



VIRTUAL/TELECONFERENCE
REAL ESTATE CONTRACTUAL FORMS ADVISORY COUNCIL
Virtual, 4822 Madison Yards Way, Madison, WI 53705
Contact: Adam Barr (608) 266-2112
December 8, 2021

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 September 16, 2021 (2-3)**
- C. Introductions, Announcements, and Recognition**
 - 1. Recognition of Robert Larson, Real Estate Examining Board Representative
- D. Administrative Matters**
 - 1. Department, Staff and Council Updates
 - 2. Real Estate Examining Board Update
- E. Review of Real Estate Contractual Forms for Revision – Discussion and Consideration**
 - 1. **WB-24 – Option to Purchase (4-14)**
 - a. WB-24 Draft
- F. Next Steps**
- G. Public Comments**

ADJOURNMENT

NEXT MEETING: JANUARY 20, 2022

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. Requests for interpreters for the deaf or hard of hearing, or other accommodations, are considered upon request by contacting the Affirmative Action Officer, 608-266-2112, or the Meeting Staff at 608-266-5439.

**VIRTUAL/TELECONFERENCE
REAL ESTATE CONTRACTUAL FORMS ADVISORY COUNCIL
MEETING MINUTES
SEPTEMBER 16, 2021**

PRESENT: Joseph Busch, Debra Conrad, John Drzewiecki, Michael Gordon, Cori Lamont
(*excused at 9:55 a.m., arrived at 11:24 a.m.*), Sonya Mays, Kim Moermond,
Angela Rowland, Jonathan Sayas, Pamela Widen

EXCUSED: Casey Clickner, Laura Peck, Thomas Weber, Jr.

STAFF: Adam Barr, Executive Director; Megan Glaeser, Bureau Assistant; and other
DSPS Staff

CALL TO ORDER

Sonya Mays, Chairperson, called the meeting to order at 9:32 a.m. A quorum of ten (10) members was confirmed.

ADOPTION OF AGENDA

Amendments to the Agenda

- Change the order of listing of item “D. Review of Real Estate Contractual Forms for Revision – Discussion and Consideration” to appear as outlined below:
 1. WB-40 – Amendment to Offer to Purchase
 - a. WB-40 Draft
 2. WB-41 – Notice Relating to Offer to Purchase
 - a. WB-41 Draft
 3. WB-44 – Counter Offer
 - a. WB-44 Draft
 4. WB-45 – Cancellation Agreement & Mutual Release
 - a. WB-45 Draft
 5. WB-24 – Option to Purchase
 - a. WB-24 Draft

MOTION: Debra Conrad moved, seconded by Mike Gordon, to adopt the agenda as amended. Motion carried unanimously.

APPROVAL OF MINUTES FROM JUNE 23, 2021

MOTION: Debra Conrad moved, seconded by Pamela Widen, to approve the minutes of June 23, 2021 as published. Motion carried unanimously.

(Cori Lamont was excused at 9:55 a.m., and arrived at 11:24 a.m.)

REVIEW OF REAL ESTATE CONTRACTUAL FORMS FOR REVISION

WB-40 – Amendment to Offer to Purchase

WB-40 Draft

MOTION: John Drzewiecki moved, seconded by Pamela Widen, to recommend the WB-40 – Amendment to Offer to Purchase revisions to the Real Estate Examining Board for approval as submitted. Motion carried unanimously.

WB-41 – Notice Relating to Offer to Purchase

WB-41 Draft

MOTION: Mike Gordon moved, seconded by Joseph Busch, to recommend the WB-41 – Notice Relating to Offer to Purchase revisions to the Real Estate Examining Board for approval as submitted. Motion carried unanimously.

WB-44 – Counter Offer

WB-44 Draft

MOTION: Angela Rowland moved, seconded by John Drzewiecki, to recommend the WB-44 – Counter Offer revisions to the Real Estate Examining Board for approval as submitted. Motion carried unanimously.

WB-45 – Cancellation Agreement & Mutual Release

WB-45 Draft

MOTION: Pamela Widen moved, seconded by Mike Gordon, to recommend the WB-45 – Cancellation Agreement & Mutual Release revisions to the Real Estate Examining Board for approval as submitted. Motion carried unanimously.

ADJOURNMENT

MOTION: Mike Gordon moved, seconded by Debra Conrad, to adjourn the meeting. Motion carried unanimously.

The meeting adjourned at 12:07 p.m.

WB-24 OPTION TO PURCHASE

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

3 The Seller (Optionor), _____, hereby grants to
4 the Buyer (Optionee), _____,

5 an option to purchase (Option) the Property known as [Street Address] _____
6 _____ in the _____

7 of _____, County of _____, Wisconsin, on the following terms:

8 **DEADLINE FOR GRANT OF OPTION** This Option is void unless a copy of the Option, or separate but identical copies,
9 is/are signed by all Sellers and delivered to Buyer on or before _____ (Time is of the Essence).

10 **OPTION TERMS**
11 ■ **INITIAL OPTION TERM FEE**: A nonrefundable option fee of \$ _____ will be paid by Buyer to Seller within
12 _____ days of the later of: (i) the granting of this Option, or (ii) the deadline for execution of a lease if line **xxx** of this Option
13 is checked.

14 ■ ~~EXTENDED OPTION TERM: The Deadline to exercise this Option shall be extended until midnight _____,~~
15 ~~upon payment of \$ _____ to Seller on or before _____, as an~~

16 ~~option extension fee which shall not be refundable.~~

17 ■ **EXERCISE DEADLINE**: This Option may only be exercised if Buyer delivers written notice to Seller no later than
18 midnight on _____ unless extended per lines 15-17.

19 ■ **EXERCISE**: To exercise this Option, Buyer must sign and deliver (i) the notice at lines **xxx-xxx**, or (ii) any other written
20 notice which states that Buyer exercises this Option. If the Option is exercised, \$ _____ of the option fee
21 and \$ _____ of the option extension fee, if any, shall be a credit against the purchase price at closing.

22 **CAUTION: If the option fees are to be paid into the listing firm's trust account or to a third party, specify in additional**
23 **provisions at lines xxx-xxx or xxx-xxx or in a separate agreement attached per line xxx. An escrow agreement should**
24 **be drafted by the Parties or an attorney.**

25 ■ ~~EXTENDED OPTION TERM: The Deadline to exercise this Option shall be extended until midnight _____,~~
26 ~~upon payment of \$ _____ to Seller on or before _____, as an~~

27 ~~option extension fee which shall not be refundable.~~

28 **TERMS OF PURCHASE** If this Option is exercised per the terms of this Option, the following shall be the terms of purchase:

29 ■ **PURCHASE PRICE**: _____ Dollars
30 (\$ _____) will be paid in cash or equivalent at closing unless otherwise agreed in writing.

31 ■ **INCLUDED IN PURCHASE PRICE**: Included in the purchase price is the Property, all Fixtures on the Property as of
32 the date on line 1 of this Option (unless excluded at lines **xx-xx**), and the following additional items:
33 _____
34 _____

35 **NOTE: The terms of this Option, not the listing contract or marketing materials, determine what items are included**
36 **or not included.**

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

40 **CAUTION: Identify trade fixtures owned by tenant, if applicable, and Fixtures that are on the Property (see lines**
41 **xx-xx) to be excluded by Seller or that are rented (e.g., water softeners or other water treatment systems, LP**
42 **tanks, etc.) and will continue to be owned by the lessor.**

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

53 **CAUTION: Exclude any Fixtures to be retained by Seller or which are not owned by Seller, such as rented fixtures**
54 **(e.g., water softener or other water conditioning systems, home entertainment and satellite dish components,**
55 **L.P. tanks, etc.) on lines xx-xx.**

56 **CAUTION: Consider an agreement which addresses responsibility for clearing the Property of personal property and**
57 **debris, if applicable.**

58 **TIME IS OF THE ESSENCE** "Time is of the Essence" as to: (1) payment of option fees; (2) payment of extension fees;
59 (3) Seller's grant of this Option; (4) Buyer's exercise of this Option; (5) occupancy; (6) date of closing; **[STRIKE AS**
60 **APPLICABLE]** and all other dates and Deadlines in this Option except: _____

61 _____ . If "Time is of the Essence" applies to a date or Deadline,
62 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
63 date or Deadline, then performance within a reasonable time of the date or Deadline is allowed before a breach occurs.

64 **RECORDING OF OPTION** Buyer (may) (may not) ~~STRIKE ONE~~ record this Option at Buyer's expense.
65 Buyer (may) (may not) ~~STRIKE ONE~~ ("may" if neither is stricken) record a separate instrument evidencing this Option at
66 Buyer's expense. ~~If this Option or a separate instrument evidencing this Option is to be recorded, insert legal description~~
67 ~~at lines xxx-xxx or xxx-xxx or attach as an addendum per line xxx.~~ If recording this Option or a separate instrument
68 ~~evidencing this Option~~, the parties agree to provide ~~the applicable legal description and~~ authenticated or acknowledged
69 signatures as may be required.

70 **CAUTION: Failure to record may give persons with subsequent interests in the Property priority over this Option.**
71 **LEASED PROPERTY** If Property is currently leased and lease(s) extend beyond closing, Seller shall assign Seller's rights
72 under the lease(s) and transfer all security deposits and prepaid rents thereunder to Buyer at closing. The terms of the (written)
73 (oral) ~~STRIKE ONE~~ lease(s), if any, are _____

74 _____
75 Insert additional terms, if any, at lines xxx-xxx or xxx-xxx or attach as an addendum per line xxx.

76 **LEASE-OPTION PROVISIONS** CHECK BOX ON LINE XXX OR XXX, IF APPLICABLE:
77 Concurrent with the granting of the Option, Seller and Buyer have entered into a written lease for the Property.
78 This Option is contingent upon Seller and Buyer, within _____ days from the granting of this Option,
79 entering into a written lease for the Property with minimum terms which shall include: term from _____
80 to _____ and an initial rent of _____ per month or this Option shall be null and void.

81 CHECK ANY OF THE FOLLOWING THAT APPLY, IF LINE XXX OR XXX WAS CHECKED ABOVE:
82 In the event that this Option is timely exercised, \$ _____ of each monthly rent payment of
83 \$ _____ shall be applied to the purchase price while the balance shall be deemed solely rent
84 that is retained by Seller.

85 **NOTE: Lenders may not recognize a credit for rent paid under a lease.**
86 Buyer may not exercise this Option unless Buyer is current with all rent.
87 Any material breach of the lease by Buyer shall also constitute a default under this Option.

88 **PROPERTY CONDITION REPRESENTATIONS** Seller represents to Buyer that, as of the date Seller grants this Option,
89 Seller has no notice or knowledge of any Defects (lines xx-xx) other than those identified in Seller's disclosure report
90 dated _____ and, if applicable, Real Estate Condition Report dated _____, and, if
91 applicable, Vacant Land Disclosure Report dated _____, which was/were received by Buyer prior to Buyer
92 signing this Option and which is/are made a part of this Option by reference COMPLETE DATES OR STRIKE AS
93 APPLICABLE and _____

94 _____
95 INSERT CONDITIONS NOT ALREADY INCLUDED IN THE DISCLOSURE OR CONDITION REPORT(S)

96 **CAUTION: Wisconsin law requires owners of property that includes one-to-four dwelling units to provide Buyers**
97 **with a Real Estate Condition Report as provided in Wis. Stat. § 703.03. If the Property includes 1-4 dwelling units,**
98 **a Real Estate Condition Report containing the disclosures provided in Wis. Stat. § 709.03 may be required. If the**
99 **Property does not include any buildings, a Vacant Land Disclosure Report containing the disclosures provided**
100 **in Wis. Stat. § 709.033 may be required. Excluded from these requirements are sales of property with 1-4 dwelling**
101 **units that has never been inhabited, sales exempt from the real estate transfer fee, and sales by certain court-**
102 **appointed fiduciaries, (for example, personal representatives who have never occupied the Property). The law**
103 **provides: "§ 709.02 Disclosure . . . the owner of the property shall furnish, not later than 10 days after acceptance**
104 **of an option contract . . . to the prospective buyer of the property a completed copy of the report . . . A prospective**
105 **buyer who does not receive a report within the 10 days may, within two business days after the end of that 10-**
106 **day period, rescind the option contract . . . by delivering a written notice of rescission to the owner or the owner's**
107 **agent." Buyer may also have certain rescission rights if a Real Estate Condition Report or Vacant Land Disclosure**
108 **Report disclosing defects is furnished before expiration of the 10 days, but after the Option is submitted to**
109 **Seller. The buyer may have certain rescission rights per Wis. Stat. § 709.05 if Seller does not furnish such report(s)**
110 **within 10 days after Seller grants this Option or if a report disclosing Defects is furnished before expiration of**
111 **these 10 days, but after the Option is submitted to Seller. Buyer should review the report form or consult with an**
112 **attorney for additional information regarding rescission rights.**

113 Seller agrees to notify Buyer in writing of any Defect which Seller becomes aware of after Seller's granting of, but prior to
114 Buyer's exercise of this Option, which is materially inconsistent with the above representations. For purposes of this
115 provision (lines xxx-xxx), Defect does not include structural, mechanical or other conditions of which the Buyer has actual
116 knowledge or written notice or which Buyer discovers prior to the exercise of this Option.

117 **BUYER DUE DILIGENCE** Prior to the granting or exercising of this Option, Buyer may wish to perform certain authorized
118 inspections, investigations and testing of the Property. Buyer shall provide for any specific inspections, investigations or
119 tests Buyer intends to perform as part of Buyer's due diligence items on lines xxx-xxx, xxx-xxx, or xxx-xxx or attach as an
120 addendum per line xxx. In addition, Buyer may need to obtain and review documents relevant to financing approval,

121 appraisals, or perform general due diligence activities for the transaction, including but not limited to: business records,
122 condominium documents, maps or other information, municipal and zoning ordinances, recorded building and use
123 restrictions, covenants and easements of record, as they may prohibit or restrict certain uses and improvements for the
124 Property. Buyer may also need to obtain or verify certain permits, zoning variances, other governmental or private
125 approvals, environmental audits and subsoil tests, required road improvements, utility hook-up and installation costs, or
126 other development related costs and fees, in order to fully determine the feasibility of any proposed or planned
127 development of the Property. Seller agrees to cooperate with Buyer as necessary to complete any due diligence items or
128 any authorized investigations, testing and inspections as provided for in this Option, without cost to Seller, unless
129 otherwise agreed by the Parties in writing.

130 **INSPECTIONS AND TESTING**

Buyer may only conduct inspections or tests if specific authorizations are included in this
131 Option. An "inspection" is defined as an observation of the Property which does not include an appraisal or testing of the
132 Property, other than testing for leaking carbon monoxide, or testing for leaking LP gas or natural gas used as a fuel
133 source, which are hereby authorized. A "test" is defined as the taking of samples of materials such as soils, water, air or
134 building materials from the Property and the laboratory or other analysis of these materials. Seller agrees to allow Buyer's
135 inspectors, testers, appraisers and qualified third parties reasonable access to the Property upon advance notice, if
136 necessary to perform the activities authorized in this Option. Buyer or licensees or both may be present at all inspections
137 and testing. Except as otherwise provided, Seller's authorization for inspections does not authorize Buyer to conduct
138 testing of the Property. Buyer agrees to promptly restore the Property to its original condition after Buyer's inspections
139 and testing are completed unless otherwise agreed to with Seller. Buyer agrees to promptly provide copies of all inspection
140 and testing reports to Seller. Seller acknowledges that certain inspections or tests may detect environmental pollution
141 which may be required to be reported to the Wisconsin Department of Natural Resources.

142 **AUTHORIZATION FOR APPRAISAL, INSPECTIONS AND TESTS**

Buyer is authorized to have the Property appraised by a
143 Wisconsin licensed or certified appraiser and to conduct the following inspections and tests (see lines xxx-xxx) prior to Buyer's
144 exercise of this Option. Any inspection(s) and test(s) shall be performed by a qualified independent inspector or expert, or an
145 independent qualified third party. Inspections and testing shall be conducted pursuant to government or industry protocols and
146 standards, as applicable.

147 List inspections (e.g., home, roof, foundation, septic) here: _____

148 _____

149 List tests (e.g., radon, lead-based paint, well water) here: _____

150 _____

151 Describe additional inspections and tests, if any, at lines xxx-xxx or xxx-xxx or attach as an addendum per line xxx.

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

155 **CLOSING**

This transaction is to be closed (within _____ days after the exercise of this
156 Option) (no later than _____) **STRIKE AND COMPLETE AS APPLICABLE** at the
157 place selected by Seller, unless otherwise agreed by the Parties in writing. If the date for closing falls on Saturday, Sunday,
158 or a federal or a state holiday, the closing date shall be the next Business Day.

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

163 **CLOSING PRORATIONS**

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

166 _____

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

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

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

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

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

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

176 _____

177 **CAUTION: Buyer is informed that the actual real estate taxes for the year of closing and subsequent years may**
178 **be substantially different than the amount used for proration especially in transactions involving new**

179 **construction, extensive rehabilitation, remodeling or area-wide re-assessment. Buyer is encouraged to contact**
180 **the local assessor regarding possible tax changes.**

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

187 **TITLE EVIDENCE**

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

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

199 ■ **SELLER CHANGES PROHIBITED:** The Parties agree that Seller shall not rezone the Property or create any additional
200 liens or encumbrances on title after Seller grants this Option without Buyer's written consent except for liens and
201 encumbrances that will be removed at closing.

202 ~~Seller, at Seller's cost, shall complete and execute the documents necessary to record the conveyance and pay the~~
203 ~~Wisconsin Real Estate Transfer Fee.~~

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

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

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

217 ■ **DELIVERY OF MERCHANTABLE TITLE:** The required title insurance commitment shall be delivered to Buyer's
218 attorney or Buyer not more than _____ days ("15" if left blank) after Seller grants this Option showing title to the
219 Property as of a date no more than 15 days before delivery of such title evidence to be merchantable per lines xxx-xxx,
220 subject only to liens which will be paid out of the proceeds of closing and standard title insurance requirements and
221 exceptions.

222 **CAUTION: Buyer should consider obtaining an update of the title commitment prior to exercising this Option.**

223 ■ **TITLE NOT ACCEPTABLE FOR CLOSING:** If title is not acceptable for closing, Buyer shall notify Seller in writing of
224 objections to title within _____ days ("15" if left blank) after delivery of the title commitment to Buyer or Buyer's
225 attorney. In such event, Seller shall have _____ days ("15" if left blank), from Buyer's delivery of the notice stating
226 title objections, to deliver notice to Buyer stating Seller's election to remove the objections by the time set for closing. If
227 Seller is unable to remove said objections, Buyer shall have 5 days from receipt of notice thereof to deliver written notice
228 waiving the objections, and the time for closing shall be extended accordingly. If Buyer does not waive the objections, this
229 Option shall be null and void. Providing title evidence acceptable for closing does not extinguish Seller's obligations to
230 give merchantable title to Buyer.

231 ■ **SPECIAL ASSESSMENTS/OTHER EXPENSES:** Special assessments, if any, levied or for work actually commenced
232 prior to the date this Option is exercised shall be paid by Seller no later than closing. All other special assessments shall
233 be paid by Buyer. "Levied" means the local municipal governing body has adopted and published a final resolution
234 describing the planned improvements and the assessment of benefits.

235 **CAUTION: Consider a special agreement if area assessments, property owners association assessments, special**
236 **charges for current services under Wis. Stat. § 66.0627 or other expenses are contemplated. "Other expenses"**
237 **are one-time charges or ongoing use fees for public improvements (other than those resulting in special**
238 **assessments) relating to curb, gutter, street, sidewalk, municipal water, sanitary and storm water and storm**

239 **sewer (including all sewer mains and hook-up/connection and interceptor charges), parks, street lighting and**
 240 **street trees, and impact fees for other public facilities, as defined in Wis. Stat. § 66.0617(1)(f).**

241 **DEFINITIONS**

242 ■ **ACTUAL RECEIPT:** “Actual Receipt” means that a Party, not the Party’s recipient for delivery, if any, has the document
 243 or written notice physically in the Party’s possession, regardless of the method of delivery. If the document or written
 244 notice is electronically delivered, Actual Receipt shall occur when the Party opens the electronic transmission.

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

248 ■ **DEADLINES:** “Deadlines” expressed as a number of “days” from an event, such as acceptance, are calculated by
 249 excluding the day the event occurred and by counting subsequent calendar days. The Deadline expires at Midnight on
 250 the last day. Additionally, Deadlines expressed as a specific number of Business Days are calculated in the same manner
 251 except that only Business Days are counted while other days are excluded. Deadlines expressed as a specific number of
 252 “hours” from the occurrence of an event, such as receipt of a notice, are calculated from the exact time of the event, and
 253 by counting 24 hours per calendar day. Deadlines expressed as a specific day of the calendar year or as the day of a
 254 specific event, such as closing, expire at ~~mMidnight~~Midnight of that day. “Midnight” is defined as 11:59 p.m. Central Time.

255 ■ **DEFECT:** “Defect” means a condition that would have a significant adverse effect on the value of the Property; that
 256 would significantly impair the health or safety of future occupants of the Property; or that if not repaired, removed or
 257 replaced would significantly shorten or adversely affect the expected normal life of the premises or adversely affect the
 258 use of the Property.

259 ■ **FIRM:** “Firm” means a licensed sole proprietor broker or a licensed broker business entity.

260 ■ **PARTY:** “Party” means the Buyer or the Seller; “Parties” refers to both Buyer and Seller.

261 ■ **PROPERTY:** Unless otherwise stated, “Property” means the real estate described at lines ~~x-x~~.

262 **INCLUSION OF OPTIONAL PROVISIONS** Terms of this Offer that are preceded by an OPEN BOX () are part of
 263 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.

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

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

269 **BUYER’S WALK-THROUGHS** Within 3 days of the earlier of: (i) the Deadline for Buyer’s exercise of this Option; or (ii)
 270 the Buyer’s exercise of this Option; and again within 3 days prior to closing, at a reasonable time pre-approved by Seller
 271 or Seller’s agent, Buyer shall have the right to walk through the Property to determine that there has been no significant
 272 change in the condition of the Property, except for ordinary wear and tear and changes agreed upon by the Parties, and
 273 that any Defects Seller has agreed to cure have been repaired in the manner agreed to by the Parties.

274 **MAINTENANCE** Seller shall maintain the Property and all personal property included in the purchase price until the
 275 earlier of closing or Buyer’s occupancy, in materially the same condition it was in as of the date Buyer exercises this
 276 Option, except for ordinary wear and tear and changes agreed upon by Parties.

277 **PROPERTY DAMAGE BETWEEN EXERCISE OF OPTION AND CLOSING** If, prior to closing, the Property is damaged
 278 in an amount of not more than five percent of the purchase price, other than normal wear and tear, Seller shall promptly
 279 notify Buyer in writing, and will be obligated to and restore the Property to materially the same condition that it was on the
 280 day this Option was exercised. Seller shall provide Buyer with copies of all required permits and lien waivers for the
 281 lienable repairs no later than closing. If the amount of damage exceeds five percent of the purchase price, Seller shall
 282 promptly notify Buyer in writing of the damage and this Option may be canceled at the option of Buyer. Should Buyer elect
 283 to carry out this Option despite such damage, Buyer shall be entitled to the insurance proceeds, if any, relating to the
 284 damage to the Property, plus a credit towards the purchase price equal to the amount of Seller’s deductible on such
 285 policy, if any. However, if this sale is financed by a land contract or a mortgage to Seller, any insurance proceeds shall
 286 be held in trust for the sole purpose of restoring the Property.

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

294 **OCCUPANCY** Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in
 295 this Option at lines ~~xxx-xxx~~ or ~~xxx-xxx~~ or in an addendum attached per line ~~xxx~~. At time of Buyer’s occupancy, Property
 296 shall be in broom swept condition and free of all debris and personal property except for personal property belonging to

297 current tenants, or that sold to Buyer or left with Buyer's consent. Occupancy shall be given subject to tenant's rights, if
298 any.

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

302 If Buyer defaults, Seller may:

303 (1) sue for specific performance if Buyer has exercised this Option; or

304 (2) terminate the Option and may sue for actual damages.

305 If Seller defaults, Buyer may:

306 (1) sue for specific performance; or

307 (2) terminate the Option and may sue for actual damages.

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

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

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

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

321 **ADDITIONAL PROVISIONS** _____
322 _____
323 _____
324 _____
325 _____
326 _____
327 _____
328 _____
329 _____
330 _____
331 _____
332 _____
333 _____
334 _____

335 **CONDOMINIUM UNITS**

336 **CAUTION: If this Option involves a condominium unit, Buyer should obtain and review the condominium**
337 **disclosure documents before entering into this Option. See lines (xxx-xxx).**

338 If the Property is a residential condominium unit, Seller must comply with the following:

339 ■ **CONDOMINIUM DISCLOSURE MATERIALS:** Seller agrees to deliver to Buyer, within 10 days of Buyer exercising this
340 Option, current and accurate copies of the condominium disclosure materials required by Wis. Stat. § 703.33. The
341 condominium disclosure materials include a copy of the following and any amendments to any of these [except as may
342 be limited for small condominiums with no more than 12 units per Wis. Stat. § 703.365(1)(b) and (8)]: (a) proposed or
343 existing declaration, bylaws and any rules or regulations, and an index of the contents; (b) proposed or existing articles
344 of incorporation of the association, if it is or is to be incorporated; (c) proposed or existing management contract,
345 employment contract or other contract affecting the use, maintenance or access of all or part of the condominium; (d)
346 projected annual operating budget for the condominium including reasonable details concerning the estimated monthly
347 payments by the purchaser for assessments and other monthly charges; (e) leases to which unit owners or the association
348 will be a party; (f) general description of any contemplated expansion of condominium including each stage of expansion
349 and the maximum number of units that can be added to the condominium; (g) unit floor plan showing location of common
350 elements and other facilities available to unit owners; (h) the executive summary.

351 ■ **BUYER RESCISSION RIGHTS:** As provided in Wis. Stat. § 703.33(4)(a), Buyer may, within 5 business days after
352 receipt of all the required disclosure documents, or following notice of any material changes in the required disclosure
353 documents, rescind this Option by written notice delivered to Seller. If the disclosure materials are delivered to Buyer and
354 Buyer does not receive all of the disclosure documents, Buyer may, within 5 business days after Buyer's receipt of the
355 disclosure materials, either rescind the Option or request any missing documents. Seller has 5 business days after receipt
356 of Buyer's request for missing documents to deliver the requested documents. Buyer may rescind the sale within 5

357 business days after the earlier of Buyer's receipt of requested missing documents or the deadline for Seller's delivery of
 358 the documents [Wis. Stat. § 703.33(4)(b)]. Any document delivered to Buyer may not be changed or amended following
 359 delivery if the change or amendment would materially affect the rights of Buyer without first obtaining approval of Buyer.
 360 A copy of any such amendments shall be delivered promptly to Buyer.

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

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

367 **CONTINGENCY FOR ADDITIONAL CONDOMINIUM INFORMATION:** This Offer is contingent upon Seller delivering to
 368 Buyer, at Seller's expense, within 10 days of Buyer exercising this Option the information listed below that exists as of the date on
 369 line 1 of this Option:

- 370 ♦ The Condominium Association's financial statements for the 2 two years.
- 371 ♦ The minutes of the last 3 Unit owners' meetings.
- 372 ♦ The minutes of Condominium board meetings during the 12 months prior to acceptance of this Offer.
- 373 ♦ Information about contemplated or pending Condominium special assessments.
- 374 ♦ The Association's certificate of insurance.
- 375 ♦ A statement from the Association indicating the balance of reserve accounts controlled by the Association.
- 376 ♦ Any Common Element inspection reports (e.g. roof, swimming pool, elevator and parking garage inspections, etc.) held
 377 by the Association.
- 378 ♦ Information regarding any pending litigation involving the Association.
- 379 ♦ The Declaration, bylaws, budget and/or most recent financial statement of any master association or Additional
 380 Association the Unit may be part of.
- 381 ♦ Other: _____

382 (hereinafter collectively the "listed materials").

383 **NOTE: Because not all of the listed materials may exist or be available from the Condominium Association, Seller may**
 384 **wish to verify availability prior to Seller's granting of this Option.**

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

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

394 ■ **OPTION FEES NOT A DEPOSIT:** The Parties agree that if this Option is for a residential condominium unit, the option fee
 395 and any option extension fee are not deposits subject to return under Wis. Stat. § 703.33(4)(c).

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

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

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

408 Seller hereby represents that Seller is a non-Foreign Person, unless (1) Seller represents Seller is a Foreign Person in a
 409 condition report incorporated in this Offer per lines 105-108, or (2) no later than 10 days after acceptance, Seller delivers
 410 notice to Buyer that Seller is a Foreign Person, in which cases the provisions on lines 530-532 apply.

411 **IF SELLER IS A NON-FOREIGN PERSON.** Seller shall, no later than closing, execute and deliver to Buyer, or a qualified
 412 substitute (attorney or title company as stated in IRC § 1445), a sworn certification under penalties of perjury of Seller's
 413 non-foreign status in accordance with IRC § 1445. If Seller fails to timely deliver certification of Seller's non-foreign status,
 414 Buyer shall: (1) withhold the amount required to be withheld pursuant to IRC § 1445; or, (2) declare Seller in default of
 415 this Offer and proceed under lines 494-501.

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

419 **COMPLIANCE WITH FIRPTA.** Buyer and Seller shall complete, execute, and deliver, on or before closing, any
420 instrument, affidavit, or statement needed to comply with FIRPTA, including withholding forms. If withholding is required
421 under IRC § 1445, and the net proceeds due Seller are not sufficient to satisfy the withholding required in this transaction,
422 Seller shall deliver to Buyer, at closing, the additional funds necessary to satisfy the applicable withholding requirement.
423 Seller also shall pay to Buyer an amount not to exceed \$1,000 for actual costs associated with the filing and administration
424 of forms,
425 affidavits, and certificates necessary for FIRPTA withholding and any withholding agent fees.

426 **Any representations made by Seller with respect to FIRPTA shall survive the closing and delivery of the deed.**
427 Firms, Agents, and Title Companies are not responsible for determining FIRPTA status or whether any FIRPTA exemption
428 applies. The Parties are advised to consult with their respective independent legal counsel and tax advisors regarding
429 FIRPTA. **DELIVERY OF DOCUMENTS AND WRITTEN NOTICES** Unless otherwise stated in this Option, delivery of
430 documents and written notices to a Party shall be effective only when accomplished by one of the authorized methods specified
431 at lines xxx-xxx.

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

434 Name of Seller's recipient for delivery, if any: _____
435 Name of Buyer's recipient for delivery, if any: _____

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

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

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

443 Address for Seller: _____
444 Address for Buyer: _____

445 (5) **Email:** electronically transmitting the document or written notice to the email address.
446 Email Address for Seller: _____
447 Email Address for Buyer: _____

448 **PERSONAL DELIVERY/ACTUAL RECEIPT** Personal delivery to, or Actual Receipt by, any named Buyer or Seller
449 constitutes personal delivery to, or Actual Receipt by, all Buyers or Sellers. **ADDENDA:** The attached
450 _____ is/are made part of this Option.

451 **ADDITIONAL PROVISIONS** _____
452 _____
453 _____
454 _____
455 _____

456 **IF GRANTED, THIS OPTION CAN CREATE A LEGALLY ENFORCEABLE CONTRACT. BOTH PARTIES SHOULD READ**
457 **THIS OPTION AND ALL ATTACHMENTS CAREFULLY. BROKERS MAY PROVIDE A GENERAL EXPLANATION OF THE**
458 **PROVISIONS OF THE OPTION BUT ARE PROHIBITED BY LAW FROM GIVING ADVICE OR OPINIONS CONCERNING**
459 **YOUR LEGAL RIGHTS UNDER THIS OPTION OR HOW TITLE SHOULD BE TAKEN AT CLOSING IF THE OPTION IS**
460 **EXERCISED. AN ATTORNEY SHOULD BE CONSULTED IF LEGAL ADVICE IS NEEDED.**

461 This Option was drafted by [Licensee and Firm] _____
462 _____ on _____.

463 Buyer Entity Name (if any): _____

464 (x) _____
465 Buyer's/Authorized Signature ▲ Print Name/Title Here► _____ Date ▲ _____

466 (x) _____
467 Buyer's/Authorized Signature ▲ Print Name/Title Here► _____ Date ▲ _____

468 **SELLER GRANTS THIS OPTION. THE WARRANTIES, REPRESENTATIONS AND COVENANTS MADE IN THIS**
469 **OPTION SURVIVE CLOSING AND THE CONVEYANCE OF THE PROPERTY. SELLER AGREES TO CONVEY THE**
470 **PROPERTY ON THE TERMS AND CONDITIONS AS SET FORTH HEREIN AND ACKNOWLEDGES RECEIPT OF A**
471 **COPY OF THIS OPTION.**

472 Seller Entity Name (if any): _____

473 (x) _____
474 Seller's/Authorized Signature ▲ Print Name/Title Here ► Date ▲

475 ((x)) _____
476 Seller's/Authorized Signature ▲ Print Name/Title Here ► Date ▲

477 This Option was presented to Seller by [Licensee and Firm] _____
478 _____ on _____ at _____ a.m./p.m.

479 This Option is rejected _____ This Option is countered _____
480 Seller Initials ▲ Date ▲ Seller Initials ▲ Date ▲

481 **NOTE: Parties wishing to counter this Option should draft a new Option (WB-24) or draft a Counter-Offer (WB-44) to**
482 **reference this Option.**

483 **NOTICE OF EXERCISE OF OPTION** By signing below and delivering this notice (see lines xx-xx) to Seller, Buyer hereby
484 exercises this Option to Purchase.

485 Buyer Entity Name (if any): _____

486 (x) _____
487 Buyer's/Authorized Signature ▲ Print Name/Title Here ► Date ▲

488 (x) _____
489 Buyer's/Authorized Signature ▲ Print Name/Title Here ► Date ▲

OPTION TO PURCHASE REVISIONS

To: DSPS Real Estate Contractual Forms Advisory Committee
From: WRA Forms Committee
Date: November 19, 2021
RE: **WB-24 Option to Purchase**

WB-24 Option to Purchase

1. Reordering the subsections under Option Terms, lines 10-27.
At line 11 the subheading is changed to refer to the option fee and the subsection for establishing an extended option term is moved to lines 25-27 so it will come after the initial option deadline and fee provisions. The idea is to create a logical sequence of subsections. Are there other suggestions? Is this acceptable?
2. Recording of the option at lines 64-69.
The language is intended to show it is the parties – and their attorneys -- and not the licensees who would provide any legal description and notarized signatures should the parties choose to record the option or a memorandum thereof.
3. Line 87: Material Breach of Lease is Default under Option.
There is an unresolved debate over whether this line should remain. Some object saying a tenant could have a minor lease violation or an inadvertent missing of a deadline that is not related to their financial ability to proceed with the option and thus lose the option over a ticky-tacky violation or error by the tenant. Should the language be removed?

The language does indicate the violation must be a material breach. The WRA Forms Committee thought if the breach is serious enough to terminate the lease or if it is a failure to make payments, then it should be an option default. One suggestion would be to have it relate only to payment breaches. If the tenant is in violation of the lease and does not make payments as agreed they are in default of the option is the opinion of the WRA Forms Committee.
Should the language be modified to only relate to breaches involving payments the tenant is obligated to make under the lease and does not timely pay?

4. Lines 96-112: Condition Reports.
These lines were updated to more closely match the language in the offers with respect to the RECR and VLDR. Any further revisions?
5. Lines 199-203 – New subsection for Seller Changes Prohibited
 - **SELLER CHANGES PROHIBITED:** The Parties agree that Seller shall not rezone the Property or create any additional liens or encumbrances on title after Seller grants this Option without Buyer’s written consent except for liens and encumbrances that will be removed at closing. Seller, at Seller’s cost, shall complete and execute the documents necessary to record the conveyance and pay the Wisconsin Real Estate Transfer Fee.

This is a new configuration. Any comments or other revisions?

6. Title evidence discussion, lines 207-230.

There was discussion about whether the title should be provided in stages, for instance, insure the option interest at first and then provide a title commitment for the fee interest in the property after the option is exercised in preparation for the purchase.

The first stage might be a search and hold or a letter report that would simply reveal recent liens, encumbrances, etc. on the property but no commitment to provide insurance, and then the title commitment might come after the option is exercised. Note we do not have any formal definitions for letter report or a search and hold – would be good to have if these terms are used.

Another possibility might be to have a title commitment for the option interest and if the option is exercised then that is cancelled and a title commitment for the property purchase is issued.

The WRA Forms Committee expressed some interest in having a title report or an initial title commitment for the option as the first step (cancellable) and then a title commitment if the option is exercised. Conversations may be needed with title companies as to what makes the most sense if there is interest in modifying how title is handled within the option.

7. Any other modifications that should be made?

General Discussion Items

Other topics to consider and comment about:

1. Do you ever use timeshare forms in time share real estate transactions? Specifically, there is a WB-26 Timeshare Contract Sale by Developer and a WB-27 Timeshare Contract Sale by Non-Developer available from the DSPS.

The WRA Forms Committee didn't have anyone who uses these forms. The issue for discussion is whether they should be discontinued.

2. The Northwoods Association made the request to split the rental provisions out of the WB-36 and create a separate form for rentals. Do we believe that should be done or is the status quo manageable?

Some members of the WRA Forms Committee thought it would be helpful to remove the rental provisions from the WB-36 while few thought it was fine the way it is.

3. What other WB forms should be revised and why?

The WRA Forms Committee did not have any suggestions at this time.