



**TELECONFERENCE/VIRTUAL
REAL ESTATE CONTRACTUAL FORMS ADVISORY COUNCIL
Room N208, 4822 Madison Yards Way, 2nd Floor, Madison, WI 53705
Contact: Christian Albouras (608) 266-2112
April 8, 2020**

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

9:30 A.M.

OPEN SESSION – CALL TO ORDER – ROLL CALL

- A. Adoption of Agenda (1)**
- B. Approval of Minutes of February 12, 2020 (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**
 - 1. **WB-11 – Residential Offer to Purchase (3-19)**
 - a. FIRPTA
 - 2. **WB-14 – Residential Condominium Offer to Purchase (20-37)**
 - a. WB-14 Draft
 - b. State Bar Condominium Deed
 - 3. **WB-13 – Vacant Land Offer to Purchase**
 - a. WB-13 Draft
- E. Public Comments**

ADJOURNMENT

NEXT MEETING: JUNE 24, 2020

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

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

**REAL ESTATE CONTRACTUAL FORMS ADVISORY COUNCIL
MEETING MINUTES
FEBRUARY 12, 2020**

PRESENT: Joseph Busch (*arrived at 9:42 a.m.*), Casey Clickner, Debra Conrad, John Drzewiecki, Michael Gordon, Cori Lamont (*excused at 11:00 a.m.*), Kim Moermond, Laura Peck, Angela Rowland, Jonathan Sayas, Thomas Weber, Jr., Pamela Widen

EXCUSED: Robert Webster

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

CALL TO ORDER

Christian Albouras, Executive Director, called the meeting to order at 9:38 a.m. A quorum was confirmed with eleven (11) members present.

ADOPTION OF AGENDA

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

APPROVAL OF MINUTES FROM JANUARY 16, 2020

MOTION: Debra Conrad moved, seconded by Thomas Weber, to approve the minutes of January 16, 2020 as published. Motion carried unanimously.

(Cori Lamont was excused at 11:00 a.m.)

ADJOURNMENT

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

The meeting adjourned at 3:27 a.m.

OFFER TO PURCHASE REVISIONS

To: DSPS Real Estate Contractual Forms Advisory Committee
From: WRA Forms Committee
Date: March 23, 2020
RE: **Possible WB-11 Residential Offer to Purchase TAKE 2**

There has been conversation about making some changes to the 2020 WB-11 Residential Offer to Purchase that is now out on the street as a mandatory use. This was discussed at the meeting of the DSPS Real Estate Contractual Forms Advisory Committee on February 12, January 16, 2020 and December 11, 2019, and the WRA Forms Committee on March 19 and February 6, 2020 and December 19, 2019, but no action has been taken yet and they will look at this again.

If there is a WB-11 Residential Offer to Purchase TAKE 2, we may wish to keep an eye on the optional and mandatory use dates. July 1/August 1 is now the tentative timetable. It is not clear if there will be enough meeting time for Forms Council and the REEB to meet (remotely) to become comfortable with the revisions and go forward to meet that timeframe. Also, there may be concern that one month is not enough time for licensees to become familiar with the changes, although eh WRA Forms Committee indicated they did not share that concern and were fine with the schedule, at least for the WB-11.

ALL THREE OFFER DRAFTS WE HAVE INCLUDED IN MATERIALS SO FAR (RESIDENTIAL, CONDO AND VACANT LAND) HAVE HIGHLIGHTED PHRASES OR PROVISIONS IN GRAY OR BLUE -- AND IN TRACKING -- SOME TERMINOLGY CORRECTIONS OR PROPOSED CHANGES SO IF YOU SEE ANYTHING MARKED IN THIS MANNER AND IT IS NOT ACCEPTABLE TO YOU PLEASE CALL IT OUT. SOME OF THESE ARE IN THE WB-11, THINGS LIKE USING THE WORD "THAT" INSTEAD OF "WHICH," AND SO FORTH. THEY ALL WILL JUST BE CONSIDERED AS ACCEPTED GOING FORWARD UNLESS SOMEONE OBJECTS/COMMENTS.

Fixtures definition (lines 27-37) – Pet Containment Systems and Collars

Line 36 now refers to the following as being fixtures: “ceiling fans; fences; in-ground pet containment systems including receiver components ~~(but not the collars)~~; storage buildings on permanent foundations.” There is a concern that one cannot readily obtain new collars with the appropriate chips in them to match and work with the installed system and that the language “(but not the collars)” should be removed. This would mean, however, that the WB-1 Residential Listing Contract and the WB-11 Residential Offer to Purchase would have slightly definitions of fixtures.

CHANGE MADE.

Earnest Money (lines 61-67)

1. Terminology: how to best refer to the cooperating agent’s firm?

The DSPS Forms Committee made the changes shown above to refer to the “drafting agent’s Firm” instead of the “cooperating agent’s Firm,” thinking that might be more accurate or easier to understand. However, that is a term that has not been previously used in the forms. Maybe it could refer to “Firm for the agent working with Buyer.”

2. Default: who holds earnest money when parties fail to choose?

The first default was also changed from the listing Firm to the drafting agent's Firm. Part of the rationale was that the drafting agent knows if they have a trust account or not. A drafting agent may not know if the listing Firm does. The drafting Firm default places power in the drafting agent to have earnest money.

Draft of the DSPS Committee February 12:

■ EARNEST MONEY of \$ _____ will be mailed, or commercially, electronically or personally delivered within _____ days ("5" if left blank) after acceptance. All earnest money shall be delivered to and held by (listing Firm) (~~Buyer's drafting agent's Firm~~) (~~third party/other~~ identified as _____) **STRIKE THOSE NOT APPLICABLE** (listing Firm if none chosen; **if no listing Firm, then drafting Firm; then Buyer's agent's Firm**; if no Firm then Seller).

Note in the draft the language in the Earnest Money section was simplified and reorganized a little bit – look at the provisions in yellow in the draft. The HELD BY subsection was eliminated and the BALANCE OF PURCHASE PRICE line was moved.

■ ~~HELD BY: Earnest money shall be delivered in accordance with lines 59-60 and held in the account of the party identified on lines 61-63. If earnest money is held by a Firm, the Firm will hold the earnest money until applied to the purchase price or disbursed as provided at lines 71-91.~~

CAUTION: Should persons other than if a Firm does not hold earnest money, an escrow agreement should be drafted by the Parties or an attorney as lines 71-91 do not apply. If someone other than Buyer pays earnest money, consider a special disbursement agreement.

We will have to emphasize in education that the drafting agent should fill out the Earnest Money section – “earnest money 101” – communication is key – listing firms needs to alert other firms if they do not have a trust account and place an escrow agreement as an associated document in the MLS! Other possibilities if a listing firm without a trust account receives and earnest money check are to quickly amend the offer or endorse the check over to the third party, although those are less desirable outcomes/measures.

- The WRA Forms Committee approves these changes as shown in the draft and outlined above.

Conditions Affecting the Property or Transaction (lines 113-179)

There have been some corrections, and new additions in legislation that is anticipated to pass within the next few weeks.

Lines 155-157 changes based on the RECR bill (AB 596):

n. Nonconforming uses of the Property; conservation easements, restrictive covenants or deed restrictions on the Property; or, **other than public rights of way, nonowners having rights to use part of the Property, including, but not limited to, private rights**–of–way and easements other than recorded utility easements.

Lines 169-170 additions/changes based on the riparian rights for flowages bill (AB 551):

t. **A pier attached to the Property not in compliance with state or local pier regulations; a written agreement affecting riparian rights related to the Property; or the bed of the abutting navigable waterway is owned by a hydroelectric operator.**

Lines 176-179 additions in items w and y are corrections to add missing items from existing statute, item x is from the RECR bill (AB 596):

- w. Agreements binding subsequent owners such as a lease agreement or extension of credit from an electric cooperative.
- x. Owner is a foreign person as defined in the Foreign Investment in Real Property Tax Act in 26 IRC § 1445(f).
- y. Other Defects affecting the Property, including, without limitation, drainage easement or grading problems; or excessive sliding, settling, earth movement or upheavals.

➤ **Are these acceptable, contingent upon passage of the bills where they appear? WRA Forms Committee says YES.**

Radon Testing Contingency (lines 228-247)

Should this be reworded to refer to average level radon testing and to give Buyer the ability to hire the contractor to install the radon mitigation system?

The reference to the average radon level if there are multiple readings appears in the WRA’s Addendum A and in other addenda.

The change in the right to cure would allow the buyer to have input or control over where the radon mitigation system is installed and sets a cap for the seller’s monetary involvement. Not clear if contractors will install systems on property not owned by the person hiring them and if the seller wishing to cede control over their property in this manner.

RADON TESTING CONTINGENCY: This Offer is contingent upon Buyer obtaining a current written report of the results of a radon test at the Property 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, or the average level if testing involves multiple readings, 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) ~~(Seller hiring) (Seller allowing Buyer to hire) [STRIKE ONE] (“Seller hiring” if neither is stricken) a qualified contractor to install installing~~ a radon mitigation system in conformance with EPA standards in a good and workmanlike manner and ~~by giving Buyer who will give the Parties~~ 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. If Buyer hires the contractor Seller will pay up to \$ _____ at closing for the radon system installation and Buyer will pay all excess costs of installation.

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.

- ❖ **On December 19 the WRA Forms Committee was in favor adding the language for average level testing results but was not in favor of the seller allowing the buyer to hire the radon mitigation contractor.**
- ❖ **The DSPS Forms Committee decided on January 16 to remove the reference to average testing results, in other words the EPA Protocol average. Since it already refers to EPA protocols and standards it was believed this can be figured out on the test report without additional language.**

- ❖ On February 6 the WRA Forms Committee came back and once again asserted it was helpful for consumers looking at radon reports to have language indicating the contingency was going to be based on the average level. Consumers will not know about EPA Protocol averages.
- ❖ On February 12 the DSPS agreed to the following language regarding an “EPA average radon level,” and added a NOTE regarding sources for radon information to try to head off the proposed legislation calling for a radon brochure and additional radon language in the RECR. See Lines 232 and 248 in the draft.

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

...

NOTE: For radon information refer to the EPA at epa.gov/radon or the DHS at dhs.wisconsin.gov/radon.

- Are these modifications acceptable? The WRA Forms Committee says YES.

Maintenance (lines 468-470)

Should this be reworded to make this consistent with other provisions that refer to the date on line 1 of the Offer?

MAINTENANCE Seller shall maintain the Property and all personal property included in the purchase price until the earlier of closing or Buyer’s occupancy, in materially the same condition ~~as of the date of acceptance it was in as of the date on line 1~~ of this Offer, except for ordinary wear and tear and changes agreed upon by Parties.

AGREED AND DONE.

FIRPTA (lines 516-536)

Some brokers believe there are “problems” with the FIRPTA provision with regard to the 15-day timeframe and the buyer right to rescission. There is some discussion whether removing these features would be necessary and/or the best way to address the security concerns: risks involved if a seller certification that includes a Social Security Number is transmitted in an insecure manner. Some are in favor of having the seller certification done at or just before closing – directly with the title company which would then provide the qualified substitute certification to the buyer and thus ensure the buyer is protected from any withholding responsibility or liability. One possible downside is the buyer may not find out definitively until closing that the seller is a foreign person and thus the closing would be delayed to arrange for 15% withholding from the seller proceeds in accordance with IRS § 1445 or to find and document another exception under FIRPTA.

1. Choice C As Modified in DSPS Meeting

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

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

Buyer and Seller agree to comply with FIRPTA requirements under IRC § 1445.

Seller hereby represents that Seller is a non-Foreign Person, unless, no later than 10 days after acceptance, Seller delivers notice to Buyer that Seller is a Foreign Person, in which case the provisions on lines xx-xx will apply.

IF SELLER IS A NON-FOREIGN PERSON. Seller shall, no later than closing, execute and deliver to Buyer, or a qualified substitute (attorney or title company as stated in IRC § 1445), a sworn certification under penalties of perjury of Seller's non-foreign status in accordance with IRC § 1445. ~~No later than 15 days prior to the closing, if Seller is not a Foreign Person. If Seller is a Foreign Person or Seller~~ fails to deliver certification of Seller's non-foreign status, Buyer shall be entitled to either: (1) withhold the amount required to be withheld pursuant to IRC § 1445; or, (2) Buyer may declare Seller in default of this Offer and proceed under lines xx-xx. Buyer and Seller shall complete, execute, and deliver, on or before closing, any other instrument, affidavit, or statement needed to comply with FIRPTA, including withholding forms.

IF SELLER IS A FOREIGN PERSON. Upon delivery of the written notice to Buyer from Seller, indicating that they are a Foreign Person, Buyer may do any of the following (1) withhold the amount required to be withheld pursuant to IRC § 1445 at the time of closing; or, (2) enter into a written amendment with Seller regarding amounts to be withheld and any exemption from withholding to be claimed in this transaction.

If withholding amounts required by IRC § 1445 occurs pursuant to any provision in this section, Buyer may extend the time for Closing up to 7 days. In the event the net proceeds due Seller are not sufficient to meet the withholding requirement(s) in this transaction, Seller shall deliver to Buyer, at Closing, the additional funds necessary to satisfy the applicable withholding requirement. Additionally, Seller shall pay costs, in amount not to exceed \$1,000 associated with the administration and filing of the necessary IRS forms required to comply with FIRPTA withholding.

Any representations made by Seller with respect to FIRPTA shall survive the closing and delivery of the deed.

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

2. Forms Council Edits – Tracking and highlighting removed

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

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

Buyer and Seller agree to comply with FIRPTA requirements under IRC § 1445.

Seller hereby represents that Seller is a non-Foreign Person, unless, no later than 10 days after acceptance, Seller delivers notice to Buyer that Seller is a Foreign Person, in which case the provisions on lines xx-xx will apply.

IF SELLER IS A NON-FOREIGN PERSON. Seller shall, no later than closing, execute and deliver to Buyer, or a qualified substitute (attorney or title company as stated in IRC § 1445), a sworn certification under penalties of perjury of Seller's non-foreign status in accordance with IRC § 1445. If Seller fails to deliver certification of Seller's non-foreign status, Buyer shall be entitled to either: (1) withhold the amount required to be withheld pursuant to IRC § 1445; or, (2) Buyer may declare Seller in default of this Offer and proceed under lines xx-xx. Buyer and Seller shall complete, execute, and deliver, on or before closing, any other instrument, affidavit, or statement needed to comply with FIRPTA, including withholding forms.

IF SELLER IS A FOREIGN PERSON. Upon delivery of the written notice to Buyer from Seller, indicating that they are a Foreign Person, Buyer may do any of the following (1) withhold the amount required to be withheld pursuant to IRC § 1445 at the time of closing; or, (2) enter into a written amendment with Seller regarding amounts to be withheld and any exemption from withholding to be claimed in this transaction.

If withholding amounts required by IRC § 1445 occurs pursuant to any provision in this section, Buyer may extend the time for Closing up to 7 days. In the event the net proceeds due Seller are not sufficient to meet the withholding requirement(s) in this transaction, Seller shall deliver to Buyer, at Closing, the additional funds necessary to satisfy the applicable withholding requirement. Additionally, Seller shall pay costs, in amount not to exceed \$1,000 associated with the administration and filing of the necessary IRS forms required to comply with FIRPTA withholding.

Any representations made by Seller with respect to FIRPTA shall survive the closing and delivery of the deed.

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

Upon giving thought as to what the offer will look like if you consider the amended RECR incorporated by reference per lines 106-109 of the draft, with the item asking whether the seller is a foreign person for purposes of FIRPTA, some further edits came to mind – for discussion:

3. Additional Edits Addressing RECR, reorganizing, etc.:– APPROVED BY THE WRA FORMS COMMITTEE

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

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

Seller hereby represents that Seller is a non-Foreign Person, unless (1) Seller represents Seller is a Foreign Person in a Real Estate Condition Report incorporated in this Offer per lines 106-109, or (2) no later than 10 days after acceptance, Seller delivers notice to Buyer that Seller is a Foreign Person, in which cases the provisions on lines xx-xx apply.

IF SELLER IS A NON-FOREIGN PERSON. Seller shall, no later than closing, execute and deliver to Buyer, or a qualified substitute (attorney or title company as stated in IRC § 1445), a sworn certification under penalties of perjury of Seller’s non-foreign status in accordance with IRC § 1445. If Seller fails to timely deliver certification of Seller’s non-foreign status, Buyer shall: (1) withhold the amount required to be withheld pursuant to IRC § 1445; or, (2) declare Seller in default of this Offer and proceed under lines xx-xx.

IF SELLER IS A FOREIGN PERSON. If Seller has represented that Seller is a Foreign Person, Buyer shall withhold the amount required to be withheld pursuant to IRC § 1445 at closing unless the Parties have amended this Offer regarding amounts to be withheld, any withholding exemption to be applied, or other resolution of this provision.

COMPLIANCE WITH FIRPTA: Buyer and Seller shall complete, execute, and deliver, on or before closing, any instrument, affidavit, or statement needed to comply with FIRPTA, including withholding forms. If Buyer withholds pursuant to IRC § 1445, Buyer may extend the time for closing up to 7 days. In the event the net proceeds due Seller are not sufficient to satisfy the withholding required in this transaction, Seller shall deliver to Buyer, at closing, the additional funds necessary to satisfy the applicable withholding requirement.

Additionally, Seller shall pay any costs, in an amount not to exceed \$1,000, associated with the administration and filing of the necessary IRS forms for FIRPTA withholding.*

Any representations made by Seller with respect to FIRPTA shall survive the closing and delivery of the deed.

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

* Not clear if this includes attorney fees, accountant fees, etc. Believe the intent was no

➤ **Does the DSPS Committee concur?**

\$300,000 Exemption Checkbox Proposal:

Another suggestion was submitted with regard to adding language concerning the \$300,000 exemption. The idea is to use the following as a check box provision appearing after the FIRPTA provision:

This property is being acquired for a price of not more than \$300,000 by an individual for residential use. Buyer or a member of his/her family ~~will~~ has definite plans to reside at the property for at least 50% of the ~~time-number of days the property is used by any person for during each of the first two 12-month periods the first 2 years after closing following transfer.~~ Buyer waives Seller's requirement to provide a sworn certification of non-foreign status.

[this shows the original idea submitted with modifications in tracking] There is market data for various counties around the state showing prices under \$300,000. For example, Milwaukee County had 9,135 year to date sales through November of 2019 with a median sales price of \$175,000. It is asserted the proposed provision it would save time and resources and also provide a safety net for sensitive data by avoiding the need to provide Social Security numbers in the certificates.

❖ **The DSPS Committee was not in favor of this. What does the WRA Forms Committee think? Believe agents would be too quick to judge based on price alone and for that reason agree it should not be in the offer – maybe reworked and considered for addenda.**

Line 563-564 – line for writing in email addresses:

The observation was made that given that both the seller's and buyer's email addresses are to all be written into line 558 and that sometimes there are multiple email addresses or email addresses that are too long to fit, the request is being made to add a line for stating email addresses and remove one blank line from Additional Provisions.

❖ **This was done in the draft. The WRA Forms Committee approves. At the same time the DSPS Committee wants as many lines as possible in Additional Provisions.**

OfferWB-11TAKE2dsps3-27-20

WB-11 RESIDENTIAL 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 537-542 or
8 in an addendum per line 563), 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 20-23), and the following additional items: _____

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 12-16) and the following: _____

21 _____
22 _____
23 _____

24 **CAUTION: Identify Fixtures that are on the Property (see lines 27-37) to be excluded by Seller or ~~which that~~ are**
25 **rented (e.g., water softeners or other water treatment systems, LP tanks, etc.) and will continue to be owned by**
26 **the lessor.**

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

38 **CAUTION: Exclude any Fixtures to be retained by Seller or ~~which that~~ are rented (e.g., water softeners or other**
39 **water treatment systems, LP tanks, etc.) on lines 20-23 or at lines 537-542 or in an addendum per line 563).**

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

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

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

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

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

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

EARNEST MONEY

■ EARNEST MONEY of \$ _____ accompanies this Offer.

If Offer was drafted by a licensee, receipt of the earnest money accompanying this Offer is acknowledged.

■ EARNEST MONEY of \$ _____ will be mailed, or commercially, electronically or personally delivered within _____ days ("5" if left blank) after acceptance.

All earnest money shall be delivered to and held by (listing Firm) (~~Buyer's drafting Firm~~) (other _____) ~~STRIKE THOSE NOT APPLICABLE~~ (listing Firm if none chosen; if no listing Firm, then ~~Buyer's the cooperating agent's drafting Firm~~; if no Firm then Seller).

CAUTION: If a Firm does not hold earnest money, an escrow agreement should be drafted by the Parties or an attorney as lines 71-91 do not apply. If someone other than Buyer pays earnest money, consider a special disbursement agreement.

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

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

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

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

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

REAL ESTATE CONDITION REPORT Wisconsin law requires owners of property ~~which-that~~ includes one-to-four dwelling units to provide Buyers with a Real Estate Condition Report. Excluded from this requirement are sales of property that has never been inhabited, sales exempt from the real estate transfer fee, and sales by certain court-appointed fiduciaries, (for example, personal representatives who have never occupied the Property). The form of the Report is found in Wis. Stat. § 709.03. The law provides: "§ 709.02 Disclosure . . . the owner of the property shall furnish, not later than 10 days after acceptance of the contract of sale . . . , to the prospective Buyer of the property a completed copy of the report . . . A prospective Buyer who does not receive a report within the 10 days may, within two business days after the end of that 10-day period, rescind the contract of sale . . . by delivering a written notice of rescission to the owner or the owner's agent." Buyer may also have certain rescission rights if a Real Estate Condition Report disclosing defects is furnished before expiration of the 10 days, but after the Offer is submitted to Seller. Buyer should review the report form or consult with an attorney for additional information regarding rescission rights.

PROPERTY CONDITION REPRESENTATIONS Seller represents to Buyer that as of the date of acceptance Seller has no notice or knowledge of Conditions Affecting the Property or Transaction (lines 116-178) other than those identified in Seller's Real Estate Condition Report dated _____, which was received by Buyer prior to Buyer signing this Offer and which is made a part of this Offer by reference ~~COMPLETE DATE OR STRIKE AS APPLICABLE~~ and _____

INSERT CONDITIONS NOT ALREADY INCLUDED IN THE CONDITION REPORT

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

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

117 b. Defects in heating and air conditioning system (including the air filters and humidifiers); in a wood burning stove or
118 fireplace; or caused by a fire in a stove or fireplace or elsewhere on the Property.

119 c. Defects related to smoke detectors or carbon monoxide detectors, or a violation of applicable state or local smoke
120 detector or carbon monoxide detector laws.

121 d. Defects in any structure, or mechanical equipment included as Fixtures or personal property.

122 e. Rented items located on the Property such as a water softener or other water conditioner system.

123 f. Defects caused by unsafe concentrations of, or unsafe conditions on the Property relating to radon, radium in water
124 supplies, lead in paint, soil or water supplies, unsafe levels of mold, asbestos or asbestos-containing materials or other
125 potentially hazardous or toxic substances on the Property; manufacture of methamphetamine or other hazardous or toxic
126 substances on the Property; or high voltage electric (100 KV or greater) or steel natural gas transmission lines located on
127 but not directly serving the Property.

128 **NOTE: Specific federal lead paint disclosure requirements must be complied with in the sale of most residential**
129 **properties built before 1978.**

130 g. Defects caused by unsafe concentrations of, unsafe conditions relating to, or the storage of, hazardous or toxic
131 substances on neighboring properties.

132 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
133 Property or in a well that serves the Property, including unsafe well water.

134 g. A septic system or other private sanitary disposal system serves the Property; Defects in the septic system or other
135 sanitary disposal system on the Property; or any out-of-service septic system serving the Property not closed or abandoned
136 according to applicable regulations.

137 h. Underground or aboveground fuel storage tanks on or previously located on the Property; or Defects in the underground
138 or aboveground fuel storage tanks on or previously located on the Property. (The owner, by law, may have to register the
139 tanks with the Department of Agriculture, Trade and Consumer Protection at P.O. Box 8911, Madison, Wisconsin, 53708,
140 whether the tanks are in use or not. Department regulations may require closure or removal of unused tanks.)

141 i. “LP” tank on the Property (specify in the additional information whether the tank is owned or leased); or Defects in an
142 “LP” tank on the Property.

143 j. Notice of property tax increases, other than normal annual increases, or pending Property reassessment; remodeling
144 that may increase the Property's assessed value; pending special assessments; or Property is within a special purpose
145 district, such as a drainage district, that has authority to impose assessments.

146 k. Proposed construction of a public project that may affect use of the Property; Property additions or remodeling affecting
147 Property structure or mechanical systems during Seller's ownership without required permits; or any land division involving
148 the Property without required state or local permits.

149 l. The Property is part of or subject to a subdivision homeowners' association; or the Property is not a condominium unit
150 and there are common areas associated with the Property that are co-owned with others.

151 m. Any zoning code violations with respect to the Property; the Property or any portion thereof is located in a floodplain,
152 wetland or shoreland zoning area; or the Property is subject to a shoreland mitigation plan required by Wisconsin
153 Department of Natural Resources (DNR) rules that obligates the Property owner to establish or maintain certain measures
154 related to shoreland conditions, enforceable by the county.

155 n. Nonconforming uses of the Property; conservation easements, restrictive covenants or deed restrictions on the
156 Property; **or, other than public rights of way, nonowners having rights to use part of the Property, including, but not limited**
157 **to, private rights**—of-way and easements other than recorded utility easements.

158 o. All or part of the Property has been assessed as agricultural land; has been assessed a use-value assessment
159 conversion charge; or payment of a use-value assessment conversion charge has been deferred.

160 p. All or part of the Property is subject to, enrolled in, or in violation of a farmland preservation agreement, Forest Crop
161 Law, Managed Forest Law, the Conservation Reserve Program, or a comparable program.

162 q. A dam is totally or partially located on the Property; or an ownership interest in a dam not located on the Property will
163 be transferred with the Property because the dam is owned by a homeowners' association, lake district, or similar group of
164 which the Property owner is a member.

165 r. No legal access to the Property; or boundary or lot line disputes, encroachments or encumbrances (including a joint
166 driveway) affecting the Property.

167 s. Federal, state, or local regulations requiring repairs, alterations or corrections of an existing condition; or any insurance
168 claims relating to damage to the Property within the last five years.

169 t. **A pier attached to the Property not in compliance with state or local pier regulations; a written agreement affecting**
170 **riparian rights related to the Property; or the bed of the abutting navigable waterway is owned by a hydroelectric operator.**

171 u. Current or previous termite, powder-post beetle or carpenter ant infestations or Defects caused by animal, reptile, or
172 other insect infestations.

173 v. Structure on the Property designated as an historic building; all or any part of the Property in an historic district; or one
174 or more burial sites on the Property.

- 176 w. Agreements binding subsequent owners such as a lease agreement or extension of credit from an electric cooperative.
- 177 x. Owner is a foreign person as defined in the Foreign Investment in Real Property Tax Act in 26 IRC § 1445(f).
- 178 y. Other Defects affecting the Property, including, without limitation, drainage easement or grading problems; or
- 179 excessive sliding, settling, earth movement or upheavals.

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

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

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

195 **INSPECTION CONTINGENCY:** This contingency only authorizes inspections, not testing (see lines 179-193).

196 (1) This Offer is contingent upon a Wisconsin registered or Wisconsin licensed home inspector performing a home inspection
 197 of the Property after the date on line 1 of this Offer which that discloses no Defects.

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

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

202 (3) Buyer may have follow-up inspections recommended in a written report resulting from an authorized inspection, provided
 203 they occur prior to the Deadline specified at line 207. Inspection(s) shall be performed by a qualified independent
 204 inspector or independent qualified third party.

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

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

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

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

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

214 **NOTE: "Defect" as defined on lines 449-451 means a condition that would have a significant adverse effect on the**
 215 **value of the Property; that would significantly impair the health or safety of future occupants of the Property; or**
 216 **that if not repaired, removed or replaced would significantly shorten or adversely affect the expected normal life**
 217 **of the premises.**

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

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

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

222 (2) curing the Defects in a good and workmanlike manner; and

223 (3) delivering to Buyer a written report detailing the work done no later than three days prior to closing.

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

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

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

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

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

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

234 This contingency shall be deemed satisfied unless Buyer, within _____ days ("20" if left blank) after acceptance delivers
235 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
236 objecting to the radon level in the report.

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

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

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

240 (2) installing a radon mitigation system in conformance with EPA standards in a good and workmanlike manner and by
241 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
242 no later than three days prior to closing.

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

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

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

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

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

248 **NOTE: For radon information refer to the EPA at epa.gov/radon or the DHS at dhs.wisconsin.gov/radon.**

249 **IF LINE 249 IS NOT MARKED OR IS MARKED N/A LINES 298-309 APPLY.**

250 **FINANCING COMMITMENT CONTINGENCY:** This Offer is contingent upon Buyer being able to obtain a written
251 _____ [loan type or specific lender, if any] first mortgage loan commitment as described
252 below, within _____ days after acceptance of this Offer. The financing selected shall be in an amount of not less than \$
253 _____ for a term of not less than _____ years, amortized over not less than _____ years. Initial
254 monthly payments of principal and interest shall not exceed \$ _____. Buyer acknowledges that lender's
255 required monthly payments may also include 1/12th of the estimated net annual real estate taxes, hazard insurance
256 premiums, and private mortgage insurance premiums. The mortgage shall not include a prepayment premium. Buyer agrees
257 to pay discount points in an amount not to exceed _____% ("0" if left blank) of the loan. If Buyer is using multiple loan
258 sources or obtaining a construction loan or land contract financing, describe at lines **537-542** or in an addendum attached
259 per line **563**. Buyer agrees to pay all customary loan and closing costs, wire fees, and loan origination fees, to promptly
260 apply for a mortgage loan, and to provide evidence of application promptly upon request of Seller. Seller agrees to allow
261 lender's appraiser access to the Property.

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

265 **CHECK AND COMPLETE APPLICABLE FINANCING PROVISION AT LINE 265 or 266.**

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

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

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

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

276 (1) signed by Buyer; or

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

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

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

283 ■ **SELLER TERMINATION RIGHTS:** If Buyer does not deliver a loan commitment on or before the Deadline on line **251**.
284 Seller may terminate this Offer if Seller delivers a written notice of termination to Buyer prior to Seller's Actual Receipt of
285 written loan commitment from Buyer.

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

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

291 (1) Buyer delivery of written notice of evidence of unavailability as noted in lines **285-288**; or

292 (2) the Deadline for delivery of the loan commitment set on line **251**

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

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

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

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

302 (2) _____
303 _____ [Specify documentation Buyer agrees to deliver to Seller].

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

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

314 This contingency shall be deemed satisfied unless Buyer, within _____ days after acceptance, delivers to Seller a copy
315 of the appraisal report indicating an appraised value ~~not equal to or greater~~ less than the agreed upon purchase price, and
316 a written notice objecting to the appraised value.

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

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

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

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

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

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

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

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

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

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

340 (1) Written waiver of the Closing of Buyer's Property Contingency if line 330 is marked;

341 (2) Written waiver of _____
342 _____ (name other contingencies, if any); and

343 (3) Any of the following checked below:

344 Proof of bridge loan financing.

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

347 Other: _____
348 _____

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

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350 **SECONDARY OFFER:** This Offer is secondary to a prior accepted offer. This Offer shall become primary upon
351 delivery of written notice to Buyer that this Offer is primary. Unless otherwise provided, Seller is not obligated to give Buyer
352 notice prior to any Deadline, nor is any particular secondary buyer given the right to be made primary ahead of other
353 secondary buyers. Buyer may declare this Offer null and void by delivering written notice of withdrawal to Seller prior to
354 delivery of Seller's notice that this Offer is primary. Buyer may not deliver notice of withdrawal earlier than _____ days ("7"

355 if left blank) after acceptance of this Offer. All other Offer Deadlines ~~which that~~ run from acceptance shall run from the time
356 this Offer becomes primary.

357 **HOMEOWNERS ASSOCIATION** If this Property is subject to a homeowners association, Buyer is aware the Property may
358 be subject to periodic association fees after closing and one-time fees resulting from transfer of the Property. Any one-time
359 fees resulting from transfer of the Property shall be paid at closing by (Seller) (Buyer) **STRIKE ONE** ("Buyer" if neither is
360 stricken).

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

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

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

367 Real estate taxes shall be prorated at closing based on **CHECK BOX FOR APPLICABLE PRORATION FORMULA**:

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

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

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

374

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

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

384 **TITLE EVIDENCE**

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

391 _____
392 _____ (insert other allowable exceptions from title, if any)

393 ~~which that~~ constitutes merchantable title for purposes of this transaction. Seller, ~~at Seller's cost~~, shall complete and execute
394 the documents necessary to record the conveyance ~~at Seller's cost~~ and pay the Wisconsin Real Estate Transfer Fee.

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

398 ■ **TITLE EVIDENCE:** Seller shall give evidence of title in the form of an owner's policy of title insurance in the amount of
399 the purchase price on a current ALTA form issued by an insurer licensed to write title insurance in Wisconsin. Seller shall
400 pay all costs of providing title evidence to Buyer. Buyer shall pay the costs of providing the title evidence required by Buyer's
401 lender and recording the deed or other conveyance.

402 ■ **GAP ENDORSEMENT:** Seller shall provide a "gap" endorsement or equivalent gap coverage at (Seller's)(Buyer's)
403 **STRIKE ONE** ("Seller's" if neither stricken) cost to provide coverage for any liens or encumbrances first filed or recorded
404 after the commitment date of the title insurance commitment and before the deed is recorded, subject to the title insurance
405 policy conditions, exclusions and exceptions, provided the title company will issue the coverage. If a gap endorsement or
406 equivalent gap coverage is not available, Buyer may give written notice that title is not acceptable for closing (see lines **413-**
407 **419**).

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408 ■ **DELIVERY OF MERCHANTABLE TITLE:** The required title insurance commitment shall be delivered to Buyer's attorney
409 or Buyer not less than 5 business days before closing, showing title to the Property as of a date no more than 15 days
410 before delivery of such title evidence to be merchantable per lines 386-394, subject only to liens ~~which that~~ will be paid out
411 of the proceeds of closing and standard title insurance requirements and exceptions, ~~as appropriate~~.

412 ■ **TITLE NOT ACCEPTABLE FOR CLOSING:** If title is not acceptable for closing, Buyer shall notify Seller in writing of
413 objections to title by the time set for closing. ~~In such event~~, Seller shall have a reasonable time, but not exceeding 15 days,
414 to remove the objections, and the time for closing shall be extended as necessary for this purpose. ~~In the event that~~ Seller

415 is unable to remove said objections, Buyer shall have five days from receipt of notice thereof, to deliver written notice waiving
416 the objections, and the time for closing shall be extended accordingly. If Buyer does not waive the objections, this Offer
417 shall be null and void. Providing title evidence acceptable for closing does not extinguish Seller's obligations to give
418 merchantable title to Buyer.

419 ■ **SPECIAL ASSESSMENTS/OTHER EXPENSES:** Special assessments, if any, levied or for work actually commenced
420 prior to the date stated on line 1 of this Offer shall be paid by Seller no later than closing. All other special assessments
421 shall be paid by Buyer. "Levied" means the local municipal governing body has adopted and published a final resolution
422 describing the planned improvements and the assessment of benefits.

423 **CAUTION: Consider a special agreement if** special assessments are payable in multiple payments over a period of
424 years, or if area assessments, property owners association assessments, special charges for current services
425 under Wis. Stat. § 66.0627 or other expenses are contemplated. "Other expenses" are one-time charges or ongoing
426 use fees for public improvements (other than those resulting in special assessments) relating to curb, gutter,
427 street, sidewalk, municipal water, sanitary and storm water and storm sewer (including all sewer mains and hook-
428 up/connection and interceptor charges), parks, street lighting and street trees, and impact fees for other public
429 facilities, as defined in Wis. Stat. § 66.0617(1)(f).

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

433 _____
434 _____. Insert additional terms, if any, at lines 537-542 or attach as an addendum per line 563.

435 **DEFINITIONS**

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

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

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

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

452 ■ **FIRM:** "Firm" means a licensed sole proprietor broker or a licensed broker business entity.

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

454 ■ **PROPERTY:** Unless otherwise stated, "Property" means the real estate described at lines 4-8.

455 **INCLUSION OF OPTIONAL PROVISIONS** Terms of this Offer that are preceded by an OPEN BOX () are part of
456 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.

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

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

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

Property Address: _____

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469 **MAINTENANCE** Seller shall maintain the Property and all personal property included in the purchase price until the earlier
470 of closing or Buyer's occupancy, in materially the same condition as of the date of acceptance it was in as of the date on
471 line 1 of this Offer, except for ordinary wear and tear and changes agreed upon by Parties.

472 **PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING** If, prior to closing, the Property is damaged in an
473 amount not more than five percent of the purchase price, other than normal wear and tear, Seller shall promptly notify Buyer
474 in writing, and will be obligated to restore the Property to materially the same condition it was in at-as of the date on line 1

475 of this Offer. Seller shall provide Buyer with copies of all required permits and lien waivers for the lienable repairs no later
476 than closing. If the amount of damage exceeds five percent of the purchase price, Seller shall promptly notify Buyer in
477 writing of the damage and this Offer may be ~~canceled-terminated~~ at option of Buyer. Should Buyer elect to carry out this
478 Offer despite such damage, Buyer shall be entitled to the insurance proceeds, if any, relating to the damage to the Property,
479 plus a credit towards the purchase price equal to the amount of Seller's deductible on such policy, if any. However, if this
480 sale is financed by a land contract or a mortgage to Seller, any insurance proceeds shall be held in trust for the sole purpose
481 of restoring the Property.

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

486 **OCCUPANCY** Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in
487 this Offer at lines ~~537-542~~ or in an addendum attached per line ~~563~~, or lines ~~430-434~~ if the Property is leased. At time of
488 Buyer's occupancy, Property shall be in broom swept condition and free of all debris, refuse, and personal property except
489 for personal property belonging to current tenants, ~~or that~~ sold to Buyer or left with Buyer's consent. Occupancy shall be
490 given subject to tenant's rights, if any.

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

494 If Buyer defaults, Seller may:

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

498 If Seller defaults, Buyer may:

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

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

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

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

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

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

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

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

Property Address: _____

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

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

538 **ADDITIONAL PROVISIONS/CONTINGENCIES** _____
539 _____
540 _____
541 _____
542 _____
543 _____
544 _____
545 _____

546 **DELIVERY OF DOCUMENTS AND WRITTEN NOTICES** Unless otherwise stated in this Offer, delivery of documents and
547 written notices to a Party shall be effective only when accomplished by one of the authorized methods specified at lines
548 546-560.

549 (1) **Personal**: giving the document or written notice personally to the Party, or the Party's recipient for delivery if named at
550 line 548 or 549.

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

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

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

554 Seller: (_____) _____ Buyer: (_____) _____

555 (3) **Commercial**: depositing the document or written notice, fees prepaid or charged to an account, with a
556 commercial delivery service, addressed either to the Party, or to the Party's recipient for delivery, for delivery to the Party's
557 address at line 557 or 558.

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

560 Address for Seller: _____

561 Address for Buyer: _____

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

563 Seller: _____

564 Buyer: _____

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

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

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

569 _____

570 (x) _____
571 Buyer's Signature ▲ Print Name Here ► _____ Date ▲ _____

572 (x) _____
573 Buyer's Signature ▲ Print Name Here ► _____ Date ▲ _____

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

578 (x) _____
579 Seller's Signature ▲ Print Name Here ► _____ Date ▲ _____

580 (x) _____
581 Seller's Signature ▲ Print Name Here ► _____ Date ▲ _____

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

584 This Offer is rejected _____ This Offer is countered [See attached counter] _____
585 Seller Initials ▲ Date ▲ Seller Initials ▲ Date ▲

OFFER TO PURCHASE REVISIONS

To: DSPS Real Estate Contractual Forms Advisory Committee

From: WRA Forms Committee

Date: March 23, 2020

RE: **WB-14 Residential Condominium Offer to Purchase**

The DSPS Real Estate Contractual Forms Advisory Committee did not work on this form during its January 16 or February 12, 2020 meetings, nor did the WRA Forms Committee during its February 6 meeting, but did in the March 19, 2020 meeting. The WB-14-Draft-March2020 contains provisions agreed to by both the WRA Forms Committee and the DSPS Real Estate Contractual Forms Advisory Committee during prior meetings.

The substantive content from the 2011 condo offer has been blended with the updated WB-11 provisions.

If there is a WB-11 Residential Offer to Purchase TAKE 2, we may wish to keep an eye on the optional and mandatory use dates. It would seem the WB-14 can be released together with the WB-11 TAKE 2 and July 1/August 1 is now the tentative timetable at DSPS. It is not clear if there will be enough meeting time for Forms Council and the REEB to meet (in person and/or remotely) to become comfortable with the revisions and go forward to meet that timeframe, Also there may be concern that one month is not enough time for licensees to become familiar with the changes.

ALL THREE OFFER DRAFTS WE HAVE INCLUDED IN MATERIALS SO FAR (RESIDENTIAL, CONDO AND VACANT LAND) HAVE HIGHLIGHTED PHRASES OR PROVISIONS IN GRAY OR BLUE -- AND IN TRACKING -- SOME TERMINOLGY CORRECTIONS OR PROPOSED CHANGES SO IF YOU SEE ANYTHING MARKED IN THIS MANNER AND IT IS NOT ACCEPTABLE TO YOU PLEASE CALL IT OUT. SOME OF THESE ARE IN THE WB-11, THINGS LIKE USING THE WORD "THAT" INSTEAD OF "WHICH," AND SO FORTH. THEY ALL WILL JUST BE CONSIDERED AS ACCEPTED GOING FORWARD UNLESS SOMEONE OBJECTS/COMMENTS.

WB-14 Residential Condominium Offer to Purchase

Lines 62-65

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

NOTE: this change is not in the WB-11 as of this moment

Change made and agreed to by both Committees.

Lines 75-81

Earnest Money

Should this be reworded to address the situation when there is a listing firm that does not have/use a trust account?

- ❖ This should be made the same as the language decided upon for the WB-11!

Lines 109-112

CONDOMINIUM DISCLOSURE MATERIALS Seller agrees to deliver to Buyer, within 10 days after acceptance of Offer, current and accurate copies of the Condominium disclosure materials required by Wis. Stat. § 703.33. The Condominium disclosure materials include a copy of the following and any amendments to any of these [except as may be limited for Small Condominiums per Wis. Stat. § 703.365]:

Change made and agreed to by both Committees.

Lines 133-148

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 or following notice of any material changes in 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)]. Any document delivered to Buyer may not be changed or amended following delivery if the change or amendment would materially affect the rights of Buyer without first obtaining approval of Buyer. A copy of any such amendments shall be delivered promptly to Buyer.

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

Change made and agreed to by both Committees.

Lines 149-150

NEW IDEA: Insert the following language (from lines 235-236 of the 2011 WB-14) at lines 153-4 immediately preceding the contingency for additional condominium information – as a transition:

In addition to review of the disclosure materials required to be provided by Wis. Stat. § 703.33, Buyer may wish to consider reviewing other Condominium materials as may be available.

- ❖ The WRA Forms Committee is in favor of this addition. What does the DSPS Committee think?

Lines 151-177

Additional Condominium Issues

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.

The following is a compromise version fashioned by the DSPS Forms Council, changing “current” to “as of the date on line 1 of the Offer,” removing the item for the association’s § 703.165 statement of unpaid

assessments because that will be requested elsewhere for closing, and removing the references for amended or updated information:

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 as of the date on line 1 of this Offer**. ~~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 material changes or (2) upon the deadline for Seller's delivery of the listed materials or requested missing materials.

❖ **The WRA Forms Committee is in favor of this version. What does the DSPS Committee think -- one last review?**

Limited Common Elements Dilemma

The DSPS Forms Council decided in favor of having the WB-14 references use the language form number 2 above: "any Limited Common Elements that may be used only by the owner of the Condominium Unit being transferred." **The WRA Forms Committee agreed.**

Lines 205-208

■ **SMALL CONDOMINIUM:** Wis. Stat. § 703.02(14m) provides that, "Small Condominium" means a Condominium with no more than 12 Units. Small Condominiums are subject to all provisions in Wis. Stat. Ch. 703, including the provisions for disclosure materials, unless optional provisions in Wis. Stat. § 703.365 for a simplified Condominium are adopted in the Declaration for the Small Condominium.

Both Committees agree.

Lines 241-306

Same changes and additions made to the WB-11 need to be added here.

See Radon Testing Contingency changes, as well as the other changes discussed in the WB-11 memo. Assume those modifications be appropriate in the WB-14 – and in all updated offers going forward? They appear in the WB-14 draft.

Lines 548-561

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.

DSPS Forms Council made additional modifications on December 11:

■ **SPECIAL ASSESSMENTS/OTHER EXPENSES:** Special assessments, if any, including those by any Condominium or Additional 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” with regard to municipal special assessments 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 special assessments are payable in multiple payments over a period of years, or if area assessments, property owners association assessments, Condominium Association special assessments, special charges for current services under Wis. Stat. § 66.0627 or other expenses are contemplated. “Other expenses” are one-time charges or ongoing use fees for public improvements (other than those resulting in special assessments) relating to curb, gutter, street, sidewalk, municipal water, sanitary and storm water and storm sewer (including all sewer mains and hook-up/connection and interceptor charges), parks, street lighting and street trees, and impact fees for other public facilities, as defined in Wis. Stat. § 66.0617(1)(f).

❖ **The WRA Forms Committee is in favor of this addition. What does the DSPS Committee think -- one last review? And should this go in the other offers?**

Lines 601-617

Maintenance and Property Damage Between Acceptance and Closing, Lines 601-604:

MAINTENANCE Seller shall maintain the Unit and any Limited Common Elements that may be used only by the owner of the Condominium Unit being transferred the Property and all personal property included in the purchase price until the earlier of closing or Buyer’s occupancy, in materially the same condition it was in as of the date on line 1 of this Offer, except for ordinary wear and tear and changes agreed upon by the Parties.

- Should the reference to “Property” be changed to instead say: “the Unit and any Limited Common Elements that may be used only by the owner of the Condominium Unit being transferred?” **WRA Forms Committee says YES.**
- **Are we satisfied with the WB-14 such that once the issues being discussed for the WB-11 are resolved, the WB-14 will also be ready?**

OfferWB-14Revisiondsps3-27-20

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 amendments
15 thereto); (3) Seller's interests in any common surplus and reserves in the Condominium allocated to the Property, (4) all
16 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
17 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 easily
33 removable without damage to the premises, items specifically adapted to the premises and items customarily treated as
34 fixtures, including, but not limited to, all: garden bulbs; plants; shrubs and trees; screen and storm doors and windows;
35 electric lighting fixtures; window shades; curtain and traverse rods; blinds and shutters; central heating and cooling units
36 and attached equipment; water heaters, water softeners and treatment systems; sump pumps; attached or fitted floor
37 coverings; awnings; attached antennas and satellite dishes (but not the component parts); audio/visual wall mounting
38 brackets (but not the audio/visual equipment); garage door openers and remote controls; installed security systems; central
39 vacuum systems and accessories; in-ground sprinkler systems and component parts; built-in appliances; ceiling fans;
40 fences; in-ground pet containment systems, including receiver components (but not the collars); storage buildings on
41 permanent foundations 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** ("Buyer"
50 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 to,
53 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 Buyer
55 on or before _____. Seller may keep the
56 Property on the market and accept secondary offers after binding acceptance of this Offer.

57 **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 identical
59 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 real**
68 **estate licensees in this transaction are not responsible for the transmission or forwarding of any wiring or money**
69 **transfer instructions.**

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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) (drafting Firm) (other identified as**
76 **_____) STRIKE THOSE NOT APPLICABLE (listing Firm if none**
77 **chosen; if no listing Firm, then drafting Firm; if no Firm then Seller).**

78 **CAUTION: If a Firm does not hold earnest money, an escrow agreement should be drafted by the Parties or an**
79 **attorney as lines 71-91 do not apply. If someone other than Buyer pays earnest money, consider a special**
80 **disbursement agreement.**

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

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

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

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

106 _____. If "Time is of the Essence" applies to a date or Deadline,
107 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 date
108 or Deadline, then performance within a reasonable time of the date or Deadline is allowed before a breach occurs.

109 **CONDOMINIUM DISCLOSURE MATERIALS** Seller agrees to deliver to Buyer, within 10 days after acceptance of Offer,
110 **current and accurate copies of the Condominium disclosure materials required by Wis. Stat. § 703.33.** The Condominium
111 disclosure materials include a copy of the following and any amendments to any of these [except as may be limited for
112 **Small Condominiums per Wis. Stat. § 703.365]:**

- 113 (a) proposed or existing Declaration, bylaws and any rules or regulations, and an index of the contents;
114 (b) proposed or existing articles of incorporation of the Association, if it is or is to be incorporated;
115 (c) proposed or existing management contract, employment contract or other contract affecting the use, maintenance
116 or access of all or part of the Condominium;

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

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

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

133 ■ **BUYER RESCISSION RIGHTS:** As provided in Wis. Stat. § 703.33(4)(a), Buyer may, within 5 business days after receipt
134 of all the required disclosure documents or following notice of any material changes in the required disclosure documents,
135 rescind this Offer by written notice delivered to Seller. If the disclosure materials are delivered to Buyer and Buyer does not
136 receive all of the disclosure documents, Buyer may, within 5 business days after Buyer's receipt of the disclosure materials,
137 either rescind the Offer or request any missing documents. Seller has 5 business days after receipt of Buyer's request for
138 missing documents to deliver the requested documents. Buyer may rescind the sale within 5 business days after the earlier
139 of Buyer's receipt of requested missing documents or the deadline for Seller's delivery of the documents [Wis. Stat. §
140 703.33(4)(b)]. Any document delivered to Buyer may not be changed or amended following delivery if the change or
141 amendment would materially affect the rights of Buyer without first obtaining approval of Buyer. A copy of any such
142 amendments shall be delivered promptly to Buyer.

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

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

149 In addition to review of the disclosure materials required to be provided by Wis. Stat. § 703.33, Buyer may wish to consider
150 reviewing other Condominium materials as may be available.

151 **CONTINGENCY FOR ADDITIONAL CONDOMINIUM INFORMATION:** This Offer is contingent upon Seller
152 delivering to Buyer, at Seller's expense, within 10 days after acceptance of this Offer the current information listed below
153 that exists as of the date on line 1 of this Offer:

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

166 (hereinafter collectively the "listed materials").

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

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

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

178 ■ **ASSOCIATION:** Wis. Stat. § 703.02(1m) provides that, "Association" means all of a Condominium's Unit owners acting
179 as a group, either through a nonstock corporation or an unincorporated association, in accordance with its bylaws and

180 declaration." The Association is the entity that the Unit owners typically use to act together as a group to manage and
181 maintain the Condominium property and finances. Every Unit owner is automatically a member of the Association, which
182 adopts budgets and sets the amounts of the fees or assessments paid by the Unit owners.

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

185 ■ **COMMON ELEMENTS:** Wis. Stat. § 703.02(2) provides that, "Common Elements' mean all of a Condominium except
186 its units." In a typical residential Condominium project, the Common Elements may include the land, structural and common
187 parts of buildings (entranceway, halls, elevator, meeting room, etc.), landscaping, roads, any outside parking areas, outdoor
188 lighting, any recreational facilities (swimming pool, tennis courts, clubhouse, etc.) and all other common areas and
189 amenities. The Common Elements are owned collectively by all of the Unit owners. For example, in a Condominium with
190 100 Units, each Unit owner may own a one percent interest in all Common Elements. Thus, the Unit owner would own an
191 undivided one percent interest in the tennis courts, road, parking lot, etc.

192 ■ **CONDOMINIUM:** Wis. Stat. § 703.02(4) provides that, "Condominium' means property subject to a Condominium
193 Declaration established under this chapter" [Wis. Stat. Ch. 703].

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

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

205 ■ **SMALL CONDOMINIUM:** Wis. Stat. § 703.02(14m) provides that, "Small Condominium" means a Condominium with no
206 more than 12 Units. Small Condominiums are subject to all provisions in Wis. Stat. Ch. 703, including the provisions for
207 disclosure materials, unless optional provisions in Wis. Stat. § 703.365 for a simplified Condominium are adopted in the
208 Declaration for the Small Condominium.

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

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

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

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

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

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

245 b. Defects in heating and air conditioning system (including the air filters and humidifiers); in a wood burning stove or
246 fireplace; or caused by a fire in a stove or fireplace or elsewhere on the Property.

247 c. Defects related to smoke detectors or carbon monoxide detectors, or a violation of applicable state or local smoke
248 detector or carbon monoxide detector laws.

249 d. Defects in any structure, or mechanical equipment included as Fixtures or personal property.

250 e. Rented items located on the Property such as a water softener or other water conditioner system.

251 f. Defects caused by unsafe concentrations of, or unsafe conditions on the Property relating to, radon, radium in water
252 supplies, lead in paint, soil or water supplies, unsafe levels of mold, asbestos or asbestos-containing materials or other
253 potentially hazardous or toxic substances on the Property; manufacture of methamphetamine or other hazardous or toxic
254 substances on the Property; or high voltage electric (100 KV or greater) or steel natural gas transmission lines located on
255 but not directly serving the Property.

256 **NOTE: Specific federal lead paint disclosure requirements must be complied with in the sale of most residential
257 properties built before 1978.**

258 g. Defects caused by unsafe concentrations of, unsafe conditions relating to, or the storage of, hazardous or toxic
259 substances on neighboring properties.

260 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
261 Property or in a well that serves the Property, including unsafe well water.

262 g. A septic system or other private sanitary disposal system serves the Property; Defects in the septic system or other
263 sanitary disposal system on the Property; or any out-of-service septic system serving the Property not closed or abandoned
264 according to applicable regulations.

265 h. Underground or aboveground fuel storage tanks on or previously located on the Property; or Defects in the underground
266 or aboveground fuel storage tanks on or previously located on the Property. (The owner, by law, may have to register the
267 tanks with the Department of Agriculture, Trade and Consumer Protection at P.O. Box 8911, Madison, Wisconsin, 53708,
268 whether the tanks are in use or not. Department regulations may require closure or removal of unused tanks.)

269 i. “LP” tank on the Property (specify in the additional information whether the tank is owned or leased); or Defects in an
270 “LP” tank on the Property.

271 j. Notice of property tax increases, other than normal annual increases, or pending Property reassessment; remodeling
272 that may increase the Property's assessed value; pending special assessments; or Property is within a special purpose
273 district, such as a drainage district, that has authority to impose assessments.

274 k. Proposed construction of a public project that may affect use of the Property; Property additions or remodeling affecting
275 Property structure or mechanical systems during Seller's ownership without required permits; or any land division involving
276 the Property without required state or local permits.

277 l. The Property is part of or subject to a subdivision homeowners' association; or the Property is not a condominium unit
278 and there are common areas associated with the Property that are co-owned with others.

279 m. Any zoning code violations with respect to the Property; the Property or any portion thereof is located in a floodplain,
280 wetland or shoreland zoning area; or the Property is subject to a shoreland mitigation plan required by Wisconsin
281 Department of Natural Resources (DNR) rules that obligates the Property owner to establish or maintain certain measures
282 related to shoreland conditions, enforceable by the county.

283 n. Nonconforming uses of the Property; conservation easements, restrictive covenants or deed restrictions on the
284 Property; **or other than public rights of way, nonowners having rights to use part of the Property, including, but not limited
285 to, private rights**—of-way and easements other than recorded utility easements.

286 o. All or part of the Property has been assessed as agricultural land; has been assessed a use-value assessment
287 conversion charge; or payment of a use-value assessment conversion charge has been deferred.

288 p. All or part of the Property is subject to, enrolled in, or in violation of a farmland preservation agreement, Forest Crop
289 Law, Managed Forest Law, the Conservation Reserve Program, or a comparable program.

290 q. A dam is totally or partially located on the Property; or an ownership interest in a dam not located on the Property will
291 be transferred with the Property because the dam is owned by a homeowners' association, lake district, or similar group of
292 which the Property owner is a member.

293 r. No legal access to the Property; or boundary or lot line disputes, encroachments or encumbrances (including a joint
294 driveway) affecting the Property.

295 s. Federal, state, or local regulations requiring repairs, alterations or corrections of an existing condition; or any insurance
296 claims relating to damage to the Property within the last five years.

297 t. **t. A pier attached to the Property not in compliance with state or local pier regulations; a written agreement affecting
298 riparian rights related to the Property; or the bed of the abutting navigable waterway is owned by a hydroelectric operator.**

299 u. Current or previous termite, powder-post beetle or carpenter ant infestations or Defects caused by animal, reptile, or
300 other insect infestations.

301 v. Structure on the Property designated as an historic building; all or any part of the Property in an historic district; or one
302 or more burial sites on the Property.

303 **w. Agreements binding subsequent owners such as a lease agreement or extension of credit from an electric cooperative.**

304 **x. Owner is a foreign person as defined in the Foreign Investment in Real Property Tax Act in 26 IRC § 1445(f).**

305 y. Other Defects affecting the Property, including, without limitation, drainage easement or grading problems; or
306 excessive sliding, settling, earth movement or upheavals.

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

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

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

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

326 (1) This Offer is contingent upon a Wisconsin registered or Wisconsin licensed home inspector performing a home inspection
327 of the Unit and any Limited Common Elements that may be used only by the owner of the Condominium Unit being
328 transferred after the date on line 1 of this Offer that discloses no Defects.

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

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

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

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

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

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

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

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

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

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

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

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

353 (2) curing the Defects in a good and workmanlike manner; and

354 (3) delivering to Buyer a written report detailing the work done no later than three days prior to closing.

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

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

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

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

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

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360 **RADON TESTING CONTINGENCY:** This Offer is contingent upon Buyer obtaining a current written report of the
361 results of a radon test within the Unit performed by a qualified third party in a manner consistent with applicable
362 Environmental Protection Agency (EPA) and Wisconsin Department of Health Services (DHS) protocols and standards

363 **indicating an EPA average radon level of less than 4.0 pCi/L, at (Buyer's) (Seller's) ~~STRIKE ONE~~**

364 ("Buyer's" if neither is stricken) expense.

365 This contingency shall be deemed satisfied unless Buyer, within _____ days ("20" if left blank) after acceptance delivers
366 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
367 objecting to the radon level in the report.

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

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

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

371 (2) installing a radon mitigation system in conformance with EPA standards in a good and workmanlike manner and by
372 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
373 no later than three days prior to closing.

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

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

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

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

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

379 **NOTE: For radon information refer to the EPA at epa.gov/radon or the DHS at dhs.wisconsin.gov/radon.**

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

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

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

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

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

398 **ADJUSTABLE RATE FINANCING:** The initial interest rate shall not exceed _____%. The initial interest rate
399 shall be fixed for _____ months, at which time the interest rate may be increased not more than _____% ("2" if
400 left blank) at the first adjustment and by not more than _____% ("1" if left blank) at each subsequent adjustment.

401 The maximum interest rate during the mortgage term shall not exceed the initial interest rate plus _____% ("6" if
402 left blank). Monthly payments of principal and interest may be adjusted to reflect interest changes.

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

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

407 (1) signed by Buyer; or,

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

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

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

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

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

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

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

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

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

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

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

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

433 (2) _____
434 _____ [Specify documentation Buyer agrees to deliver to Seller].

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

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

445 This contingency shall be deemed satisfied unless Buyer, within _____ days after acceptance, delivers to Seller a
446 copy of the appraisal report indicating an appraised value ~~not equal to or greater~~ less than the agreed upon purchase
447 price, and a written notice objecting to the appraised value.

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

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

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

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

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

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

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

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

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

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

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

472 (2) Written waiver of _____
473 _____ (name other contingencies, if any); and

474 (3) Any of the following checked below:

475 Proof of bridge loan financing

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

478 Other: _____
479 _____

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

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481 **SECONDARY OFFER:** This Offer is secondary to a prior accepted offer. This Offer shall become primary upon
482 delivery of written notice to Buyer that this Offer is primary. Unless otherwise provided, Seller is not obligated to give Buyer
483 notice prior to any Deadline, nor is any particular secondary buyer given the right to be made primary ahead of other
484 secondary buyers. Buyer may declare this Offer null and void by delivering written notice of withdrawal to Seller prior to
485 delivery of Seller's notice that this Offer is primary. Buyer may not deliver notice of withdrawal earlier than _____ days ("7"

486 if left blank) after acceptance of this Offer. All other Offer Deadlines that run from acceptance shall run from the time this
487 Offer becomes primary.

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

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

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

494 Real estate taxes shall be prorated at closing based on **CHECK BOX FOR APPLICABLE PRORATION FORMULA:**

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

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

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

501

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

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

511 **TITLE EVIDENCE**

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

519 _____
520 _____ (insert other allowable exceptions from title, if any)

521 ~~which that constitutes~~ merchantable title for purposes of this transaction. Seller, at Seller's cost, shall complete and execute
522 the documents necessary to record the conveyance and pay the Wisconsin Real Estate Transfer Fee.

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

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

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

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

540 ■ **TITLE NOT ACCEPTABLE FOR CLOSING:** If title is not acceptable for closing, Buyer shall notify Seller in writing of
541 objections to title by the time set for ~~closing. In such event, Seller~~ shall have a reasonable time, but not exceeding 15 days,
542 to remove the objections, and the time for closing shall be extended as necessary for this ~~purpose. In the event that if Seller~~
543 is unable to remove said objections, Buyer shall have five days from receipt of notice thereof, to deliver written notice waiving
544 the objections, and the time for closing shall be extended accordingly. If Buyer does not waive the objections, this Offer

545 shall be null and void. Providing title evidence acceptable for closing does not extinguish Seller's obligations to give
546 merchantable title to Buyer.

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

548 ■ **SPECIAL ASSESSMENTS/OTHER EXPENSES:** Special assessments, if any, including those by any **Condominium or**
549 **Additional Association**, levied or for work actually commenced prior to the date stated on line 1 of this Offer shall be paid by
550 Seller no later than closing. All other special assessments shall be paid by Buyer. **"Levied" with regard to municipal special**
551 **assessments means the local municipal governing body has adopted and published a final resolution describing the planned**
552 **improvements and the assessment of benefits.** "Levied" with regard to Condominium special assessments means the
553 Association has adopted a resolution imposing fees on the Units, other than regular Association fees, for special projects
554 or expenses.

555 **CAUTION: Consider a special agreement if special assessments are payable in multiple payments over a period of**
556 **years, or if area assessments, property owners association assessments, Condominium Association special**
557 **assessments, special charges for current services under Wis. Stat. § 66.0627 or other expenses are contemplated.**
558 **"Other expenses" are one-time charges or ongoing use fees for public improvements (other than those resulting**
559 **in special assessments) relating to curb, gutter, street, sidewalk, municipal water, sanitary and storm water and**
560 **storm sewer (including all sewer mains and hook-up/connection and interceptor charges), parks, street lighting**
561 **and street trees, and impact fees for other public facilities, as defined in Wis. Stat. § 66.0617(1)(f).**

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

565 _____
566 _____. Insert additional terms, if any, at lines **xxx-xxx** or attach as an addendum per line **xxx**.

567 **DEFINITIONS**

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

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

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

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

584 ■ **FIRM:** "Firm" means a licensed sole proprietor broker or a licensed broker business entity.

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

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

587 **INCLUSION OF OPTIONAL PROVISIONS** Terms of this Offer that are preceded by an OPEN BOX () are part of
588 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.

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

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

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

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601 **MAINTENANCE** Seller shall maintain **the Unit and any Limited Common Elements that may be used only by the owner of**
602 **the Condominium Unit being transferred the Property** and all personal property included in the purchase price until the

earlier of closing or Buyer's occupancy, in materially the same condition it was in as of the date on line 1 of this Offer, except for ordinary wear and tear and changes agreed upon by the Parties.

PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING If, prior to closing, the Unit and any Limited Common Elements that may be used only by the owner of the Condominium Unit being transferred is damaged in an amount not more than five percent of the purchase price, other than normal wear and tear, Seller shall promptly notify Buyer in writing, and will be obligated to restore the Unit and any Limited Common Elements that may be used only by the owner of the Condominium Unit being transferred to materially the same condition it was in as of the date on line 1 of this Offer. Seller shall provide Buyer with copies of all required permits and lien waivers for the lienable repairs no later than closing. If the amount of damage exceeds five percent of the purchase price, Seller shall promptly notify Buyer in writing of the damage and this Offer may be terminated at option of Buyer. Should Buyer elect to carry out this Offer despite such damage, Buyer shall be entitled to the insurance proceeds, if any, relating to the damage to the Unit and any Limited Common Elements that may be used only by the owner of the Condominium Unit being transferred, plus a credit towards the purchase price equal to the amount of Seller's deductible on such policy, if any. However, if this sale is financed by a land contract or a mortgage to Seller, any insurance proceeds shall be held in trust for the sole purpose of restoring the Unit and any Limited Common Elements that may be used only by the owner of the Condominium Unit being transferred.

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

OCCUPANCY Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in 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 Buyer's occupancy, the Unit and any Limited Common Elements that may be used only by the owner of the Condominium Unit being transferred shall be in broom swept condition and free of all debris, refuse, and personal property except for personal property belonging to current tenants, or that sold to Buyer or left with Buyer's consent. Occupancy shall be given subject to tenant's rights, if any.

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

If Buyer defaults, Seller may:

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

If Seller defaults, Buyer may:

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

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

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

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

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

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

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

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

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

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

677 **ADDITIONAL PROVISIONS/CONTINGENCIES** _____

678 _____
679 _____

680 **DELIVERY OF DOCUMENTS AND WRITTEN NOTICES**

Unless otherwise stated in this Offer, delivery of documents and
681 written notices to a Party shall be effective only when accomplished by one of the authorized methods specified at lines
682 **xxx-xxx**.

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

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

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

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

688 Seller: (_____) _____ Buyer: (_____) _____

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

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

694 Address for Seller: _____

695 Address for Buyer: _____

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

697 Seller: _____

698 Buyer: _____

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

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

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

703 _____

704 (x) _____

705 Buyer's Signature ▲ Print Name Here ► _____ Date ▲ _____

706 (x) _____

707 Buyer's Signature ▲ Print Name Here ► _____ Date ▲ _____

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

712 (x) _____

713 Seller's Signature ▲ Print Name Here ► _____ Date ▲ _____

714 (x) _____

715 Seller's Signature ▲ Print Name Here ► _____ Date ▲ _____

716 This Offer was presented to Seller by [Licensee and Firm] _____

717 _____ on _____ at _____ a.m./p.m.

718 This Offer is rejected _____ This Offer is countered [See attached counter] _____
719 Seller Initials ▲ Date ▲ Seller Initials ▲ Date ▲