing Contract, e.g., lines 220-224 of the WB-1)
- b. **Modifying the Listing Contract (50 minutes)**
 - i. Exclusive right to sell, exclusive agency, one-party, and open listings (Wis. Stat. § 452.40, Wis. Admin. Code § REEB 16.02, Wis. Admin. Code § REEB 16.06)
 - ii. Termination of listing (relevant WB Listing Contract, e.g., lines 263-271 of the WB-1)
 - iii. Amending the listing contract (WB-42 Amendment to Listing Contract)
- c. **Commission, Cooperation, and Offers of Compensation (50 minutes)**
 - i. Commission (Wis. Stat. § 240.10, relevant WB Listing Contract, e.g., lines of 27-51 of the WB-1)
 - ii. Offers of compensation (relevant WB Listing Contract, e.g., lines of 52-53 of the WB-1)
 - iii. Cooperation (Wis. Admin. Code § REEB 24.13, relevant WB Listing Contract, e.g., lines 151-158 of the WB-1)
- d. **Marketing (50 minutes)**
 - i. Advertising by licensees (Wis. Stat. § 452.136, Wis. Stat. § 106.50)
 - ii. Marketing (relevant WB Listing Contract, e.g., lines 18-26 of the WB-1)
 - iii. Seller cooperation with marketing efforts (relevant WB Listing Contract, e.g., lines 246-252 of the WB-1)
 - iv. Open house and showing responsibilities (Wis. Stat. § 106.50, relevant WB Listing Contract, e.g., lines 253-262 of the WB-1)
 - v. Term of the contract (relevant WB Listing Contract, e.g., lines 311-313 of the WB-1)
- e. **Agency (50 minutes)**
 - i. Duties to all parties (Wis. Stat. § 452.133(1), relevant WB Listing Contract, e.g., lines 68-80 of the WB-1)
 - ii. Duties to clients (Wis. Stat. § 452.133(2), relevant WB Listing Contract, e.g., lines 81-94 of the WB-1)
 - iii. Multiple representation (relevant WB Listing Contract, e.g., lines 95-124 of the WB-1)
 - iv. Subagency (relevant WB Listing Contract, e.g., lines 125-129 of the WB-1)
 - v. Confidentiality (relevant WB Listing Contract, e.g., lines 135-150 of the WB-1)

2. COURSE 2 - WISCONSIN OFFERS TO PURCHASE

- a. **Financing Commitment and Appraisal Contingencies (50 minutes) (Mandatory)**
 - i. Financing commitment contingency (relevant WB Offer, e.g., lines 248-287 of the WB-11)
 - ii. Seller financing; when permitted/prohibited by mortgage “due on sale” clause (relevant WB Offer, e.g., lines 288-295 of the WB-11)
 - iii. Offer not contingent on financing (relevant WB Offer, e.g., lines 296-307)
 - iv. Appraisal contingency (relevant WB Offer, e.g., lines 308-327 of the WB-11)
- b. **Inspection and Testing (50 minutes)**
 - i. Inspections and tests (relevant WB Offer, e.g., lines 178-192 of the WB-11)
 - ii. Inspection and testing contingencies (relevant WB Offer, e.g., lines 193-246 of the WB-11)
 - iii. Notices and amendments (WB-41 Notice Relating to Offer to Purchase, WB-40 Amendment to Offer to Purchase)
 - iv. The buyer’s inspection report (Wis. Stat. § 709.035, Wis. Stat. Ch. 440 subch. XI)
- c. **Multiple Offers (50 minutes)**
 - i. WB-44 Counter-Offer (Wis. Admin. Code Ch. REEB 16 Approved Forms and Legal Advice)
 - ii. WB-46 Multiple Counter-Proposal (Wis. Admin. Code Ch. REEB 16 Approved Forms and Legal Advice)
 - iii. Escalation clauses (Wis. Admin. Code Ch. REEB 16 Approved Forms and Legal Advice)
 - iv. Confidentiality of offers (Wis. Admin. Code § REEB 24.12)
- d. **Closing of Buyer’s Property and Secondary Offer Contingencies (50 minutes)**
 - i. Closing of buyer’s property contingency (relevant WB Offer, e.g., lines 328-334 of the WB-11)
 - ii. Bump clause (relevant WB Offer, e.g., lines 335-347 of the WB-11)
 - iii. Secondary offer (relevant WB Offer, e.g., lines 348-354 of the WB-11)
 - iv. Multiple offers (WB-44 Counter-Offer, WB-46 Multiple Counter-Proposal)
- e. **Drafting Right: Avoid Mistakes that Can Threaten Your Transaction (50 minutes)**
 - i. Authority to draft the offer (Wis. Stat. § 452.40, Wis. Admin. Code Ch. REEB 16 Approved Forms and Legal Advice)
 - ii. Agency (Wis. Stat. § 452.40, Wis. Admin. Code Ch. REEB 16 Approved Forms and Legal Advice, relevant WB Offer, e.g., lines 1-2 of the WB-11)
 - iii. Included and not included in the purchase (Wis. Admin. Code Ch. REEB 16 Approved Forms and Legal Advice, relevant WB Offer, e.g., lines 11-38 of the WB-11)
 - iv. Dates and deadlines (Wis. Admin. Code Ch. REEB 16 Approved Forms and Legal Advice, relevant WB Offer, e.g., lines 438-444 of the WB-11)

3. COURSE 3 - WISCONSIN NEW DEVELOPMENTS

- a. **Technology Tools for Your Wisconsin Transactions (50 minutes) (Mandatory)**
 - i. Electronic earnest money (Wis. Admin. Code Ch. REEB 18, relevant WB Offer to Purchase, e.g., lines 58-59 of the WB-11)
 - ii. Remote online notarization (Wis. Stat. Ch. 140)
 - iii. Virtual tours (relevant WB Listing Contract, e.g., lines 253-262 of the WB-1)
 - iv. Surveillance (Wis. Stat § 995.60)
- b. Wisconsin Approved Forms- New and Revised (50 minutes)
 - i. WB-11 Residential Offer to Purchase
 - ii. WB-13 Vacant Land Offer to Purchase
 - iii. WB-14 Residential Condominium Offer to Purchase
- c. Wisconsin Real Estate Case Law (50 minutes)
 - i. Relevant case law related to licensing law, if available
 - ii. Relevant case law related to land use, if available
 - iii. Relevant case law related to general real estate, if available
- d. Wisconsin Real Estate Statutes and Administrative Code – New and Revised (50 minutes)
- e. Federal Legal Real Estate Issues Update (50 minutes)

4. COURSE 4 - WISCONSIN RISK REDUCTION THROUGH PROFESSIONALISM*

- a. **Fair Housing (50 minutes) (Mandatory)**
 - i. Health concerns (Wis. Stat. § 106.50, NAR Code of Ethics Preamble, NAR Code of Ethics Article 10)
 - ii. Steering (Wis. Stat. § 106.50, NAR Code of Ethics Preamble, NAR Code of Ethics Article 10)
 - iii. Prohibited actions under state and federal law (Wis. Stat. § 106.50, 42 U.S.C. Ch. 45: Fair Housing, NAR Code of Ethics Preamble, NAR Professional Standards Enforcement Process, NAR Code of Ethics Article 10)
- b. **Management and Supervision (50 minutes)**
 - i. Responsibilities of firms and licensees (Wis. Stat. § 452.132, NAR Code of Ethics Article 1)
 - ii. Sexual harassment (Wis. Stat. §§ 111.31 – 111.325, Wis. Stat. § 111.36, Wis. Admin. Code Ch. DWD 218)
 - iii. Association with firm; independent practice (Wis. Stat. § 452.30)
 - iv. Unlicensed personal assistants (Wis. Stat. § 452.34, NAR Code of Ethics Preamble)
 - v. Independent contractor relationship (Wis. Stat. § 452.38)
- c. **Disclosures by Licensees (50 minutes)**
 - i. Disclosures, investigations and inspections by brokers and salespersons (Wis. Stat. § 452.23, Wis. Admin. Code § REEB 24.07, NAR Code of Ethics Article 2)
 - ii. Disclosure duty, immunity for providing notice about the sex offender registry (Wis. Stat. § 452.24)
 - iii. Disclosure of side agreements (Wis. Admin. Code § REEB 24.07, NAR Code of Ethics Article 9)
 - iv. Disclosure of agency (Wis. Admin. Code § REEB 24.07, NAR Code of Ethics Preamble)
- d. **Competent Practice (50 minutes)**
 - i. Engaging assistance (Wis. Admin. Code § REEB 24.03, NAR Code of Ethics Article 11)
 - ii. Represented parties (Wis. Admin. Code § REEB 24.13, NAR Code of Ethics Article 16)
 - iii. Requests for information (Wis. Admin. Code § REEB 24.13, NAR Code of Ethics Article 3)
 - iv. Incentives and contests (Wis. Stat. § 452.19, NAR Code of Ethics Article 12)
- e. **Risk Reduction (50 minutes)**
 - i. Prohibited conduct (Wis. Stat. § 452.133, Wis. Admin. Code § REEB 24.05, NAR Code of Ethics Preamble, NAR Code of Ethics Article 5)
 - ii. Changes in common law duties and liabilities of brokers and parties (Wis. Stat. § 452.139)
 - iii. Actions concerning licensees (Wis. Stat. § 452.142, NAR Professional Standards Enforcement Process)
 - iv. Criminal convictions and disclosures (Wis. Stat. § 452.25)
 - v. Hold harmless provisions in agency agreements and offers (relevant WB Listing Contract, e.g., lines 303-308 of the WB-1, relevant WB Offer to Purchase, e.g., lines 543-551 of the WB-11)

* Satisfies NAR Ethics Requirements

5. COURSE 5 –WISCONSIN REAL ESTATE LAW AND PRACTICE

- a. Independent Contractors (50 minutes)
 - i. Independent contractor vs employee (Wis. Stat. Ch. 103, Wis. Stat. § 452.38, 26 U.S.C. § 3508)
 - ii. Independent contractor agreement (Wis. Stat. § 452.38)
- b. Financing (50 minutes)
 - i. Contingencies (relevant WB Offer to Purchase, e.g., lines 247-307 of the WB-11)
 - ii. Seller financing; when permitted/prohibited by mortgage “due on sale” clause (Wis. Admin. Code § REEB 16.03, relevant WB Offer to Purchase, e.g., lines 288-295 of the WB-11)
 - iii. Loan programs (e.g. FHA, VA, conventional)
- c. Trust Funds and Trust Accounts (50 minutes)
 - i. Trust funds: client funds and non-client funds (Wis. Stat. § 452.01, Wis. Stat. § 452.13, Wis. Admin. Code Ch. REEB 18)
 - ii. Types of trust accounts (Wis. Stat. § 452.13, Wis. Admin. Code Ch. REEB 18)
 - iii. Record keeping (Wis. Stat. § 452.13, Wis. Admin. Code Ch. REEB 18)
 - iv. Compliance with trust account rules (Wis. Stat. § 452.13, Wis. Admin. Code Ch. REEB 18)
- d. Seller Disclosure (50 minutes)
 - i. Disclosure by Owners of Real Estate (Wis. Stat. Ch. 709)
 - ii. Real estate condition report/vacant land disclosure report (Wis. Stat. § 709.03-033)
 - iii. Amending reports, disclosure of material adverse facts (Wis. Stat. § 709.035, Wis. Stat. § 452.133)
 - iv. When reports are required, exemptions, waiver, seller’s refusal to complete a report (Wis. Stat. Ch. 709)
- e. 1031 Exchanges (50 minutes)
 - i. Qualifying properties (26 U.S.C. § 1031)
 - ii. Overview of process (26 U.S.C. § 1031)
 - iii. Basic tax principals (26 U.S.C. § 1031)
 - iv. Types of exchanges (26 U.S.C. § 1031)
 - v. WB-35 Simultaneous Exchange Agreement
- f. Landlord Tenant Law (50 minutes)
 - i. Termination and notices (Wis. Stat. §§ 704.16-704.21)
 - ii. Security deposits (Wis. Stat. § 704.28)
 - iii. Rental agreements and leases (Wis. Stat. §§ 704.02-704.03, Wis. Stat. § 704.44)
 - iv. Listing contracts and buyer agency/tenant representation agreement (WB-37 Residential Listing Contract – Exclusive Right to Rent, WB-36 Buyer Agency/Tenant Representation Agreement, WB-38 Commercial Buyer Agency/Tenant Representation)
 - v. Applicability of ATCP 134 to residential rentals (Wis. Admin. Code Ch. ATCP 134)

- g. Emerging Issues in Wisconsin (50 minutes)
 - i. Applicable Wisconsin statutes and Administrative Code
 - ii. Best practices for agents
- h. Wisconsin Condominium Listing (50 minutes)
 - i. WB-4 Residential Condominium Listing Contract (Wis. Admin. Code Ch. REEB 16)
 - ii. Condominium ownership (Wis. Stat. Ch. 703)
 - iii. Condominium disclosure documents including the executive summary, **small condominiums** (Wis. Stat. § 703.02(14m), Wis. Stat. § 703.33, Wis. Stat. § 703.205, **Wis. Stat. § 703.365**, relevant WB Listing, e.g., lines 217-254 of the WB-4)
 - iv. Additional fees for condominium transfer (Wis. Stat. § 703.205, Wis. Stat. § 703.335, Wis. Stat. § 703.33, relevant WB Offer, e.g., lines 46-51 of the WB-14)

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6. COURSE 6 - WISCONSIN REAL ESTATE TRANSACTIONS

- a. Working with representatives (50 minutes)
 - i. Power of attorney (Wis. Stat. Ch. 244, Wis. Stat. § 240.10, Wis. Stat. § 243.05)
 - ii. Trusts (Wis. Stat. Ch. 701, Wis. Stat. § 240.10)
 - iii. Estates (Wis. Stat. Ch. 860, Wis. Stat. § 240.10, relevant WB Offer, e.g., lines 507-509 of the WB-11)
 - iv. Business entities (Wis. Stat. Chs. 178-181, Wis. Stat. Ch. 183, Wis. Stat. § 240.10)
- b. Options and Rights of First Refusal (50 minutes)
 - i. WB-24 Option to Purchase
 - ii. Rights of First Refusal
- c. Buyer Agency/Tenant Representation (50 minutes)
 - i. WB-36 Buyer Agency/Tenant Representation Agreement
 - ii. WB-38 Commercial Buyer Agency/Tenant Representation Agreement
 - iii. WB-47 Amendment to Buyer Agency/Tenant Representation Agreement
- d. Vacant Land Transactions in Wisconsin (50 minutes)
 - i. WB-3 Vacant Land Listing Contract – Exclusive Right to Sell
 - ii. WB-13 Vacant Land Offer to Purchase
- e. Wisconsin Condominium Offer to Purchase (50 minutes)
 - i. WB-14 Residential Condominium Offer to Purchase
 - ii. Financing for condominium transactions including but not limited to conventional, FHA and VA, **barriers to financing** (relevant WB Offer, e.g., lines 379-418 and **543-557** of the WB-14)
 - iii. Condominium disclosure documents (Wis. Stat. § 703.33, relevant WB Offer, e.g., lines 107-175 of the WB-14)
 - iv. Fees related to condominium transfer (Wis. Stat. § 703.20, Wis. Stat. § 703.335 relevant WB Offer, e.g., lines 46-51 of the WB-14)
 - v. Condominiums with 12 or fewer units (Wis. Stat. 703.365)
- f. Short Sale and Foreclosure Basics (50 minutes)
 - i. Listing short sale properties (Wis. Stat. § 452.133, Wis. Admin. Code Ch. REEB 16)
 - ii. Lender approval/addenda (Wis. Stat. § 452.133, Wis. Admin. Code Ch. REEB 16)
 - iii. Secondary offers (Relevant WB Offer, e.g., lines 348-354 of the WB-11)
 - iv. Foreclosures (Wis. Stat. Ch. 846, Wis. Stat. § 452.133)
- g. Environmental Matters (50 minutes)
 - i. Lead based paint (42 U.S.C. § 4852d, 40 CFR Part 745, Wis. Stat. Ch. 254, Wis. Admin. Code Ch. DHS 163)
 - ii. Water (Wis. Admin. Code Ch. NR 809, Wis. Admin. Code Ch. NR 812, Wis. Admin. Code Ch. ATCP 30)
 - iii. Drafting contingencies for inspection and testing (Wis. Admin. Code Ch. REEB 16, Wis. Admin. Code § REEB 24.03)
 - iv. Underground storage tanks (Wis. Stat. Ch. 168, subch. II, Wis. Admin. Code Ch. ATCP 93)

For Consideration by the Real Estate Examinations and Curriculum Council
July 30, 2020

- v. Asbestos (Wis. Stat. Ch. 254, Wis. Admin. Code Ch. DHS 159)
- h. Cooperation with Out-of-State Licensees (*50 minutes*)
 - i. Referral Fees (Wis. Stat. § 452.19)
 - ii. WB-28 Cooperative Agreement (Wis. Stat. § 452.137)
 - iii. WB-29 Commercial Cooperative Agreement (Wis. Stat. § 452.137)

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