



REAL ESTATE CONTRACTUAL FORMS ADVISORY COUNCIL
Room N208, 4822 Madison Yards Way, 2nd Floor, Madison, WI 53705
Contact: Christian Albouras (608) 266-2112
November 12, 2019

The following agenda describes the issues that the Council 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 and deliberations of the Council.

AGENDA

10:00 A.M.

OPEN SESSION – CALL TO ORDER – ROLL CALL

- A. Adoption of Agenda (1)**
- B. Approval of Minutes of September 11, 2019 (2)**
- C. Administrative Matters**
 - 1. Department, Staff and Council Updates
 - 2. Real Estate Examining Board Update
- D. Review of Real Estate Contractual Forms for Revision – Discussion and Consideration (3-)**
 - 1. **WB-14 – Residential Condominium Offer to Purchase**
 - a. WB-14 Draft **(30-41)**
 - b. State Bar Condominium Deed
 - 2. **WB-13 – Vacant Land Offer to Purchase**
 - a. WB-13 Draft **(42-52)**
- E. Public Comments**

ADJOURNMENT

NEXT MEETING: DECEMBER 11, 2019

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.

**REAL ESTATE CONTRACTUAL FORMS ADVISORY COUNCIL
MEETING MINUTES
SEPTEMBER 11, 2019**

PRESENT: Joseph Busch, Casey Clickner, Debra Conrad, John Drzewiecki, Michael Gordon, Richard Marino, Kim Moermond, Laura Peck, Angela Rowland, Jonathan Sayas (*excused at 11:00 a.m.*), Gary Tritz, Thomas Weber, Jr. (*arrived at 9:49 a.m.*), Pamela Widen

EXCUSED: Cori Lamont, Robert Webster

STAFF: Christian Albouras, Executive Director; Megan Glaeser, Bureau Assistant; and other DSPS Staff

CALL TO ORDER

Richard Marino, Chairperson, called the meeting to order at 9:36 a.m. A quorum of twelve (12) members was confirmed.

ADOPTION OF AGENDA

Amendments to the Agenda

MOTION: Michael Gordon moved, seconded by Pamela Widen, to adopt the agenda as published. Motion carried unanimously.

APPROVAL OF MINUTES FROM AUGUST 19, 2019

Amendments to the Minutes

MOTION: Casey Clickner moved, seconded by Gary Tritz, to approve the minutes of August 19, 2019 as published. Motion carried unanimously.

(Thomas Weber, Jr. arrived at 9:49 a.m.)

(Jonathan Sayas was excused 11:00 a.m.)

ADJOURNMENT

MOTION: Michael Gordon moved, seconded by Gary Tritz, to adjourn the meeting. Motion carried unanimously.

The meeting adjourned at 1:30 p.m.

OFFER TO PURCHASE REVISIONS

To: DSPS Real Estate Contractual Forms Advisory Committee
From: WRA Forms Committee
Date: November 1, 2019
RE: **WB-14 Residential Condominium Offer to Purchase and WB-13 Vacant Land Offer to Purchase**

The WB-14_DraftB contains provisions agreed to by both the WRA Forms Committee during its August 29, and September 19, 2019 meeting and the DSPS Real Estate Contractual Forms Advisory Committee during its September 11, 2019 meeting, shown in gray highlights. The WB-13_FirstDraft2019 draft is the first step in creating an updated WB-13 offer in the transactional flow sequence.

The substantive content from the 2011 condo offer and the 2011 vacant land offer, respectively, have been placed, in tracking, into a fairly final updated WB-11. In addition there are some grammatical and language changes noted in tracking that did not make it into the revised WB-11 because of the tight time frame in the WB-11 review process, but which may be considered for the updated versions of the WB-14, WB-13 and other offers, if you believe that is useful to adopt the streamlined language.

Reading these drafts carefully and calling out any glitch or issue is extremely helpful as we proceed to review and modify the substantive content and its placement in the flow of the offer, discuss additional provisions to be added, etc.

Please note that both drafts show a proposed optional use date of May 1, 2020 and a mandatory use date of July 1, 2020. If those dates are satisfactory the Committee may wish to look at the meeting calendar and establish target dates for this Committee's completion of its revisions and for finalization and approval by the REEB.

WB-14 Residential Condominium Offer to Purchase

Lines 12-17: Included in Purchase Price:

INCLUDED IN PURCHASE PRICE Included in purchase price is (1) the Property, (2) Seller's interest in the Common Elements and Limited Common Elements (see lines xx-xx and xxx-xxx) appurtenant to the Unit, together with and subject to the rights, interests, obligations and limitations as set forth in the Condominium Declaration and plat (and all amendments thereto); (3) Seller's interests in any common surplus and reserves in the Condominium allocated to the Property, (4) all Fixtures on the Property as of the date stated on line 1 of this Offer (unless excluded at lines xx-xx), and (5) the following additional items:

- **Is this language satisfactory? The WRA Forms Committee and the DSPS Committee said yes.**

Lines 44-53: Disclosure of Fees and Amenities

■ **STORAGE UNIT:** A storage unit (is) (is not) ~~STRIKE ONE~~ included in the purchase price. Storage unit number:

■ **PARKING:** The parking for the Unit is _____. The parking fee is \$_____.

■ **ASSOCIATION FEE:** The Association fee for the Property is \$_____ per_____.

■ **OTHER FEES:** The Association may charge other fees at, or subsequent to, closing which may include storage, Additional Association, reserves, start-up, administrative, etc. fees.

NOTE: Buyer is advised to review the Condominium disclosure materials including, but not limited to, current financial disclosure statements and other Condominium materials described on lines xxx-xxx, as relevant.

Is this language satisfactory? Do parking and storage continue to be important basic features to be called out in the offer? **Yes, per the WRS and DSPS Forms Committee.**

Should other features or fees be shown here? **No, per the WRS and DSPS Forms Committee other than a caution regarding transfer fees, modeled after the language in the Homeowner Association provision in the new WB-11.**

Should these provisions be placed where they are on the first page or should they be located somewhere else? Is this a logical place for these items within the transaction flow layout? **Yes, per both Forms Committees.**

Is “Association Fee” a good label for this such that consumers know what it means? **Yes, per both Forms Committees.**

The following heading was inserted on line 44 before STORAGE UNIT:

STORAGE, PARKING AND FEES

This was added at lines 48-50:

- **UNIT TRANSFER FEE:** Buyer is aware the Property may be subject to one-time fee(s) resulting from transfer of the Property. Any fee(s) resulting from transfer of the Property shall be paid at closing by (Seller) (Buyer) ~~STRIKE ONE~~ (“Buyer” if neither is stricken).

The OTHER FEES and the NOTE in the 2011 WB-14 were combined to create one note as shown on lines 51-53:

NOTE: The Association may charge fees at or subsequent to closing which may include Additional Association, reserves, administrative or other fees. Buyer is advised to review the Condominium disclosure materials including, but not limited to, current financial disclosure statements and other Condominium materials described on lines xxx-xxx, as relevant.

- **Both Forms committees agreed.**
- **Is the change on line 64 acceptable?**
- **Is the change on lines 107-108 acceptable?**
- **Lines 112-113:** is the language with the two deadlines: “within 10 days after acceptance of Offer, but no later than 15 days prior to closing,” confusing or hard to work with? A WRA member indicated that agents in her area get this wrong, they think there is a choice as to deadlines and at times tend to rely on the later deadline. Should this be stated differently to make it clearer?

Lines 112-175: Condominium Disclosure Materials

In this section, the tweaks shown in gray highlights were agreed upon by both Committees. Some other tweaks were made by the DSPTS Forms Committee, shown in yellow highlights.

At line 203 a definition of Small Condominium was added by the DSPTS Forms Committee:

- **SMALL CONDOMINIUM:** "Small condominium" means a Condominium with no more than 12 Units.

➤ The WRA Forms Committee agrees.

Lines 137-148: Buyer Rescission Rights

■ **BUYER RESCISSION RIGHTS:** As provided in Wis. Stat. § 703.33(4)(a), Buyer may, within 5 business days after receipt of all the required disclosure documents, rescind this Offer by written notice delivered to Seller. If the disclosure materials are delivered to Buyer and Buyer does not receive all of the disclosure documents, Buyer may, within 5 business days after Buyer's receipt of the disclosure materials, either rescind the Offer or request any missing documents. Seller has 5 business days after receipt of Buyer's request for missing documents to deliver the requested documents. Buyer may rescind the sale within 5 business days after the earlier of Buyer's receipt of requested missing documents or the deadline for Seller's delivery of the documents [Wis. Stat. § 703.33(4)(b)].

The Parties agree that the 5 business days begin upon the earlier of: (1) Buyer's Actual Receipt of the disclosure materials or requested missing documents or (2) upon the deadline for Seller's delivery of the documents.

NOTE: BUYER SHOULD READ ALL DOCUMENTS CAREFULLY. BROKERS MAY PROVIDE A GENERAL EXPLANATION OF THE PROVISIONS OF THE DOCUMENTS BUT ARE PROHIBITED BY LAW FROM GIVING LEGAL ADVICE OR OPINIONS.

Do we want buyer rescission rights under the offer tied to the statute? The statute requires that there be an index and cover sheet – see the statutes below. Is there often an index and cover sheet? **No, per the WRA Forms Committee.**

Do buyers often request missing documents? **Sometimes per the WRA Forms Committee.**

➤ The NOTE was modified by the DSPTS Forms Committee to say:

NOTE: BUYER SHOULD READ ALL DOCUMENTS CAREFULLY. LICENSEES MAY PROVIDE A GENERAL EXPLANATION OF THE DOCUMENTS BUT ARE PROHIBITED BY LAW FROM GIVING LEGAL ADVICE OR OPINIONS.

➤ Does the WRA Forms Committee find that acceptable?

Lines 149-175: Additional Condominium Issues

Should this be a contingency along the following lines? This was the concept favored by the WRA Forms Committee. Just a preliminary attempt to illustrate the idea:

CONTINGENCY FOR ADDITIONAL CONDOMINIUM INFORMATION: This Offer is contingent upon Seller delivering to Buyer, at Seller's expense, within 10 days after acceptance of Offer, but no later than 15 days prior to closing, the following information: _____

[list other materials to be delivered to Buyer, e.g., the Condominium Association's financial statements for the last two years, the minutes of the last 3 Unit owners' meetings, the minutes of Condominium board meetings during the 12 months prior to acceptance, information about contemplated or pending Condominium special assessments, the Association's certificate of insurance, a statement from the Association indicating the balance of reserve accounts controlled by the Association, a statement from the Association of the amount of any unpaid assessments on the Unit (per Wis. Stat. § 703.165), any Common Element inspection reports (e.g. roof, swimming pool, elevator and parking garage inspections, etc.), any pending litigation involving the Association, the Declaration, bylaws, budget and/or most recent financial statement of any master association or Additional Association the Unit may be part of , etc.] (hereinafter the "listed materials").

NOTE: Because not all of the listed materials may exist or be available from the Condominium Association, Seller may wish to verify availability prior to acceptance if the Offer is contingent upon Seller providing these materials to Buyer.

■ **BUYER RESCISSION RIGHTS:** Buyer may, within 5 business days after receipt of all the listed materials rescind this Offer by written notice delivered to Seller. If the materials are delivered to Buyer and Buyer does not receive all of the listed materials, Buyer may, within 5 business days after Buyer's receipt of the materials, either rescind the Offer or request any missing materials. Seller has 5 business days after receipt of Buyer's request for missing listed materials to deliver the requested materials. Buyer may rescind the sale within 5 business days after the earlier of Buyer's receipt of requested missing materials or the deadline for Seller's delivery of the materials.

The DSPS Forms Committee suggested the provision be reconfigured along the following lines:

CONTINGENCY FOR ADDITIONAL CONDOMINIUM INFORMATION: This Offer is contingent upon Seller delivering to Buyer, at Seller's expense, within 10 days after acceptance of this Offer, but no later than 15 days prior to closing, the information listed below **that exists** ~~STRIKE AND COMPLETE AS~~ **APPLICABLE:**

- ◆ the Condominium Association's financial statements for the last two years
- ◆ the minutes of the last 3 Unit owners' meetings
- ◆ the minutes of Condominium board meetings during the 12 months prior to acceptance of this Offer
- ◆ information about contemplated or pending Condominium special assessments
- ◆ the Association's certificate of insurance
- ◆ a statement from the Association indicating the balance of reserve accounts controlled by the Association
- ◆ a statement from the Association of the amount of any unpaid assessments on the Unit (per Wis. Stat. § 703.165)
- ◆ any Common Element inspection reports (e.g. roof, swimming pool, elevator and parking garage inspections, etc.) held by the Association
- ◆ information regarding any pending litigation involving the Association
- ◆ the Declaration, bylaws, budget and/or most recent financial statement of any master association or Additional Association the Unit may be part of
- ◆ other: _____

(hereinafter collectively the "listed materials").

NOTE: Because not all of the listed materials may exist or be available from the Condominium Association, Seller may wish to verify availability prior to acceptance of the Offer.

■ **BUYER RESCISSION RIGHTS:** Buyer may, within 5 business days after receipt of all the listed materials rescind this Offer by written notice delivered to Seller. If the materials are delivered to Buyer and Buyer does not receive all of the listed materials, Buyer may, within 5 business days after Buyer's receipt

of the materials, either rescind the Offer or request any missing **materials in writing**. Seller has 5 business days after receipt of Buyer's request for missing listed materials to deliver the requested materials. Buyer may rescind the sale within 5 business days after the earlier of Buyer's receipt of requested missing materials or the deadline for Seller's delivery of the materials.

The Parties agree that the 5 business days begin upon the earlier of: (1) Buyer's Actual Receipt of the listed materials or requested missing materials or (2) upon the deadline for Seller's delivery of the listed materials.

The highlighted reference to "**that exists**" is a bit unclear as to what exactly it means, and would the contingency be better without it? Are these documents that are in existence as of the date on line 1 of the offer? Documents the Association has on hand? Documents that the Association should be able to obtain if they ask third parties, for example, ask the insurance company for a copy of the condo insurance certificate? The rescission rights are repeated because although they are substantially similar, they are not identical to the statutory rescission rights, which are tied to the index and cover page. The listed materials are not.

➤ **Does the WRA Forms Committee approve of the contingency? Any modifications or alternate ideas?**

The WRA Forms Committee noted that condo associations will be likely to just say they don't have documents if asked and the provision will put a burden on the seller to get everything.

Limited Common Elements Dilemma

Should all references to Limited Common elements be consistent? It is referred to differently in different places in the WB-14 draft. Should it be different for disclosures versus inspections, for instance? Authority to give other access for inspection and repairs?

1. Limited Common Elements appurtenant to the Unit:

Line 13 description of Property

appurtenant. adj. pertaining to something that attaches. In real property law this describes any right or restriction which goes with that property, such as an easement to gain access across the neighbor's parcel, or a covenant (agreement) against blocking the neighbor's view.

2. any Limited Common Elements that may be used only by the owner of the Condominium Unit being transferred

Line 176 -- § 709.03 RECR says this with regard to what is to be included in owner's RECR

Lines 183-184 – property condition representations

Line 260 – access for inspections

Lines 263-264 – no authorization for testing

This apparently refers to Limited Common Elements used exclusively by the seller and not any that may be shared with other Unit Owners

3. any Limited Common Elements that may be used only by the owner of the Condominium Unit being transferred, or shared with an adjacent Unit Owner

Lines 254-255 – inspections and testing – definition of inspection

This apparently refers to any Limited Common Element the seller has exclusive use of and any that are shared with another Unit Owner such as a shared deck or patio

4. any Limited Common Elements

Line 274 – inspection contingency
Lines 595-596, 597, 602, 605 – property damage provisions
Lines 607-609 – walk-through
Line 613 – occupancy
This apparently refers to all Limited Common Elements whether used by the seller or another owner

Lines 212-227: Real Estate Condition Report Provisions

This language is copied from the 2011 WB-14 and it states what is provided in the statutes regarding the RECR. Are these satisfactory?

Wis. Stat. § 709.03 provides that when the Property is a Condominium Unit, the property to which the Real Estate Condition Report applies is the Condominium Unit, the Common Elements of the Condominium and any Limited Common Elements that may be used only by the owner of the Condominium Unit being transferred. Wis. Stat. § 709.02 requires that Seller also furnish a Condominium addendum to the Real Estate Condition Report and a copy of the executive summary along with the Real Estate Condition Report.

NOTE: Small Condominiums may not be required to have an executive summary per Wis. Stat. § 703.365.

Excerpts from certain statutes and rules are provided in a separate document and the § 709.02 and § 709.03 provisions are included therein, as is also § 703.365 regarding small condominiums.

The Property Condition Representations are being made:
with regard to the Unit, Condominium Common Elements and Limited Common Elements that may be used only by the owner of the Condominium Unit being transferred,

Thus, there is an exact match between what parts of the condominium are subject to the Unit Owner/Seller's disclosures on the RECR and what parts of the condominium are subject to their property condition representations in the offer.

Lines 301-319: Inspections and Testing and Inspection Contingency

In the 2011 WB-14 these provisions refer to the Unit and Limited Common Elements.

- **Is more accurate to refer to “Limited Common Elements reserved for the use of seller” or something to that effect? After all we are not referring to all Limited Common Elements in the Condominium, rather just those used by the Seller.**

The draft makes various and inconsistent references to inspections being conducted with regard to different portions of the condominium, such as at lines 302-303:

observation of the Unit and any Limited Common Elements that may be used only by the owner of the Condominium Unit being transferred, or shared with an adjacent Unit Owner,

At lines 307-308, 311-312:
reasonable access to the Unit and any Limited Common Elements that may be used only by the owner of the Condominium Unit being transferred

- **The question about limited common elements is whether, when it comes to inspections and testing, it should be all limited common elements that seller has rights to use, whether that be exclusive to the seller or shared with other unit owners, such as a shared patio?**

The same issue arises in the Property Damage Between Acceptance and Closing, Buyer’s Pre-Closing Walk-Through and Occupancy provisions on lines 607-628.

- ◆ Under the Inspection Contingency, which in the 2011 WB-14 refers to inspection of the unit and the limited common elements, have there been any problems or concerns relative to what the inspector is inspecting?
- ◆ Should the registered Wisconsin home inspector inspect anything other than the unit and appurtenant limited common elements under the Inspection Contingency?
- ◆ If so, how much of a condominium is a Wisconsin registered home inspector authorized to inspect under their credentials?
- ◆ Wouldn’t any inspections of the common elements require the permission of the association?
- ◆ If a buyer wanted something repaired in the common elements and it was listed in a notice of defects, how would the seller get permission to make the repairs when presumably the association has control over making such repairs?

- **The request was made by a few members of the DSPS Forms Committee to research what portions of a condominium a Wisconsin registered home inspector could legally inspect. ALL Committee members should be encouraged to research issues when they have questions, ask the inspectors they work with and submit any documentation for the Committee to review and discuss!**

Home inspectors are regulated under Wis. Stat. §§ 440.97-.979

Wis. Stat. § 440.97 Definitions. In this subchapter: . . .

(5) “Home inspection report” means a written opinion of a home inspector concerning all of the following:

- (a) The condition of the improvements to residential real property that contains **not more than 4 dwelling units.**
- (b) The condition of mechanical and structural components of the improvements specified in par. (a). <https://docs.legis.wisconsin.gov/statutes/statutes/440/XI/97>

See the attached packet of statutes and reference materials for more.

- ◆ **Other than the reference to a home inspection report only covering a one-to four-unit property (in both the statutes and the administrative rules) there is nothing that appears to speak to the issue. It is not clear.**

Other home inspector information from online:

Inspections for Condos and Apartments

Condo and apartment inspections differ slightly from house inspections. Our inspections can cover individual units or the entire building. These inspections can include shared spaces like garages, storage areas, and rooftops. Radon testing is still necessary for all units, regardless of the floor they are on.

Since condos and apartment units often have a higher turnover rate than houses, inspections are often forgotten. Many new residents have no idea of the last time their home had a proper inspection. Condos, like houses, should have inspections from a certified home inspector like Wall to Wall whenever a sale is involved.

<http://www.walltowallhomeinspections.com/Milwaukee/CondoHouse>

Full Inspections vs. Interior Only Condominium Inspections

Most home inspectors offer two types of home inspection services on condominiums: full inspections or interior only inspections. Interior only inspections do not include attics, crawl spaces, exteriors, roofs, parking garages or other common areas. Interior only inspections are best suited to large towers where it can be difficult for a home inspector to contribute much to the knowledge of building maintenance; there is just too much that is inaccessible in these large towers.

In most other cases, full inspections are recommended. A full inspection includes any attics or crawl spaces that attach to your unit. The inspector will also walk around the exterior, get onto the roof if possible and walk through parking garages and basements. Full inspections are not as comprehensive as commercial inspections, but they will give you a good general sense of the overall condition of the building or buildings. You can then take the information gleaned from a full condo inspection as well as the disclosure you get from the HOA and try and assess the overall “health” of the condo.

<https://www.redfin.com/blog/the-condo-inspection-what-buyers-need-to-know/>

Scope of Condominium Inspection Clause

You understand that we will inspect only your condominium unit. Our inspection will not include any inspection of common areas or other spaces you do not own. We may offer comments concerning our observations of common areas as a courtesy. You agree that any comments concerning common areas, or any lack of comments concerning common areas, shall not give rise to any claim against us.

International Association of Certified Home Inspectors, Inc.

<https://www.nachi.org/common-areas.htm>

The questions remain:

- ◆ What is a Wisconsin registered home inspector authorized to inspect?
- ◆ Can other inspectors like a commercial building inspector inspect a whole condominium?
- ◆ Wouldn't an inspector need the permission of the condominium association to inspect common elements?
- ◆ What happens with the language in the 2011 version of the WB-14?
- ◆ What should the standard inspection contingency be asking a buyer to order and pay for?
- ◆ Would inspections about particular aspects, such as something the buyer learned of in the RECR or otherwise, like a problem with the roof on building 8 or the pool, be addressed in a separate contingency drafted for that particular purpose and leaving it to the drafter of the provision to determine what permission and authority, and what type of inspector is needed?
- ◆ If there is inspection or testing beyond the unit and limited common elements appurtenant to the unit, how could a unit owner seller perform any repairs or cures? Technically the limited common elements are part of the common elements and the unit owner generally only has the right to exclusive use, and generally no authority to repair. A unit owner generally has no rights to conduct repairs of common elements. That may depend upon what it says in the condo docs, which perhaps should be addressed in an individual provision and not in preprinted contracts.

Lines 357-374: Radon Testing Contingency

RADON TESTING CONTINGENCY: This Offer is contingent upon Buyer obtaining a current written report of the results of a radon test **at the Property of the Unit?** performed by a qualified third party in a manner consistent with applicable EPA and Wisconsin Department of Health Services (DHS) protocols and standards indicating the radon level is less than 4.0 picoCuries per liter (pCi/L), at (Buyer's) (Seller's) **STRIKE ONE** ("Buyer's" if neither is stricken) expense.

This contingency shall be deemed satisfied unless Buyer, within _____ days ("20" if left blank) after acceptance delivers to Seller a written copy of the radon test results report indicating a radon level of 4.0 pCi/L or higher and written notice objecting to the radon level in the report.

■ **RIGHT TO CURE:** Seller (shall)(shall not) **STRIKE ONE** ("shall" if neither is stricken) have the right to cure.

If Seller has the right to cure, Seller may satisfy this contingency by

(1) delivering a written notice of Seller's election to cure within 10 days after delivery of Buyer's notice; and,

(2) installing a radon mitigation system in conformance with EPA standards in a good and workmanlike manner and by giving Buyer a report of the work done and a post remediation test report indicating a radon level of less than 4.0 pCi/L no later than three days prior to closing.

This Offer shall be null and void if Buyer timely delivers the above written notice and report to Seller and

(1) Seller does not have the right to cure; or

(2) Seller has the right to cure but:

(a) Seller delivers written notice that Seller will not cure or

(b) Seller does not timely deliver the notice of election to cure.

➤ **The DSPS Forms Committee and the WRA Forms Committee said the radon test should be "within the Unit."**

Where Should Condominium Definitions Be Placed?

➤ **Should all of the condominium provisions appear together, including the condominium definitions? The WRA Forms Committee asked to have the condominium definitions frontloaded and placed near the condominium materials. See lines 176-210. What does the Forms Council think?**

The definitions are on lines 569-589 of the draft.

➤ **Should individual definitions appear following the first use of the term being defined? That would probably land a lot of the definitions on the first page.**

➤ **Or should they stay in the Definitions section?**

➤ **Should any of these definitions be modified? The definitions in the draft are from the 2011 WB-14 -- they start out with statutory language and then add examples and illustrations.**

➤ **Should there be a definition for Small Condominium? YES, per WRA Forms Committee**

At line 203 a definition of Small Condominium was added by the DSPS Forms Committee:

■ **SMALL CONDOMINIUM: "Small condominium" means a Condominium with no more than 12 Units.**

➤ **Note that a definition for Party was added in the draft at line 589. Is this a good idea? YES, per WRA Forms Committee**

Lines 485-488: Homeowners Association

➤ **Should these lines should be removed? YES, per WRA Forms Committee**

Lines 519-521: Closing Prorations

The DSPS Forms Committee made the following modification:

The following items, if applicable, shall be prorated at closing, based upon date of closing values: real estate taxes, rents, prepaid insurance (if assumed), private and municipal charges, **Condominium Association fees, Additional Association fees,** fuel and _____

- **Is this satisfactory? YES, per WRA Forms Committee**

Lines 514-532: Conveyance of Title and Title Evidence

Is this language satisfactory?

The State Bar Condominium deed. That language there, below the lines circled in orange, seems to match fairly well. Wasn't sure about the reference to "amendments to the above" on line 467 and whether that meant the entire list or just the condominium documents as might have been the original intent.

- **The DSPS Forms Committee thought it was alright after they removed the word "and" from line 520. The WRA Committee agreed.**
- **Also note the sentence on lines 523-525 was rewritten to make it clearer. Does the WRA Forms Committee agree?**
- **There are tweaks throughout lines 529-549. What do you think of those?**

Line 550: Unpaid Condominium Assessments

■ UNPAID CONDOMINIUM ASSESSMENTS: All unpaid Association fees plus any interest and fees shall be paid by Seller no later than closing.

Note this refers to assessments and page 1 refers to Association Fees. What are the preferences and consistency for terminology? Does this mean just unpaid monthly/regular assessments, or does it include special assessments as well?

The WRA Forms Committee suggested the following modification and placement on page 1 of the WB-14:

■ UNPAID CONDOMINIUM ASSESSMENTS: All unpaid assessments shall be paid by Seller no later than closing.

- **What does Forms Council think of this?**

Lines 551-563: Special Assessments

Need a different definition of "levied" for condominium associations. There is a quick attempt in tracking in the draft. There does not seem to be a definition or specific explanation in the statutes other than the statutory references shown above.

Please review the other language in this section as well:

■ SPECIAL ASSESSMENTS/OTHER EXPENSES: Special assessments, if any, [including those by any applicable homeowners or Condominium Association](#), levied or for work actually commenced prior to the

date stated on line 1 of this Offer shall be paid by Seller no later than closing. All other special assessments shall be paid by Buyer. "Levied" means the local municipal governing body has adopted and published a final resolution describing the planned improvements and the assessment of benefits. "Levied" with regard to Condominium special assessments means the Association has adopted a resolution imposing fees on the Units, other than regular Association fees, for special projects or expenses.

CAUTION: Consider a special agreement if area assessments, property owners association assessments, Condominium Association special assessments, special charges for current services under Wis. Stat. § 66.0627

The WRA Forms Committee discussed the provisions in the RECR concerning condominium special assessments. Wis. Stat. 709.02(2) provides with regard to the condominium addendum to the RECR that ... the owner shall furnish, in addition to and at the same time as the information required under sub. (1), all the following information as an addendum to the report under s. 709.03 or 709.033: ... (c) The amount of current condominium assessments, fees, special assessments, or other charges for which a unit owner is responsible and whether the current charges for the unit have been paid. The RECR also asks: "Are you aware of pending special assessments?"

A suggestion was received to add a line item to the first page indicating the amount of any pending or upcoming special assessments.

➤ **What does Forms Council think of this idea?**

WB-13 Vacant Land Offer to Purchase

Double check whether "conditions affecting the Property and transaction" on Lines 119-214 substantially match the content of the VLDR in Wis. Stat. § 709.033.

Proposed Use Contingencies, Lines 297-342:

Often licensees comment this section is hard to understand and work with. What clarifications might be made?

One comment is that the Buyer obtains the reports but who is paying is left as a choice. It would be preferred that the party who obtains the reports pays for the report because the current format gives the buyer a blank check if the seller pays. One sample of some language that might be worked in to improve upon this concern: "(Buyer)(Seller) [STRIKE ONE] ("Seller" if neither stricken) shall be responsible for obtaining the report(s), including all costs."

➤ **What does Forms Council think of this idea? This was roughly implemented in the second version of the Proposed Use Contingencies below.**

Other comments indicate this is difficult to explain so any clarification ideas are most welcome!

PROPOSED USE CONTINGENCIES: Buyer is purchasing the Property for the purpose of: _____

_____ [insert proposed use and type and size of building, if applicable; e.g. three bedroom single family home]. The optional provisions checked on lines xxx-xxx shall be deemed satisfied unless Buyer, within _____ days after acceptance, delivers written notice to Seller specifying those items that cannot be satisfied and written evidence substantiating why each specific item included in Buyer's notice

cannot be satisfied. Upon delivery of Buyer's notice, this Offer shall be null and void. Seller agrees to cooperate with Buyer as necessary to satisfy the contingencies checked at lines xxx-xxx.

ZONING CLASSIFICATION CONFIRMATION: This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) STRIKE ONE ("Buyer's" if neither is stricken) expense, verification that the Property is zoned _____ and that the Property's zoning allows the Buyer's proposed use described at lines xxx-xxx.

SUBSOILS: This offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) STRIKE ONE ("Buyer's" if neither is stricken) expense, written evidence from a qualified soils expert that the Property is free of any subsoil condition that would make the proposed use described at lines xxx-xxx impossible or significantly increase the costs of such development.

PRIVATE ONSITE WASTEWATER TREATMENT SYSTEM (POWTS) SUITABILITY: This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) STRIKE ONE ("Buyer's" if neither is stricken) expense, written evidence from a certified soils tester that (a) the soils at the Property locations selected by Buyer, and (b) all other conditions that must be approved, meet the legal requirements in effect on the date of this Offer to obtain a permit for a POWTS for use of the Property as stated on lines xxx-xxx. The POWTS (septic system) allowed by the written evidence must be one of the following POWTS that is approved by the State for use with the type of property identified at lines xxx-xxx CHECK ALL THAT APPLY: conventional in-ground; mound; at grade; in-ground pressure distribution; holding tank; other: _____.

EASEMENTS AND RESTRICTIONS: This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) STRIKE ONE ("Buyer's" if neither is stricken) expense, copies of all public and private easements, covenants and restrictions affecting the Property and a written determination by a qualified independent third party that none of these prohibit or significantly delay or increase the costs of the proposed use or development identified at lines xxx-xxx.

APPROVALS: This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) STRIKE ONE ("Buyer's" if neither is stricken) expense, permits, approvals and licenses, as appropriate, or the final discretionary action by the granting authority prior to the issuance of such permits, approvals and licenses, for the following items related to Buyer's proposed use: _____

UTILITIES: This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) STRIKE ONE ("Buyer's" if neither is stricken) expense, written verification of the location of the following utility service connections (e.g., on the Property, at the lot line, across the street, etc.) CHECK AND COMPLETE AS APPLICABLE:

electricity _____; gas _____; sewer _____;
 water _____; telephone _____; cable _____;
 other _____.

ACCESS TO PROPERTY: This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) STRIKE ONE ("Buyer's" if neither is stricken) expense, written verification that there is legal vehicular access to the Property from public roads.

LAND USE APPROVAL: This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) STRIKE ONE ("Buyer's" if neither is stricken) expense, a rezoning; conditional use permit; license; variance; building permit; occupancy permit; other _____ CHECK ALL THAT APPLY, and delivering written notice to Seller if the item cannot be obtained, all within _____ days of acceptance for the Property for its proposed use described at lines xxx-xxx.

PROPOSED USE CONTINGENCIES: Buyer is purchasing the Property for the purpose of: _____

_____ [insert proposed use and type and size of building, if applicable; e.g. three bedroom single family home]. This Offer is contingent upon obtaining the reports or documentation required by the optional provisions checked below. The optional provisions checked on lines xxx-xxx shall be deemed satisfied unless Buyer, within _____ days after acceptance, delivers written notice to Seller specifying

those items that cannot be satisfied and written evidence substantiating why each specific item included in Buyer's notice cannot be satisfied. Upon delivery of Buyer's notice, this Offer shall be null and void. Seller agrees to cooperate with Buyer as necessary to satisfy the contingencies checked at lines xxx-xxx. (Buyer)(Seller) [STRIKE ONE] ("Seller" if neither stricken) shall be responsible for obtaining the report(s), including all costs. If Seller is obtaining the report(s) the reports must be delivered to Buyer no later than ___ days after acceptance. This Offer shall be null and void if Buyer delivers notice to Seller, within 5 days of the deadline for Seller's delivery of the report(s), stating Seller failed to timely deliver report(s) [if Seller was responsible to provide the report(s)].

ZONING CLASSIFICATION CONFIRMATION: Verification that the Property is zoned _____ and that the Property's zoning allows the Buyer's proposed use described at lines xxx-xxx.

SUBSOILS: Written evidence from a qualified soils expert that the Property is free of any subsoil condition that would make the proposed use described at lines xxx-xxx impossible or significantly increase the costs of such development.

PRIVATE ONSITE WASTEWATER TREATMENT SYSTEM (POWTS) SUITABILITY: Written evidence from a certified soils tester that (a) the soils at the Property locations selected by Buyer, and (b) all other conditions that must be approved, meet the legal requirements in effect on the date of this Offer to obtain a permit for a POWTS for use of the Property as stated on lines xxx-xxx. The POWTS (septic system) allowed by the written evidence must be one of the following POWTS that is approved by the State for use with the type of property identified at lines xxx-xxx **CHECK ALL THAT APPLY:** conventional in-ground; mound; at grade; in-ground pressure distribution; holding tank; other: _____.

EASEMENTS AND RESTRICTIONS: Copies of all public and private easements, covenants and restrictions affecting the Property and a written determination by a qualified independent third party that none of these prohibit or significantly delay or increase the costs of the proposed use or development identified at lines xxx-xxx.

APPROVALS: Permits, approvals and licenses, as appropriate, or the final discretionary action by the granting authority prior to the issuance of such permits, approvals and licenses, for the following items related to Buyer's proposed use: _____.

UTILITIES: Written verification of the location of the following utility service connections (e.g., on the Property, at the lot line, across the street, etc.) **CHECK AND COMPLETE AS APPLICABLE:**

electricity _____; gas _____; sewer _____;
 water _____; telephone _____; cable _____;
 other _____.

ACCESS TO PROPERTY: Written verification that there is legal vehicular access to the Property from public roads.

LAND USE APPROVAL: This Offer is contingent upon "(Buyer)(Seller) [STRIKE ONE] ("Seller" if neither stricken) obtaining the following permit(s), including all costs: a rezoning; conditional use permit; license; variance; building permit; occupancy permit; other _____ **CHECK ALL THAT APPLY**, and delivering written notice to Seller if the item cannot be obtained, all within _____ days of acceptance for the Property for its proposed use described at lines xxx-xxx.

Another suggestion was to add a place to write in the tax pin or parcel number on the last page – or maybe in the beginning near the property description because it helps describe vacant land that may not always have an address

> **What other changes or additions to provisions should be made in the WB-13?**

name or any other surname than that under which the person was originally registered to use a title in this or any other state if the department, after a hearing, finds that using a title under the changed name operates to unfairly compete with another practitioner or to mislead the public as to identity or to otherwise result in detriment to the profession or the public. This section does not apply to a change of name resulting from marriage or divorce.

History: 1995 a. 322.

SUBCHAPTER XI

HOME INSPECTORS

Cross-reference: See also ch. SPS 131, Wis. adm. code.

440.97 Definitions. In this subchapter:

(1) “Client” means a person who contracts with a home inspector for a home inspection.

(2) “Compensation” means direct or indirect payment, including the expectation of payment whether or not actually received.

(2m) “Defect” means a condition of any component of an improvement that would significantly impair the health or safety of future occupants of a property or that, if not repaired, removed, or replaced, would significantly shorten or adversely affect the expected normal life of the component of the improvement.

(3) “Dwelling unit” means a structure or that part of a structure that is used or intended to be used as a home, residence or sleeping place by one person or by 2 or more persons who are maintaining a common household, to the exclusion of all others.

(4) “Home inspection” means the process by which a home inspector examines the observable systems and components of improvements to residential real property that are readily accessible.

(5) “Home inspection report” means a written opinion of a home inspector concerning all of the following:

(a) The condition of the improvements to residential real property that contains not more than 4 dwelling units.

(b) The condition of mechanical and structural components of the improvements specified in par. (a).

(6) “Home inspector” means an individual who, for compensation, conducts a home inspection.

(7) “Technically exhaustive” means the extensive use of measurements, instruments, testing, calculations and other means to develop scientific or engineering findings, conclusions or recommendations.

History: 1997 a. 81; 2017 a. 338.

440.971 Registry established. The department shall establish a registry of home inspectors.

History: 1997 a. 81.

440.9712 Registration required. (1) Except as provided in s. 440.9715, no individual may act as a home inspector, use the title “home inspector”, use any title or description that implies that he or she is a home inspector or represent himself or herself to be a home inspector unless the individual is registered under this subchapter.

(1m) No business entity may provide home inspection services unless each of the home inspectors employed by the business entity is registered under this subchapter.

(2) No business entity may use, in connection with the name or signature of the business entity, the title “home inspectors” to describe the business entity’s services, unless each of the home inspectors employed by the business entity is registered under this subchapter.

History: 1997 a. 81.

440.9715 Applicability. A registration is not required under this subchapter for any of the following:

(1) An individual who conducts a home inspection while lawfully practicing within the scope of a license, permit or certificate granted to that individual by a state governmental agency.

(2) An individual who constructs, repairs or maintains improvements to residential real property, if the individual conducts home inspections only as part of his or her business of constructing, repairing or maintaining improvements to real property and if the individual does not describe himself or herself as a registered home inspector or convey the impression that he or she is a registered home inspector.

(3) An individual who conducts home inspections in the normal course of his or her employment as an employee of a federal, state or local governmental agency.

History: 1997 a. 81.

440.972 Registration of home inspectors. (1) The department shall register an individual under this subchapter if the individual does all of the following:

(a) Submits an application for registration to the department on a form provided by the department.

(b) Pays the fee specified in s. 440.05 (1).

(c) Submits evidence satisfactory to the department that he or she is not subject to a pending criminal charge, or has not been convicted of a felony, misdemeanor or other offense, the circumstances of which substantially relate to the practice of home inspection.

(d) Passes an examination under s. 440.973 (1).

(2) The renewal date for certificates granted under this section is specified under s. 440.08 (2) (a) 38g., and the renewal fee for such certificates is determined by the department under s. 440.03 (9) (a).

History: 1997 a. 81; 2007 a. 20.

Cross-reference: See also ch. SPS 131, Wis. adm. code.

440.973 Examinations. (1) No person may be registered under this subchapter unless he or she passes an examination approved by the department. In approving an examination under this subsection, the department shall consider the use of an examination that is similar to an examination that is required for membership in the American Society of Home Inspectors.

(2) The department shall conduct examinations for home inspector registration at least semiannually at times and places determined by the department.

(3) An individual is not eligible for examination unless the individual has satisfied the requirements for registration under s. 440.972 (1) (a) to (c) at least 30 days before the date of the examination.

History: 1997 a. 81.

Cross-reference: See also ch. SPS 131, Wis. adm. code.

440.974 Rules. (1) The department shall promulgate rules necessary to administer this subchapter, including rules to establish all of the following:

(a) Standards for acceptable examination performance by an applicant for registration.

(b) Subject to s. 440.975, standards for the practice of home inspection by home inspectors and standards for specifying the mechanical and structural components of improvements to residential real property that are included in a home inspection. The rules promulgated under this paragraph shall include standards for the inspection of carbon monoxide detectors. The rules promulgated under this paragraph may not require a home inspector to use a specified form for the report required under s. 440.975 (3).

(c) Subject to s. 440.975, the information that a home inspector is required to provide to a client concerning the results of the home inspection conducted by the home inspector.

(2) The department shall promulgate rules establishing continuing education requirements for individuals registered under this subchapter. The rules promulgated under this subsection shall

require the completion of at least 40 hours of continuing education every 2 years.

History: 1997 a. 81; 2009 a. 158; 2013 a. 124.

Cross-reference: See also ch. SPS 131, Wis. adm. code.

440.975 Standards of practice. (1) In this section, “reasonably competent and diligent inspection” means an inspection that complies with the standards established under this subchapter or the rules promulgated under this subchapter.

(2) A home inspector shall perform a reasonably competent and diligent inspection to detect observable conditions of an improvement to residential real property. Except for removing an access panel that is normally removed by an occupant of residential real property, this subsection does not require a home inspector to disassemble any component of an improvement to residential real property. A reasonably competent and diligent inspection under this subsection is not required to be technically exhaustive.

(3) After completing a home inspection, a home inspector shall submit a written report to a client that does all of the following:

(a) Lists the components of an improvement to residential real property that the home inspector is required to inspect under the rules promulgated under s. 440.974 (1) (b).

(b) Lists the components of an improvement to residential real property that the home inspector has inspected.

(cm) Describes any defect that is detected by the home inspector during his or her home inspection. A home inspector is not required to use the term “defect” in describing a defect in the written report required under this subsection. A home inspector may not use the term “defect” in a written report required under this subsection unless that use is consistent with s. 440.97 (2m).

(d) Provides any other information that the home inspector is required to provide under the rules promulgated under s. 440.974 (1) (c).

(4) A home inspector is not required to report on any of the following:

(a) The life expectancy of an improvement to residential real property or a component of an improvement to residential real property.

(b) The cause of the need for any major repair to an improvement to residential real property or a component of an improvement to residential real property.

(c) The method of making any repair or correction, the materials needed for any repair or correction or the cost of any repair or correction.

(d) The suitability for any specialized use of an improvement to residential real property.

(e) Whether an improvement to residential real property or a component of an improvement to residential real property complies with applicable regulatory requirements.

(f) The condition of any component of an improvement to residential real property that the home inspector was not required to inspect under the rules promulgated under s. 440.974 (1) (b).

(5) A home inspector may not report, either in writing or verbally, on any of the following:

(a) The market value or marketability of a property.

(b) Whether a property should or should not be purchased.

(6) This section does not require a home inspector to do any of the following:

(a) Offer a warranty or guarantee of any kind.

(b) Calculate the strength, adequacy or efficiency of any component of an improvement to residential real property.

(c) Enter any area or perform any procedure that may damage an improvement to residential real property or a component of an improvement to residential real property, or enter any area or perform any procedure that may be dangerous to the home inspector or to other persons.

(d) Operate any component of an improvement to residential real property that is inoperable.

(e) Operate any component of an improvement to residential real property that does not respond to normal operating controls.

(f) Disturb insulation or move personal items, furniture, equipment, vegetation, soil, snow, ice or debris that obstructs access to or visibility of an improvement to residential real property or a component of an improvement to residential real property.

(g) Determine the effectiveness of a component of an improvement to residential real property that was installed to control or remove suspected hazardous substances.

(h) Predict future conditions, including the failure of a component of an improvement to residential real property.

(i) Project or estimate the operating costs of a component of an improvement to residential real property.

(j) Evaluate acoustic characteristics of a component of an improvement to residential real property.

(k) Inspect for the presence or absence of pests, including rodents, insects and wood-damaging organisms.

(L) Inspect cosmetic items, underground items or items not permanently installed.

(m) Inspect for the presence of any hazardous substances.

(7) A home inspector may not do any of the following:

(a) Perform or offer to perform any act or service contrary to law.

(b) Deliver a home inspection report to any person other than the client without the client’s consent.

(c) Perform a home inspection for a client with respect to a transaction if the home inspector, a member of the home inspector’s immediate family or an organization or business entity in which the home inspector has an interest, is a party to the transaction and has an interest that is adverse to that of the client, unless the home inspector obtains the written consent of the client.

(d) Accept any compensation from more than one party to a transaction for which the home inspector has provided home inspection services without the written consent of all of the parties to the transaction.

(e) Pay or receive, directly or indirectly, in full or in part, for a home inspection or for the performance of any construction, repairs, maintenance or improvements regarding improvements to residential real property that is inspected by him or her, a fee, a commission, or compensation as a referral or finder’s fee, to or from any person who is not a home inspector.

(8) This section does not prohibit a home inspector from doing any of the following:

(a) Reporting observations or conditions in addition to those required under this section or the rules promulgated under this section.

(b) Excluding a component of an improvement to residential real property from the inspection, if requested to do so by his or her client.

(c) Engaging in an activity that requires an occupation credential if he or she holds the necessary credential.

History: 1997 a. 81; 2017 a. 338.

Cross-reference: See also ch. SPS 131, Wis. adm. code.

440.976 Disclaimers or limitation of liability. No home inspector may include, as a term or condition in an agreement to conduct a home inspection, any provision that disclaims the liability, or limits the amount of damages for liability, of the home inspector for his or her failure to comply with the standards of practice prescribed in this subchapter or in rules promulgated under this subchapter.

History: 1997 a. 81.

440.977 Liability of home inspectors. (1) Notwithstanding s. 893.54, an action to recover damages for any act or omission of a home inspector relating to a home inspection that he or she

conducts shall be commenced within 2 years after the date that a home inspection is completed or be barred. The period of limitation under this subsection may not be reduced by agreement.

(2) A home inspector is not liable to a person for damages that arise from an act or omission relating to a home inspection that he or she conducts if that person is not a party to the transaction for which the home inspection is conducted.

History: 1997 a. 81.

440.978 Discipline; prohibited acts. (1) Subject to the rules promulgated under s. 440.03 (1), the department may make investigations or conduct hearings to determine whether a violation of this subchapter or any rule promulgated under this subchapter has occurred.

(2) Subject to the rules promulgated under s. 440.03 (1), the department may reprimand a home inspector or deny, limit, suspend or revoke a certificate under this subchapter if the department finds that the applicant or home inspector has done any of the following:

(a) Made a material misstatement in an application for a certificate or renewal of a certificate.

(b) Engaged in conduct while practicing as a home inspector that evidences a lack of knowledge or ability to apply professional principles or skills.

(c) Subject to ss. 111.321, 111.322 and 111.335, been arrested or convicted of an offense committed while registered under this subchapter.

(d) Advertised in a manner that is false, deceptive or misleading.

(e) Advertised, practiced or attempted to practice as a home inspector under another person's name.

(f) Allowed his or her name to be used by another person while the other person was practicing or attempting to practice as a home inspector.

(g) Subject to ss. 111.321, 111.322 and 111.34, practiced as a home inspector while the individual's ability to practice was impaired by alcohol or other drugs.

(h) Acted as a home inspector in connection with a transaction in which he or she was also an appraiser or broker.

(i) Performed, or agreed to perform, for compensation any repairs, maintenance or improvements on any property less than 2 years after he or she conducts a home inspection, without the written consent of the property owner given before the home inspection occurred.

(j) Prevented or attempted to prevent a client from providing a copy of, or any information from, a home inspection report done by the home inspector in connection with a transaction to any interested party to the transaction.

(k) Failed to provide a home inspection report to a client by the date agreed on by the home inspector and the client or, if no date was agreed on, within a reasonable time after completing the inspection.

(m) Violated this subchapter or any rule promulgated under this subchapter.

(3) In addition to or in lieu of proceeding under sub. (2), the department may assess against a person who has engaged in any of the practices specified in sub. (2) a forfeiture of not more than \$1,000 for each separate offense.

(4) In lieu of proceeding under sub. (1) or (2), the department may place, in a registry information file, a copy of a complaint received by the department against a Wisconsin registered home inspector, the inspector's response to the complaint and a copy of any records of the department concerning the complaint. If the department establishes a registry information file under this subsection, the department shall use the following procedure:

(a) No later than 60 days after the date on which the department receives a complaint alleging that a home inspector has engaged in conduct that is grounds for discipline under sub. (2), the depart-

ment shall provide the inspector with a copy of the complaint and place a copy of the complaint and a copy of any records of the department concerning the complaint in the registry information file.

(b) After receiving a copy of the complaint under par. (a), the home inspector who is the subject of the complaint, or his or her authorized representative, may place in the registry information file a statement of reasonable length describing the inspector's view of the correctness or relevance of any of the information contained in the complaint.

(c) The department shall make the complaint, the home inspector's response to the complaint, if any, and a copy of any records of the department concerning the complaint placed in a registry information file under this subsection available to the public.

(d) The department shall remove all complaints against and other information concerning a home inspector from the registry information file if, for a period of 2 years from the date of the most recent complaint filed in the registry information file, no further complaints have been filed against the inspector.

(5) The department may, as a condition of removing a limitation on a certificate issued under this subchapter or of reinstating a certificate that has been suspended or revoked under this subchapter, do any of the following:

(a) Require the home inspector to obtain insurance against loss, expense and liability resulting from errors and omissions or neglect in the performance of services as a home inspector.

(b) Require the home inspector to file with the department a bond that is furnished by a company authorized to do business in this state and is in an amount approved by the department.

History: 1997 a. 81.

Cross-reference: See also ch. SPS 131, Wis. adm. code.

440.979 Report by department. The department shall submit an annual report to the legislature under s. 13.172 (2) that describes all of the following:

(1) The number of home inspectors who are registered under this subchapter.

(2) The number and nature of complaints regarding home inspections that are received by the department from clients of home inspectors.

(3) The number and nature of complaints regarding home inspections that are received by the department from persons who are not clients of home inspectors.

(4) An estimate of the cost of complying with this subchapter that is incurred by home inspectors.

(5) The cost incurred by the department in carrying out its duties under this subchapter.

History: 1997 a. 81; 1999 a. 32 s. 311.

Cross-reference: See also ch. SPS 131, Wis. adm. code.

SUBCHAPTER XII

SANITARIANS

440.98 Sanitarians; qualifications, duties, registration. (1) DEFINITIONS. In this section:

(a) "Municipality" means a county, city or village.

(b) "Sanitarian" means an individual who, through education, training or experience in the natural sciences and their application and through technical knowledge of prevention and control of preventable diseases, is capable of applying environmental control measures so as to protect human health, safety and welfare.

(2) REGISTRATION QUALIFICATIONS. In order to safeguard life, health and property, to promote public welfare and to establish the status of those persons whose duties in environmental sanitation call for knowledge of the natural sciences, the department may establish minimum standards and qualifications for the registration of sanitarians.

Chapter SPS 131

HOME INSPECTORS

Subchapter I — General Provisions

SPS 131.01 Authority.
SPS 131.02 Definitions.
SPS 131.03 Applicability.

Subchapter II — Applications

SPS 131.11 Application for home inspector registration on or after January 1, 2001.
SPS 131.12 License renewal.
SPS 131.13 Late renewal.
SPS 131.14 Reinstatement of license.
SPS 131.15 Denial of registration.

Subchapter III — Examinations

SPS 131.21 Examination requirements.
SPS 131.22 Examination grade.

SPS 131.23 Examination review.
SPS 131.24 Reexamination.

Subchapter IV — Standards of Practice

SPS 131.31 General requirements.
SPS 131.32 Mechanical and structural components included in a home inspection.
SPS 131.33 Contents of a home inspection report.

Subchapter V — Continuing Education Requirements

SPS 131.41 Continuing education requirements for registration renewal.
SPS 131.42 Standards for continuing education training programs.
SPS 131.43 Certificate of completion, proof of attendance.
SPS 131.44 Recordkeeping.
SPS 131.45 Waiver of continuing education requirements.

Note: Chapter RL 131 was created as an emergency rule effective 11-1-98. Chapter RL 131 was renumbered chapter SPS 131 under s. 13.92 (4) (b) 1., Stats., Register November 2011 No. 671.

Subchapter I — General Provisions

SPS 131.01 Authority. The rules in this chapter are adopted pursuant to ss. 227.11 (2), 440.972, 440.973, 440.974, 440.975, 440.978, and 440.979, Stats.

History: Cr. Register, July, 1999, No. 523, eff. 8-1-99; correction made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671.

SPS 131.02 Definitions. As used in ch. SPS 131:

(1) "Automatic safety controls" means devices designed and installed to protect systems and components from excessively high or low pressure and temperatures, excessive electrical current, loss of water, loss of ignition, fuel leaks, fire, freezing, or other similar unsafe conditions.

(2) "Central air conditioning" means a system which uses ducts to distribute cooling or dehumidified air to more than one room or uses pipes to distribute chilled water to heat exchangers in more than one room, and which is not plugged into an electrical convenience outlet.

(3) "Client" means a person who contracts with a home inspector for the purpose of a home inspection.

(4) "Component" means a readily accessible and observable element of a system, such as a floor or wall.

(4e) "Continuing education" means the planned, professional development activities designed to contribute to the advancement, extension, and enhancement of the professional skills or knowledge of a registered home inspector.

(4m) "Continuing education credit hour" means a unit of credit for a continuing education training program, where one continuing education credit hour equals 50 minutes of actual instruction in a continuing education training program.

(4s) "Continuing education training program" means any course, program or activity meeting the requirements of s. SPS 131.42 and having a clear purpose and objective of maintaining, improving, or expanding the skills and knowledge relevant to the registrant's professional practice.

(5) "Cosmetic" means not required for the proper operation of the essential systems and components of a home.

(6) "Cross connection" means any physical connection or arrangement between potable water and any source of contamination.

(6m) "Defect" has the meaning given in s. 440.97 (2m), Stats.

(7) "Department" means the department of safety and professional services.

(8) "Describe" means to identify in writing a system or component by type or characteristics.

(9) "Dismantle" means to take apart or remove any component, device, or piece of equipment that is bolted, screwed, or otherwise fastened and which would not be taken apart or removed in the ordinary course of household maintenance.

(10) "Dwelling unit" means a structure or that part of a structure that is used or intended to be used as a home, residence or sleeping place by one person or by 2 or more persons who are maintaining a common household, to the exclusion of all others.

(11) "Functional drainage" means the emptying of a drain in a reasonable amount of time with no sign of overflow when another fixture is drained simultaneously.

(12) "Home inspection" means the process by which a home inspector examines the observable systems and components of improvements to residential real property that are readily accessible.

(13) "Home inspection report" means a written opinion of a home inspector concerning all of the following:

(a) The condition of the improvements to residential real property that contains not more than 4 dwelling units.

(b) The condition of mechanical and structural components of the improvements specified in par. (a).

(14) "Home inspector" means an individual who, for compensation, conducts a home inspection.

(15) "Household appliances" means washers, dryers, refrigerators, freezers, stoves, ovens, room air conditioners and other similar equipment.

(16) "Inspect" means to examine observable systems and components.

(17) "Material adverse fact" means a condition or occurrence that is generally recognized by a competent home inspector as doing any of the following:

(a) Significantly reducing the functionality or structural integrity of components or systems of the improvements to the property being inspected.

(b) Posing a significant health or safety risk to occupants of the improvements.

(18) "Normal operating controls" means homeowner operated devices including, but not limited to, thermostats and wall or safety switches.

(19) "On-site water supply quality" means the condition of water, based on the existence of bacteria, chemicals, minerals, solids, or other similar elements in the water.

(20) "On-site water supply quantity" means the rate of water flow from a well or a municipal water source.

(21) "Operate" means to cause a piece of equipment or a system to function.

(22) "Permanently installed" means attached or connected to an item in a manner which requires tools to remove.

(23) "Primary" means an item such as a window or door designed to remain in the same place year-round.

(24) "Reasonably competent and diligent home inspection" means an inspection that complies with the standards established under subch. X of ch. 440, Stats., and ch. SPS 131.

(25) "Recreational facilities" means spas, saunas, steam baths, swimming pools, tennis courts, playground equipment, and other exercise, entertainment, or athletic facilities.

(25m) "Registrant" means a person who holds a home inspector registration issued by the department or who has the right to renew a home inspector registration issued by the department.

(26) "Roof drainage systems" means gutters, downspouts, leaders, splashblocks, and similar components used to carry water off a roof and away from a building.

(27) "Safety glazing" means tempered or laminated glass, or rigid plastic.

(28) "Solid fuel heating device" means any wood, coal, or other similar solid organic fuel burning device including, but not limited to, fireplaces, fireplace inserts and stoves, wood stoves, and central furnaces, or any combination of those devices.

(29) "Structural component" means a component which supports a load bearing member.

(30) "System" means a combination of interacting or interdependent components, assembled to carry out one or more functions.

(31) "Technically exhaustive" means the extensive use of measurements, instruments, testing, calculations, and other means to develop scientific or engineering findings, conclusions or recommendations.

History: Cr. Register, July, 1999, No. 523, eff. 8-1-99; correction in (intro.), (7), (24) made under s. 13.92 (4) (b) 6., 7., Stats., Register November 2011 No. 671; CR 14-010: cr. (4e), (4m), (4s), (25m) Register August 2014 No. 704, eff. 9-1-14; corrections in (intro.), (24) made under s. 13.92 (4) (b) 7., Stats., Register August 2014 No. 704; EmR1822: emerg. cr. (6m) eff. 9-23-18; CR 18-076: cr. (6m) Register May 2019 No. 761, eff. 6-1-19.

SPS 131.03 Applicability. As used in s. 440.9712, Stats., the terms "act as a home inspector" and "provide home inspection services" do not include individuals or business entities who inspect the energy-related components of a dwelling unit in order to assess or rate a home's energy performance, provided that the inspection is performed solely for this purpose and the individual or business entity is not described as a home inspector or does not convey the impression of being a home inspector.

History: Cr. Register, July, 1999, No. 523, eff. 8-1-99.

Subchapter II — Applications

SPS 131.11 Application for home inspector registration on or after January 1, 2001. An applicant for registration as a home inspector who applies for registration on or after January 1, 2001, shall submit all of the following:

(1) A completed application form.

Note: Application forms are available on request to the department at 1400 East Washington Avenue, P.O. Box 8935, Madison, Wisconsin 53708-8935.

(2) The fee specified in s. 440.05 (1), Stats.

(3) Evidence of having successfully passed the examination as specified in s. SPS 131.21 (2).

(4) Evidence satisfactory to the department that the applicant is not subject to a pending criminal charge, or has not been convicted of a felony, misdemeanor or other offense, the circum-

stances of which substantially relate to the practice of home inspection.

History: Cr. Register, July, 1999, No. 523, eff. 8-1-99; correction in (3) made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671; CR 14-010: renum. 132.11 from SPS 132.03 and am. (3) Register August 2014 No. 704, eff. 9-1-14.

SPS 131.12 License renewal. To renew a home inspector registration, a registrant shall, on or before December 15 of each even-numbered year following initial registration, file with the department all of the following:

(1) An application for renewal on a form provided by the department.

(2) Evidence that the registrant has, during the biennial period immediately preceding application, complied with the continuing education requirements in subch. V.

(3) The fee specified in s. 440.08 (2) (a), Stats.

History: Cr. Register, July, 1999, No. 523, eff. 8-1-99; correction in (1) (intro.), (b), (2) (b) made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671; CR 13-030: am. (1) (intro.) Register November 2013 No. 695, eff. 12-1-13; CR 14-010: renum. 131.12 (title), (intro.), (1) to (3) from SPS 132.05 (title), (1) (intro.), (1) (a) to (c) and am. (title), (intro.), (2) Register August 2014 No. 704, eff. 9-1-14; correction in (2) under s. 13.92 (4) (b) 7. Register August 2014 No. 704, eff. 9-1-14.

SPS 131.13 Late renewal. A registrant who fails to meet the requirements of s. SPS 131.12 by the renewal date may not engage in practice as a home inspector until the registration is renewed. A registrant who fails to meet the requirements of s. SPS 131.12 by the renewal date and who applies for renewal less than 5 years after the expiration date of his or her registration may renew by submitting all of the following to the department:

(1) An application for renewal on a form provided by the department.

(2) Evidence that the registrant has, during the biennial period immediately preceding application, completed the continuing education requirements specified in subch. V.

(3) The fee specified in s. 440.08 (2) (a) 38g., Stats.

(4) The late renewal fee specified in s. 440.08 (3) (a), Stats.

History: Cr. Register, July, 1999, No. 523, eff. 8-1-99; CR 14-010: renum. 131.13 (intro.), (1) to (4) from SPS 132.05 (2) (intro.), (a) to (c) and cr. (title) and am. (intro.), (2) Register August 2014 No. 704, eff. 9-1-14; correction in (2) under s. 13.92 (4) (b) 7. Register August 2014 No. 704, eff. 9-1-14.

SPS 131.14 Reinstatement of license. If an application for restoring a registration occurs 5 years or more after expiration of the applicant's most recent registration, the applicant's registration may be reinstated by filing with the department an application and the fees specified in s. 440.08 (3) (a), Stats. The department may also require demonstration of competence by various methods including, but not limited to, written or oral examination, documentation of home inspection in other jurisdictions, or documentation of current education or experience in the field. Any examination or education required under this section may not be more extensive than the educational or examination requirements for initial registration with the department.

History: Cr. Register, July, 1999, No. 523, eff. 8-1-99; correction in (1) (intro.), (b), (2) (b) made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671; CR 13-030: renum. 131.14 from SPS 132.05 (3) and cr. (title) and am. Register November 2013 No. 695, eff. 12-1-13.

SPS 131.15 Denial of registration. An application for registration under this chapter may be denied for fraud or misrepresentation in the application for registration, or for any of the grounds under s. 440.978, Stats., for which the department may discipline a registrant.

History: Cr. Register, July, 1999, No. 523, eff. 8-1-99; CR 14-010: renum. 131.15 from SPS 132.06 Register August 2014 No. 704, eff. 9-1-14.

Subchapter III — Examinations

SPS 131.21 Examination requirements. (1) An applicant for registration as a home inspector shall file an application for examination on a form prescribed by the department

and shall submit a fee specified in s. 440.05 (1) (b), Stats., at least 30 days before the date of the examination.

Note: Application forms are available on request to the department at 1400 East Washington Avenue, P.O. Box 8935, Madison, Wisconsin 53708-8935.

(2) On or after January 1, 2001, the department shall prepare or approve a 2-part examination. Part I shall consist of an examination relating to the Wisconsin statutes and administrative rules that relate to the practice of home inspection. Part II shall consist of an examination relating to the principles and procedures that relate to the practice of home inspection.

Note: An otherwise qualified applicant with a disability shall be provided with reasonable accommodations.

History: Cr. Register, July, 1999, No. 523, eff. 8-1-99; am. (3), Register, May, 2001, No. 545, eff. 6-1-01; CR 14-010: renum. 131.21 (title), (1), (2) from SPS 133.01 (title), (1), (3) Register August 2014 No. 704, eff. 9-1-14; correction in (title) made under s. 13.92 (4) (b) 2., Stats., Register August 2014 No. 704, eff. 9-1-14.

SPS 131.22 Examination grade. (1) To pass each examination part the applicant shall receive a grade determined by the department to represent the minimum competence to practice. The department shall determine the passing grade for part I of the examination after consultation with subject matter experts who have reviewed a representative sample of the examination questions and available candidate performance statistics, and shall set the passing grade for the examination at that point which represents minimum acceptable competence in the profession. The department shall determine the passing grade for part II of the examination in the same manner as for part I or the department may accept the passing grade recommendation of a testing agency whose examination has been approved by the department.

(2) The department may refuse to release grades or issue a home inspector registration if the department determines that an applicant violated the rules of conduct of the examination or otherwise acted dishonestly.

History: Cr. Register, July, 1999, No. 523, eff. 8-1-99; am. (1), Register, May, 2001, No. 545, eff. 6-1-01; CR 14-010: renum. 131.22 from SPS 133.02 Register August 2014 No. 704, eff. 9-1-14.

SPS 131.23 Examination review. An applicant who fails the required examination may request a review of that examination as permitted by the examination provider. If a review is provided, all of the following conditions apply:

(1) An applicant shall file a written request with the department within 30 days after the date on which the examination results were mailed and pay the fee specified in s. SPS 4.05.

(2) An applicant may review the examination by appointment only and shall be limited to the time permitted by the examination provider.

(3) An applicant may not be accompanied during the review by any person other than the proctor.

(4) An applicant shall be provided with a form on which to write comments, questions or claims of error regarding any items in the examination. Bound reference books shall be permitted. An applicant may not remove any notes from the area. Notes shall be retained by the proctor and made available to the applicant for use at a hearing, if desired. The proctor may not defend the examination nor attempt to refute claims of error during the review.

(5) An applicant may not review the examination more than once.

History: Cr. Register, July, 1999, No. 523, eff. 8-1-99; correction in (1) made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671; CR 14-010: renum. 131.23 from SPS 133.03 Register August 2014 No. 704, eff. 9-1-14.

SPS 131.24 Reexamination. An applicant who fails to achieve passing grades on the examinations required under this chapter may apply for reexamination on forms provided by the department. For each reexamination, the applicant shall pay the reexamination fee specified in s. 440.06, Stats.

Note: Forms are available on request to the department at 1400 East Washington Avenue, P.O. Box 8935, Madison, Wisconsin 53708-8935.

History: Cr. Register, July, 1999, No. 523, eff. 8-1-99; CR 14-010: renum. 131.24 from SPS 133.04 Register August 2014 No. 704, eff. 9-1-14.

Subchapter IV — Standards of Practice

SPS 131.31 General requirements. (1) A home inspector shall perform a reasonably competent and diligent home inspection of the readily accessible installed systems and components required to be inspected under s. SPS 131.32 to detect observable conditions of an improvement to residential real property. A reasonably competent and diligent home inspection is not required to be technically exhaustive.

(2) This section does not require a home inspector to do any of the following:

(a) Offer a warranty or guarantee of any kind.

(b) Calculate the strength, adequacy or efficiency of any component of an improvement to residential real property.

(c) Enter any area or perform any procedure that may damage an improvement to residential real property or a component of an improvement to residential real property, or enter any area or perform any procedure that may be dangerous to the home inspector or to other persons.

(d) Operate any component of an improvement to residential real property that is inoperable.

(e) Operate any component of an improvement to residential real property that does not respond to normal operating controls.

(f) Disturb insulation or move personal items, furniture, equipment, vegetation, soil, snow, ice or debris that obstructs access to or visibility of an improvement to residential real property or a component of an improvement to residential real property.

(g) Determine the effectiveness of a component of an improvement to residential real property that was installed to control or remove suspected hazardous substances.

(h) Evaluate acoustic characteristics of a component of an improvement to residential real property.

(i) Project or estimate the operating costs of a component of an improvement to residential real property.

(j) Predict future conditions, including the failure of component of an improvement to residential real property.

(k) Inspect for the presence or absence of pests, including rodents, insects and wood-damaging organisms.

(L) Inspect cosmetic items, underground items or items not permanently installed.

(m) Inspect for the presence of any hazardous substances.

(n) Disassemble any component of an improvement to residential real property, except for removing an access panel that is normally removed by an occupant of residential real property.

(3) This section does not prohibit a home inspector from doing any of the following:

(a) Reporting observations or conditions in addition to those required under this section.

(b) Excluding a component of an improvement to residential real property from the inspection, if requested to do so by his or her client.

(c) Engaging in an activity that requires an occupation credential if he or she holds the necessary credential.

History: Cr. Register, July, 1999, No. 523, eff. 8-1-99; correction in (1) made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671; CR 14-010: renum. 131.31 from SPS 134.02 and am. (1) Register August 2014 No. 704, eff. 9-1-14.

SPS 131.32 Mechanical and structural components included in a home inspection. A reasonably competent and diligent home inspection shall meet the standards in subs. (1) to (11) and shall include an inspection of, and report on,

all of the following items that are present on the property at the time of the home inspection:

(1) FOUNDATIONS. A home inspector shall observe and describe the type and condition of the foundation.

(2) COLUMNS. A home inspector shall observe and describe the type and condition of columns.

(3) FLOORING SYSTEMS. A home inspector shall observe and describe the type and condition of flooring systems.

(4) ROOFS. (a) A home inspector shall observe and describe the condition of all of the following:

1. Roof coverings, including type.
2. Roof drainage systems.
3. Flashings.
4. Skylights, chimneys and roof penetrations.
5. Signs of leaks or abnormal condensation on building components.

(b) A home inspector shall describe the methods used to observe the roof.

(c) A home inspector is not required to do any of the following:

1. Walk on the roofing.
2. Observe attached accessories, including, but not limited to, solar systems, antennae and lightning arrestors.
3. Observe internal gutter and downspout systems and related underground drainage piping.

(5) EXTERIORS. (a) A home inspector shall observe and describe the condition of all of the following:

1. Wall claddings, including type.
2. Flashings and trim.
3. Entryway doors and at least one window per side of a dwelling unit.
4. Garage door operators, including whether any garage door operator automatically reverses or stops when meeting reasonable resistance during closing.
5. Decks, balconies, stoops, steps and porches including railings.
6. Eaves, soffits and fascias.
7. Grading, drainage, driveways, patios, walkways, and retaining walls that abut the dwelling unit.

(b) A home inspector shall operate all entryway doors, garage doors, and at least one window per side of a dwelling unit.

(c) A home inspector is not required to observe the following:

1. Storm windows, storm doors, screening, shutters, awnings, and similar seasonal accessories.
2. Locks, latches or other security devices or systems.
3. Intercom systems.
4. Fences or privacy walls.
5. Insulation or vapor barriers in exterior walls.
6. Safety glazing.
7. Garage door operator remote control transmitters.
8. Geological or soil conditions.
9. Recreational facilities.
10. Out-buildings other than garages and carports.
11. Trees, shrubs and other vegetation.

(6) PLUMBING SYSTEMS. (a) A home inspector shall observe and describe the condition of all of the following:

1. Interior water supply and distribution system, including piping materials, supports, fixtures, faucets, functional flow and drainage, leaks and cross connections.

2. Interior drain, waste and vent system, including traps, drain, waste, and vent piping, piping supports and leaks.

3. Hot water systems, including water heating equipment, normal operating controls, automatic safety controls, and the exterior surfaces of chimneys, flues, and vents.

4. Fuel storage and distribution systems, including interior fuel storage equipment, supply piping, venting, supports and leaks.

5. Sump pumps.

(b) A home inspector shall operate all plumbing fixtures, including their faucets and accessible exterior faucets attached to the dwelling unit.

(c) A home inspector is not required to do any of the following:

1. State the effectiveness of anti-siphon devices.
2. Determine whether the water supply and waste disposal systems are public or private.
3. Operate automatic safety controls or sump pumps equipped with internal or water dependent switches.
4. Operate any valve except water closet flush valves, fixture faucets and hose faucets.
5. Observe water conditioning systems, fire and lawn sprinkler systems, on-site water supply quantity and quality, on-site disposal systems, foundation drainage systems, or spas.
6. Observe the interior of flues, chimneys and vents, or solar water heating systems.
7. Observe any exterior plumbing components such as water mains or swimming pools.
8. Determine water temperature.
9. Determine the proper sizing, design or use of plumbing materials.

(7) ELECTRICAL SYSTEMS. (a) A home inspector shall observe and describe the condition of all of the following:

1. Service entrance conductors.
2. Service equipment, grounding equipment, main over current device.
3. Main and distribution panels, including their location.
4. Amperage and voltage ratings of the service, including whether service type is overhead or underground.
5. Branch circuit conductors, their over current devices, and the compatibility of their ampacities and voltages, including any aluminum branch circuit wiring.
6. The operation of a representative number of installed lighting fixtures, switches and receptacles located inside the house, garage and any exterior walls.
7. The polarity and grounding of all receptacles within 6 feet of interior plumbing fixtures, in the garage or carport, and on the exterior of inspected structures.
8. The operation of ground fault circuit interrupters.
9. The functionality of the power sources for smoke detectors.

(b) A home inspector is not required to do any of the following:

1. Insert any tool, probe or testing device inside the panels.
2. Test or operate any over current device except ground fault circuit interrupters.
3. Dismantle any electrical device or control other than to remove the covers of the main and auxiliary distribution panels.
4. Observe low voltage systems, telephones, security systems, cable TV, intercoms, or other ancillary wiring that is not a part of the primary electrical distribution systems.
5. Measure amperage, voltage or impedance.

(8) INTERIORS. (a) A home inspector shall observe and describe the condition of all of the following:

1. Walls, ceilings and floors.
2. Steps, stairways, balconies and railings.
3. Counters and all sink base cabinets.

4. A random sample of doors and windows.
5. Separation walls, ceilings, and doors between a dwelling unit and an attached garage or another dwelling unit.
6. Signs of water penetration into the building or signs of abnormal or harmful condensation on building components.

(b) A home inspector is not required to observe any of the following:

1. Paint, wallpaper, and other cosmetic finish treatments on the interior walls, ceilings and floors.
2. Carpeting.
3. Draperies, blinds or other window treatments.
4. Household appliances.
5. Recreational facilities or another dwelling unit.

(9) HEATING SYSTEMS. (a) A home inspector shall observe and describe the condition of all of the following within a permanently installed heating system:

1. Heating equipment and distribution systems.
2. Normal operating controls and energy source.
3. Automatic safety controls.
4. Exterior surfaces of chimneys, flues and vents.
5. Solid fuel heating devices.
6. The presence of an installed heat source in each room.

(b) A home inspector shall operate the systems using normal operating controls and open readily accessible access panels provided by the manufacturer or installer for routine homeowner maintenance.

(c) A home inspector is not required to do any of the following:

1. Operate heating systems when weather conditions or other circumstances may cause equipment damage.
2. Operate automatic safety controls.
3. Ignite or extinguish fuel fires.
4. Observe the interior of flues, fireplace insert flue connectors, humidifiers, electronic air filters, or the uniformity or adequacy of heat supply to the various rooms.
5. Observe a heat exchanger unless it is readily observable and normally accessible to an occupant of a dwelling unit.

(10) CENTRAL AIR CONDITIONING. (a) A home inspector shall observe and describe the condition of all of the following:

1. Cooling and air handling equipment, including type and energy source.
2. Normal operating controls.
3. The presence of an installed cooling source in each room.

(b) A home inspector shall operate the systems, using normal operating controls, and open readily accessible access panels provided by the manufacturer or installer for routine homeowner maintenance.

(c) A home inspector is not required to do any of the following:

1. Operate cooling systems when weather conditions or other circumstances may cause equipment damage.
2. Observe non-central air conditioners.
3. Observe the uniformity or adequacy of cool-air supply to the various rooms.
4. Operate electronic air filters.
5. Observe the pressure of the system coolant or determine the presence of leakage.
6. Test the electrical current drawn by the unit.

(11) INSULATION AND VENTILATION. (a) A home inspector shall observe and describe the condition of all of the following:

1. The presence or absence of insulation in unfinished spaces.
2. Ventilation of attics and foundation areas.
3. Kitchen, bathroom, and laundry venting systems.

(b) A home inspector is not required to observe any of the following:

1. Concealed insulation.
2. Venting equipment which is integrated with household appliances.

History: Cr. Register, July, 1999, No. 523, eff. 8-1-99; CR 14-010: renum. 131.32 from SPS 134.03 Register August 2014 No. 704, eff. 9-1-14.

SPS 131.33 Contents of a home inspection report.

(1) After completing a home inspection, a home inspector shall submit a written report to a client that does all of the following:

(a) Lists the items described in s. SPS 131.32 that a home inspector is required to inspect.

(b) Lists the items described in s. SPS 131.32 that a home inspector has inspected.

(c) Describes the condition of any item identified in s. SPS 131.32.

(d) Describes any defect that is detected by the home inspector identified in s. SPS 131.32 that, if not repaired, will have significant adverse effect on the life expectancy of the identified item.

(e) Lists any material adverse facts that a home inspector has knowledge of or has observed.

(2) A home inspector is not required to report on any of the following aspects of items identified in s. SPS 131.32:

(a) Their life expectancy.

(b) The reason for the necessity of a major repair.

(c) The method of making any repair or correction, the materials needed for any repair or correction, or the cost of any repair or correction.

(d) The suitability for any specialized use of an improvement to residential real property.

(e) Whether they comply with applicable regulatory requirements.

(2m) A home inspector is not required to use the term "defect" in describing a defect in the written home inspection report described in this section.

(3) A home inspector may not report in writing or verbally on any of the following:

(a) The market value or marketability of a property.

(b) Whether a property should be purchased.

(3m) A home inspector may not use the term "defect" in the written home inspection report described in this section unless that use is consistent with s. SPS 131.02 (6m).

(4) A home inspector is not required to retain inspectors or investigators to perform follow-up inspections or investigations of any material adverse facts that a home inspector has knowledge of or has observed under sub. (1) (d).

History: Cr. Register, July, 1999, No. 523, eff. 8-1-99; correction in (1) (a), (b), (c), (d), (2) (intro.) made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671; CR 14-010: renum. 131.33 from SPS 134.04 and am. (1) (a), (b) Register August 2014 No. 704, eff. 9-1-14; corrections in (1) (c), (d), (2) (intro.) made under s. 13.92 (4) (b) 7., Stats., Register August 2014 No. 704; EmR1822: emerg. am. (1) (d), cr. (2m), (3m) eff. 9-23-18; CR 18-076: am. (1) (d), cr. (2m), (3m) Register May 2019 No. 761, eff. 6-1-19.

Subchapter V — Continuing Education Requirements

SPS 131.41 Continuing education requirements for registration renewal. **(1)** Except as provided in sub. (2), every registered home inspector shall complete a minimum of 40 continuing education credit hours during each biennial registration period.

(2) A registrant is not required to complete continuing education credit hours between initial registration and the first registration renewal period.

(3) (a) If a registrant fails to satisfy the continuing education requirements provided in sub. (1) within a biennial registration

period, continuing education credit hours acquired on or after December 15 of any even-numbered year will be first applied to the preceding biennium until the requirement is fulfilled. Continuing education credit hours may not apply to more than one biennium.

(b) A registrant who fails to meet the continuing education requirements provided in sub. (1) by December 14 of any even-numbered year may not engage in the practice of home inspection until the registration is renewed, except as provided in s. SPS 131.45.

(4) Continuing education credit hours shall be obtained through any of the following means:

(a) Attending seminars, corporate in-house courses, workshops, or professional or technical presentations made at meetings, conventions, or conferences meeting the requirements of s. SPS 131.42. Attendance may be in person or via remote classroom where a provider is available to participate to comment and answer questions.

(b) Teaching a continuing education training program. Fifty minutes of actual instruction is equivalent to one continuing education credit hour. No additional continuing education credit hours will be granted for subsequent presentations of identical material.

(c) Participating in a continuing education training program that does not meet in person including the completion of interactive short courses or tutorials, delivery of educational programs and courses on CD-ROM or the Internet, webinars, or correspondence courses.

(5) A registrant may only receive credit for the initial attendance of a continuing education training program during a biennium. A registrant may not receive additional continuing education credit hours for repeated attendance at a continuing education training program during a biennium.

(6) A registrant may not receive continuing education credit hours for work completed as part of the registrant's regular duties as a home inspector.

History: CR 14-010: cr. Register August 2014 No. 704, eff. 9-1-14.

SPS 131.42 Standards for continuing education training programs. An acceptable continuing education training program shall meet all of the following criteria:

(1) Include instruction in an organized method of learning contributing directly to the professional competency of the registrant and pertaining to subject matters that significantly relate to the practice of home inspection. The instruction shall include amplification, evaluation, examples, and explanation of the course subject matter to the licensee.

(2) Be conducted by individuals or entities which have specialized education, training, or experience in the subject matter of the program.

(3) Provide attendance or completion verification records in the form of certificates of completion evidencing attendance at, or completion of, the continuing education training program. A certificate of completion shall include all of the following:

- (a) The name of the course.
- (b) The provider's name.
- (c) The registrant's name.
- (d) The date of completion.
- (e) The location of the course.
- (f) The number of hours.
- (g) A signature from the instructor or provider.

History: CR 14-010: cr. Register August 2014 No. 704, eff. 9-1-14; correction in numbering in (3) (a) to (g) made under s. 13.92 (4) (b) 1., Stats., Register August 2014 No. 704, eff. 9-1-14.

SPS 131.43 Certificate of completion, proof of attendance. (1) Each registrant shall certify on the registration renewal application that he or she has fully complied with the continuing education requirements of this subchapter.

(2) The department may conduct a random audit of its registrants on a biennial basis for assessing compliance with the continuing education requirements in this subchapter. It is the responsibility of each registrant to retain or otherwise produce evidence of compliance.

(3) If evidence of compliance is required by the department or its designee, the registrant shall submit the requested information within 30 business days of receiving written notice. Failure to do so may result in disciplinary action.

History: CR 14-010: cr. Register August 2014 No. 704, eff. 9-1-14.

SPS 131.44 Recordkeeping. A registrant shall obtain a certificate of completion from the program provider for each continuing education training program completed. The registrant shall retain the certificate of completion and any other required, related documentation for a minimum of 5 years.

History: CR 14-010: cr. Register August 2014 No. 704, eff. 9-1-14.

SPS 131.45 Waiver of continuing education requirements. (1) A renewal applicant who is actively practicing in the profession and is unable to fully comply with the continuing education requirements due to temporary, extreme hardship, as determined by the department, may submit a written request for a waiver or a written request for an extension of time to complete the continuing education requirements. The department will review the request, and in its sole discretion may grant a full or partial waiver, or an extension of time to comply with the requirements.

(2) A renewal applicant who prior to the expiration date of the registration submits a request for a waiver and provides a written statement setting forth the basis for the request, shall be deemed to be in good standing until the final decision on the request is made by the department. If the waiver is denied and the registration has expired, the applicant shall immediately discontinue engaging in the practice of home inspection until the applicant meets the requirements of s. SPS 131.41 and submits evidence of compliance to the department.

(3) A renewal applicant may not receive a waiver under this section for 2 consecutive biennia.

History: CR 14-010: cr. Register August 2014 No. 704, eff. 9-1-14.

CHAPTER 709

DISCLOSURES BY OWNERS OF REAL ESTATE

709.001 Definitions.
 709.01 Requirements for transfer.
 709.02 Disclosure.
 709.03 Residential real estate condition report form.
 709.033 Vacant land disclosure report form.
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709.04 Indication of compliance.
 709.05 Right to rescind.
 709.06 Good faith.
 709.07 Liability precluded.
 709.08 Waiver.

709.001 Definitions. In this chapter:

- (1) “Condominium unit” or “unit” has the meaning given for “unit” in s. 703.02 (15).
 (2) “Dwelling unit” has the meaning given in s. 101.61 (1).
 (3) “Public agency” has the meaning given in s. 66.0825 (3) (h).
 (4) “Qualified 3rd party” has the meaning given in s. 452.23 (2) (b).
 (5) “Real property” means either of the following:
 (a) Real property that includes 1 to 4 dwelling units, but excluding property that has not been inhabited.
 (b) Real property that does not include any buildings.
 (6) “Time-share property” has the meaning given in s. 707.02 (32).

History: 2011 a. 107.

709.01 Requirements for transfer. (1) Except as provided in sub. (2), all persons who transfer real property located in this state, including a condominium unit and time-share property, by sale, exchange, or land contract, unless the transfer is exempt from the real estate transfer fee under s. 77.25, shall comply with ss. 709.02 to 709.04 and 709.06.

(2) Subsection (1) does not apply to any of the following persons, if those persons have never occupied the property transferred:

- (a) Personal representatives.
 (b) Trustees.
 (c) Conservators.
 (d) Fiduciaries who are appointed by, or subject to the supervision of, a court.

History: 1991 a. 162; 1995 a. 180; 2011 a. 107.
 Truth or Consequences? Residential Seller Disclosure Law. Conrad. Wis. Law. August 1992.
 Protecting the Residential Seller. Young. Wis. Law. May 1993.

709.02 Disclosure. (1) In regard to transfers described in s. 709.01, the owner of the property shall furnish, not later than 10 days after acceptance of a contract of sale or option contract, to the prospective buyer of the property a completed copy of the report under s. 709.03 or 709.033, whichever is applicable, subject to s. 709.035, except that the owner may substitute for any entry information supplied by a licensed engineer, professional land surveyor, as defined in s. 443.01 (7m), or structural pest control operator, by an individual who is a qualified 3rd party, or by a contractor about matters within the scope of the contractor’s occupation, if the information is in writing and is furnished on time and

if the entry to which it relates is identified, and except that the owner may substitute for any entry information supplied by a public agency. Information that substitutes for an entry on the report under s. 709.03 or 709.033 and that is supplied by a person specified in this section may be submitted and certified on a supplemental report prepared by the person, as long as the information otherwise satisfies the requirements under this section. A prospective buyer who does not receive a report within the 10 days may, within 2 business days after the end of that 10-day period, rescind the contract of sale or option contract by delivering a written notice of rescission to the owner or to the owner’s agent.

(2) In regard to a transfer of a condominium unit, if the owner is required under s. 709.01 to provide the information under sub. (1), the owner shall furnish, in addition to and at the same time as the information required under sub. (1), all the following information as an addendum to the report under s. 709.03 or 709.033:

(a) The name of the condominium and the date the condominium was created by recording condominium instruments with the register of deeds under s. 703.07; the unit number of the property offered for sale; and the name, address, and telephone number of the seller or the seller’s agent.

(b) The name and address of the condominium association; a statement specifying whether the association is self-managed or has hired or retained management; and the name, address, and telephone number of the individual who may be contacted as a representative of the association regarding the sale, in particular, or the condominium, in general.

(c) The amount of current condominium assessments, fees, special assessments, or other charges for which a unit owner is responsible and whether the current charges for the unit have been paid.

(d) Unless excused by s. 703.365 (8), a copy of the executive summary required under s. 703.33 (1) (h).

History: 1991 a. 162; 1995 a. 180; 1999 a. 150 s. 672; 2003 a. 283; 2011 a. 107; 2013 a. 165, 358.

Note: 2003 Wis. Act 283, which affected this section, contains extensive explanatory notes.

There is nothing in this section or s. 709.03 that requires a seller to provide details of specific safety and health hazards associated with any property defect. Sellers of real estate are required to disclose general descriptions of potential defects in the property. In the case of a natural gas pipeline, ch. 709 does not require a seller to disclose all potential problems that could foreseeably arise as a result of the pipeline’s presence. *Hoekstra v. Guardian Pipeline, LLC*, 2006 WI App 245, 298 Wis. 2d 165, 726 N.W.2d 648, 03–2809.

Residential Real Property Disclosure Duties. Hinkston. Wis. Law. May, 2002.

709.03 Residential real estate condition report form. The report required under s. 709.02 with respect to real property, as defined in s. 709.001 (5) (a), shall be in substantially the following form and shall include at least all of the following information:

REAL ESTATE CONDITION REPORT

DISCLAIMER

THIS CONDITION REPORT CONCERNS THE REAL PROPERTY LOCATED AT IN THE (CITY) (VILLAGE) (TOWN) OF COUNTY OF STATE OF WISCONSIN. THIS REPORT IS A DISCLOSURE OF THE CONDITION OF THAT PROPERTY IN COMPLIANCE WITH SECTION 709.02 OF THE WISCONSIN STATUTES AS OF (MONTH) (DAY), (YEAR). IT IS NOT A WARRANTY OF ANY KIND BY THE OWNER OR ANY AGENTS REPRESENTING ANY PARTY IN THIS TRANSACTION AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THAT THE PARTIES MAY WISH TO OBTAIN.

2017–18 Wisconsin Statutes updated through 2019 Wis. Act 18 and through all Supreme Court and Controlled Substances Board Orders filed before and in effect on August 19, 2019. Published and certified under s. 35.18. Changes effective after August 19, 2019, are designated by NOTES. (Published 8–19–19)

A buyer who does not receive a fully completed copy of this report within 10 days after the acceptance of the contract of sale or option contract for the above-described real property has the right to rescind that contract (Wis. Stat. s. 709.02), provided the owner is required to provide this report under Wisconsin Statutes chapter 709.

NOTICE TO PARTIES REGARDING ADVICE OR INSPECTIONS

Real estate licensees may not provide advice or opinions concerning whether or not an item is a defect for the purposes of this report or concerning the legal rights or obligations of parties to a transaction. The parties may wish to obtain professional advice or inspections of the property and to include appropriate provisions in a contract between them with respect to any advice, inspections, defects, or warranties.

A. OWNER'S INFORMATION

A1. In this form, "aware" means the "owner(s)" have notice or knowledge.

A2. In this form, "defect" means a condition that would have a significant adverse effect on the value of the property; that would significantly impair the health or safety of future occupants of the property; or that if not repaired, removed, or replaced would significantly shorten or adversely affect the expected normal life of the premises.

A3. In this form, "owner" means the person or persons, entity, or organization that owns the above-described real property.

An "owner" who transfers real estate containing one to four dwelling units, including a condominium unit and time-share property, by sale, exchange, or land contract is required to complete this report.

Exceptions: An "owner" who is a personal representative, trustee, conservator, or fiduciary appointed by or subject to supervision by a court, and who has never occupied the property transferred is not required to complete this report. An "owner" who transfers property that has not been inhabited or who transfers property in a manner that is exempt from the real estate transfer fee is not required to complete this report. (Wis. Stat. s. 709.01)

A4. The owner represents that to the best of the owner's knowledge, the responses to the following questions have been accurately checked as "yes," "no," or "not applicable (N/A)" to the property being sold. If the owner responds to any question with "yes," the owner shall provide, in the additional information area of this form, an explanation of the reason why the response to the question is "yes."

A5. If the transfer is of a condominium unit, the property to which this form applies is the condominium unit, the common elements of the condominium, and any limited common elements that may be used only by the owner of the condominium unit being transferred.

A6. The owner discloses the following information with the knowledge that, even though this is not a warranty, prospective buyers may rely on this information in deciding whether and on what terms to purchase the property. The owner hereby authorizes the owner's agents and the agents of any prospective buyer to provide a copy of this report, and to disclose any information in the report, to any person in connection with any actual or anticipated sale of the property.

CAUTION: The lists of defects following each question below are examples only and are not the only defects that may properly be disclosed in response to each respective question.

B. STRUCTURAL AND MECHANICAL

| | | YES | NO | N/A |
|-----|---|------|------|------|
| B1. | Are you aware of defects in the roof? Roof defects may include items such as leakage or significant problems with gutters or eaves. | .... | .... | .... |
| B2. | Are you aware of defects in the electrical system? Electrical defects may include items such as electrical wiring not in compliance with applicable code, knob and tube wiring, 60 amp service, or aluminum-branch circuit wiring. | .... | .... | .... |
| B3. | Are you aware of defects in part of the plumbing system (including the water heater, water softener, and swimming pool)? Other plumbing system defects may include items such as leaks or defects in pipes, toilets, interior or exterior faucets, bathtubs, showers, or any sprinkler system. | .... | .... | .... |
| B4. | Are you aware of defects in the heating and air conditioning system (including the air filters and humidifiers)? Heating and air conditioning defects may include items such as defects in the heating ventilation and air conditioning (HVAC) equipment, supplemental heaters, ventilating fans or fixtures, or solar collectors. | .... | .... | .... |
| B5. | Are you aware of defects in a woodburning stove or fireplace or of other defects caused by a fire in a stove or fireplace or elsewhere on the property? Such defects may include items such as defects in the chimney, fireplace flue, inserts, or other installed fireplace equipment; or woodburning stoves not installed pursuant to applicable code. | .... | .... | .... |

respect to a unit without charge during any 2–month period. The association may charge a fee not to exceed \$25 for each additional payoff statement requested for the unit during that 2–month period.

(b) An association may charge a fee for providing the first payoff statement within a 2–month period described under par. (a) if the association establishes the fee as provided under s. 703.205. If the association establishes a fee under this paragraph, the association may increase the amount of the fee only as provided under s. 703.205.

(5) **DAMAGES.** If an association to which a request is submitted under sub. (2) does not provide a payoff statement within the deadline described under sub. (3), the association is liable to the unit owner for any actual damages caused by the association's failure or \$350, whichever is less.

History: 2017 a. 303.

703.34 Blanket mortgages and other blanket liens affecting a unit at time of first conveyance. As a condition to the first transfer of title to each unit:

(1) Every mortgage and other lien affecting such unit, including the undivided interest in the common areas and facilities appurtenant to such unit, shall be paid and satisfied of record;

(2) A unit being transferred and an undivided interest in the common areas and facilities appurtenant thereto shall be released by partial release duly recorded; or

(3) A mortgage or other lien shall provide for or be amended to provide for a release of the unit and the undivided interest in the common areas and facilities appurtenant thereto from the lien of a mortgage or other lien upon the payment of a sum certain.

History: 1977 c. 407.

703.35 Termination of contracts and leases. If entered into before the officers elected by the unit owners under s. 703.10 take office, any management contract, employment contract, lease of recreational or parking areas or facilities, any contract or lease to which a declarant or any person affiliated with the declarant is a party and any contract or lease which is not bona fide or which was not commercially reasonable to unit owners when entered into under the circumstances then prevailing, may be terminated by the association or its executive board at any time without penalty upon not less than 90 days' notice to the other party thereto. This section does not apply to any lease the termination of which would terminate the condominium.

History: 1977 c. 407.

To be terminable under this section as a "contract or lease to which a declarant or any person affiliated with the declarant is a party," the contract must presently bind the condominium association contractually to the person or entity that declared the condominium or to some person or entity affiliated with the declarant. *Hunt Club Condominiums, Inc. v. Mac-Gray Services, Inc.* 2006 WI App 167, 295 Wis. 2d 780, 721 N.W.2d 117, 05–1674.

703.36 Provisions requiring employment of declarant or vendor to effect sale. Any provision of a declaration or other instrument made pursuant to this chapter which requires the owner of a unit to engage or employ the declarant or any subsidiary or affiliate of the declarant for the purpose of effecting a sale or lease of any unit is void. Any provision of any contract for a sale of any unit which requires a purchaser to engage or employ the vendor or any subsidiary or affiliate of the vendor for the purpose of effecting a sale or lease of any unit is void. This section applies to declarations, instruments and contracts made prior to and after August 1, 1978.

History: 1977 c. 407.

703.365 Small condominiums. (1) **APPLICABILITY.** (a) The declaration for a small condominium may provide that any or all of subs. (2) to (8) or any parts of those subsections apply to the small condominium.

(b) If a declaration under par. (a) provides that any or all of subs. (2) to (8) or any parts of those subsections apply, then, except as provided in those subsections or parts of those subsections, this

chapter applies to the small condominium in the same manner and to the same extent as to other condominiums.

(2) **DECLARATION.** (a) The declaration for a small condominium need not contain those provisions otherwise required under s. 703.09 (1) (e) to (g) and (i).

(b) The undivided percentage interest in a small condominium is allocated equally among the units.

(c) Each unit in a small condominium has one vote at meetings of the association.

(d) Commercial activity is permitted in a small condominium that consists solely of units restricted to residential uses only to the extent that commercial activity is permitted in residences in a zoning ordinance adopted under s. 59.69, 60.61, 61.35, or 62.23.

(e) All actions taken under this chapter that require a vote of units or unit owners must be approved by an affirmative vote or written consent of at least 75 percent of the unit votes of a small condominium, or a greater percentage if required by the declaration or this chapter.

(3) **BYLAWS.** (a) Notwithstanding s. 703.10 (2) (a), all aspects of the management, operation, and duties of the association of a small condominium shall be delegated to the board of directors, which may retain a manager, including a master association under s. 703.155, for the small condominium, and the bylaws shall so specify.

(b) Under s. 703.10 (2) (c), notice of meetings shall be given in a manner best calculated to assure that actual notice is received by the owners of all units of a small condominium; and the bylaws shall so specify.

(c) Section 703.10 (2) (d) does not apply to a small condominium. The board of directors shall be composed of one representative from each unit, chosen by and from among the unit owners of that unit.

(d) All actions taken by the board of directors of a small condominium under this chapter must be approved by an affirmative vote or written consent of at least 75 percent of the board.

(e) Section 703.10 (4) does not apply to a small condominium.

(3m) **AGREEMENT IN LIEU OF BYLAWS.** If approved by written consent of all of the unit votes of a small condominium, an agreement may be substituted for the bylaws under sub. (3). The terms of the agreement shall include the requirements of sub. (3) (a) to (d) and shall be consistent with this section. An amendment to an agreement may be made with the affirmative vote or written consent of all the unit votes of the small condominium.

(4) **CONDOMINIUM PLAT.** (a) The survey under s. 703.11 (2) (b) shall be an as–built survey of the property described in the declaration, building, and other improvements on the land that are part of the small condominium.

(b) The floor plans under s. 703.11 (2) (c) need only show the location and designation of each unit in the building and the limited common elements appurtenant to each unit of a small condominium. These plans may be supplemented by an agreement among all unit owners and mortgagees regarding the allocation of use and enjoyment of common elements, which agreement, in both its original and any amended form, shall be recorded.

(5) **ASSOCIATION.** (a) Under s. 703.15 (2), an association shall exist immediately upon establishment of a small condominium and the declarant shall have rights in the association only as an owner of a unit or units.

(b) Directors of a small condominium shall be chosen in accordance with sub. (3) (c). The board of directors shall meet at least quarterly.

(c) Unless included in the bylaws, s. 703.15 (4) (b) to (d) does not apply to a small condominium.

(6) **EXPENSES; MAINTENANCE; OPERATION.** (a) Paragraphs (b) to (e) apply to a small condominium if any of the following criteria is met:

1. A proposed expenditure or action for the repair, maintenance or upkeep of the property, or for the operation of the prop-

703.365 CONDOMINIUMS

erty, is not approved by the board of directors and any unit owner believes the expenditure or action is necessary for the safety and proper use of the property or of the owner's unit.

2. An expenditure or action is approved by the board of directors and any unit owner believes the expenditure or action is contrary to the safety and proper use of the property or the owner's unit.

(b) The unit owner or owners challenging a decision of the board of directors described under par. (a) 1. or 2. shall give written notice of the objection to all unit owners and mortgagees within 45 days after the decision but before any action is taken or expenditure is made. Upon receipt of this notice, the board of directors shall reconsider its decision and either affirm, reverse or modify the decision.

(c) The unit owner or owners may challenge the decision after reconsideration by the board of directors under par. (b) only in an arbitration proceeding under ch. 788. Acceptance of a conveyance of a small condominium that is subject to pars. (b) to (e) is deemed to constitute an agreement by the unit owner to submit challenges to decisions of the board of directors to arbitration.

(d) The board of directors, upon submission of the matter to arbitration as provided in par. (c), shall name a proposed arbitrator. The unit owner or owners may accept the proposed arbitrator or propose a different arbitrator. If there is no agreement on a single arbitrator, the 2 arbitrators shall select a 3rd person and the 3 shall serve as an arbitration panel chaired by the 3rd person. The expense of the arbitration shall be shared equally by the association and the unit owner or owners challenging the decision of the board of directors.

(e) The arbitration award by the arbitration panel under par. (d) shall permit or prohibit the decision and the decision shall not be implemented, if it is an affirmative action, until the award is final unless there is a bona fide emergency requiring it.

(7) EXPANDING CONDOMINIUMS. Section 703.26 does not apply to a small condominium.

(8) DISCLOSURE REQUIREMENTS. The disclosure required for a small condominium under s. 703.33 is limited to the disclosure required under s. 703.33 (1) (a) to (e), if applicable, and a copy of the condominium plat.

History: 1985 a. 188, 332; 1995 a. 201; 2003 a. 283.

NOTE: 2003 Wis. Act 283, which affected this section, contains extensive explanatory notes.

703.37 Interpretation. For purposes of interpretation of this chapter, a condominium is a form of ownership, not a form of land use, and is not a subdivision as defined in ch. 236.

History: 1977 c. 407; 2003 a. 283.

NOTE: 2003 Wis. Act 283, which affected this section, contains extensive explanatory notes.

Condominiums are not a form of land use. A condominium unit set aside for commercial use runs afoul of a zoning ordinance prohibiting commercial use. When an intended commercial use did not comport with a town's zoning restrictions, approval of the condominium by the town was de facto rezoning. A town could not seek to avoid the restrictions of applicable extraterritorial zoning by aiming to define its action as something other than a zoning change. *Village of Newburg v. Town of Trenton*, 2009 WI App 139, 321 Wis. 2d 424, 773 N.W.2d 500, 08–2997.

703.38 Applicability to existing condominiums.

(1) Except as otherwise provided in this section and s. 30.1335, this chapter is applicable to all condominiums, whether established before or after August 1, 1978. However, with respect to condominiums existing on August 1, 1978, the declaration, bylaws or condominium plat need not be amended to comply with the requirements of this chapter.

(2) Section 703.10 (5) is not applicable to a condominium existing on August 1, 1978 if the existing declaration or bylaws provide otherwise.

(3) Section 703.15 (4) (c) and (d) 2. are not applicable to a condominium existing on August 1, 1978 if the existing declaration or bylaws provide otherwise.

(4) Section 703.18 is applicable only to those condominiums which are damaged or destroyed on or after August 1, 1978.

(5) Section 703.19 is applicable only to those eminent domain proceedings filed on or after August 1, 1978.

(6) Unless a declarant elects to conform to the requirements of s. 703.26, s. 703.26 is not applicable to those condominiums created prior to August 1, 1978 under circumstances where the declarant reserved the right to expand the condominium.

(7) Section 703.33 is applicable only to contracts executed after August 1, 1978.

(8) Section 703.35 is applicable only to leases or management and similar contracts executed after August 1, 1978.

(9) Unless the declaration is amended as provided under s. 703.09 (2), 1983 stats., to provide otherwise, a condominium created prior to April 22, 1986, is subject to s. 703.09 (2), 1983 stats., rather than s. 703.09 (2).

(10) (a) Except as provided in par. (b), s. 703.02 (14m), 2001 stats., and s. 703.365, 2001 stats., apply to condominiums created on or after April 22, 1986, and before November 1, 2004, and to condominiums created before April 22, 1986, that elect to be subject to s. 703.02 (14m), 2001 stats., and s. 703.365, 2001 stats.

(b) Sections 703.02 (14m) and 703.365 apply to condominiums created on or after November 1, 2004, and to condominiums created before November 1, 2004, that elect to be subject to ss. 703.02 (14m) and 703.365.

History: 1977 c. 407; 1985 a. 188; 2003 a. 283; 2007 a. 20.

NOTE: 2003 Wis. Act 283, which affected this section, contains extensive explanatory notes.

703.33(1)(a) to (e) are:
 (a) Declaration, bylaws & rules
 (b) Articles of incorporation, if any
 (c) management contract, employment contract, etc.
 (d) projected annual operating budget showing monthly charges
 (e) any lease

CONDOMINIUM DEED

Document Number

Document Name

THIS DEED, made between _____

_____ ("Grantor," whether one or more), and _____

_____ ("Grantee," whether one or more).

Grantor for a valuable consideration, conveys to Grantee the following described real estate, together with the rents, profits, fixtures and other appurtenant interests, in _____ County, State of Wisconsin ("Property") (if more space is needed, please attach addendum):

Unit _____ in _____ Condominium, created by a "Declaration of Condominium" recorded on _____, in the Office of the Register of Deeds for _____ County, Wisconsin, in (Reel) (Vol.) _____ of Records, at (Images) (Pages) _____, as Document No. _____, and by its Condominium Plat.

Grantor warrants that the title is good, indefeasible in fee simple and free and clear of encumbrances, except terms, provisions, conditions and restrictions contained in the Condominium Ownership Act for the State of Wisconsin, as well as in any of the "Condominium Documents" (consisting of the Declaration and Condominium Plat, the Bylaws, and Articles of Incorporation of the Condominium Association, any Rules or Regulations adopted pursuant to the Declaration or Bylaws), and all amendments of any of those Condominium Documents and:

Recording Area

Name and Return Address

Parcel Identification Number (PIN)

This _____ homestead property. (is) (is not)

Grantee, by acceptance of this Deed, agrees and binds Grantee and Grantee's heirs, representatives, successors and assigns to all the terms, provisions and conditions of the Condominium Documents and all amendments thereto.

Dated _____

* _____

AUTHENTICATION

Signature(s) _____

authenticated on _____

* _____

TITLE: MEMBER STATE BAR OF WISCONSIN (If not, _____ authorized by Wis. Stat. § 706.06)

THIS INSTRUMENT DRAFTED BY: _____

* _____ (SEAL)

ACKNOWLEDGMENT

STATE OF WISCONSIN)) ss. _____ COUNTY)

Personally came before me on _____, the above-named _____

to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.

* _____

Notary Public, State of Wisconsin My Commission (is permanent) (expires: _____)

(Signatures may be authenticated or acknowledged. Both are not necessary.)

NOTE: THIS IS A STANDARD FORM. ANY MODIFICATIONS TO THIS FORM SHOULD BE CLEARLY IDENTIFIED CONDOMINIUM DEED STATE BAR OF WISCONSIN FORM No. 8-2003

*Type name below signatures.

WB-14 RESIDENTIAL CONDOMINIUM OFFER TO PURCHASE

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

3 The Buyer, _____,
4 offers to purchase the Property known as [Street Address] _____

5 _____
6 in the _____ of _____, County
7 of _____ Wisconsin, particularly described as Unit: _____ (Building _____
8 _____) of _____ Condominium

9 (insert additional description, if any, at lines xxx-xxx or attach as an addendum per line xxx), on the following terms:

10 **PURCHASE PRICE** The purchase price is _____
11 _____ Dollars (\$ _____).

12 **INCLUDED IN PURCHASE PRICE** Included in purchase price is (1) the Property, (2) Seller's interest in the Common
13 Elements and Limited Common Elements (see lines xx-xx and xxx-xxx) appurtenant to the Unit, together with and subject
14 to the rights, interests, obligations and limitations as set forth in the Condominium Declaration and plat (and all
15 amendments thereto); (3) Seller's interests in any common surplus and reserves in the Condominium allocated to the
16 Property, (4) all Fixtures on the Property as of the date stated on line 1 of this Offer (unless excluded at lines xx-xx), and
17 (5) the following additional items: _____

18 _____
19 _____
20 _____

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

23 **NOT INCLUDED IN PURCHASE PRICE** Not included in purchase price is Seller's personal property (unless included at
24 lines xx-xx) and the following: _____

25 _____
26 _____
27 _____

28 **CAUTION: Identify Fixtures that are on the Property (see lines xx-xx) to be excluded by Seller or that are rented
29 (e.g., water softeners or other water treatment systems, LP tanks, etc.) and will continue to be owned by the
30 lessor.**

31 "Fixture" is defined as an item of property that is physically attached to or so closely associated with land, buildings or
32 improvements so as to be treated as part of the real estate, including, without limitation, physically attached items not
33 easily removable without damage to the premises, items specifically adapted to the premises and items customarily
34 treated as fixtures, including, but not limited to, all: garden bulbs; plants; shrubs and trees; screen and storm doors and
35 windows; electric lighting fixtures; window shades; curtain and traverse rods; blinds and shutters; central heating and
36 cooling units and attached equipment; water heaters, water softeners and treatment systems; sump pumps; attached or
37 fitted floor coverings; awnings; attached antennas and satellite dishes (but not the component parts); audio/visual wall
38 mounting brackets (but not the audio/visual equipment); garage door openers and remote controls; installed security
39 systems; central vacuum systems and accessories; in-ground sprinkler systems and component parts; built-in appliances;
40 ceiling fans; fences; in-ground pet containment systems (but not the collars); storage buildings on permanent foundations
41 and docks/piers on permanent foundations.

42 **CAUTION: Exclude any Fixtures to be retained by Seller or that are rented (e.g., water softeners or other water
43 treatment systems, LP tanks, etc.) on lines xx-xx or at lines xxx-xxx or in an addendum per line xxx).**

44 **STORAGE, PARKING AND FEES**

45 ■ **STORAGE UNIT:** A storage unit (is) (is not) ~~STRIKE ONE~~ included in the purchase price. Storage unit number: _____.

46 ■ **PARKING:** The parking for the Unit is _____. The parking fee is \$ _____.

47 ■ **ASSOCIATION FEE:** The Association fee for the Property is \$ _____ per _____.

48 ■ **UNIT TRANSFER FEE:** Buyer is aware the Property may be subject to one-time fee(s) resulting from transfer of the
49 Property. Any fee(s) resulting from transfer of the Property shall be paid at closing by (Seller) (Buyer) ~~STRIKE ONE~~
50 ("Buyer" if neither is stricken).

51 **NOTE: The Association may charge fees at or subsequent to closing which may include Additional Association, reserves,
52 administrative or other fees. Buyer is advised to review the Condominium disclosure materials including, but not limited
53 to, current financial disclosure statements and other Condominium materials described on lines xxx-xxx, as relevant.**

54 **BINDING ACCEPTANCE** This Offer is binding upon both Parties only if a copy of the accepted Offer is delivered to
55 Buyer on or before _____.

56 Seller may keep
57 the Property on the market and accept secondary offers after binding acceptance of this Offer.

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

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

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

62 **CLOSING** This transaction is to be closed on _____
63 _____ at the place selected by Seller,
64 unless otherwise agreed by the Parties in writing. If the date for closing falls on a Saturday, Sunday, or a federal or a state
65 holiday, the closing date shall be the next Business Day.

66 **CAUTION: To reduce the risk of wire transfer fraud, any wiring instructions received should be independently**
67 **verified by phone or in person with the title company, financial institution, or entity directing the transfer. The**
68 **real estate licensees in this transaction are not responsible for the transmission or forwarding of any wiring or**
69 **money transfer instructions.**

Property Address: _____ Page 2 of 10, WB-11

70 **EARNEST MONEY**

71 ■ EARNEST MONEY of \$ _____ accompanies this Offer.
72 If Offer was drafted by a licensee, receipt of the earnest money accompanying this Offer is acknowledged.
73 ■ EARNEST MONEY of \$ _____ will be mailed, or commercially, electronically
74 or personally delivered within _____ days ("5" if left blank) after acceptance.

75 All earnest money shall be delivered to and held by (listing Firm) (Buyer's agent's Firm) (third party identified as
76 _____) **STRIKE THOSE NOT APPLICABLE** (listing Firm if none
77 chosen; if no listing Firm, then Buyer's agent's Firm; if no Firm, then Seller).

78 ■ THE BALANCE OF PURCHASE PRICE will be paid in cash or equivalent at closing unless otherwise agreed in writing.

79 ■ **HELD BY:** Earnest money shall be delivered in accordance with lines xx-xx and held in the account of the person
80 identified on lines xx-xx. If earnest money is held by a Firm the Firm will hold the earnest money until applied to the
81 purchase price or disbursed as provided at lines xx-xx.

82 **CAUTION: Should persons other than a Firm hold earnest money, an escrow agreement should be drafted by the**
83 **Parties or an attorney as lines xx-xx do not apply. If someone other than Buyer pays earnest money, consider a**
84 **special disbursement agreement.**

85 ■ **DISBURSEMENT IF EARNEST MONEY HELD BY A FIRM:** If negotiations do not result in an accepted offer and the
86 earnest money is held by a Firm, the earnest money shall be promptly disbursed (after clearance from payer's depository
87 institution if earnest money is paid by check) to the person(s) who paid the earnest money. At closing, earnest money
88 shall be disbursed according to the closing statement. If this Offer does not close, the earnest money shall be disbursed
89 according to a written disbursement agreement signed by all Parties to this Offer. If said disbursement agreement has not
90 been delivered to the Firm holding the earnest money within 60 days after the date set for closing, that Firm may disburse
91 the earnest money: (1) as directed by an attorney who has reviewed the transaction and does not represent Buyer or
92 Seller; (2) into a court hearing a lawsuit involving the earnest money and all Parties to this Offer; (3) as directed by court
93 order; (4) upon authorization granted within this Offer; or (5) any other disbursement required or allowed by law. The Firm
94 may retain legal services to direct disbursement per (1) or to file an interpleader action per (2) and the Firm may deduct
95 from the earnest money any costs and reasonable attorneys' fees, not to exceed \$250, prior to disbursement.

96 ■ **LEGAL RIGHTS/ACTION:** The Firm's disbursement of earnest money does not determine the legal rights of the Parties
97 in relation to this Offer. Buyer's or Seller's legal right to earnest money cannot be determined by the Firm holding the
98 earnest money. At least 30 days prior to disbursement per (1), (4) or (5) above, where the Firm has knowledge that either
99 Party disagrees with the disbursement, the Firm shall send Buyer and Seller written notice of the intent to disburse by
100 certified mail. If Buyer or Seller disagree with the Firm's proposed disbursement, a lawsuit may be filed to obtain a court
101 order regarding disbursement. Small Claims Court has jurisdiction over all earnest money disputes arising out of the sale
102 of residential property with one-to-four dwelling units. Buyer and Seller should consider consulting attorneys regarding
103 their legal rights under this Offer in case of a dispute. Both Parties agree to hold the Firm harmless from any liability for
104 good faith disbursement of earnest money in accordance with this Offer or applicable Department of Safety and
105 Professional Services regulations concerning earnest money. See Wis. Admin. Code Ch. REEB 18.

106 **TIME IS OF THE ESSENCE** "Time is of the Essence" as to: (1) earnest money payment(s); (2) binding acceptance; (3)
107 occupancy; (4) date of closing; (5) contingency Deadlines; (6) delivery of Condominium disclosure materials (see lines
108 xxx-xxx) **STRIKE AS APPLICABLE** and all other dates and Deadlines in this Offer except: _____

109 _____. If "Time is of the Essence" applies to a date or Deadline,
110 failure to perform by the exact date or Deadline is a breach of contract. If "Time is of the Essence" does not apply to a
111 date or Deadline, then performance within a reasonable time of the date or Deadline is allowed before a breach occurs.

112 **CONDOMINIUM DISCLOSURE MATERIALS** Seller agrees to provide Buyer, within 10 days after acceptance of Offer,
113 but no later than 15 days prior to closing, current and accurate copies of the Condominium disclosure materials required
114 by Wis. Stat. § 703.33. The Condominium disclosure materials include a copy of the following and any amendments to
115 any of these [except as may be limited for Small Condominiums per Wis. Stat. § 703.365]:

- 116 (a) proposed or existing Declaration, bylaws and any rules or regulations, and an index of the contents;
117 (b) proposed or existing articles of incorporation of the Association, if it is or is to be incorporated;

- 118 (c) proposed or existing management contract, employment contract or other contract affecting the use, maintenance
- 119 or access of all or part of the Condominium;
- 120 (d) projected annual operating budget for the Condominium including reasonable details concerning the estimated
- 121 monthly payments by the purchaser for assessments and other monthly charges;
- 122 (e) leases to which Unit owners or the Association will be a party;
- 123 (f) general description of any contemplated expansion of Condominium including each stage of expansion and the
- 124 maximum number of Units that can be added to the Condominium;
- 125 (g) Unit floor plan and map showing location of Common Elements and other facilities available to Unit owners;
- 126 (h) the executive summary.

127 ■ **CONVERSION CONDOMINIUMS:** If the Condominium was an occupied structure prior to the recording of the
128 Condominium Declaration, it is a "conversion Condominium," and the "Condominium disclosure materials" for a
129 conversion Condominium with five or more Units also include:

- 130 (1) a declarant's statement based on an independent engineer's or architect's report describing the present condition
- 131 of structural, mechanical and electrical installations;
- 132 (2) a statement of the useful life of the items covered in (1), unless a statement that no representations are being
- 133 made is provided, and
- 134 (3) a list of notices of uncured code or other municipal violations, including an estimate of the costs of curing the
- 135 violations.

136 ■ **BUYER RESCISSION RIGHTS:** As provided in Wis. Stat. § 703.33(4)(a), Buyer may, within 5 business days after
137 receipt of all the required disclosure documents, rescind this Offer by written notice delivered to Seller. If the disclosure
138 materials are delivered to Buyer and Buyer does not receive all of the disclosure documents, Buyer may, within 5
139 business days after Buyer's receipt of the disclosure materials, either rescind the Offer or request any missing documents.
140 Seller has 5 business days after receipt of Buyer's request for missing documents to deliver the requested documents.
141 Buyer may rescind the sale within 5 business days after the earlier of Buyer's receipt of requested missing documents or
142 the deadline for Seller's delivery of the documents [Wis. Stat. § 703.33(4)(b)].

143 **The Parties agree that the 5 business days begin upon the earlier of: (1) Buyer's Actual Receipt of the disclosure**
144 **materials or requested missing documents or (2) upon the deadline for Seller's delivery of the documents.**

145 **NOTE: BUYER SHOULD READ ALL DOCUMENTS CAREFULLY. LICENSEES MAY PROVIDE A GENERAL**
146 **EXPLANATION OF THE DOCUMENTS BUT ARE PROHIBITED BY LAW FROM GIVING LEGAL ADVICE OR**
147 **OPINIONS.**

148 **CONTINGENCY FOR ADDITIONAL CONDOMINIUM INFORMATION:** This Offer is contingent upon Seller
149 delivering to Buyer, at Seller's expense, within 10 days after acceptance of this Offer, but no later than 15 days prior to
150 closing, the information listed below **that exists** STRIKE AND COMPLETE AS APPLICABLE:

- 151 ◆ the Condominium Association's financial statements for the last two years
- 152 ◆ the minutes of the last 3 Unit owners' meetings
- 153 ◆ the minutes of Condominium board meetings during the 12 months prior to acceptance of this Offer
- 154 ◆ information about contemplated or pending Condominium special assessments
- 155 ◆ the Association's certificate of insurance
- 156 ◆ a statement from the Association indicating the balance of reserve accounts controlled by the Association
- 157 ◆ a statement from the Association of the amount of any unpaid assessments on the Unit (per Wis. Stat. § 703.165)
- 158 ◆ any Common Element inspection reports (e.g. roof, swimming pool, elevator and parking garage inspections, etc.)
- 159 held by the Association
- 160 ◆ information regarding any pending litigation involving the Association
- 161 ◆ the Declaration, bylaws, budget and/or most recent financial statement of any master association or Additional
- 162 Association the Unit may be part of
- 163 ◆ other: _____

164 (hereinafter collectively the "listed materials").

165 **NOTE:** Because not all of the listed materials may exist or be available from the Condominium Association, Seller may
166 wish to verify availability prior to acceptance of the Offer.

167 ■ **BUYER RESCISSION RIGHTS:** Buyer may, within 5 business days after receipt of all the listed materials rescind this
168 Offer by written notice delivered to Seller. If the materials are delivered to Buyer and Buyer does not receive all of the
169 listed materials, Buyer may, within 5 business days after Buyer's receipt of the materials, either rescind the Offer or
170 request any missing **materials in writing**. Seller has 5 business days after receipt of Buyer's request for missing listed
171 materials to deliver the requested materials. Buyer may rescind the sale within 5 business days after the earlier of Buyer's
172 receipt of requested missing materials or the deadline for Seller's delivery of the materials.

173 **The Parties agree that the 5 business days begin upon the earlier of: (1) Buyer's Actual Receipt of the listed**
174 **materials or requested missing materials or (2) upon the deadline for Seller's delivery of the listed materials.**

175 ■ **ASSOCIATION:** Wis. Stat. § 703.02(1m) provides that, "'Association' means all of a condominium's unit owners acting
176 as a group, either through a nonstock corporation or an unincorporated association, in accordance with its bylaws and
177 declaration." The Association is the entity that the Unit owners typically use to act together as a group to manage and
178 maintain the Condominium property and finances. Every Unit owner is automatically a member of the Association, which
179 adopts budgets and sets the amounts of the fees or assessments paid by the Unit owners.

180 ■ **ADDITIONAL ASSOCIATION:** Refers to any community, neighborhood, subdivision, master or umbrella association
181 with the power to levy fees or assessments on the Property owner.

182 ■ **COMMON ELEMENTS:** Wis. Stat. § 703.02(2) provides that, “Common elements’ mean all of a condominium except
183 its units.” In a typical residential Condominium project, the Common Elements may include the land, structural and
184 common parts of buildings (entranceway, halls, elevator, meeting room, etc.), landscaping, roads, any outside parking
185 areas, outdoor lighting, any recreational facilities (swimming pool, tennis courts, clubhouse, etc.) and all other common
186 areas and amenities. The Common Elements are owned collectively by all of the Unit owners. For example, in a
187 Condominium with 100 Units, each Unit owner may own a one percent interest in all Common Elements. Thus, the Unit
188 owner would own an undivided one percent interest in the tennis courts, road, parking lot, etc.

189 ■ **CONDOMINIUM:** Wis. Stat. § 703.02(4) provides that, “Condominium’ means property subject to a condominium
190 declaration established under this chapter” [Wis. Stat. Ch. 703].

191 ■ **DECLARATION:** Wis. Stat. § 703.02(8) provides that, “Declaration’ means the instrument by which a property
192 becomes subject to this chapter, and that declaration as amended from time to time.” The Declaration is a written
193 document that creates a Condominium from one or more parcels of real estate. The owner declares his or her property to
194 be a Condominium. The Declaration divides the property into Units, which are individually owned, and the Common
195 Elements, which are owned in common by all of the Unit owners together.

196 ■ **LIMITED COMMON ELEMENTS:** Wis. Stat. § 703.02(10) provides that, “Limited common element’ means a common
197 element identified in a declaration or on a condominium plat as reserved for the exclusive use of one or more but less
198 than all of the unit owners.” A Unit owner does not own a Limited Common Element, except for the percentage interest in
199 the Common Elements, but is the only one who may use it, either alone or with others (but not all Unit owners). This
200 exclusive use may be subject to restrictions stated in the Declaration or the Condominium rules. Limited Common
201 Elements may include a storage area, patio, balcony, garage parking space or a boat slip.

202 ■ **SMALL CONDOMINIUM:** “Small Condominium” means a Condominium with no more than 12 Units.

203 ■ **UNIT:** Wis. Stat. § 703.02(15) provides, “Unit’ means a part of a condominium intended for any type of independent
204 use, including one or more cubicles of air at one or more levels of space or one or more rooms or enclosed spaces
205 located on one or more floors, or parts thereof, in a building. A unit may include 2 or more noncontiguous areas.” The Unit
206 owner is entitled to exclusive ownership and possession of his or her Unit. A Unit is not necessarily limited to an
207 apartment-like concept and may also be a freestanding house, a structure plus surrounding land, or land similar to a lot.
208 Units may also include a separate area that is some distance away from the basic individual dwelling area. For example, a
209 Unit may be defined to include a storage area, patio, garage parking space or a boat slip. What is included in a given Unit
210 depends on how the term “Unit” is defined in the Condominium Declaration and plat.

211 **REAL ESTATE CONDITION REPORT** Wisconsin law requires owners of property that includes one-to-four dwelling
212 units to provide Buyers with a Real Estate Condition Report. Excluded from this requirement are sales of property that has
213 never been inhabited, sales exempt from the real estate transfer fee, and sales by certain court-appointed fiduciaries, (for
214 example, personal representatives who have never occupied the Property). The form of the Report is found in Wis. Stat. §
215 709.03. The law provides: “§ 709.02 Disclosure . . . the owner of the property shall furnish, not later than 10 days after
216 acceptance of the contract of sale . . . , to the prospective Buyer of the property a completed copy of the report . . . A
217 prospective Buyer who does not receive a report within the 10 days may, within two business days after the end of that
218 10-day period, rescind the contract of sale . . . by delivering a written notice of rescission to the owner or the owner’s
219 agent.” Buyer may also have certain rescission rights if a Real Estate Condition Report disclosing defects is furnished
220 before expiration of the 10 days, but after the Offer is submitted to Seller. Buyer should review the report form or consult
221 with an attorney for additional information regarding rescission rights. Wis. Stat. § 709.03 provides that when the Property
222 is a Condominium Unit, the property to which the Real Estate Condition Report applies is the Condominium Unit, the
223 Common Elements of the Condominium and any Limited Common Elements that may be used only by the owner of the
224 Condominium Unit being transferred. Wis. Stat. § 709.02 requires that Seller also furnish a Condominium addendum to
225 the Real Estate Condition Report and a copy of the executive summary along with the Real Estate Condition Report.

226 **NOTE: Small Condominiums may not be required to have an executive summary per Wis. Stat. § 703.365.**

227 **PROPERTY CONDITION REPRESENTATIONS** Seller represents to Buyer that as of the date of acceptance Seller has
228 no notice or knowledge of Conditions Affecting the Property or Transaction (lines xxx-xxx) with regard to the Unit,
229 Condominium Common Elements and Limited Common Elements that may be used only by the owner of the
230 Condominium Unit being transferred, other than those identified in Seller’s Real Estate Condition Report dated
231 _____, which was received by Buyer prior to Buyer signing this Offer and which is made a part
232 of this Offer by reference **COMPLETE DATE OR STRIKE AS APPLICABLE** and
233 _____
234 _____

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235 **INSERT CONDITIONS NOT ALREADY INCLUDED IN THE CONDITION REPORT**

236 “Conditions Affecting the Property or Transaction” are defined to include:

237 a. Defects in the roof, basement or foundation (including cracks, seepage and bulges), electrical system, or part of the
238 plumbing system (including the water heater, water softener and swimming pool); or basement, window, or plumbing
239 leaks; overflow from sinks, bathtubs, or sewers; or other water or moisture intrusions or conditions.

- 240 b. Defects in heating and air conditioning system (including the air filters and humidifiers); in a wood burning stove or
241 fireplace; or caused by a fire in a stove or fireplace or elsewhere on the Property.
- 242 c. Defects related to smoke detectors or carbon monoxide detectors, or a violation of applicable state or local smoke
243 detector or carbon monoxide detector laws.
- 244 d. Defects in any structure, or mechanical equipment included as Fixtures or personal property.
- 245 e. Rented items located on the Property such as a water softener or other water conditioner system.
- 246 f. Defects caused by unsafe concentrations of, or unsafe conditions on the Property relating to radon, radium in water
247 supplies, lead in paint, soil or water supplies, unsafe levels of mold, asbestos or asbestos-containing materials or other
248 potentially hazardous or toxic substances on the Property; manufacture of methamphetamine or other hazardous or toxic
249 substances on the Property; or high voltage electric (100 KV or greater) or steel natural gas transmission lines located on
250 but not directly serving the Property.
- 251 **NOTE: Specific federal lead paint disclosure requirements must be complied with in the sale of most residential**
252 **properties built before 1978.**
- 253 g. Defects caused by unsafe concentrations of, unsafe conditions relating to, or the storage of, hazardous or toxic
254 substances on neighboring properties.
- 255 f. The Property is served by a joint well; Defects related to a joint well serving the Property; or Defects in a well on the
256 Property or in a well that serves the Property, including unsafe well water.
- 257 g. A septic system or other private sanitary disposal system serves the Property; Defects in the septic system or other
258 sanitary disposal system on the Property; or any out-of-service septic system serving the Property not closed or
259 abandoned according to applicable regulations.
- 260 h. Underground or aboveground fuel storage tanks on or previously located on the Property; or Defects in the
261 underground or aboveground fuel storage tanks on or previously located on the Property. (The owner, by law, may have
262 to register the tanks with the Department of Agriculture, Trade and Consumer Protection at P.O. Box 8911, Madison,
263 Wisconsin, 53708, whether the tanks are in use or not. Department regulations may require closure or removal of unused
264 tanks.)
- 265 i. "LP" tank on the Property (specify in the additional information whether the tank is owned or leased); or Defects in an
266 "LP" tank on the Property.
- 267 j. Notice of property tax increases, other than normal annual increases, or pending Property reassessment; remodeling
268 that may increase the Property's assessed value; pending special assessments; or Property is within a special purpose
269 district, such as a drainage district, that has authority to impose assessments.
- 270 k. Proposed construction of a public project that may affect use of the Property; Property additions or remodeling
271 affecting Property structure or mechanical systems during Seller's ownership without required permits; or any land division
272 involving the Property without required state or local permits.
- 273 l. The Property is part of or subject to a subdivision homeowners' association; or the Property is not a condominium unit
274 and there are common areas associated with the Property that are co-owned with others.
- 275 m. Any zoning code violations with respect to the Property; the Property or any portion thereof is located in a floodplain,
276 wetland or shoreland zoning area; or the Property is subject to a shoreland mitigation plan required by Wisconsin
277 Department of Natural Resources (DNR) rules that obligates the Property owner to establish or maintain certain measures
278 related to shoreland conditions, enforceable by the county.
- 279 n. Nonconforming uses of the Property; conservation easements, restrictive covenants or deed restrictions on the
280 Property; or nonowners having rights to use part of the Property, including, but not limited to, rights-of-way and
281 easements other than recorded utility easements.
- 282 o. All or part of the Property has been assessed as agricultural land; has been assessed a use-value assessment
283 conversion charge; or payment of a use-value assessment conversion charge has been deferred.
- 284 p. All or part of the Property is subject to, enrolled in, or in violation of a farmland preservation agreement, Forest Crop
285 Law, Managed Forest Law, the Conservation Reserve Program, or a comparable program.
- 286 q. A dam is totally or partially located on the Property; or an ownership interest in a dam not located on the Property will
287 be transferred with the Property because the dam is owned by a homeowners' association, lake district, or similar group of
288 which the Property owner is a member.
- 289 r. No legal access to the Property; or boundary or lot line disputes, encroachments or encumbrances (including a joint
290 driveway) affecting the Property.
- 291 s. Federal, state, or local regulations requiring repairs, alterations or corrections of an existing condition; or any
292 insurance claims relating to damage to the Property within the last five years.
- 293 t. A pier attached to the Property not in compliance with state or local pier regulations.
- 294 u. Current or previous termite, powder-post beetle or carpenter ant infestations or Defects caused by animal, reptile, or
295 other insect infestations.
- 296 v. Structure on the Property designated as an historic building; all or any part of the Property in an historic district; or one
297 or more burial sites on the Property.
- 298 w. Other Defects affecting the Property.

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299 **INSPECTIONS AND TESTING** Buyer may only conduct inspections or tests if specific contingencies are included as a
300 part of this Offer. An "inspection" is defined as an observation of the Unit and any Limited Common Elements that may be
301 used only by the owner of the Condominium Unit being transferred, or shared with an adjacent Unit Owner, which does

302 not include an appraisal or testing of the Property, other than testing for leaking carbon monoxide, or testing for leaking LP
303 gas or natural gas used as a fuel source, which are hereby authorized. A "test" is defined as the taking of samples of
304 materials such as soils, water, air or building materials from the Unit for laboratory or other analysis of these materials.
305 Seller agrees to allow Buyer's inspectors, testers and appraisers reasonable access to the **Unit and any Limited Common**
306 **Elements that may be used only by the owner of the Condominium Unit being transferred** upon advance notice, if
307 necessary, to satisfy the contingencies in this Offer. Buyer or licensees or both may be present at all inspections and
308 testing. **Except as otherwise provided, Seller's authorization for inspections does not authorize Buyer to conduct testing of**
309 **the Unit and any Limited Common Elements that may be used only by the owner of the Condominium Unit being**
310 **transferred.**

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

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

318 **INSPECTION CONTINGENCY:** This contingency only authorizes inspections, not testing (see lines **xxx-xxx**).

319 (1) This Offer is contingent upon a Wisconsin registered or Wisconsin licensed home inspector performing a home
320 inspection of the **Unit and any Limited Common Elements** after the date on line 1 of this Offer that discloses no
321 Defects.

322 (2) This Offer is further contingent upon a qualified independent inspector or independent qualified third party performing
323 an inspection of _____

324 _____ (list any Property component(s)
325 to be separately inspected, e.g., swimming pool, roof, foundation, chimney, etc.) that discloses no Defects.

326 (3) Buyer may have follow-up inspections recommended in a written report resulting from an authorized inspection,
327 provided they occur prior to the Deadline specified at line **xxx**. Inspection(s) shall be performed by a qualified
328 independent inspector or independent qualified third party.

329 Buyer shall order the inspection(s) and be responsible for all costs of inspection(s).

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

332 This contingency shall be deemed satisfied unless Buyer, within _____ days ("15" if left blank) after acceptance,
333 delivers to Seller a copy of the written inspection report(s) dated after the date on line 1 of this Offer and a written notice
334 listing the Defect(s) identified in those report(s) to which Buyer objects (Notice of Defects).

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

336 For the purposes of this contingency, Defects do not include structural, mechanical or other conditions the nature and
337 extent of which Buyer had actual knowledge or written notice before signing this Offer.

338 **NOTE: "Defect" as defined on lines xxx-xxx means a condition that would have a significant adverse effect on the**
339 **value of the Property; that would significantly impair the health or safety of future occupants of the Property; or**
340 **that if not repaired, removed or replaced would significantly shorten or adversely affect the expected normal life**
341 **of the premises.**

342 **■ RIGHT TO CURE:** Seller (shall)(shall not) **STRIKE ONE** ("shall" if neither is stricken) have the right to cure the Defects.

343 If Seller has the right to cure, Seller may satisfy this contingency by:

344 (1) delivering written notice to Buyer within _____ ("10" if left blank) days after Buyer's delivery of the Notice of
345 Defects stating Seller's election to cure Defects;

346 (2) curing the Defects in a good and workmanlike manner including obtaining applicable permits where required; and

347 (3) delivering to Buyer a written report detailing the work done and documenting compliance with permit requirements
348 no later than three days prior to closing.

349 This Offer shall be null and void if Buyer makes timely delivery of the Notice of Defects and written inspection report(s)
350 and:

351 (1) Seller does not have the right to cure; or

352 (2) Seller has the right to cure but:

353 (a) Seller delivers written notice that Seller will not cure; or

354 (b) Seller does not timely deliver the written notice of election to cure.

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355 **RADON TESTING CONTINGENCY:** This Offer is contingent upon Buyer obtaining a current written report of the
356 results of a radon test **at the Property within the Unit** performed by a qualified third party in a manner consistent with
357 applicable EPA and Wisconsin Department of Health Services (DHS) protocols and standards indicating the radon level is
358 less than 4.0 picoCuries per liter (pCi/L), at (Buyer's) (Seller's) **STRIKE ONE** ("Buyer's" if neither is stricken) expense.

359 This contingency shall be deemed satisfied unless Buyer, within _____ days ("20" if left blank) after acceptance
360 delivers to Seller a written copy of the radon test results report indicating a radon level of 4.0 pCi/L or higher and written
361 notice objecting to the radon level in the report.

362 ■ **RIGHT TO CURE:** Seller (shall)(shall not) **STRIKE ONE** ("shall" if neither is stricken) have the right to cure.

363 If Seller has the right to cure, Seller may satisfy this contingency by

364 (1) delivering a written notice of Seller's election to cure within 10 days after delivery of Buyer's notice; and,

365 (2) installing a radon mitigation system in conformance with EPA standards in a good and workmanlike manner and by
366 giving Buyer a report of the work done and a post remediation test report indicating a radon level of less than 4.0 pCi/L
367 no later than three days prior to closing.

368 This Offer shall be null and void if Buyer timely delivers the above written notice and report to Seller and:

369 (1) Seller does not have the right to cure; or

370 (2) Seller has the right to cure but:

371 (a) Seller delivers written notice that Seller will not cure; or

372 (b) Seller does not timely deliver the notice of election to cure.

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

374 **FINANCING COMMITMENT CONTINGENCY:** This Offer is contingent upon Buyer being able to obtain a written
375 _____ [loan type or specific lender, if any] first mortgage loan commitment as described
376 below, within _____ days after acceptance of this Offer. The financing selected shall be in an amount of not less than
377 \$ _____ for a term of not less than _____ years, amortized over not less than _____ years.
378 Initial monthly payments of principal and interest shall not exceed \$ _____. Buyer acknowledges that
379 lender's required monthly payments may also include 1/12th of the estimated net annual real estate taxes, hazard
380 insurance premiums, and private mortgage insurance premiums. The mortgage shall not include a prepayment premium.
381 Buyer agrees to pay discount points in an amount not to exceed _____% ("0" if left blank) of the loan. If Buyer is using
382 multiple loan sources or obtaining a construction loan or land contract financing, describe at lines xxx-xxx or in an
383 addendum attached per line xxx. Buyer agrees to pay all customary loan and closing costs, wire fees, and loan origination
384 fees, to promptly apply for a mortgage loan, and to provide evidence of application promptly upon request of Seller. Seller
385 agrees to allow lender's appraiser access to the Property.

386 ■ **LOAN AMOUNT ADJUSTMENT:** If the purchase price under this Offer is modified, any financed amount, unless
387 otherwise provided, shall be adjusted to the same percentage of the purchase price as in this contingency and the
388 monthly payments shall be adjusted as necessary to maintain the term and amortization stated above.

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

390 **FIXED RATE FINANCING:** The annual rate of interest shall not exceed _____%.

391 **ADJUSTABLE RATE FINANCING:** The initial interest rate shall not exceed _____%. The initial interest rate
392 shall be fixed for _____ months, at which time the interest rate may be increased not more than _____% ("2"
393 if left blank) at the first adjustment and by not more than _____% ("1" if left blank) at each subsequent
394 adjustment. The maximum interest rate during the mortgage term shall not exceed the initial interest rate plus
395 _____% ("6" if left blank). Monthly payments of principal and interest may be adjusted to reflect interest changes.

396 ■ **SATISFACTION OF FINANCING COMMITMENT CONTINGENCY:** If Buyer qualifies for the loan described in this Offer
397 or another loan acceptable to Buyer, Buyer agrees to deliver to Seller a copy of a written loan commitment.

398 This contingency shall be satisfied if, after Buyer's review, Buyer delivers to Seller a copy of a written loan commitment
399 (even if subject to conditions) that is:

400 (1) signed by Buyer; or,

401 (2) accompanied by Buyer's written direction for delivery.

402 Delivery of a loan commitment by Buyer's lender or delivery accompanied by a notice of unacceptability shall not satisfy
403 this contingency.

404 **CAUTION: The delivered loan commitment may contain conditions Buyer must yet satisfy to obligate the lender
405 to provide the loan. Buyer understands delivery of a loan commitment removes the Financing Commitment
406 Contingency from the Offer and shifts the risk to Buyer if the loan is not funded.**

407 ■ **SELLER TERMINATION RIGHTS:** If Buyer does not deliver a loan commitment on or before the Deadline on line xxx.
408 Seller may terminate this Offer if Seller delivers a written notice of termination to Buyer prior to Seller's Actual Receipt of
409 written loan commitment from Buyer.

410 ■ **FINANCING COMMITMENT UNAVAILABILITY:** If a financing commitment is not available on the terms stated in this
411 Offer (and Buyer has not already delivered an acceptable loan commitment for other financing to Seller), Buyer shall
412 promptly deliver written notice to Seller of same including copies of lender(s)' rejection letter(s) or other evidence of
413 unavailability.

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414 **SELLER FINANCING:** Seller shall have 10 days after the earlier of:

415 (1) Buyer delivery of written notice of evidence of unavailability as noted in lines xxx-xxx; or

416 (2) the Deadline for delivery of the loan commitment on line xxx,

417 to deliver to Buyer written notice of Seller's decision to finance this transaction with a note and mortgage under the same
418 terms set forth in this Offer, and this Offer shall remain in full force and effect, with the time for closing extended
419 accordingly.

420 If Seller's notice is not timely given, the option for Seller to provide financing shall be considered waived. Buyer agrees to
421 cooperate with and authorizes Seller to obtain any credit information reasonably appropriate to determine Buyer's credit
422 worthiness for Seller financing.

423 **IF THIS OFFER IS NOT CONTINGENT ON FINANCING COMMITMENT** Within _____ days ("7" if left blank) after
424 acceptance, Buyer shall deliver to Seller either:

425 (1) reasonable written verification from a financial institution or third party in control of Buyer's funds that Buyer has, at
426 the time of verification, sufficient funds to close; or

427 (2) _____
428 _____ [Specify documentation Buyer agrees to deliver to Seller].

429 If such written verification or documentation is not delivered, Seller has the right to terminate this Offer by delivering
430 written notice to Buyer prior to Seller's Actual Receipt of a copy of Buyer's written verification. Buyer may or may not
431 obtain mortgage financing but does not need the protection of a financing contingency. Seller agrees to allow Buyer's
432 appraiser access to the Property for purposes of an appraisal. Buyer understands and agrees that this Offer is not subject
433 to the appraisal meeting any particular value, unless this Offer is subject to an appraisal contingency, nor does the right of
434 access for an appraisal constitute a financing commitment contingency.

435 **APPRAISAL CONTINGENCY:** This Offer is contingent upon Buyer or Buyer's lender having the Property
436 appraised at Buyer's expense by a Wisconsin licensed or certified independent appraiser who issues an appraisal report
437 dated subsequent to the date stated on line 1 of this Offer, indicating an appraised value for the Property equal to or
438 greater than the agreed upon purchase price.

439 This contingency shall be deemed satisfied unless Buyer, within _____ days after acceptance, delivers to Seller a
440 copy of the appraisal report indicating an appraised value less than the agreed upon purchase price, and a written notice
441 objecting to the appraised value.

442 **RIGHT TO CURE:** Seller (shall) (shall not) **STRIKE ONE** ("shall" if neither is stricken) have the right to cure.

443 If Seller has the right to cure, Seller may satisfy this contingency by delivering written notice to Buyer adjusting the
444 purchase price to the value shown on the appraisal report within _____ days ("5" if left blank) after Buyer's delivery of
445 the appraisal report and the notice objecting to the appraised value. Seller and Buyer agree to promptly execute an
446 amendment initiated by either party after delivery of Seller's notice, solely to reflect the adjusted purchase price.

447 This Offer shall be null and void if Buyer makes timely delivery of the notice objecting to appraised value and the written
448 appraisal report and:

449 (1) Seller does not have the right to cure or

450 (2) Seller has the right to cure but:

451 (a) Seller delivers written notice that Seller will not adjust the purchase price or

452 (b) Seller does not timely deliver the written notice adjusting the purchase price to the value shown on the appraisal
453 report.

454 **NOTE: An executed FHA, VA or USDA Amendatory clause may supersede this contingency.**

455 **CLOSING OF BUYER'S PROPERTY CONTINGENCY:** This Offer is contingent upon the closing of the sale of
456 Buyer's property located at _____
457 no later than _____ (the Deadline). If closing does not occur by the Deadline, this Offer
458 shall become null and void unless Buyer delivers to Seller, on or before the Deadline, reasonable written verification from
459 a financial institution or third party in control of Buyer's funds that Buyer has, at the time of verification, sufficient funds to
460 close or proof of bridge loan financing, along with a written notice waiving this contingency. Delivery of verification or proof
461 of bridge loan shall not extend the closing date for this Offer.

462 **BUMP CLAUSE:** If Seller accepts a bona fide secondary offer, Seller may give written notice to Buyer that another
463 offer has been accepted. If Buyer does not deliver to Seller the documentation listed below within _____ hours ("72" if
464 left blank) after Buyer's Actual Receipt of said notice, this Offer shall be null and void. Buyer must deliver the following:

465 (1) Written waiver of the Closing of Buyer's Property Contingency if line xxx is marked;

466 (2) Written waiver of _____
467 _____ (name other contingencies, if any); and

468 (3) Any of the following checked below:

469 Proof of bridge loan financing

470 Proof of ability to close from a financial institution or third party in control of Buyer's funds which shall provide
471 Seller with reasonable written verification that Buyer has, at the time of verification, sufficient funds to close.

472 Other: _____
473 _____

474 [insert other requirements, if any (e.g., payment of additional earnest money, etc.)]

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475 **SECONDARY OFFER:** This Offer is secondary to a prior accepted offer. This Offer shall become primary upon
476 delivery of written notice to Buyer that this Offer is primary. Unless otherwise provided, Seller is not obligated to give
477 Buyer notice prior to any Deadline, nor is any particular secondary buyer given the right to be made primary ahead of
478 other secondary buyers. Buyer may declare this Offer null and void by delivering written notice of withdrawal to Seller prior
479 to delivery of Seller's notice that this Offer is primary. Buyer may not deliver notice of withdrawal earlier than _____ days
480 ("7" if left blank) after acceptance of this Offer. All other Offer Deadlines that run from acceptance shall run from the time
481 this Offer becomes primary.

482 **CLOSING PRORATIONS** The following items, if applicable, shall be prorated at closing, based upon date of closing
483 values: real estate taxes, rents, prepaid insurance (if assumed), private and municipal charges, Condominium
484 Association fees, Additional Association fees, fuel and _____
485 _____

486 **CAUTION: Provide basis for utility charges, fuel or other prorations if date of closing value will not be used.**
487 Any income, taxes or expenses shall accrue to Seller, and be prorated at closing, through the day prior to closing.
488 Real estate taxes shall be prorated at closing based on CHECK BOX FOR APPLICABLE PRORATION FORMULA:
489 The net general real estate taxes for the preceding year, or the current year if available (Net general real estate
490 taxes are defined as general property taxes after state tax credits and lottery credits are deducted). NOTE: THIS
491 CHOICE APPLIES IF NO BOX IS CHECKED.
492 Current assessment times current mill rate (current means as of the date of closing).
493 Sale price, multiplied by the municipality area-wide percent of fair market value used by the assessor in the prior
494 year, or current year if known, multiplied by current mill rate (current means as of the date of closing).
495

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

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

506 **TITLE EVIDENCE**

507 ■ **CONVEYANCE OF TITLE:** Upon payment of the purchase price, Seller shall convey the Property by warranty
508 deed (trustee's deed if Seller is a trust, personal representative's deed if Seller is an estate or other conveyance
509 as provided herein), free and clear of all liens and encumbrances, except: municipal and zoning ordinances and
510 agreements entered under them, recorded easements for the distribution of utility and municipal services, recorded
511 building and use restrictions and covenants, present uses of the Property in violation of the foregoing disclosed in Seller's
512 Real Estate Condition Report and in this Offer, general taxes levied in the year of closing, Wisconsin Condominium
513 Ownership Act, Condominium Declaration and plat, Association articles of incorporation, bylaws and **rules**, amendments
514 to the above and _____

515 _____ (insert other allowable exceptions
516 from title, if any) that constitutes merchantable title for purposes of this transaction. Seller, at Seller's cost, shall complete
517 and execute the documents necessary to record the conveyance and pay the Wisconsin Real Estate Transfer Fee.

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

521 ■ **TITLE EVIDENCE:** Seller shall give evidence of title in the form of an owner's policy of title insurance in the amount of
522 the purchase price on a current ALTA form (including the ALTA Condominium endorsement or equivalent) issued by an
523 insurer licensed to write title insurance in Wisconsin. Seller shall pay all costs of providing title evidence to Buyer. Buyer
524 shall pay the costs of providing the title evidence required by Buyer's lender and recording the deed or other conveyance.

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

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531 ■ **DELIVERY OF MERCHANTABLE TITLE:** The required title insurance commitment shall be delivered to Buyer's
532 attorney or Buyer not less than 5 business days before closing, showing title to the Property as of a date no more than 15
533 days before delivery of such title evidence to be merchantable per **lines xxx-xxx**, subject only to liens that will be paid out
534 of the proceeds of closing and standard title insurance requirements and exceptions.

535 ■ **TITLE NOT ACCEPTABLE FOR CLOSING:** If title is not acceptable for closing, Buyer shall notify Seller in writing of
536 objections to title by the time set for closing. Seller shall have a reasonable time, but not exceeding 15 days, to remove
537 the objections, and the time for closing shall be extended as necessary for this purpose. If Seller is unable to remove said
538 objections, Buyer shall have five days from receipt of notice thereof, to deliver written notice waiving the objections, and
539 the time for closing shall be extended accordingly. If Buyer does not waive the objections, this Offer shall be null and void.
540 Providing title evidence acceptable for closing does not extinguish Seller's obligations to give merchantable title to Buyer.

541 ■ **UNPAID CONDOMINIUM ASSESSMENTS:** All unpaid assessments shall be paid by Seller no later than closing.

542 ■ **SPECIAL ASSESSMENTS/OTHER EXPENSES:** Special assessments, if any, including those by any applicable
543 homeowners or Condominium Association, levied or for work actually commenced prior to the date stated on line 1 of this
544 Offer shall be paid by Seller no later than closing. All other special assessments shall be paid by Buyer. **"Levied" means**
545 **the local municipal governing body has adopted and published a final resolution describing the planned improvements**

546 and the assessment of benefits. "Levied" with regard to Condominium special assessments means the Association has
547 adopted a resolution imposing fees on the Units, other than regular Association fees, for special projects or expenses.

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

555 **LEASED PROPERTY** If Property is currently leased and lease(s) extend beyond closing, Seller shall assign Seller's
556 rights under said lease(s) and transfer all security deposits and prepaid rents thereunder to Buyer at closing. The terms of
557 the (written) (oral) **STRIKE ONE** lease(s), if any, are _____
558 _____.
559 _____ . Insert additional terms, if any, at lines xxx-xxx or attach as an addendum per line xxx.

560 **DEFINITIONS**

561 ■ **ACTUAL RECEIPT:** "Actual Receipt" means that a Party, not the Party's recipient for delivery, if any, has the document
562 or written notice physically in the Party's possession, regardless of the method of delivery. If the document or written
563 notice is electronically delivered, Actual Receipt shall occur when the Party opens the electronic transmission.

564 ■ **BUSINESS DAY:** "Business Day" means a calendar day other than Saturday, Sunday, any legal public holiday under
565 Wisconsin or Federal law, and any other day designated by the President such that the postal service does not receive
566 registered mail or make regular deliveries on that day.

567 ■ **DEADLINES:** "Deadlines" expressed as a number of "days" from an event, such as acceptance, are calculated by
568 excluding the day the event occurred and by counting subsequent calendar days. The Deadline expires at Midnight on the
569 last day. Additionally, Deadlines expressed as a specific number of Business Days are calculated in the same manner
570 except that only Business Days are counted while other days are excluded. Deadlines expressed as a specific number of
571 "hours" from the occurrence of an event, such as receipt of a notice, are calculated from the exact time of the event, and
572 by counting 24 hours per calendar day. Deadlines expressed as a specific day of the calendar year or as the day of a
573 specific event, such as closing, expire at Midnight of that day. "Midnight" is defined as 11:59 p.m. Central Standard Time.

574 ■ **DEFECT:** "Defect" means a condition that would have a significant adverse effect on the value of the Property; that
575 would significantly impair the health or safety of future occupants of the Property; or that if not repaired, removed or
576 replaced would significantly shorten or adversely affect the expected normal life of the premises. ■ **FIRM:** "Firm" means a
577 licensed sole proprietor broker or a licensed broker business entity.

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

579 ■ **PARTY:** "Party" means the Buyer or the Seller; "Parties" refers to both Buyer and Seller.

580 **INCLUSION OF OPTIONAL PROVISIONS** Terms of this Offer that are preceded by an OPEN BOX () are part of
581 this offer ONLY if the box is marked such as with an "X". They are not part of this offer if marked "N/A" or are left blank.

582 **PROPERTY DIMENSIONS AND SURVEYS** Buyer acknowledges that any land, Unit, building or room dimensions, or
583 total acreage or building or Unit square footage figures, provided to Buyer by Seller or by a Firm or its agents, may be
584 approximate because of rounding, formulas used or other reasons, unless verified by survey or other means.

585 **CAUTION: Buyer should verify total square footage formula, total square footage/acreage figures, and land,**
586 **building or room dimensions, if material.**

587 **DISTRIBUTION OF INFORMATION** Buyer and Seller authorize the agents of Buyer and Seller to: (i) distribute copies of
588 the Offer to Buyer's lender, appraisers, title insurance companies and any other settlement service providers for the
589 transaction as defined by the Real Estate Settlement Procedures Act (RESPA); (ii) report sales and financing concession
590 data to multiple listing service sold databases; (iii) provide active listing, pending sale, closed sale and financing
591 concession information and data, and related information regarding seller contributions, incentives or assistance, and third
592 party gifts, to appraisers researching comparable sales, market conditions and listings, upon inquiry; and (iv) distribute
593 copies of this Offer to the seller or seller's agent of another property that Seller intends on purchasing.

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594 **MAINTENANCE** Seller shall maintain the Property and all personal property included in the purchase price until the
595 earlier of closing or Buyer's occupancy, in materially the same condition as of the date of acceptance of this Offer, except
596 for ordinary wear and tear.

597 **PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING** If, prior to closing, the **Unit and any Limited Common**
598 **Elements** is damaged in an amount not more than five percent of the purchase price, other than normal wear and tear,
599 Seller shall promptly notify Buyer in writing, and will be obligated to restore the **Unit and any Limited Common Elements** to
600 materially the same condition it was in at the date on line 1 of this Offer. Seller shall provide Buyer with copies of all
601 required permits and lien waivers for the lienable repairs no later than closing. If the amount of damage exceeds five
602 percent of the purchase price, Seller shall promptly notify Buyer in writing of the damage and this Offer may be **terminated**
603 at option of Buyer. Should Buyer elect to carry out this Offer despite such damage, Buyer shall be entitled to the insurance
604 proceeds, if any, relating to the damage to the **Unit and any Limited Common Elements**, plus a credit towards the

605 purchase price equal to the amount of Seller's deductible on such policy, if any. However, if this sale is financed by a land
606 contract or a mortgage to Seller, any insurance proceeds shall be held in trust for the sole purpose of restoring the **Unit**
607 **and any Limited Common Elements**.

608 **BUYER'S PRE-CLOSING WALK-THROUGH** Within three days prior to closing, at a reasonable time pre-approved by
609 Seller or Seller's agent, Buyer shall have the right to walk through the **Unit and any Limited Common Elements** to
610 determine that there has been no significant change in the condition of the **Unit and any Limited Common Elements**,
611 except for ordinary wear and tear and changes approved by Buyer, and that any defects Seller has agreed to cure have
612 been repaired in the manner agreed to by the Parties.

613 **OCCUPANCY** Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in
614 this Offer at lines xxx-xxx or in an addendum attached per line xxx, or lines xxx-xxx if the Property is leased. At time of
615 Buyer's occupancy, **the Unit and any Limited Common Elements (used exclusively by the Unit owner)** shall be in broom
616 swept condition and free of all debris, refuse, and personal property except for personal property belonging to current
617 tenants, or sold to Buyer or left with Buyer's consent. Occupancy shall be given subject to tenant's rights, if any.

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

621 If **Buyer defaults**, Seller may:

- 622 (1) sue for specific performance and request the earnest money as partial payment of the purchase price; or
- 623 (2) terminate the Offer and have the option to: (a) request the earnest money as liquidated damages; or (b) sue for
624 actual damages.

625 If **Seller defaults**, Buyer may:

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

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

633 **NOTE: IF ACCEPTED, THIS OFFER CAN CREATE A LEGALLY ENFORCEABLE CONTRACT. BOTH PARTIES**
634 **SHOULD READ THIS DOCUMENT CAREFULLY. THE FIRM AND ITS AGENTS MAY PROVIDE A GENERAL**
635 **EXPLANATION OF THE PROVISIONS OF THE OFFER BUT ARE PROHIBITED BY LAW FROM GIVING ADVICE OR**
636 **OPINIONS CONCERNING YOUR LEGAL RIGHTS UNDER THIS OFFER OR HOW TITLE SHOULD BE TAKEN AT**
637 **CLOSING. AN ATTORNEY SHOULD BE CONSULTED IF LEGAL ADVICE IS NEEDED.**

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

641 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons
642 registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at
643 <http://www.doc.wi.gov> or by telephone at (608) 240-5830.

644 **FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT (FIRPTA)** Section 1445 of the Internal Revenue Code (IRC)
645 provides that a transferee (Buyer) of a United States real property interest must pay or withhold as a tax up to 15% of the
646 total "Amount Realized" in the sale if the transferor (Seller) is a "Foreign Person" and no exception from FIRPTA
647 withholding applies. A "Foreign Person" is a nonresident alien individual, foreign corporation, foreign partnership, foreign
648 trust, or foreign estate. The "Amount Realized" is the sum of the cash paid, the fair market value of other property
649 transferred, and the amount of any liability assumed by Buyer.

650 **CAUTION: Under this law if Seller is a Foreign Person, and Buyer does not pay or withhold the tax amount, Buyer**
651 **may be held directly liable by the U.S. Internal Revenue Service for the unpaid tax and a tax lien may be placed**
652 **upon the Property.**

653 Seller hereby represents that Seller is not a Foreign Person. Buyer and Seller agree to comply with FIRPTA requirements
654 under IRC § 1445. No later than 15 days prior to the closing, Seller shall execute and deliver to Buyer, or a qualified
655 substitute (attorney or title company as stated in IRC § 1445), a sworn certification under penalties of perjury of Seller's

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656 non-foreign status in accordance with IRC § 1445. Any representations made by Seller with respect to this issue shall
657 survive the closing and delivery of the deed. If Seller fails to deliver certification of Seller's non-foreign status, Buyer shall
658 be entitled to either: (1) withhold the amount required to be withheld pursuant to IRC § 1445 from amounts otherwise
659 payable to Seller under this Offer; or, (2) terminate this Offer by written notice to Seller prior to closing. Buyer and Seller
660 shall complete, execute, and deliver, on or before closing, any other instrument, affidavit, or statement needed to comply
661 with FIRPTA, including withholding forms.

662 Firms, Agents, and Title Companies are not responsible for determining FIRPTA status or whether any FIRPTA
663 exemption applies. The Parties are advised to consult with their respective independent legal counsel and tax advisors
664 regarding FIRPTA.

665 **ADDITIONAL PROVISIONS/CONTINGENCIES** _____

666 _____

667 _____

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

671 (1) **Personal**: giving the document or written notice personally to the Party, or the Party's recipient for delivery if named at
672 line xxx or xxx.

673 Name of Seller's recipient for delivery, if any: _____

674 Name of Buyer's recipient for delivery, if any: _____

675 (2) **Fax**: fax transmission of the document or written notice to the following number:

676 Seller: (_____) Buyer: (_____)

677 (3) **Commercial**: depositing the document or written notice, fees prepaid or charged to an account, with a
678 commercial delivery service, addressed either to the Party, or to the Party's recipient for delivery, for delivery to the Party's
679 address at line xxx or xxx.

680 (4) **U.S. Mail**: depositing the document or written notice, postage prepaid, in the U.S. Mail, addressed either to the
681 Party, or to the Party's recipient for delivery, for delivery to the Party's address at line xxx or xxx.

682 Address for Seller: _____

683 Address for Buyer: _____

684 (5) **Email**: electronically transmitting the document or written notice to the email address.

685 Seller: _____ Buyer: _____

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

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

689 This Offer was drafted by [Licensee and Firm] _____

690 _____

691 (x) _____
692 Buyer's Signature ▲ Print Name Here ► Date ▲

693 (x) _____
694 Buyer's Signature ▲ Print Name Here ► Date ▲

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

699 (x) _____
700 Seller's Signature ▲ Print Name Here ► Date ▲

701 (x) _____
702 Seller's Signature ▲ Print Name Here ► Date ▲

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

705 This Offer is rejected _____ This Offer is countered [See attached counter] _____
706 Seller Initials ▲ Date ▲ Seller Initials ▲ Date ▲

WB-13 VACANT LAND OFFER TO PURCHASE

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

3 The Buyer, _____,
4 offers to purchase the Property known as [Street Address] _____

5
6 in the _____ of _____, County
7 of _____ Wisconsin (insert additional description, if any, at lines xxx-xxx or
8 attach as an addendum per line xxx), on the following terms:

9 **PURCHASE PRICE** The purchase price is _____
10 _____ Dollars (\$ _____).

11 **INCLUDED IN PURCHASE PRICE** Included in purchase price is the Property, all Fixtures on the Property as of the date
12 stated on line 1 of this Offer (unless excluded at lines xx-xx), and the following additional item: _____

13 _____
14 _____
15 _____
16 _____

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

19 **NOT INCLUDED IN PURCHASE PRICE** Not included in purchase price is Seller's personal property (unless included at
20 lines xx-xx) and the following: _____

21 _____
22 _____
23 _____

24 **CAUTION: Identify Fixtures that are on the Property (see lines xx-xx) to be excluded by Seller or that are rented**
25 **and will continue to be owned by the lessor.**

26 "Fixture" is defined as an item of property which is physically attached to or so closely associated with land so as to be
27 treated as part of the real estate, including, without limitation, physically attached items not easily removable without
28 damage to the premises, items specifically adapted to the premises and items customarily treated as fixtures, including,
29 but not limited to, all: perennial crops, garden bulbs; plants; shrubs and trees; fences; storage buildings on permanent
30 foundations and docks/piers on permanent foundations.

31 **CAUTION: Exclude any Fixtures to be retained by Seller or that are rented on lines xx-xx or at lines xxx-xxx or in**
32 **an addendum per line xxx.**

33 **NOTE: The terms of this Offer, not the listing contract or marketing materials, determine what items are**
34 **included/excluded. Annual crops are not part of the purchase price unless otherwise agreed.**

35 ■ **ZONING:** Seller represents the Property is zoned: _____.

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

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

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

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

44 **CLOSING** This transaction is to be closed on _____
45 _____ at the place selected by Seller,
46 unless otherwise agreed by the Parties in writing. If the date for closing falls on a Saturday, Sunday, or a federal or a state
47 holiday, the closing date shall be the next Business Day.

48 **CAUTION: To reduce the risk of wire transfer fraud, any wiring instructions received should be independently**
49 **verified by phone or in person with the title company, financial institution, or entity directing the transfer. The**
50 **real estate licensees in this transaction are not responsible for the transmission or forwarding of any wiring or**
51 **money transfer instructions.**

Property Address: _____

52 **EARNEST MONEY**

53 ■ EARNEST MONEY of \$ _____ accompanies this Offer.
54 If Offer was drafted by a licensee, receipt of the earnest money accompanying this Offer is acknowledged.
55 ■ EARNEST MONEY of \$ _____ will be mailed, or commercially, electronically
56 or personally delivered within _____ days ("5" if left blank) after acceptance.
57 All earnest money shall be delivered to and held by (listing Firm) (Buyer's agent's Firm) (third party identified as
58 _____) **STRIKE THOSE NOT APPLICABLE** (listing Firm if none
59 chosen; if no listing Firm, then Buyer's agent's Firm; if no Firm then Seller).

60 ■ THE BALANCE OF PURCHASE PRICE will be paid in cash or equivalent at closing unless otherwise agreed in writing.
61 ■ HELD BY: Earnest money shall be delivered in accordance with lines xx-xx and held in the account of the person
62 identified on lines xx-xx. If earnest money is held by a Firm the Firm will hold the earnest money until applied to the
63 purchase price or disbursed as provided at lines xx-xx.

64 **CAUTION: Should persons other than a Firm hold earnest money, an escrow agreement should be drafted by the**
65 **Parties or an attorney because lines xx-xx do not apply. If someone other than Buyer pays earnest money,**
66 **consider a special disbursement agreement.**

67 ■ DISBURSEMENT IF EARNEST MONEY HELD BY A FIRM: If negotiations do not result in an accepted offer and the
68 earnest money is held by a Firm, the earnest money shall be promptly disbursed (after clearance from payer's depository
69 institution if earnest money is paid by check) to the person(s) who paid the earnest money. At closing, earnest money
70 shall be disbursed according to the closing statement. If this Offer does not close, the earnest money shall be disbursed
71 according to a written disbursement agreement signed by all Parties to this Offer. If said disbursement agreement has not
72 been delivered to the Firm holding the earnest money within 60 days after the date set for closing, that Firm may disburse
73 the earnest money: (1) as directed by an attorney who has reviewed the transaction and does not represent Buyer or
74 Seller; (2) into a court hearing a lawsuit involving the earnest money and all Parties to this Offer; (3) as directed by court
75 order; (4) upon authorization granted within this Offer; or (5) any other disbursement required or allowed by law. The Firm
76 may retain legal services to direct disbursement per (1) or to file an interpleader action per (2) and the Firm may deduct
77 from the earnest money any costs and reasonable attorneys' fees, not to exceed \$250, prior to disbursement.

78 ■ LEGAL RIGHTS/ACTION: The Firm's disbursement of earnest money does not determine the legal rights of the Parties
79 in relation to this Offer. Buyer's or Seller's legal right to earnest money cannot be determined by the Firm holding the
80 earnest money. At least 30 days prior to disbursement per (1), (4) or (5) above, where the Firm has knowledge that either
81 Party disagrees with the disbursement, the Firm shall send Buyer and Seller written notice of the intent to disburse by
82 certified mail. If Buyer or Seller disagree with the Firm's proposed disbursement, a lawsuit may be filed to obtain a court
83 order regarding disbursement. Small Claims Court has jurisdiction over all earnest money disputes arising out of the sale
84 of residential property with one-to-four dwelling units. Buyer and Seller should consider consulting attorneys regarding
85 their legal rights under this Offer in case of a dispute. Both Parties agree to hold the Firm harmless from any liability for
86 good faith disbursement of earnest money in accordance with this Offer or applicable Department of Safety and
87 Professional Services regulations concerning earnest money. See Wis. Admin. Code Ch. REEB 18.

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

91 _____. If "Time is of the Essence" applies to a date or Deadline,
92 failure to perform by the exact date or Deadline is a breach of contract. If "Time is of the Essence" does not apply to a
93 date or Deadline, then performance within a reasonable time of the date or Deadline is allowed before a breach occurs.

94 **REAL ESTATE CONDITION REPORT** Wisconsin law requires owners of property which includes one-to-four dwelling
95 units to provide Buyers with a Real Estate Condition Report. Excluded from this requirement are sales of property that has
96 never been inhabited, sales exempt from the real estate transfer fee, and sales by certain court-appointed fiduciaries, (for
97 example, personal representatives who have never occupied the Property). The form of the Report is found in Wis. Stat. §
98 709.03. The law provides: "§ 709.02 Disclosure . . . the owner of the property shall furnish, not later than 10 days after
99 acceptance of the contract of sale . . . , to the prospective Buyer of the property a completed copy of the report . . . A
100 prospective Buyer who does not receive a report within the 10 days may, within two business days after the end of that
101 10-day period, rescind the contract of sale . . . by delivering a written notice of rescission to the owner or the owner's
102 agent." Buyer may also have certain rescission rights if a Real Estate Condition Report disclosing defects is furnished
103 before expiration of the 10 days, but after the Offer is submitted to Seller. Buyer should review the report form or consult
104 with an attorney for additional information regarding rescission rights.

105 **PROPERTY CONDITION REPRESENTATIONS** Seller represents to Buyer that as of the date of acceptance Seller has
106 no notice or knowledge of Conditions Affecting the Property or Transaction (lines xxx-xxx) other than those identified in
107 Seller's Real Estate Condition Report dated _____, which was received by Buyer prior to Buyer
108 signing this Offer and that is made a part of this Offer by reference **COMPLETE DATE OR STRIKE AS APPLICABLE**
109 and _____

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111 **INSERT CONDITIONS NOT ALREADY INCLUDED IN THE CONDITION REPORT**

112 "Conditions Affecting the Property or Transaction" are defined to include:

- 113 a. Flooding, standing water, drainage problems, or other water problems on or affecting the Property.
- 114 b. Impact fees or another condition or occurrence that would significantly increase development costs or reduce the
115 value of the property to a reasonable person with knowledge of the nature and scope of the condition or occurrence.
- 116 c. Brownfields (abandoned, idled, or underused land that may be subject to environmental contamination) or other
117 contaminated land on the property, or that contaminated soils on the property have been cleaned up under the Petroleum
118 Environmental Cleanup Fund Act (PECFA), a Wisconsin Department of Natural Resources (DNR) remedial or cleanup
119 program, the DATCP Agricultural Chemical Cleanup Program, or other similar program.
- 120 d. Subsoil conditions that would significantly increase the cost of development, including, but not limited to, subsurface
121 foundations or waste material; any type of fill; dumpsites where pesticides, herbicides, fertilizer, or other toxic or
122 hazardous materials or containers for these materials were disposed of in violation of manufacturer or government
123 guidelines or other laws regulating such disposal; high groundwater; adverse soil conditions, such as low load-bearing
124 capacity, earth or soil movement, settling, upheavals, or slides; excessive rocks or rock formations; or other soil problems.
- 125 e. Material violation of an environmental rule or other rule or agreement regulating the use of the Property. f. Defects
126 caused by unsafe concentrations of, or unsafe conditions relating to, radon, radium in water supplies, lead in paint, soil or
127 water supplies, unsafe levels of mold, asbestos or asbestos-containing materials or other potentially hazardous or toxic
128 substances on the Property; manufacture of methamphetamine or other hazardous or toxic substances on the Property;
129 or high voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the
130 Property.
- 131 **NOTE: Specific federal lead paint disclosure requirements must be complied with in the sale of most residential**
132 **properties built before 1978.**
- 133 g. Defects caused by unsafe concentrations of, unsafe conditions relating to, or the storage of, hazardous or toxic
134 substances on neighboring properties.
- 135 f. The Property is served by a joint well; Defects related to a joint well serving the Property; or Defects in a well on the
136 Property or in a well that serves the Property, including unsafe well water due to contaminants such as coliform, nitrates,
137 or atrazine, or any out-of-service wells or cisterns that are required to be abandoned (see § NR 812.26, Wis. Adm. Code)
138 but that are not closed or abandoned according to applicable regulations.
- 139 g. Defects in any septic system or other private sanitary disposal system on the Property; or any out-of-service septic
140 system serving the Property not closed or abandoned according to applicable regulations.
- 141 h. Underground or aboveground fuel storage tanks on or previously located on the Property for storage of flammable or
142 combustible liquids including, but not limited to, gasoline or heating oil; or Defects in the underground or aboveground fuel
143 storage tanks on or previously located on the Property. Defects in underground or aboveground fuel storage tanks may
144 include items such as abandoned tanks not closed in conformance with applicable local, state, and federal law; leaking;
145 corrosion; or failure to meet operating standards. (The owner, by law, may have to register the tanks with the Department
146 of Agriculture, Trade and Consumer Protection at P.O. Box 8911, Madison, Wisconsin, 53708, whether the tanks are in
147 use or not. Department regulations may require closure or removal of unused tanks.)
- 148 i. "LP" tank on the Property (specify in the additional information whether the tank is owned or leased); or Defects in an
149 "LP" tank on the Property.
- 150 j. Notice of property tax increases, other than normal annual increases, or pending Property tax reassessment;
151 remodeling that may increase the Property's assessed value; pending special assessments; or Property is within a special
152 purpose district, such as a drainage district, that has authority to impose assessments.
- 153 k. Proposed, planned, or commenced public improvements or public construction projects that may result in special
154 assessments or that may otherwise materially affect the property or the present use of the Property; Property additions or
155 remodeling affecting Property structure or mechanical systems during Seller's ownership without required permits; or any
156 land division involving the Property without required state or local permits.
- 157 l. The Property is part of or subject to a subdivision homeowners' association; or the Property is not a condominium unit
158 and there are common areas associated with the Property that are co-owned with others.
- 159 m. Any zoning code violations with respect to the Property; the Property or any portion thereof is located in a floodplain,
160 wetland or shoreland zoning area under local, state or federal regulations; or the Property is subject to a mitigation plan
161 required by Wisconsin Department of Natural Resources (DNR) rules related to county shoreland zoning ordinances, that
162 obligates the Property owner to establish or maintain certain measures related to shoreland conditions, enforceable by the
163 county.
- 164 n. Nonconforming uses of the Property (a nonconforming use is a use of land, a dwelling, or a building that existed
165 lawfully before the current zoning ordinance was enacted or amended, but that does not conform to the use restrictions in
166 the current ordinance); conservation easements (a conservation easement is a legal agreement in which a property owner
167 conveys some of the rights associated with ownership of his or her property to an easement holder such as a
168 governmental unit or a qualified nonprofit organization to protect the natural habitat of fish, wildlife, or plants or a similar
169 ecosystem, preserve areas for outdoor recreation or education, or for similar purposes); restrictive covenants or deed
170 restrictions on the Property; or nonowners having rights to use part of the Property, including, but not limited to,
171 rights-of-way and easements other than recorded utility easements.
- 172 o. All or part of the Property has been assessed as agricultural land; has been assessed a use-value assessment
173 conversion charge; or payment of a use-value assessment conversion charge has been deferred.
- 174 p. All or part of the Property is subject to, enrolled in, or in violation of a farmland preservation agreement, Forest Crop
175 Law, Managed Forest Law, the Conservation Reserve Program, or a comparable program.

176 q. A dam is totally or partially located on the Property; or an ownership interest in a dam not located on the Property will
177 be transferred with the Property because the dam is owned collectively by a homeowners' association, lake district, or
178 similar group of which the Property owner is a member.

179 r. No legal access to the Property; or boundary or lot line disputes, encroachments or encumbrances (including a joint
180 driveway) affecting the Property. Encroachments often involve some type of physical object belonging to one person but
181 partially located on or overlapping on land belonging to another; such as, without limitation, fences, houses, garages,
182 driveways, gardens, and landscaping. Encumbrances include, without limitation, a right or claim of another to a portion of
183 the Property or to the use of the Property such as a joint driveway, liens, and licenses.

184 s. Government agency, court order, or federal, state, or local regulations requiring repair, alteration or correction of an
185 existing condition.

186 t. A pier attached to the Property not in compliance with state or local pier regulations.

187 Material damage from fire, wind, flood, earthquake, expansive soil, erosion, or landslide.

188 Significant odor, noise, water diversion, water intrusion, or other irritants emanating from neighboring property.

189 Significant crop damage from disease, insects, soil contamination, wildlife, or other causes; diseased or dying trees
190 or shrubs; or substantial injuries or disease in livestock on the property or neighboring property.

191 u. Animal, reptile, or other insect infestations; drainage easement or grading problems; excessive sliding; or any other
192 Defect or material condition. v. Archeological artifacts, mineral rights, orchards, or endangered species, or one or more
193 burial sites on the Property.

194 w. Other Defects affecting the Property such as any agreements that bind subsequent owners of the property, such as a
195 lease agreement or an extension of credit from an electric cooperative, .

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

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

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

211 **INSPECTION CONTINGENCY:** This contingency only authorizes inspections, not testing (see lines xxx-xxx).

212 (1) This Offer is contingent upon a Wisconsin registered or Wisconsin licensed home inspector performing a home
213 inspection of the Property after the date on line 1 of this Offer that discloses no Defects.

214 (2) This Offer is further contingent upon a qualified independent inspector or independent qualified third party performing
215 an inspection of _____

216 _____ (list any Property component(s)
217 to be separately inspected, e.g., swimming pool, roof, foundation, chimney, etc.) that discloses no Defects.

218 (3) Buyer may have follow-up inspections recommended in a written report resulting from an authorized inspection,
219 provided they occur prior to the Deadline specified at line xxx. Inspection(s) shall be performed by a qualified
220 independent inspector or independent qualified third party.

221 Buyer shall order the inspection(s) and be responsible for all costs of inspection(s).

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

224 This contingency shall be deemed satisfied unless Buyer, within _____ days ("15" if left blank) after acceptance,
225 delivers to Seller a copy of the written inspection report(s) dated after the date on line 1 of this Offer and a written notice
226 listing the Defect(s) identified in those report(s) to which Buyer objects (Notice of Defects).

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

228 For the purposes of this contingency, Defects do not include structural, mechanical or other conditions the nature and
229 extent of which Buyer had actual knowledge or written notice before signing this Offer.

230 **NOTE: "Defect" as defined on lines xxx-xxx means a condition that would have a significant adverse effect on the**
231 **value of the Property; that would significantly impair the health or safety of future occupants of the Property; or**
232 **that if not repaired, removed or replaced would significantly shorten or adversely affect the expected normal life**
233 **of the premises.**

234 **RIGHT TO CURE:** Seller (shall)(shall not) **STRIKE ONE** ("shall" if neither is stricken) have the right to cure the Defects.

235 If Seller has the right to cure, Seller may satisfy this contingency by:

- 236 (1) delivering written notice to Buyer within _____ (“10” if left blank) days after Buyer’s delivery of the Notice of
237 Defects stating Seller’s election to cure Defects;
238 (2) curing the Defects in a good and workmanlike manner including obtaining applicable permits where required; and
239 (3) delivering to Buyer a written report detailing the work done and documenting compliance with permit requirements
240 no later than three days prior to closing.

241 This Offer shall be null and void if Buyer makes timely delivery of the Notice of Defects and written inspection report(s)
242 and:

- 243 (1) Seller does not have the right to cure; or
244 (2) Seller has the right to cure but:
245 (a) Seller delivers written notice that Seller will not cure; or
246 (b) Seller does not timely deliver the written notice of election to cure.

247

248 **PROPERTY DEVELOPMENT WARNING** If Buyer contemplates developing Property for a use other than the current use,
249 there are a variety of issues that should be addressed to ensure the development or new use is feasible. Municipal and
250 zoning ordinances, recorded building and use restrictions, covenants and easements may prohibit certain improvements
251 or uses and therefore should be reviewed. Building permits, zoning variances, Architectural Control Committee approvals,
252 estimates for utility hook-up expenses, special assessments, changes for installation of roads or utilities, environmental
253 audits, subsoil tests, or other development related fees may need to be obtained or verified in order to determine the
254 feasibility of development of, or a particular use for, a property. Optional contingencies that allow Buyer to investigate
255 certain of these issues can be found at lines xxx-xxx and Buyer may add contingencies as needed in addenda (see line
256 xxx). Buyer should review any plans for development or use changes to determine what issues should be addressed in
257 these contingencies.

258 **PROPOSED USE CONTINGENCIES:** Buyer is purchasing the Property for the purpose of: _____
259 _____

260

261 [insert proposed use and type and size of building, if applicable; e.g. three bedroom single family home]. The optional
262 provisions checked on lines xxx-xxx shall be deemed satisfied unless Buyer, within _____ days after acceptance,
263 delivers written notice to Seller specifying those items that cannot be satisfied and written evidence substantiating why
264 each specific item included in Buyer’s notice cannot be satisfied. Upon delivery of Buyer’s notice, this Offer shall be null
265 and void. Seller agrees to cooperate with Buyer as necessary to satisfy the contingencies checked at lines xxx-xxx.

266 **ZONING CLASSIFICATION CONFIRMATION:** This Offer is contingent upon Buyer obtaining, at (Buyer’s)
267 (Seller’s) STRIKE ONE (“Buyer’s” if neither is stricken) expense, verification that the Property is zoned _____
268 _____ and that the Property’s zoning allows the Buyer’s proposed use described at lines xxx-xxx.

269 **SUBSOILS:** This offer is contingent upon Buyer obtaining, at (Buyer’s) (Seller’s) STRIKE ONE (“Buyer’s” if
270 neither is stricken) expense, written evidence from a qualified soils expert that the Property is free of any subsoil
271 condition that would make the proposed use described at lines xxx-xxx impossible or significantly increase the costs
272 of such development.

273 **PRIVATE ONSITE WASTEWATER TREATMENT SYSTEM (POWTS) SUITABILITY:** This Offer is contingent
274 upon Buyer obtaining, at (Buyer’s) (Seller’s) STRIKE ONE (“Buyer’s” if neither is stricken) expense, written evidence
275 from a certified soils tester that (a) the soils at the Property locations selected by Buyer, and (b) all other conditions
276 that must be approved, meet the legal requirements in effect on the date of this Offer to obtain a permit for a POWTS
277 for use of the Property as stated on lines xxx-xxx. The POWTS (septic system) allowed by the written evidence must
278 be one of the following POWTS that is approved by the State for use with the type of property identified at lines xxx-
279 xxx CHECK ALL THAT APPLY: conventional in-ground; mound; at grade; in-ground pressure distribution;
280 holding tank; other: _____.

281 **EASEMENTS AND RESTRICTIONS:** This Offer is contingent upon Buyer obtaining, at (Buyer’s) (Seller’s)
282 STRIKE ONE (“Buyer’s” if neither is stricken) expense, copies of all public and private easements, covenants and
283 restrictions affecting the Property and a written determination by a qualified independent third party that none of these
284 prohibit or significantly delay or increase the costs of the proposed use or development identified at lines xxx-xxx.

285 **APPROVALS:** This Offer is contingent upon Buyer obtaining, at (Buyer’s) (Seller’s) STRIKE ONE (“Buyer’s” if
286 neither is stricken) expense, permits, approvals and licenses, as appropriate, or the final discretionary action by the
287 granting authority prior to the issuance of such permits, approvals and licenses, for the following items related to
288 Buyer’s proposed use: _____
289 _____.

290 **UTILITIES:** This Offer is contingent upon Buyer obtaining, at (Buyer’s) (Seller’s) STRIKE ONE (“Buyer’s” if
291 neither is stricken) expense, written verification of the location of the following utility service connections (e.g., on the
292 Property, at the lot line, across the street, etc.) CHECK AND COMPLETE AS APPLICABLE:

- 293 electricity _____; gas _____; sewer _____;
294 water _____; telephone _____; cable _____;
295 other _____.

296 **ACCESS TO PROPERTY:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) ~~STRIKE ONE~~
297 ("Buyer's" if neither is stricken) expense, written verification that there is legal vehicular access to the Property from
298 public roads.

299 **LAND USE APPROVAL:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) ~~STRIKE ONE~~
300 ("Buyer's" if neither is stricken) expense, a rezoning; conditional use permit; license; variance; building
301 permit; occupancy permit; other _____ ~~CHECK ALL THAT APPLY,~~
302 and delivering written notice to Seller if the item cannot be obtained, all within _____ days of acceptance for the Property
303 for its proposed use described at lines xxx-xxx.

304 **MAP OF THE PROPERTY:** This Offer is contingent upon (Buyer obtaining) (Seller providing) ~~STRIKE ONE~~ ("Seller
305 providing" if neither is stricken) a Map of the Property dated subsequent to the date of acceptance of this Offer prepared
306 by a registered land surveyor, within _____ days ("20" if left blank) of acceptance, at (Buyer's) (Seller's) ~~STRIKE ONE~~
307 ("Seller's" if neither is stricken) expense. The map shall show minimum of _____ acres, maximum of _____
308 acres, the legal description of the Property, the Property's boundaries and dimensions, visible encroachments upon the
309 Property, the location of improvements, if any, and: _____

310 _____ ~~STRIKE AND COMPLETE AS APPLICABLE~~

311 Additional map features that may be added include, but are not limited to: staking of all corners of the Property; identifying
312 dedicated and apparent streets; lot dimensions; total acreage or square footage; easements or rights-of-way.

313 **CAUTION: Consider the cost and the need for map features before selecting them. Also consider the time**
314 **required to obtain the map when setting the deadline.**

315 This contingency shall be deemed satisfied unless Buyer, within **five days of the deadline for delivery** of said map, delivers
316 to Seller a copy of the map and a written notice which identifies: (1) the significant encroachment; (2) information
317 materially inconsistent with prior representations; or (3) failure to meet requirements stated within this contingency. Upon
318 delivery of Buyer's notice, this Offer shall be null and void. **If Seller was responsible to provide the map, this Offer shall be**
319 **null and void if Buyer delivers notice to Seller within three days of the delivery deadline stating Seller failed to deliver the**
320 **map.**

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

322 **FINANCING COMMITMENT CONTINGENCY:** This Offer is contingent upon Buyer being able to obtain a written
323 _____ [loan type or specific lender, if any] first mortgage loan commitment as described
324 below, within _____ days after acceptance of this Offer. The financing selected shall be in an amount of not less than
325 \$ _____ for a term of not less than _____ years, amortized over not less than _____ years.
326 Initial monthly payments of principal and interest shall not exceed \$ _____. Buyer acknowledges that
327 lender's required monthly payments may also include 1/12th of the estimated net annual real estate taxes, hazard
328 insurance premiums, and private mortgage insurance premiums. The mortgage shall not include a prepayment premium.
329 Buyer agrees to pay discount points in an amount not to exceed _____% ("0" if left blank) of the loan. If Buyer is using
330 multiple loan sources or obtaining a construction loan or land contract financing, describe at lines xxx-xxx or in an
331 addendum attached per line xxx. Buyer agrees to pay all customary loan and closing costs, wire fees, and loan origination
332 fees, to promptly apply for a mortgage loan, and to provide evidence of application promptly upon request of Seller. Seller
333 agrees to allow lender's appraiser access to the Property.

334 **LOAN AMOUNT ADJUSTMENT:** If the purchase price under this Offer is modified, any financed amount, unless
335 otherwise provided, shall be adjusted to the same percentage of the purchase price as in this contingency and the
336 monthly payments shall be adjusted as necessary to maintain the term and amortization stated above.

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

338 **FIXED RATE FINANCING:** The annual rate of interest shall not exceed _____%.

339 **ADJUSTABLE RATE FINANCING:** The initial interest rate shall not exceed _____%. The initial interest rate
340 shall be fixed for _____ months, at which time the interest rate may be increased not more than _____% ("2"
341 if left blank) at the first adjustment and by not more than _____% ("1" if left blank) at each subsequent
342 adjustment. The maximum interest rate during the mortgage term shall not exceed the initial interest rate plus
343 _____% ("6" if left blank). Monthly payments of principal and interest may be adjusted to reflect interest changes.

344 **SATISFACTION OF FINANCING COMMITMENT CONTINGENCY:** If Buyer qualifies for the loan described in this Offer
345 or another loan acceptable to Buyer, Buyer agrees to deliver to Seller a copy of a written loan commitment.

346 This contingency shall be satisfied if, after Buyer's review, Buyer delivers to Seller a copy of a written loan commitment
347 (even if subject to conditions) that is:

348 (1) signed by Buyer; or,

349 (2) accompanied by Buyer's written direction for delivery.

350 Delivery of a loan commitment by Buyer's lender or delivery accompanied by a notice of unacceptability shall not satisfy
351 this contingency.

352 **CAUTION: The delivered loan commitment may contain conditions Buyer must yet satisfy to obligate the lender**
353 **to provide the loan. Buyer understands delivery of a loan commitment removes the Financing Commitment**
354 **Contingency from the Offer and shifts the risk to Buyer if the loan is not funded.**

355 **SELLER TERMINATION RIGHTS:** If Buyer does not deliver a loan commitment on or before the Deadline on line xxx.
356 Seller may terminate this Offer if Seller delivers a written notice of termination to Buyer prior to Seller's Actual Receipt of
357 written loan commitment from Buyer that is signed by Buyer or accompanied by Buyer's written direction for delivery.

358 **FINANCING COMMITMENT UNAVAILABILITY:** If a financing commitment is not available on the terms stated in this
359 Offer (and Buyer has not already delivered an acceptable loan commitment for other financing to Seller), Buyer shall

360 promptly deliver written notice to Seller of same including copies of lender(s)' rejection letter(s) or other evidence of
361 unavailability.

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362 **SELLER FINANCING:** Seller shall have 10 days after the earlier of:

- 363 (1) Buyer delivery of written notice of evidence of unavailability as noted in lines xxx to xxx or
364 (2) the Deadline for delivery of the loan commitment on line xxx, to deliver to Buyer written notice of Seller's decision to
365 finance this transaction with a note and mortgage under the same terms set forth in this Offer, and this Offer shall
366 remain in full force and effect, with the time for closing extended accordingly.

367 If Seller's notice is not timely given, the option for Seller to provide financing shall be considered waived. Buyer agrees to
368 cooperate with and authorizes Seller to obtain any credit information reasonably appropriate to determine Buyer's credit
369 worthiness for Seller financing.

370 **IF THIS OFFER IS NOT CONTINGENT ON FINANCING COMMITMENT** Within _____ days ("7" if left blank) after
371 acceptance, Buyer shall deliver to Seller either:

- 372 (1) reasonable written verification from a financial institution or third party in control of Buyer's funds that Buyer has, at
373 the time of verification, sufficient funds to close; or
374 (2) _____

375 _____ [Specify documentation Buyer agrees to deliver to Seller].

376 If such written verification or documentation is not delivered, Seller has the right to terminate this Offer by delivering
377 written notice to Buyer prior to Seller's Actual Receipt of a copy of Buyer's written verification. Buyer may or may not
378 obtain mortgage financing but does not need the protection of a financing contingency. Seller agrees to allow Buyer's
379 appraiser access to the Property for purposes of an appraisal. Buyer understands and agrees that this Offer is not subject
380 to the appraisal meeting any particular value, unless this Offer is subject to an appraisal contingency, nor does the right of
381 access for an appraisal constitute a financing commitment contingency.

382 **APPRAISAL CONTINGENCY:** This Offer is contingent upon Buyer or Buyer's lender having the Property
383 appraised at Buyer's expense by a Wisconsin licensed or certified independent appraiser who issues an appraisal report
384 dated subsequent to the date stated on line 1 of this Offer, indicating an appraised value for the Property equal to or
385 greater than the agreed upon purchase price.

386 This contingency shall be deemed satisfied unless Buyer, within _____ days after acceptance, delivers to Seller a
387 copy of the appraisal report indicating an appraised value less than the agreed upon purchase price, and a written notice
388 objecting to the appraised value.

389 **RIGHT TO CURE:** Seller (shall) (shall not) **STRIKE ONE** ("shall" if neither is stricken) have the right to cure.

390 If Seller has the right to cure, Seller may satisfy this contingency by delivering written notice to Buyer adjusting the
391 purchase price to the value shown on the appraisal report within _____ days ("5" if left blank) after Buyer's delivery of
392 the appraisal report and the notice objecting to the appraised value. Seller and Buyer agree to promptly execute an
393 amendment initiated by either party after delivery of Seller's notice, solely to reflect the adjusted purchase price.

394 This Offer shall be null and void if Buyer makes timely delivery of the notice objecting to appraised value and the written
395 appraisal report and:

- 396 (1) Seller does not have the right to cure; or
397 (2) Seller has the right to cure but:
398 (a) Seller delivers written notice that Seller will not adjust the purchase price; or
399 (b) Seller does not timely deliver the written notice adjusting the purchase price to the value shown on the appraisal
400 report.

401 **NOTE: An executed FHA, VA or USDA Amendatory clause may supersede this contingency.**

402 **CLOSING OF BUYER'S PROPERTY CONTINGENCY:** This Offer is contingent upon the closing of the sale of
403 Buyer's property located at _____

404 no later than _____ (the Deadline). If closing does not occur by the Deadline, this Offer
405 shall be null and void unless Buyer delivers to Seller, on or before the Deadline, reasonable written verification from a
406 financial institution or third party in control of Buyer's funds that Buyer has, at the time of verification, sufficient funds to
407 close or proof of bridge loan financing, along with a written notice waiving this contingency. Delivery of verification or proof
408 of bridge loan shall not extend the closing date for this Offer.

409 **BUMP CLAUSE:** If Seller accepts a bona fide secondary offer, Seller may give written notice to Buyer that another
410 offer has been accepted. If Buyer does not deliver to Seller the documentation listed below within _____ hours ("72" if
411 left blank) after Buyer's Actual Receipt of said notice, this Offer shall be null and void. Buyer must deliver the following:

- 412 (1) Written waiver of the Closing of Buyer's Property Contingency if line xxx is marked;
413 (2) Written waiver of _____
414 _____ (name other contingencies, if any); and

415 (3) Any of the following checked below:

- 416 Proof of bridge loan financing.
417 Proof of ability to close from a financial institution or third party in control of Buyer's funds which shall provide
418 Seller with reasonable written verification that Buyer has, at the time of verification, sufficient funds to close.
419 Other: _____

420 _____
421 [insert other requirements, if any (e.g., payment of additional earnest money, etc.)]

422 **SECONDARY OFFER:** This Offer is secondary to a prior accepted offer. This Offer shall become primary upon
423 delivery of written notice to Buyer that this Offer is primary. Unless otherwise provided, Seller is not obligated to give
424 Buyer notice prior to any Deadline, nor is any particular secondary buyer given the right to be made primary ahead of
425 other secondary buyers. Buyer may declare this Offer null and void by delivering written notice of withdrawal to Seller prior
426 to delivery of Seller's notice that this Offer is primary. Buyer may not deliver notice of withdrawal earlier than _____ days
427 ("seven" if left blank) after acceptance of this Offer. All other Offer Deadlines that run from acceptance shall run from the
428 time this Offer becomes primary.

429 **HOMEOWNERS ASSOCIATION** If this Property is subject to a homeowners association, Buyer is aware the Property
430 may be subject to periodic association fees after closing and one-time fees resulting from transfer of the Property. Any
431 one-time fees resulting from transfer of the Property shall be paid at closing by (Seller) (Buyer) **STRIKE ONE** ("Buyer" if
432 neither is stricken).

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

436
437 **CAUTION: Provide basis for utility charges, fuel or other prorations if date of closing value will not be used.**

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

439 Real estate taxes shall be prorated at closing based on **CHECK BOX FOR APPLICABLE PRORATION FORMULA:**

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

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

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

446

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

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

457 **TITLE EVIDENCE**

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

464
465 _____ (insert other allowable exceptions
466 from title, if any) that constitutes merchantable title for purposes of this transaction. Seller, at Seller's cost, shall complete
467 and execute the documents necessary to record the conveyance and pay the Wisconsin Real Estate Transfer Fee.

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

471 ■ **TITLE EVIDENCE:** Seller shall give evidence of title in the form of an owner's policy of title insurance in the amount of
472 the purchase price on a current ALTA form issued by an insurer licensed to write title insurance in Wisconsin. Seller shall
473 pay all costs of providing title evidence to Buyer. Buyer shall pay the costs of providing the title evidence required by
474 Buyer's lender and recording the deed or other conveyance.

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

481 ■ **DELIVERY OF MERCHANTABLE TITLE:** The required title insurance commitment shall be delivered to Buyer's
482 attorney or Buyer not less than 5 business days before closing, showing title to the Property as of a date no more than 15
483 days before delivery of such title evidence to be merchantable per **lines xxx-xxx**, subject only to liens that will be paid out
484 of the proceeds of closing and standard title insurance requirements and exceptions.

485 ■ **TITLE NOT ACCEPTABLE FOR CLOSING:** If title is not acceptable for closing, Buyer shall notify Seller in writing of
486 objections to title by the time set for closing. Seller shall have a reasonable time, but not exceeding 15 days, to remove
487 the objections, and the time for closing shall be extended as necessary for this purpose. If Seller is unable to remove said
488 objections, Buyer shall have five days from receipt of notice thereof, to deliver written notice waiving the objections, and
489 the time for closing shall be extended accordingly. If Buyer does not waive the objections, this Offer shall be null and void.
490 Providing title evidence acceptable for closing does not extinguish Seller's obligations to give merchantable title to Buyer.

491 ■ **SPECIAL ASSESSMENTS/OTHER EXPENSES:** Special assessments, if any, levied or for work actually commenced
492 prior to the date stated on line 1 of this Offer shall be paid by Seller no later than closing. All other special assessments
493 shall be paid by Buyer. "Levied" means the local municipal governing body has adopted and published a final resolution
494 describing the planned improvements and the assessment of benefits.

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

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

504 _____
505 _____ . Insert additional terms, if any, at lines **xxx-xxx** or attach as an addendum per line **xxx**.

506 **DEFINITIONS**

507 ■ **ACTUAL RECEIPT:** "Actual Receipt" means that a Party, not the Party's recipient for delivery, if any, has the document
508 or written notice physically in the Party's possession, regardless of the method of delivery. If the document or written
509 notice is electronically delivered, Actual Receipt shall occur when the Party opens the electronic transmission.

510 ■ **BUSINESS DAY:** "Business Day" means a calendar day other than Saturday, Sunday, any legal public holiday under
511 Wisconsin or Federal law, and any other day designated by the President such that the postal service does not receive
512 registered mail or make regular deliveries on that day.

513 ■ **DEADLINES:** "Deadlines" expressed as a number of "days" from an event, such as acceptance, are calculated by
514 excluding the day the event occurred and by counting subsequent calendar days. The Deadline expires at Midnight on the
515 last day. Additionally, Deadlines expressed as a specific number of Business Days are calculated in the same manner
516 except that only Business Days are counted while other days are excluded. Deadlines expressed as a specific number of
517 "hours" from the occurrence of an event, such as receipt of a notice, are calculated from the exact time of the event, and
518 by counting 24 hours per calendar day. Deadlines expressed as a specific day of the calendar year or as the day of a
519 specific event, such as closing, expire at Midnight of that day. "Midnight" is defined as 11:59 p.m. Central Standard Time.

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

523 ■ **FIRM:** "Firm" means a licensed sole proprietor broker or a licensed broker business entity.

524 ■ **PARTY:** "Party" means the Buyer or the Seller; "Parties" refers to both the buyer and the Seller.

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

526 **INCLUSION OF OPTIONAL PROVISIONS** Terms of this Offer that are preceded by an OPEN BOX () are part of
527 this offer ONLY if the box is marked such as with an "X". They are not part of this offer if marked "N/A" or are left blank.

528 **PROPERTY DIMENSIONS AND SURVEYS** Buyer acknowledges that any land dimensions, or total acreage or square
529 footage figures, provided to Buyer by Seller or by a Firm or its agents, may be approximate because of rounding, formulas
530 used or other reasons, unless verified by survey or other means.

531 **CAUTION: Buyer should verify total square footage formula, total square footage/acreage figures, and land**
532 **dimensions, if material.**

533 **DISTRIBUTION OF INFORMATION** Buyer and Seller authorize the agents of Buyer and Seller to: (i) distribute copies of
534 the Offer to Buyer's lender, appraisers, title insurance companies and any other settlement service providers for the
535 transaction as defined by the Real Estate Settlement Procedures Act (RESPA); (ii) report sales and financing concession
536 data to multiple listing service sold databases; (iii) provide active listing, pending sale, closed sale and financing
537 concession information and data, and related information regarding seller contributions, incentives or assistance, and third
538 party gifts, to appraisers researching comparable sales, market conditions and listings, upon inquiry; and (iv) distribute
539 copies of this Offer to the seller or seller's agent of another property that Seller intends on purchasing.

540 **MAINTENANCE** Seller shall maintain the Property and all personal property included in the purchase price until the
541 earlier of closing or Buyer's occupancy, in materially the same condition as of the date of acceptance of this Offer, except
542 for ordinary wear and tear.

543 **PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING** If, prior to closing, the Property is damaged in an
544 amount not more than five percent of the purchase price, other than normal wear and tear, Seller shall promptly notify
545 Buyer in writing, and will be obligated to restore the Property to materially the same condition it was in at the date on line 1
546 of this Offer. Seller shall provide Buyer with copies of all required permits and lien waivers for the lienable repairs no later
547 than closing. If the amount of damage exceeds five percent of the purchase price, Seller shall promptly notify Buyer in
548 writing of the damage and this Offer may be terminated at option of Buyer. Should Buyer elect to carry out this Offer
549 despite such damage, Buyer shall be entitled to the insurance proceeds, if any, relating to the damage to the Property,
550 plus a credit towards the purchase price equal to the amount of Seller's deductible on such policy, if any. However, if this
551 sale is financed by a land contract or a mortgage to Seller, any insurance proceeds shall be held in trust for the sole
552 purpose of restoring the Property.

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

557 **OCCUPANCY** Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in
558 this Offer at lines xxx-xxx or in an addendum attached per line xxx, or lines xxx-xxx if the Property is leased. At time of
559 Buyer's occupancy, Property shall be free of all debris and personal property except for personal property belonging to
560 current tenants, or that sold to Buyer or left with Buyer's consent. Occupancy shall be given subject to tenant's rights, if
561 any.

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

565 If Buyer defaults, Seller may:

- 566 (1) sue for specific performance and request the earnest money as partial payment of the purchase price; or
567 (2) terminate the Offer and have the option to: (a) request the earnest money as liquidated damages; or (b) sue for
568 actual damages.

569 If Seller defaults, Buyer may:

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

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

577 **NOTE: IF ACCEPTED, THIS OFFER CAN CREATE A LEGALLY ENFORCEABLE CONTRACT. BOTH PARTIES**
578 **SHOULD READ THIS DOCUMENT CAREFULLY. THE FIRM AND ITS AGENTS MAY PROVIDE A GENERAL**
579 **EXPLANATION OF THE PROVISIONS OF THE OFFER BUT ARE PROHIBITED BY LAW FROM GIVING ADVICE OR**
580 **OPINIONS CONCERNING YOUR LEGAL RIGHTS UNDER THIS OFFER OR HOW TITLE SHOULD BE TAKEN AT**
581 **CLOSING. AN ATTORNEY SHOULD BE CONSULTED IF LEGAL ADVICE IS NEEDED.**

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

585 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons
586 registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at
587 <http://www.doc.wi.gov> or by telephone at (608) 240-5830.

588 **FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT (FIRPTA)** Section 1445 of the Internal Revenue Code (IRC)
589 provides that a transferee (Buyer) of a United States real property interest must pay or withhold as a tax up to 15% of the
590 total "Amount Realized" in the sale if the transferor (Seller) is a "Foreign Person" and no exception from FIRPTA
591 withholding applies. A "Foreign Person" is a nonresident alien individual, foreign corporation, foreign partnership, foreign
592 trust, or foreign estate. The "Amount Realized" is the sum of the cash paid, the fair market value of other property
593 transferred, and the amount of any liability assumed by Buyer.

594 **CAUTION: Under this law if Seller is a Foreign Person, and Buyer does not pay or withhold the tax amount, Buyer**
595 **may be held directly liable by the U.S. Internal Revenue Service for the unpaid tax and a tax lien may be placed**
596 **upon the Property.**

597 Seller hereby represents that Seller is not a Foreign Person. Buyer and Seller agree to comply with FIRPTA requirements
598 under IRC § 1445. No later than 15 days prior to the closing, Seller shall execute and deliver to Buyer, or a qualified
599 substitute (attorney or title company as stated in IRC § 1445), a sworn certification under penalties of perjury of Seller's

600 non-foreign status in accordance with IRC § 1445. Any representations made by Seller with respect to this issue shall
601 survive the closing and delivery of the deed. If Seller fails to deliver certification of Seller's non-foreign status, Buyer shall
602 be entitled to either: (1) withhold the amount required to be withheld pursuant to IRC § 1445 from amounts otherwise
603 payable to Seller under this Offer; or, (2) terminate this Offer by written notice to Seller prior to closing. Buyer and Seller
604 shall complete, execute, and deliver, on or before closing, any other instrument, affidavit, or statement needed to comply
605 with FIRPTA, including withholding forms.
606 Firms, Agents, and Title Companies are not responsible for determining FIRPTA status or whether any FIRPTA
607 exemption applies. The Parties are advised to consult with their respective independent legal counsel and tax advisors
608 regarding FIRPTA.

609 **ADDITIONAL PROVISIONS/CONTINGENCIES** _____
610 _____
611 _____
612 _____
613 _____
614 _____

615 **DELIVERY OF DOCUMENTS AND WRITTEN NOTICES**

616 Unless otherwise stated in this Offer, delivery of documents
617 and written notices to a Party shall be effective only when accomplished by one of the authorized methods specified at
618 lines xxx-xxx.

619 (1) **Personal**: giving the document or written notice personally to the Party, or the Party's recipient for delivery if named at
620 line xxx or xxx.

621 Name of Seller's recipient for delivery, if any: _____

622 Name of Buyer's recipient for delivery, if any: _____

623 (2) **Fax**: fax transmission of the document or written notice to the following number:

624 Seller: (_____) _____ Buyer: (_____) _____

625 (3) **Commercial**: depositing the document or written notice, fees prepaid or charged to an account, with a
626 commercial delivery service, addressed either to the Party, or to the Party's recipient for delivery, for delivery to the Party's
627 address at line xxx or xxx.

628 (4) **U.S. Mail**: depositing the document or written notice, postage prepaid, in the U.S. Mail, addressed either to the
629 Party, or to the Party's recipient for delivery, for delivery to the Party's address at line xxx or xxx.

630 Address for Seller: _____

631 Address for Buyer: _____

632 (5) **Email**: electronically transmitting the document or written notice to the email address.

633 Seller: _____ Buyer: _____

634 **PERSONAL DELIVERY/ACTUAL RECEIPT**

635 Personal delivery to, or Actual Receipt by, any named Buyer or Seller
636 constitutes personal delivery to, or Actual Receipt by, all Buyers or Sellers.

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

638 This Offer was drafted by [Licensee and Firm] _____
639 _____

640 (x) _____
641 Buyer's Signature ▲ Print Name Here ► _____ Date ▲ _____

642 (x) _____
643 Buyer's Signature ▲ Print Name Here ► _____ Date ▲ _____

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

648 (x) _____
649 Seller's Signature ▲ Print Name Here ► _____ Date ▲ _____

650 (x) _____
651 Seller's Signature ▲ Print Name Here ► _____ Date ▲ _____

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

654 This Offer is rejected _____ This Offer is countered [See attached counter] _____
655 Seller Initials ▲ Date ▲ _____ Seller Initials ▲ Date ▲ _____