

**STATE SENATOR KATHY BERNIER**  
TWENTY-THIRD SENATE DISTRICT



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**From:** Senator Kathy Bernier  
**To:** The Senate Committee on Utilities and Housing  
**Re:** Testimony on Senate Bill 599  
**Relating to:** Regulation of home inspectors, extending the time limit for emergency rule procedures, providing an exemption, and granting rule-making authority.  
**Date:** February 27, 2020

Thank you Chairman LeMahieu and committee members for allowing me to testify on Senate Bill 599 today. I am grateful for the opportunity to work with Representative Brooks on this legislation.

This bill certainly evolved over this session from when it was first introduced to where it ended up, should the agreed upon amendments be adopted. I supported the concept of this legislation from the beginning, bringing more certainty to the home buying process by improving the inspection process. So, while some of the specifics have changed, I believe this bill still improves the process greatly.

**Senate Substitute Amendment 1**

This amendment removes the bill's licensing requirements and simply maintains current law for home inspector registration. It also deletes language related to summary pages while adding required consumer education language to the report and sets an effective date of January 1<sup>st</sup>, 2021.

**Senate Amendment 1 to Senate Substitute Amendment 1**

The first amendment to the sub eliminates an obsolete process relating to home inspector complaints at the Department of Safety and Professional Services.

**Senate Amendment 2 to Senate Substitute Amendment 1**

The second amendment to the sub modifies the definition of "defect" to clarify that any reported defects are based on the inspector's judgement of conditions on the day of the inspection without asking inspectors to predict future issues.

**Senate Amendment 3 to Senate Substitute Amendment 1**

Finally, the third amendment to the sub eliminates the bill's initial expanded education and training requirements. It also reorders currently required continuing education to become pre-registration training, with an exception for some to ensure that overall instruction requirements do not become burdensome.

In summary, Senate Bill 599 is intended to improve the home buying process by providing prospective buyers with comfort and peace of mind, knowing that one of the biggest purchases of their lives has been appropriately inspected. That is why I am asking you to please support the passage of this legislation. Thank you again for allowing me to provide testimony today.



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# ROBERT BROOKS

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STATE REPRESENTATIVE • 60<sup>TH</sup> ASSEMBLY DISTRICT

Thank you for holding a hearing on Senate Bill 599 and allowing me to testify in favor of this legislation.

A home is the largest purchase most Wisconsinites will make in their lifetimes. When purchasing a home, consumers expect that the property will be thoroughly inspected by a competent expert who identifies defects with the home.

In Wisconsin, the home-buying process is well-regulated from beginning to end. However, one of the most important parts of this process has been devoid of oversight. A 2018 survey found that “inspection results were the second leading cause for failure to close.”

The bill before you today is vastly different than the one I originally introduced, thanks in part to feedback from the Wisconsin Realtors Association, All-American Association of Home Inspectors, International Association of Certified Home Inspectors, and the Wisconsin Association of Home Inspectors. Without their due diligence and willingness to work with my office, a state-of-the-art bill that passed unanimously in the Assembly and had bipartisan support, would not be before you today.

**Senate Substitute Amendment 1 to Senate Bill 599:**

- Retains the requirement that home inspectors be registered, as under current law.
- Requires home inspectors to provide a customer with a summary page of the report and identify conditions as “defects,” if the home inspector believes the condition satisfies the legal definition of defect.

**Senate Amendment 1 to Senate Substitute Amendment 1 to Senate Bill 599** was the result of negotiations with stakeholder groups. The amendment is technical in nature and simply repeals an outmoded, unused provision in s. 440.978 (4), that allows DSPS to place certain information into a registry information file for two years. According to DSPS, the file has never been used and is not required for other occupational registrations.

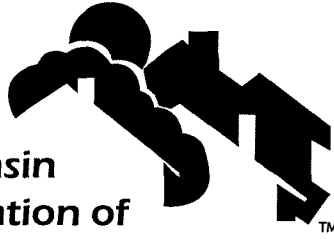
**Senate Amendment 2 to Senate Substitute Amendment 1 to Senate Bill 599** came about as a result of negotiation among all of the stakeholders. Senate Amendment 2, quite simply, modifies the definition of the word “defect” to include conditions as determined by the home inspector based on his or her judgment as of the day of the inspection.

**Senate Amendment 3 to Senate Substitute Amendment 1 to Senate Bill 599:**

- Eliminates the 120 hours of instruction and 40 hours of field training
- Creates 40 hours of pre-registration education
- Exempts new registrants from continuing education for the first two biennia (Under current law, they are exempt for the first biennium after registration).

Senate Bill 599 is a common-sense, yet much-needed piece of legislation. My office has worked, for months, with all the stakeholders to craft the bill before you today. I urge you to support Senate Bill 599.

I am happy to answer any questions.



**Wisconsin  
Association of  
Home Inspectors, Inc.**

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February 27, 2020

To: Senate Committee Utilities and Housing  
Senator Devin LeMahieu, Chairman

From: Wisconsin Association of Home Inspectors, Inc.  
Ric Thompson, President  
Julie Arnstein, Executive Director

RE: **Senate Bill 599/Assembly Bill 655**

The Wisconsin Association of Home Inspectors, Inc. (WAHI) is a voluntary, not for profit, professional association dedicated to promoting and developing the home inspection industry within the State of Wisconsin. WAHI is the leading organization in Wisconsin working with home inspectors, as well as contractors and service providers in related fields.

WAHI had opposed SB 599 and AB 655 as introduced. While WAHI had a few issues with the legislation, the area of greatest concern was the bills' required use of the word "defect."

Our member's best interest, and that of our members' clients, has been in the forefront for the Association throughout this process. WAHI felt strongly that revising the definition of "defect" would improve the legislation and lessen the impact of the required use of the word "defect."

WAHI worked with the office of Sen. Dan Feyen, the bill authors, Rep. Rob Brooks and Sen. Kathy Bernier, and the Wisconsin Realtors Association to prepare an amendment to make changes to the existing definition of "defect." This amendment has been introduced as Amendment 2 to Substitute Amendment 1.

We greatly appreciate this amendment and because of it, WAHI has changed our position to "neutral" on SB 599 and AB 655.



**To:** Senate Committee on Utilities and Housing

**From:** Cori Lamont, Senior Director of Legal and Public Affairs  
Tom Larson, Senior Vice President of Legal and Public Affairs

**Date:** February 27, 2020

**RE:** SB 599/ AB 655 – Regulation of Home Inspectors

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## Background

The purchase of a home is typically the single largest investment a person makes. As a result, buyers purchasing a home want to understand all the conditions relating to the home especially defects, so they make their offer contingent on a home inspection.

However, the average buyer is unaware that the home inspector they are hiring, is not required to:

- have any education before receiving their home inspector registration
- have any standardization in the home inspection report
- to call a defect identified during the inspection, a defect in the inspection report

## Discussion

1. **Current law does not require a home inspector to have any education prior to being registered in Wisconsin.** SB 599 emphasizes the need to educate home inspectors prior to conducting his or her first home inspection rather than waiting up to four years after receiving a home inspector registration.
2. **Nearly all buyers include an inspection contingency in the residential offer to purchase which, conditions the offer on a Wisconsin registered home inspector performing a home inspection “which discloses no Defects.”**

Under the contingency, if the home inspector discovers defects, the buyer can provide a Notice of Defects to the seller. This Notice of Defects must include a copy of the written inspection report and a written notice listing the defects in the report.

If the report does not use the word defect to describe defects, and buyer provides a Notice of Defects, sellers argue since the inspector didn't use the word defect, the condition is not a defect.

3. **The current home inspector law (Wis. Stat. § 440.97):**
  - defines defect. See Wis. Stat. § 440.97(2m)
  - requires home inspectors to identify conditions that meet the statutory definition of defect
  - does NOT require home inspectors to call those conditions defects in the report

4. **SB 599 creates two consistencies in the home inspection report by requiring:**
- **a home inspector that has identified a condition as a defect during the inspection, to call that condition a defect in the report.** This change offers certainty to the buyer as to what condition the home inspector has identified as a defect and creates consistent terminology in inspection reports rather than having some reports using the phrases such as "significant concerns," "safety and health issues", or "major issues".
  - **the inspection report to include a summary page, offering a buyer a quick overview as to what the entire report provides.** This change allows the buyer to absorb a synopsis as to inspector's overall observations of the property, while pointing the buyer to the location in the report of the detailed review of their observations.

## **Amendments**

SB 599 has been amended to address concerns raised by home inspectors and others relating to the definition of defect and licensing.

### **Senate Substitute Amendment 1,**

- Removes the licensing requirements, maintaining a registration status for home inspectors
- Removes summary page formatting requirements
- Requires certain statutory language to be included for the educational benefit of the consumer relating to:
  - the summary is not a substitute for reading the entire report
  - including the statutory definition of defect on the summary page to allow the buyer to understand what the home inspector is required to label a defect in the report.
  - the home inspector cannot comment on the marketability or value of the home
- Sets an effective date for all reports issued to clients after 1.1.21 to include the summary page and use of defect

### **Senate Amendment 1 to Senate Substitute Amendment 1**

- Eliminates an obsolete process relating to complaints of home inspectors at the Department of Safety and Professional Services.

### **Senate Amendment 2 to Senate Substitute Amendment 1**

- Modifies the definition of defect to clarify defects are conditions based on the inspector's judgement as of the day of the inspection.
- Deletes the word future as it relates to the health or safety occupants to remove uneasiness as to what is meant by future.

### **Senate Amendment 3 to Senate Substitute Amendment 1**

- Removes the bill's 120 hours of pre-registration education and 40 hours of field training
- Provides 40 hours of pre-registration education
- Eliminates the first two continuing education cycles for new registrants

This change does not increase education requirements for new registrants. Current law exempts new registrants from the 40 hours of continuing education for the first cycle.

Unlike other industries, the laws relating to home inspections and building codes do not change on a frequent basis. Therefore, requiring continuing education of new registrants who have obtained the 40 hours of pre-registration is unwarranted.

The WRA respectfully requests you support SB 599/AB 655.

## **Remarks of John Holbrook in opposition to Wisconsin Senate Bill 599**

I am John Holbrook and I appear today in opposition to Senate Bill 599. While this proposal may appear to be appealing superficially, I believe that it is problematic in several respects and that it will result in confusion that does not serve the best interests of consumers, realtors or home inspectors. Even if you disagree with my overall assessment of this bill, I will point out at the end of my remarks one clear error in the bill that needs to be corrected.

I am a retired lawyer, having practiced in the corporate and public finance fields for 37 years. For the last 11 years I have been a licensed realtor affiliated with First Weber, Inc. I appear today on my own behalf and not as a representative of First Weber.

### **The Inspection Contingency**

In order to understand my concerns about this bill, you need to have in mind the basics of the home inspection process as it relates to the purchase and sale of residential real estate. While it is possible to buy a home without having it inspected, a large proportion of purchase contracts include an "inspection contingency". Nearly all of those purchase contracts are written on state approved contract forms. The inspection contingency language in these forms is attached to these remarks.

The basic purpose of the inspection contingency is to assure the buyers that "what they see is what they get" and that any significant conditions of which they were not aware will be addressed or, failing that, that the buyers will be able to back away. Under the inspection contingency, buyers are allowed to employ a licensed home inspector to perform an inspection. The inspector issues a report which is shared with the sellers. Although the inspection contingency does not refer to it, if the buyers have concerns about conditions disclosed in the report, they typically initiate a discussion with the sellers through their respective realtors. In most cases an accommodation is negotiated and the transaction proceeds.

In that negotiation process the buyers and seller need to be mindful of the consequences should they not come to an agreement. Failing an agreement, the buyers are permitted to deliver a "Notice of Defects". If the inspection contingency is written to give the sellers no right to cure the defects, the transaction fails and the buyers walk away. Most often in the contract the sellers are afforded a right to cure and, if they chose to cure, the transaction goes ahead. If not, the transaction fails.

Central to this process is the determination of whether a particular condition is or is not a "defect" under the purchase contract. "Defect" is defined in the contract. It has a specific meaning and the rights and obligations of buyers and sellers under the inspection contingency depend upon whether the particular condition comes within that definition.

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

It doesn't matter what the inspector calls it. It is solely a matter of whether the condition referred to in the inspection report falls within this definition. It is important to recognize that this definition of “defect” is consistent with the basic purpose of the inspection contingency to protect buyers from significant conditions that could have an impact on the basic bargain that they expected when they agreed to buy. The definition talks about the significance of the condition in relationship to the property as a whole and not in relation to any specific component of the property.

## **The Home Inspection Report**

While the home inspection report serves a purpose in the context of the inspection contingency, the home inspection report serves a broader purpose of informing the buyers about the condition and maintenance of specific components of the property. A good home inspector has a wealth of knowledge and advice to share with the homeowner. I always encourage my buyer clients to attend the inspection and I attend them as well to be sure that we all understand the conditions that get described in the report and so that the buyers can evaluate the significance of those conditions in their particular situation.

Just as the definition of “defect” in the purchase contract reflects the underlying purpose of the inspection contingency, the definition of “defect” in the rules governing home inspectors reflects the broader context and purpose of the inspection report. In the context of the home inspection statute the term “defect” is not a label to be placed on conditions. It is, rather, a term used to assure that the inspector will do a thorough job of providing information.

**“Defect” means a condition of any component of an improvement that a home inspector determines, on the basis of the home inspector's judgment on the day of an inspection, would significantly impair the health or safety of occupants of a property or that, if not repaired, removed, or replaced, would significantly shorten or adversely affect the expected normal life of the component of the improvement.**

Here the focus is not on the property as a whole or on the buyers' expectation as to its value. This definition focuses, rather, on the condition of the property's components individually. For example, when inspecting a furnace, the inspector would note, if it was the case, that a furnace filter was dirty causing the furnace to operate less efficiently and wear out faster. The furnace is a component of the home and the dirty filter is a defect as defined in home inspection statute because it affects the expected useful life of the furnace. Under current law the important thing is that the report include a description of the dirty filter and its significance, not that the inspector label it a “defect”. No matter what the inspector calls it,

however, the same dirty filter is not a defect as defined in the purchase contract because it does not have a significant impact on the property as a whole. A similar example would be an inspector's notation that the tracks on a garage door need lubrication to avoid undue strain on the opener risking its early demise. This is as it should be. The buyer of the home appreciates the heads up on the furnace filter and the garage door tracks but neither one would provide a legitimate basis for the buyer to back out of the purchase contract.

It works both ways. Here is an example from just a few weeks ago. A modest home had a fireplace which the current owner had never used for anything but decoration and knew nothing about. Unbeknownst to the owner, a prior owner had capped off the chimney and reversing that process would be expensive in relation to the value of the home. Having a fireplace was a big deal to my buyers and the condition of the chimney had a significant impact on the value of the property. So this condition was clearly a defect under the purchase contract. Although the inspection report would surely describe the condition, it was not a defect under the home inspector's definition because it has no effect on health, safety or useful life.

### **Both definitions are subjective and the contexts are different**

The definitions of "defect" (both in Ch 442 and in the purchase contract forms) are subjective. They both use "significant" and "significantly" but they use them for different purposes and in different contexts. Whether an inspector thinks something is significant may or may not correspond to whether the parties to the purchase contract view it as significant and the inspector's viewpoint should not bias the parties' discussions. In Chapter 442 the inspector is required to identify items that the inspector deems significant. The inspector is free to not mention items that are not deemed significant, but a good inspector will err on the side of pointing something out so that the buyers and sellers can come to their own judgments as to significance in the context of the transaction. What is significant to the parties in one situation may not be significant to the parties in another situation.

It is also important to consider how requiring the use of the word "defect" would affect inspectors who have an eye to protecting themselves from liability and complying with the terms of their errors and omissions insurance. If an inspector can get sued for not using "defect" but can't get sued for overusing it, the incentive is provided for the inspector to use the word. The more it is used, the less meaningful it will be.

### **Some Realities**

So what is really going on here? Obviously, I was not in the room when the proponents of this bill came up with the idea. I first learned of the bill after its public hearing in the Assembly and shortly before its passage there. My efforts to have a serious discussion with some of the proponents have met with a stone wall. Here is my take on it.



Realtors don't enjoy dealing with the inspection contingency. It is rarely a lovefest and success is often measured by your ability to get a grudging agreement. In the process you have to tell your clients some things they don't want to hear: That the proud sellers have a "defective" home in which they have been living all these years. That anxious buyers can't have the perfect home for which they now suspect they are overpaying. The realtor doesn't want to be the messenger with this bad news in a stressful and emotional setting. So let's place the onus on the home inspector to make the call. I am not making this up. I speak from the trenches and it goes on down here all of the time. I have lost track of the number of times I have heard realtors say something like, "If I could just get the inspector to call it a "defect", my life would be easier."

I have not surveyed home inspectors' current practice. I know that a favorite inspector of mine has taken to never using the term "defect" in his reports. One important reason, he tells me, is that realtors would often lobby him to use the word "defect" in his report so that the realtor's client could make the argument that the particular condition was a defect under the inspection contingency. "That's not my job," he told me. "I don't want to get in the middle of a contract negotiation that I don't know anything about." It seems to me that this inspector has it right. It is his job to point out conditions in the property. It is the realtor's job to guide buyers and sellers in understanding the purpose and effect of the inspection contingency.

### **The Bill requires inspectors to publish a misleading notice.**

Even if you are not convinced that this proposal is problematic, there is one clear error in the bill that needs to be corrected. The bill requires that a notice be included on the summary page of every inspection report. A copy of the entire notice is attached to my remarks. Included in that required notice is the following language:

For the purposes of the report, "defect," as defined in section 440.97 (2m), Wis. Stats., means a condition of any component of an improvement that would significantly impair the health or safety of future occupants of a property or that, if not repaired, removed, or replaced, would significantly shorten or adversely affect the expected normal life of the component of the improvement. The contract of sale may define "defect" to also include a condition that would have a significant adverse effect on the value of the property, but such a condition may not be labeled a defect in the report unless it meets the definition in section 440.97 (2m), Wis. Stats. [Emphasis Supplied]

The underlined statement clearly implies that, except for its reference to value, the definition of "Defect" in the contract of sale is otherwise the same as the definition in section 440.97 (2m). This is simply untrue and can only serve to further confuse the consumer and mask the fact that the definition in the contract of sale is materially different in many other respects. Pretending otherwise doesn't make it so and does a disservice to realtors, home inspectors and the consumers they serve.

# Wisconsin Form of Residential Offer to Purchase

## Inspection Contingency

- 194  **INSPECTION CONTINGENCY:** This contingency only authorizes inspections, not testing (see lines 179-193).
- 195 (1) This Offer is contingent upon a Wisconsin registered or Wisconsin licensed home inspector performing a home  
196 inspection of the Property after the date on line 1 of this Offer which discloses no Defects.
- 197 (2) This Offer is further contingent upon a qualified independent inspector or independent qualified third party performing  
198 an inspection of \_\_\_\_\_  
199 \_\_\_\_\_ (list any Property component(s)  
200 to be separately inspected, e.g., swimming pool, roof, foundation, chimney, etc.) which discloses no Defects.
- 201 (3) Buyer may have follow-up inspections recommended in a written report resulting from an authorized inspection,  
202 provided they occur prior to the Deadline specified at line 207. Inspection(s) shall be performed by a qualified  
203 independent inspector or independent qualified third party.
- 204 Buyer shall order the inspection(s) and be responsible for all costs of inspection(s).
- 205 **CAUTION: Buyer should provide sufficient time for the home inspection and/or any specialized inspection(s), as  
206 well as any follow-up inspection(s).**
- 207 This contingency shall be deemed satisfied unless Buyer, within \_\_\_\_\_ days ("15" if left blank) after acceptance,  
208 delivers to Seller a copy of the written inspection report(s) dated after the date on line 1 of this Offer and a written notice  
209 listing the Defect(s) identified in those report(s) to which Buyer objects (Notice of Defects).
- 210 **CAUTION: A proposed amendment is not a Notice of Defects and will not satisfy this notice requirement.**
- 211 For the purposes of this contingency, Defects do not include structural, mechanical or other conditions the nature and  
212 extent of which Buyer had actual knowledge or written notice before signing this Offer.
- 213 **NOTE: "Defect" as defined on lines 449-451 means a condition that would have a significant adverse effect on the  
214 value of the Property; that would significantly impair the health or safety of future occupants of the Property; or  
215 that if not repaired, removed or replaced would significantly shorten or adversely affect the expected normal life  
216 of the premises.**
- 217 **RIGHT TO CURE:** Seller (shall)(shall not) **STRIKE ONE** ("shall" if neither is stricken) have the right to cure the Defects.  
218 If Seller has the right to cure, Seller may satisfy this contingency by:
- 219 (1) delivering written notice to Buyer within \_\_\_\_\_ ("10" if left blank) days after Buyer's delivery of the Notice of  
220 Defects stating Seller's election to cure Defects;
- 221 (2) curing the Defects in a good and workmanlike manner including obtaining applicable permits where required; and
- 222 (3) delivering to Buyer a written report detailing the work done and documenting compliance with permit requirements  
223 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)  
225 and:
- 226 (1) Seller does not have the right to cure; or
- 227 (2) Seller has the right to cure but:
- 228 (a) Seller delivers written notice that Seller will not cure; or
- 229 (b) Seller does not timely deliver the written notice of election to cure.

## **Definitions of “Defect”**

### **Wisconsin Form of Residential Offer to Purchase:**

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

### **Wisconsin Home Inspection Statute Sec 440.97 (2m) (as proposed to be amended):**

“Defect” means a condition of any component of an improvement that a home inspector determines, on the basis of the home inspector's judgment on the day of an inspection, would significantly impair the health or safety of occupants of a property or that, if not repaired, removed, or replaced, would significantly shorten or adversely affect the expected normal life of the component of the improvement.

## Required Notice

The Senate Substitute Amendment 1 to Senate Bill 599 requires that the following notice appear on a summary page in all home inspection reports:

NOTE: This summary page is provided for convenience and is not a substitute for reading the entire report and should not be relied upon as the complete list for the client's reference.

For the purposes of the report, "defect," as defined in section 440.97 (2m), Wis. Stats., means a condition of any component of an improvement that would significantly impair the health or safety of future occupants of a property or that, if not repaired, removed, or replaced, would significantly shorten or adversely affect the expected normal life of the component of the improvement. **The contract of sale may define "defect" to also include a condition that would have a significant adverse effect on the value of the property,** but such a condition may not be labeled a defect in the report unless it meets the definition in section 440.97 (2m), Wis. Stats. [Emphasis Supplied]

NOTE: A home inspector may not report on the market value or marketability of a property or whether a property should or should not be purchased.

**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 are rented  
25 (e.g., water softeners or other water treatment systems, LP tanks, etc.) and will continue to be owned by the  
26 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  
29 easily removable without damage to the premises, items specifically adapted to the premises and items customarily  
30 treated as fixtures, including, but not limited to, all: garden bulbs; plants; shrubs and trees; screen and storm doors and  
31 windows; electric lighting fixtures; window shades; curtain and traverse rods; blinds and shutters; central heating and  
32 cooling units and attached equipment; water heaters, water softeners and treatment systems; sump pumps; attached or  
33 fitted floor coverings; awnings; attached antennas and satellite dishes (but not the component parts); audio/visual wall  
34 mounting brackets (but not the audio/visual equipment); garage door openers and remote controls; installed security  
35 systems; central vacuum systems and accessories; in-ground sprinkler systems and component parts; built-in appliances;  
36 ceiling fans; fences; in-ground pet containment systems (but not the collars); storage buildings on permanent foundations  
37 and docks/piers on permanent foundations.

38 **CAUTION: Exclude any Fixtures to be retained by Seller or which are rented (e.g., water softeners or other water  
39 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  
41 Buyer on or before \_\_\_\_\_. Seller may keep  
42 the 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  
45 identical 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 a weekend, or a federal or a state holiday,  
51 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  
54 real estate licensees in this transaction are not responsible for the transmission or forwarding of any wiring or  
55 money transfer instructions.**

**EARNEST MONEY**

56 ■ EARNEST MONEY of \$ \_\_\_\_\_ accompanies this Offer.  
57 ■ EARNEST MONEY of \$ \_\_\_\_\_ accompanies this Offer.  
58 If Offer was drafted by a licensee, receipt of the earnest money accompanying this Offer is acknowledged.  
59 ■ EARNEST MONEY of \$ \_\_\_\_\_ will be mailed, or commercially, electronically  
60 or personally delivered within \_\_\_\_\_ days ("5" if left blank) after acceptance.

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

64 ■ THE BALANCE OF PURCHASE PRICE will be paid in cash or equivalent at closing unless otherwise agreed in writing.  
65 ■ HELD BY: Earnest money shall be delivered in accordance with lines 59-60 and held in the account of the party  
66 identified on lines 61-63. If earnest money is held by a Firm, the Firm will hold the earnest money until applied to the  
67 purchase price or disbursed as provided at lines 71-91.

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

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

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

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

95 \_\_\_\_\_ . If "Time is of the Essence" applies to a date or Deadline,  
96 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  
97 date or Deadline, then performance within a reasonable time of the date or Deadline is allowed before a breach occurs.

98 **REAL ESTATE CONDITION REPORT** Wisconsin law requires owners of property which includes one-to-four dwelling  
99 units to provide Buyers with a Real Estate Condition Report. Excluded from this requirement are sales of property that has  
100 never been inhabited, sales exempt from the real estate transfer fee, and sales by certain court-appointed fiduciaries, (for  
101 example, personal representatives who have never occupied the Property). The form of the Report is found in Wis. Stat. §  
102 709.03. The law provides: "§ 709.02 Disclosure . . . the owner of the property shall furnish, not later than 10 days after  
103 acceptance of the contract of sale . . . , to the prospective Buyer of the property a completed copy of the report . . . A  
104 prospective Buyer who does not receive a report within the 10 days may, within two business days after the end of that  
105 10-day period, rescind the contract of sale . . . by delivering a written notice of rescission to the owner or the owner's  
106 agent." Buyer may also have certain rescission rights if a Real Estate Condition Report disclosing defects is furnished  
107 before expiration of the 10 days, but after the Offer is submitted to Seller. Buyer should review the report form or consult  
108 with an attorney for additional information regarding rescission rights.

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

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

- 116 "Conditions Affecting the Property or Transaction" are defined to include:
- 117 a. Defects in the roof, basement or foundation (including cracks, seepage and bulges), electrical system, or part of the  
118 plumbing system (including the water heater, water softener and swimming pool); or basement, window, or plumbing  
119 leaks; overflow from sinks, bathtubs, or sewers; or other water or moisture intrusions or conditions.
- 120 b. Defects in heating and air conditioning system (including the air filters and humidifiers); in a wood burning stove or  
121 fireplace; or caused by a fire in a stove or fireplace or elsewhere on the Property.
- 122 c. Defects related to smoke detectors or carbon monoxide detectors, or a violation of applicable state or local smoke  
123 detector or carbon monoxide detector laws.
- 124 d. Defects in any structure, or mechanical equipment included as Fixtures or personal property.
- 125 e. Rented items located on the Property such as a water softener or other water conditioner system.
- 126 f. Defects caused by unsafe concentrations of, or unsafe conditions on the Property relating to radon, radium in water  
127 supplies, lead in paint, soil or water supplies, unsafe levels of mold, asbestos or asbestos-containing materials or other  
128 potentially hazardous or toxic substances on the Property; manufacture of methamphetamine or other hazardous or toxic  
129 substances on the Property; or high voltage electric (100 KV or greater) or steel natural gas transmission lines located on  
130 but not directly serving the Property.
- 131 **NOTE: Specific federal lead paint disclosure requirements must be complied with in the sale of most residential**  
132 **properties built before 1978.**
- 133 g. Defects caused by unsafe concentrations of, unsafe conditions relating to, or the storage of, hazardous or toxic  
134 substances on neighboring properties.
- 135 h. Property is served by a joint well; Defects related to a joint well serving the Property; or Defects in a well on the  
136 Property or in a well that serves the Property, including unsafe well water.
- 137 i. A septic system or other private sanitary disposal system serves the Property; Defects in the septic system or other  
138 sanitary disposal system on the Property; or any out-of-service septic system serving the Property not closed or  
139 abandoned according to applicable regulations.
- 140 j. Underground or aboveground fuel storage tanks on or previously located on the Property; or Defects in the  
141 underground or aboveground fuel storage tanks on or previously located on the Property. (The owner, by law, may have  
142 to register the tanks with the Department of Agriculture, Trade and Consumer Protection at P.O. Box 8911, Madison,  
143 Wisconsin, 53708, whether the tanks are in use or not. Department regulations may require closure or removal of unused  
144 tanks.)
- 145 k. "LP" tank on the Property (specify in the additional information whether the tank is owned or leased); or Defects in an  
146 "LP" tank on the Property.
- 147 l. Notice of property tax increases, other than normal annual increases, or pending Property reassessment; remodeling  
148 that may increase the Property's assessed value; pending special assessments; or Property is within a special purpose  
149 district, such as a drainage district, that has authority to impose assessments.
- 150 m. Proposed construction of a public project that may affect use of the Property; Property additions or remodeling  
151 affecting Property structure or mechanical systems during Seller's ownership without required permits; or any land division  
152 involving the Property without required state or local permits.
- 153 n. The Property is part of or subject to a subdivision homeowners' association; or the Property is not a condominium unit  
154 and there are common areas associated with the Property that are co-owned with others.
- 155 o. Any zoning code violations with respect to the Property; the Property or any portion thereof is located in a floodplain,  
156 wetland or shoreland zoning area; or the Property is subject to a shoreland mitigation plan required by Wisconsin  
157 Department of Natural Resources (DNR) rules that obligates the Property owner to establish or maintain certain measures  
158 related to shoreland conditions, enforceable by the county.
- 159 p. Nonconforming uses of the Property; conservation easements, restrictive covenants or deed restrictions on the  
160 Property; or nonowners having rights to use part of the Property, including, but not limited to, rights-of-way and  
161 easements other than recorded utility easements.
- 162 q. All or part of the Property has been assessed as agricultural land; has been assessed a use-value assessment  
163 conversion charge; or payment of a use-value assessment conversion charge has been deferred.
- 164 r. All or part of the Property is subject to, enrolled in, or in violation of a farmland preservation agreement, Forest Crop  
165 Law, Managed Forest Law, the Conservation Reserve Program, or a comparable program.
- 166 s. A dam is totally or partially located on the Property; or an ownership interest in a dam not located on the Property will  
167 be transferred with the Property because the dam is owned by a homeowners' association, lake district, or similar group of  
168 which the Property owner is a member.
- 169 t. No legal access to the Property; or boundary or lot line disputes, encroachments or encumbrances (including a joint  
170 driveway) affecting the Property.
- 171 u. Federal, state, or local regulations requiring repairs, alterations or corrections of an existing condition; or any  
172 insurance claims relating to damage to the Property within the last five years.
- 173 v. A pier attached to the Property not in compliance with state or local pier regulations.
- 174 w. Current or previous termite, powder-post beetle or carpenter ant infestations or Defects caused by animal, reptile, or  
175 other insect infestations.
- 176 x. Structure on the Property designated as an historic building; all or any part of the Property in an historic district; or one  
177 or more burial sites on the Property.
- 178 y. Other Defects affecting the Property.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

217 **RIGHT TO CURE:** Seller (shall)(shall not) **STRIKE ONE** ("shall" if neither is stricken) have the right to cure the Defects.  
218 If Seller has the right to cure, Seller may satisfy this contingency by:

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

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

222 (3) delivering to Buyer a written report detailing the work done and documenting compliance with permit requirements  
223 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)  
225 and:

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

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

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

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



230  **RADON TESTING CONTINGENCY:** This Offer is contingent upon Buyer obtaining a current written report of the  
231 results of a radon test at the Property performed by a qualified third party in a manner consistent with applicable EPA and  
232 Wisconsin Department of Health Services (DHS) protocols and standards indicating the radon level is less than 4.0  
233 picoCuries per liter (pCi/L), at (Buyer's) (Seller's) **STRIKE ONE** ("Buyer's" if neither is stricken) expense.  
234 This contingency shall be deemed satisfied unless Buyer, within \_\_\_\_\_ days ("20" if left blank) after acceptance  
235 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  
236 notice 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  
242 pCi/L 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 **IF LINE 249 IS NOT MARKED OR IS MARKED N/A LINES 298-309 APPLY.**

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

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

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

265  **FIXED RATE FINANCING:** The annual rate of interest shall not exceed \_\_\_\_\_ %.

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

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

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

275 (1) signed by Buyer; or

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

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

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

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

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

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

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

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

292 to deliver to Buyer written notice of Seller's decision to finance this transaction with a note and mortgage under the same  
293 terms set forth in this Offer, and this Offer shall remain in full force and effect, with the time for closing extended  
294 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  
305 written notice to Buyer prior to Seller's Actual Receipt of a copy of Buyer's written verification. Buyer may or may not  
306 obtain mortgage financing but does not need the protection of a financing contingency. Seller agrees to allow Buyer's  
307 appraiser access to the Property for purposes of an appraisal. Buyer understands and agrees that this Offer is not subject  
308 to the appraisal meeting any particular value, unless this Offer is subject to an appraisal contingency, nor does the right of  
309 access for an appraisal constitute a financing commitment contingency.

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

314 This contingency shall be deemed satisfied unless Buyer, within \_\_\_\_\_ days after acceptance, delivers to Seller a  
315 copy of the appraisal report indicating an appraised value not equal to or greater than the agreed upon purchase price,  
316 and 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  
319 purchase price to the value shown on the appraisal report within \_\_\_\_\_ days ("5" if left blank) after Buyer's delivery of  
320 the appraisal report and the notice objecting to the appraised value. Seller and Buyer agree to promptly execute an  
321 amendment initiated 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  
335 funds to close or proof of bridge loan financing, along with a written notice waiving this contingency. Delivery of verification  
336 or 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.)]

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  
 352 Buyer notice prior to any Deadline, nor is any particular secondary buyer given the right to be made primary ahead of  
 353 other secondary buyers. Buyer may declare this Offer null and void by delivering written notice of withdrawal to Seller prior  
 354 to delivery of Seller's notice that this Offer is primary. Buyer may not deliver notice of withdrawal earlier than \_\_\_\_\_ days  
 355 ("7" if left blank) after acceptance of this Offer. All other Offer Deadlines which 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  
 358 may be subject to periodic association fees after closing and one-time fees resulting from transfer of the Property. Any  
 359 one-time fees resulting from transfer of the Property shall be paid at closing by (Seller) (Buyer) **STRIKE ONE** ("Buyer" if  
 360 neither is stricken).

361 **CLOSING PRORATIONS** The following items, if applicable, shall be prorated at closing, based upon date of closing  
 362 values: real estate taxes, rents, prepaid insurance (if assumed), private and municipal charges, property owners or  
 363 homeowners 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  
 370 CHOICE 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**  
 376 **be substantially different than the amount used for proration especially in transactions involving new**  
 377 **construction, extensive rehabilitation, remodeling or area-wide re-assessment. Buyer is encouraged to contact**  
 378 **the local 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  
 380 on the actual tax bill for the year of closing, with Buyer and Seller each owing his or her pro-rata share. Buyer shall,  
 381 within 5 days of receipt, forward a copy of the bill to the forwarding address Seller agrees to provide at closing. The  
 382 Parties shall re-prorate within 30 days of Buyer's receipt of the actual tax bill. Buyer and Seller agree this is a post-  
 383 closing obligation and is the responsibility of the Parties to complete, not the responsibility of the real estate Firms in this  
 384 transaction.

385 **TITLE EVIDENCE**

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

393 \_\_\_\_\_ (insert other allowable exceptions from title, if any)

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

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

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

403 ■ **GAP ENDORSEMENT:** Seller shall provide a "gap" endorsement or equivalent gap coverage at (Seller's)(Buyer's)  
 404 **STRIKE ONE** ("Seller's" if neither stricken) cost to provide coverage for any liens or encumbrances first filed or recorded  
 405 after the commitment date of the title insurance commitment and before the deed is recorded, subject to the title insurance  
 406 policy conditions, exclusions and exceptions, provided the title company will issue the coverage. If a gap endorsement or  
 407 equivalent gap coverage is not available, Buyer may give written notice that title is not acceptable for closing (see lines  
 408 413-419).

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

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

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

424 **CAUTION: Consider a special agreement if area assessments, property owners association assessments, special**  
425 **charges for current services under Wis. Stat. § 66.0627 or other expenses are contemplated. "Other expenses"**  
426 **are one-time charges or ongoing use fees for public improvements (other than those resulting in special**  
427 **assessments) relating to curb, gutter, street, sidewalk, municipal water, sanitary and storm water and storm**  
428 **sewer (including all sewer mains and hook-up/connection and interceptor charges), parks, street lighting and**  
429 **street trees, and impact fees for other public 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  
431 rights under said lease(s) and transfer all security deposits and prepaid rents thereunder to Buyer at closing. The terms of  
432 the (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  
438 notice 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  
447 by counting 24 hours per calendar day. Deadlines expressed as a specific day of the calendar year or as the day of a  
448 specific event, such as closing, expire at Midnight of that day. "Midnight" is defined as 11:59 p.m. Central Standard Time.

449 ■ **DEFECT:** "Defect" means a condition that would have a significant adverse effect on the value of the Property; that  
450 would significantly impair the health or safety of future occupants of the Property; or that if not repaired, removed or  
451 replaced would 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 ■ **PROPERTY:** Unless otherwise stated, "Property" means the real estate described at lines 4-8.

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

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

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

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

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

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

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

485 **OCCUPANCY** Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in  
486 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  
487 Buyer's occupancy, Property shall be in broom swept condition and free of all debris, refuse, and personal property except  
488 for personal property belonging to current tenants, or that sold to Buyer or left with Buyer's consent. Occupancy shall be  
489 given subject to tenant's rights, if any.

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

493 If Buyer defaults, Seller may:

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

497 If Seller defaults, Buyer may:

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

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

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

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

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

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

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

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

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

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

537 **ADDITIONAL PROVISIONS/CONTINGENCIES**  
538 \_\_\_\_\_  
539 \_\_\_\_\_  
540 \_\_\_\_\_  
541 \_\_\_\_\_  
542 \_\_\_\_\_

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

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

548 Name of Seller's recipient for delivery, if any: \_\_\_\_\_

549 Name of Buyer's recipient for delivery, if any: \_\_\_\_\_

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

551 Seller: ( \_\_\_\_\_ ) Buyer: ( \_\_\_\_\_ )

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

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

557 Address for Seller: \_\_\_\_\_

558 Address for Buyer: \_\_\_\_\_

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

560 Seller: \_\_\_\_\_ Buyer: \_\_\_\_\_

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

563  **ADDENDA**: The attached \_\_\_\_\_ is/are made part of this Offer.

564 This Offer was drafted by [Licensee and Firm] \_\_\_\_\_

565 \_\_\_\_\_

566 (x) \_\_\_\_\_

567 Buyer's Signature ▲ Print Name Here ▶ \_\_\_\_\_ Date ▲ \_\_\_\_\_

568 (x) \_\_\_\_\_

569 Buyer's Signature ▲ Print Name Here ▶ \_\_\_\_\_ Date ▲ \_\_\_\_\_

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

574 (x) \_\_\_\_\_

575 Seller's Signature ▲ Print Name Here ▶ \_\_\_\_\_ Date ▲ \_\_\_\_\_

576 (x) \_\_\_\_\_

577 Seller's Signature ▲ Print Name Here ▶ \_\_\_\_\_ Date ▲ \_\_\_\_\_

578 This Offer was presented to Seller by [Licensee and Firm] \_\_\_\_\_

579 \_\_\_\_\_ on \_\_\_\_\_ at \_\_\_\_\_ a.m./p.m.

580 This Offer is rejected \_\_\_\_\_ This Offer is countered [See attached counter] \_\_\_\_\_

581 Seller Initials ▲ Date ▲ \_\_\_\_\_ Seller Initials ▲ Date ▲ \_\_\_\_\_

**DISCLAIMER**

THIS CONDITION REPORT CONCERNS THE REAL PROPERTY LOCATED AT \_\_\_\_\_  
IN THE \_\_\_\_\_  
(CITY) (VILLAGE) (TOWN) OF \_\_\_\_\_, COUNTY OF \_\_\_\_\_  
STATE OF WISCONSIN.

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

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

**NOTICE TO PARTIES REGARDING ADVICE OR INSPECTIONS**

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

**A. OWNER'S INFORMATION**

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

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

A3. In this form, "owner" means the person or persons, entity, or organization that owns the above-described real property. An "owner" who transfers real estate containing one to four dwelling units, including a condominium unit and time-share property, by sale, exchange, or land contract is required to complete this report.

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

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

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

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

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

**B. STRUCTURAL AND MECHANICAL**

- |   | YES                      | NO                       | N/A                      |
|---|--------------------------|--------------------------|--------------------------|
| B1. Are you aware of defects in the roof?<br>Roof defects may include items such as leakage or significant problems with gutters or eaves.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| B2. Are you aware of defects in the electrical system?<br>Electrical defects may include items such as electrical wiring not in compliance with applicable code, knob and tube wiring, 60 amp service, or aluminum-branch circuit wiring.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| B3. Are you aware of defects in part of the plumbing system (including the water heater, water softener, and swimming pool)?<br>Other plumbing system defects may include items such as leaks or defects in pipes, toilets, interior or exterior faucets, bathtubs, showers, or any sprinkler system.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| B4. Are you aware of defects in the heating and air conditioning system (including the air filters and humidifiers)?<br>Heating and air conditioning defects may include items such as defects in the heating ventilation and air conditioning (HVAC) equipment, supplemental heaters, ventilating fans or fixtures, or solar collectors.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| B5. Are you aware of defects in a woodburning stove or fireplace or of other defects caused by a fire in a stove or fireplace or elsewhere on the property?<br>Such defects may include items such as defects in the chimney, fireplace flue, inserts, or other installed fireplace equipment; or woodburning stoves not installed pursuant to applicable code.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| B6. Are you aware of defects related to smoke detectors or carbon monoxide detectors or a violation of applicable state or local smoke detector or carbon monoxide detector laws?<br>NOTE: State law requires operating smoke detectors on all levels of all residential properties and operating carbon monoxide detectors on all levels of most residential properties (see Wis. Stat. ch. 101).  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| B7. Are you aware of defects in the basement or foundation (including cracks, seepage, and bulges)?<br>Other basement defects may include items such as flooding, defects in drain tiling or sump pumps, or movement, shifting, or deterioration in the foundation.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| B8. Are you aware of defects in any structure on the property?<br>Structural defects with respect to the residence or other improvements may include items such as movement, shifting, or deterioration in walls; major cracks or flaws in interior or exterior walls, partitions, or the foundation; wood rot; and significant problems with driveways, sidewalks, patios, decks, fences, waterfront piers or walls, windows, doors, floors, ceilings, stairways, or insulation. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| B9. Are you aware of defects in mechanical equipment included in the sale either as fixtures or personal property?<br>Mechanical equipment defects may include items such as defects in any appliance, central vacuum, garage door opener, in-ground sprinkler, or in-ground pet containment system that is included in the sale.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| B10. Are you aware of rented items located on the property such as a water softener or other water conditioner system or other items affixed to or closely associated with the property?  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| B11. Are you aware of basement, window, or plumbing leaks, overflow from sinks, bathtubs, or sewers, or other ongoing water or moisture intrusions or conditions?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| B12. Explanation of "yes" responses _____   |                          |                          |                          |
| _____   |                          |                          |                          |
| _____   |                          |                          |                          |

**C. ENVIRONMENTAL**

- |  | YES                      | NO                       | N/A                      |
|--|--------------------------|--------------------------|--------------------------|
| C1. Are you aware of the presence of unsafe levels of mold?  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| C2. Are you aware of a defect caused by unsafe concentrations of, or unsafe conditions relating to, radon, radium in water supplies, high voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the property, lead in paint, lead in soil, or other potentially hazardous or toxic substances on the property?<br>NOTE: Specific federal lead paint disclosure requirements must be complied with in the sale of most residential properties built before 1978. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |



- |  | YES                      | NO                       | N/A                      |
|--|--------------------------|--------------------------|--------------------------|
| C3. Are you aware of the presence of asbestos or asbestos..containing materials on the property?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| C4. Are you aware of the presence of or a defect caused by unsafe concentrations of, unsafe conditions relating to, or the storage of hazardous or toxic substances on neighboring properties? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| C5. Are you aware of current or previous termite, powder post beetle, or carpenter ant infestations or defects caused by animal, reptile, or insect infestations?                              | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| C6. Are you aware of water quality issues caused by unsafe concentrations of or unsafe conditions relating to lead?  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| C7. Are you aware of the manufacture of methamphetamine or other hazardous or toxic substances on the property?  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| C8. Explanation of "yes" responses _____   |                          |                          |                          |

**D. WELLS, SEPTIC SYSTEMS, STORAGE TANKS**

- |   | YES                      | NO                       | N/A                      |
|---|--------------------------|--------------------------|--------------------------|
| D1. Are you aware of defects in a well on the property or in a well that serves the property, including unsafe well water?<br>Well defects may include items such as an unused well not properly closed in conformance with state regulations, a well that was not constructed pursuant to state standards or local code, or a well that requires modifications to bring it into compliance with current code specifications. Well water defects might include, but are not limited to, unsafe levels of bacteria (total Coliform and E. coli), nitrate, arsenic, or other substances affecting human consumption safety. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| D2. Are you aware of a joint well serving the property?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| D3. Are you aware of a defect related to a joint well serving the property?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| D4. Are you aware that a septic system or other private sanitary disposal system serves the property?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| D5. Are you aware of defects in the septic system or other private sanitary disposal system on the property or any out-of-service septic system that serves the property and that is not closed or abandoned according to applicable regulations?<br>Septic system defects may include items such as backups in toilets or in the basement; exterior ponding, overflows, or backups; or defective or missing baffles.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| D6. Are you aware of underground or aboveground fuel storage tanks on or previously located on the property? (If "yes," the owner, by law, may have to register the tanks with the Wisconsin Department of Agriculture, Trade and Consumer Protection at P.O. Box 8911, Madison, Wisconsin, 53708, whether the tanks are in use or not. Regulations of the Wisconsin Department of Agriculture, Trade and Consumer Protection may require the closure or removal of unused tanks.)  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| D7. Are you aware of defects in the underground or aboveground fuel storage tanks on or previously located on the property?<br>Defects in underground or aboveground fuel storage tanks may include items such as abandoned tanks not closed in conformance with applicable local, state, and federal law; leaking; corrosion; or failure to meet operating standards.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| D8. Are you aware of an "LP" tank on the property? (If "yes," specify in the additional information space whether the owner of the property either owns or leases the tank.)  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| D9. Are you aware of defects in an "LP" tank on the property?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| D10. Explanation of "yes" responses _____   |                          |                          |                          |

**E. TAXES, SPECIAL ASSESSMENTS, PERMITS, ETC.**

- |  | YES                      | NO                       | N/A                      |
|--|--------------------------|--------------------------|--------------------------|
| E1. Have you received notice of property tax increases, other than normal annual increases, or are you aware of a pending property reassessment?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| E2. Are you aware that remodeling was done that may increase the property's assessed value?  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| E3. Are you aware of pending special assessments?  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| E4. Are you aware that the property is located within a special purpose district, such as a drainage district, that has the authority to impose assessments against the real property located within the district?                               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| E5. Are you aware of any proposed construction of a public project that may affect the use of the property?  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| E6. Are you aware of any remodeling, replacements, or repairs affecting the property's structure or mechanical systems that were done or additions to this property that were made during your period of ownership without the required permits? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| E7. Are you aware of any land division involving the property for which a required state or local permit was not obtained?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| E8. Explanation of "yes" responses _____   |                          |                          |                          |

**F. LAND USE**

- |  | YES                      | NO                       | N/A                      |
|--|--------------------------|--------------------------|--------------------------|
| F1. Are you aware of the property being part of or subject to a subdivision homeowners' association?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| F2. If the property is not a condominium unit, are you aware of common areas associated with the property that are co-owned with others?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| F3. Are you aware of any zoning code violations with respect to the property?  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| F4. Are you aware of the property or any portion of the property being located in a floodplain, wetland, or shoreland zoning area?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| F5. Are you aware of nonconforming uses of the property?<br>A nonconforming use is a use of land, a dwelling, or a building that existed lawfully before the current zoning ordinance was enacted or amended, but that does not conform to the use restrictions in the current ordinance.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| F6. Are you aware of conservation easements on the property?<br>A conservation easement is a legal agreement in which a property owner conveys some of the rights associated with ownership of his or her property to an easement holder such as a governmental unit or a qualified nonprofit organization to protect the natural habitat of fish, wildlife, or plants or a similar ecosystem, preserve areas for outdoor recreation or education, or for similar purposes.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| F7. Are you aware of restrictive covenants or deed restrictions on the property?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| F8. Are you aware of nonowners having rights to use part of the property, including, but not limited to, rights-of-way and easements other than recorded utility easements?  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| F9. Are you aware of the property being subject to a mitigation plan required under administrative rules of the Wisconsin Department of Natural Resources related to county shoreland zoning ordinances, which obligates the owner of the property to establish or maintain certain measures related to shoreland conditions and which is enforceable by the county?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| F10. The use value assessment system values agricultural land based on the income that would be generated from its rental for agricultural use rather than its fair market value. When a person converts agricultural land to a non agricultural use (e.g., residential or commercial development), that person may owe a conversion charge. For more information visit <a href="https://www.revenue.wi.gov/Pages/FAQS/slf-useassmt.aspx">https://www.revenue.wi.gov/Pages/FAQS/slf-useassmt.aspx</a> or (608) 266-2486. |                          |                          |                          |
| a. Are you aware of all or part of the property having been assessed as agricultural land under Wis. Stat. s. 70.32 (2r) (use value assessment)?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Are you aware of the property having been assessed a use-value assessment conversion charge relating to this property? (Wis. Stat. s. 74.485 (2))   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c. Are you aware of the payment of a use-value assessment conversion charge having been deferred relating to this property? (Wis. Stat. s. 74.485 (4))   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

- |   | YES                      | NO                       | N/A                      |
|---|--------------------------|--------------------------|--------------------------|
| F11. Is all or part of the property subject to or in violation of a farmland preservation agreement?<br>Early termination of a farmland preservation agreement or removal of land from such an agreement can trigger payment of a conversion fee equal to 3 times the class 1 "use value" of the land.<br>Visit <a href="https://datcp.wi.gov/Pages/Programs_Services/FarmlandPreservation.aspx">https://datcp.wi.gov/Pages/Programs_Services/FarmlandPreservation.aspx</a> for more information.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| F12. Is all or part of the property subject to, enrolled in, or in violation of the Forest Crop Law, Managed Forest Law, the Conservation Reserve Program, or a comparable program?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| F13. Are you aware of a dam that is totally or partially located on the property or that an ownership in a dam that is not located on the property will be transferred with the property because it is owned collectively by members of a homeowners' association, lake district, or similar group? (If "yes," contact the Wisconsin Department of Natural Resources to find out if dam transfer requirements or agency orders apply.)  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| F14. Are you aware of boundary or lot line disputes, encroachments, or encumbrances (including a joint driveway) affecting the property?<br>Encroachments often involve some type of physical object belonging to one person but partially located on or overlapping on land belonging to another; such as, without limitation, fences, houses, garages, driveways, gardens, and landscaping. Encumbrances include, without limitation, a right or claim of another to a portion of the property or to the use of the property such as a joint driveway, liens, and licenses. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| F15. Are you aware there is not legal access to the property?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| F16. Are you aware of federal, state, or local regulations requiring repairs, alterations, or corrections of an existing condition? This may include items such as orders to correct building code violations.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| F17. Are you aware of a pier attached to the property that is not in compliance with state or local pier regulations? See <a href="http://dnr.wi.gov/topic/waterways">http://dnr.wi.gov/topic/waterways</a> for more information.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| F18. Are you aware of one or more burial sites on the property? (For information regarding the presence, preservation, and potential disturbance of burial sites, contact the Wisconsin Historical Society at 800-342-7834 or <a href="http://www.wihist.org/burial-information">www.wihist.org/burial-information</a> ).   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| F19. Explanation of "yes" responses _____<br>_____<br>_____   |                          |                          |                          |

**G. ADDITIONAL INFORMATION**

- |   | YES                      | NO                       | N/A                      |
|---|--------------------------|--------------------------|--------------------------|
| G1. Have you filed any insurance claims relating to damage to this property or premises within the last five years?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| G2. Are you aware of a structure on the property that is designated as a historic building or that all or any part of the property is in a historic district?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| G3. Are you aware of any agreements that bind subsequent owners of the property, such as a lease agreement or an extension of credit from an electric cooperative?  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| G4. Are you aware of other defects affecting the property?<br>Other defects might include items such as drainage easement or grading problems; excessive sliding, settling, earth movements, or upheavals; or any other defect or material condition. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| G5. The owner has owned the property for _____ years.   |                          |                          |                          |
| G6. The owner has lived in the property for _____ years.  |                          |                          |                          |
| G7. Explanation of "yes" responses _____<br>_____<br>_____  |                          |                          |                          |

Notice: You may obtain information about the sex offender registry and persons registered with the registry by contacting the Wisconsin Department of Corrections at <http://www.doc.wi.gov> or by phone at 608-240-5830

**OWNER'S CERTIFICATION**

*NOTE: Wisconsin Statute section 709.035 requires owners who, prior to acceptance of a purchase contract or an option to purchase, obtain information that would change a response on this report to submit a complete amended report or an amendment to the previously completed report to the prospective buyer within 10 days of acceptance.*

The owner certifies that the information in this report is true and correct to the best of the owner's knowledge as of the date on which the owner signs this report.

Owner \_\_\_\_\_ Date \_\_\_\_\_

Owner \_\_\_\_\_ Date \_\_\_\_\_

Owner \_\_\_\_\_ Date \_\_\_\_\_

Owner \_\_\_\_\_ Date \_\_\_\_\_

Owner \_\_\_\_\_ Date \_\_\_\_\_

**CERTIFICATION BY PERSON SUPPLYING INFORMATION**

A person other than the owner certifies that the person supplied information on which the owner relied for this report and that the information is true and correct to the best of the person's knowledge as of the date on which the person signs this report.

Person \_\_\_\_\_ Items \_\_\_\_\_ Date \_\_\_\_\_

Person \_\_\_\_\_ Items \_\_\_\_\_ Date \_\_\_\_\_

Person \_\_\_\_\_ Items \_\_\_\_\_ Date \_\_\_\_\_

**BUYER'S ACKNOWLEDGEMENT**

The prospective buyer acknowledges that technical knowledge such as that acquired by professional inspectors may be required to detect certain defects such as the presence of asbestos, building code violations, and floodplain status.

I acknowledge receipt of a copy of this statement.

Prospective buyer \_\_\_\_\_ Date \_\_\_\_\_

Prospective buyer \_\_\_\_\_ Date \_\_\_\_\_

Prospective buyer \_\_\_\_\_ Date \_\_\_\_\_

Prospective buyer \_\_\_\_\_ Date \_\_\_\_\_

Prospective buyer \_\_\_\_\_ Date \_\_\_\_\_

*Information appearing in italics is supplemental in nature and is not required pursuant to Section 709.03 of the Wisconsin Statutes.*

**OFFER ADDENDUM S - LEAD BASED PAINT  
DISCLOSURES AND ACKNOWLEDGMENTS**

1 **LEAD WARNING STATEMENT:** Every purchaser of any interest in residential real property on which a  
2 residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from  
3 lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in  
4 young children may produce permanent neurological damage, including learning disabilities, reduced  
5 intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular  
6 risk to pregnant women. The seller of any interest in residential real property is required to provide the  
7 buyer with any information on lead-based paint hazards from risk assessments or inspections in the  
8 seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or  
9 inspection for possible lead-based paint hazards is recommended prior to purchase.

10 Disclosures and Acknowledgments made with respect to the Property at \_\_\_\_\_,  
11 \_\_\_\_\_, Wisconsin.

12 **SELLER DISCLOSURE AND CERTIFICATION.** **Note: See Seller Obligations at lines 27 - 54 and 55 - 112.**

13 (1) **SELLER DISCLOSURES:** (a) Seller hereby represents that Seller has no knowledge of any lead-based paint or  
14 lead-based paint hazards (collectively referred to as LBP) present in or on the Property except: \_\_\_\_\_

15 \_\_\_\_\_  
16 *(Explain the information known to Seller, including any additional information available about the basis for the determination  
17 that LBP exists in or on the Property, the location of any LBP, and the condition of painted surfaces, or indicate "none.")*

18 (b) Seller hereby confirms that Seller has provided the Buyer with the following records and reports which comprise all  
19 of the reports and records available to Seller pertaining to lead-based paint or lead-based paint hazards (LBP) in or on the Property:  
20 \_\_\_\_\_

21 \_\_\_\_\_ *(Identify the LBP record(s) and report(s) (e.g. LBP abatements,  
22 inspections, reductions, risk assessments, etc., as defined at lines 89 - 107) provided to Buyer, or indicate "none available.")*

23 (2) **SELLER CERTIFICATION:** The undersigned Seller has reviewed the information above and certifies, to the best of their  
24 knowledge, that the information provided by them is true and accurate.

25 (X) \_\_\_\_\_ (Date) ▲  
26 (ALL Sellers' signatures)▲ Print Names Here ▶

27 **Seller Obligations under the Federal Lead-Based Paint Disclosure Rules**

28 (Based upon 40 CFR Chapter 1, Part 745, Subpart F, §§745.103, 745.107, 745.110, 745.113 & 745.115; and 24 CFR subtitle A,  
29 Part 35, Subpart H, §§35.86, 35.88, 35.90, 35.92 & 35.94, which all are collectively referred to in this Addendum as Federal LBP Law.)

30 **DISCLOSURE REQUIREMENTS FOR SELLERS.** (a) The following activities shall be completed before the Buyer is obligated  
31 under any contract to purchase target housing that is not otherwise an exempt transaction pursuant to Federal Law. Nothing in this  
32 section implies a positive obligation on the Seller to conduct any risk assessment and/or inspection or any reduction activities.

33 (1) Provide LBP Pamphlet to Buyer. The Seller shall provide the Buyer with an EPA-approved lead hazard information  
34 pamphlet. Such pamphlets include the EPA document entitled *Protect Your Family From Lead In Your Home* (EPA  
35 #747-K-99-001) or an equivalent pamphlet that has been approved for use in this state by EPA.

36 (2) Disclosure of Known LBP to Buyer. The Seller shall disclose to the Buyer the presence of any known lead-based  
37 paint and/or lead-based paint hazards in the target housing being sold. The Seller shall also disclose any additional  
38 information available concerning the known lead-based paint and/or lead-based paint hazards, such as the basis for the  
39 determination that lead-based paint and/or lead-based paint hazards exist, the location of lead-based paint and/or lead-based  
40 paint hazards, and the condition of painted surfaces (chipping, cracked, peeling).

41 (3) Disclosure of Known LBP & LBP Records to Agent. The Seller shall disclose to each agent the presence of any  
42 known lead-based paint and/or lead-based paint hazards in the target housing being sold and the existence of any available  
43 records or reports pertaining to lead-based paint and/or lead-based paint hazards. The Seller shall also disclose any  
44 additional information available concerning the known lead-based paint and/or lead-based paint hazards, such as the basis  
45 for the determination that lead-based paint and/or lead-based paint hazards exist, the location of lead-based paint and/or  
46 lead-based paint hazards, and the condition of the painted surfaces (chipping, cracked, peeling).

47 (4) Provision of Available LBP Records & Reports to Buyer. The Seller shall provide the Buyer with any records or reports  
48 available (see line 88) to the Seller pertaining to lead-based paint and/or lead-based paint hazards in the target housing being sold.  
49 This requirement includes records or reports regarding common areas. This requirement also includes records or reports  
50 regarding other residential dwellings in multifamily target housing, provided that such information is part of a risk assessment and/or  
51 inspection or a reduction of lead-based paint and/or lead-based paint hazards in the target housing as a whole.

52 (b) Disclosure Prior to Acceptance of Offer. If any of the disclosure activities identified in lines 30-51 occurs after the Buyer  
53 has provided an offer to purchase the housing, the Seller shall complete the required disclosure activities prior to accepting  
54 the Buyer's offer and allow the Buyer an opportunity to review the information and possibly amend the offer.

55 ■ **CERTIFICATION AND ACKNOWLEDGMENT OF LBP DISCLOSURE.** (a) Seller requirements. Each contract to sell target  
56 housing shall include an attachment or addendum containing the following elements, in the language of the contract (e.g., English,  
57 Spanish):

58 (1) Lead Warning Statement. A Lead Warning Statement consisting of the following language:

59 Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified  
60 that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead  
61 poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities,  
62 reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to  
63 pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on  
64 lead-based paint hazards from risk assessments or inspections in the Seller's possession and notify the buyer of any known  
65 lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to  
66 purchase.

67 (2) Disclosure of Known LBP & LBP Information Re: the Property. A statement by the Seller disclosing the presence of  
68 known lead-based paint and/or lead-based paint hazards in the target housing being sold or indicating no knowledge of the  
69 presence of lead-based paint and/or lead-based paint hazards. The Seller shall also provide any additional information  
70 available concerning the known lead-based paint and/or lead-based paint hazards, such as the basis for the determination  
71 that lead-based paint and/or lead-based paint hazards exist, the location of the lead-based paint and/or lead-based paint  
72 hazards, and the condition of the painted surfaces (chipping, cracked, peeling, dust, etc.).

73 (3) List of Available LBP Records & Reports Provided to Buyer. A list of any records or reports available to the Seller  
74 pertaining to lead-based paint and/or lead-based paint hazards in the housing that have been provided to the Buyer. If no  
75 such records or reports are available, the Seller shall so indicate.

76 (4) Buyer Acknowledgment of Receipt of Disclosures, Records & Pamphlet. A statement by the Buyer affirming receipt  
77 of the information set out in lines 67 - 75 and a lead hazard information pamphlet approved by EPA.

78 (5) Buyer Acknowledgment of Receipt of Opportunity for LBP Inspection. A statement by the Buyer that he or she has either:  
79 (i) received the opportunity to conduct the risk assessment or inspection required per lines 123 - 127; or (ii) waived the opportunity.

80 (6) Agent Certification. When one or more real estate agents are involved in the transaction to sell target housing,  
81 a statement from each agent that: (i) The agent has informed the Seller of the Seller's obligations under  
82 Federal LBP Law; and (ii) the agent is aware of his or her duty to ensure compliance with Federal LBP Law. Agents ensure  
83 compliance by informing Seller of his or her obligations and by making sure that the Seller or the agent personally completes  
84 the required activities. Buyer's agents paid solely by Buyer are exempt.

85 (7) Signatures. The signatures of all Sellers and Buyers, and all agents subject to Federal LBP Law (see lines 80 - 84)  
86 certifying to the accuracy of their statements to the best of their knowledge, along with the dates of the signatures.

87 ■ **DEFINITIONS:**

88 Available means in the possession of or reasonably obtainable by the Seller at the time of the disclosure.

89 Abatement means the permanent elimination of lead-based paint and/or lead-based paint hazards by methods such as  
90 removing, replacing, encapsulating, containing, sealing or enclosing lead-based paint with special materials, in conformance  
91 with any applicable legal requirements.

92 Buyer means one or more individuals or entities who enter into a contract to purchase an interest in target housing (**referred  
93 to in the singular whether one or more**).

94 Inspection means: (1) a surface-by-surface investigation to determine the presence of lead-based paint, and (2) the provision  
95 of a report explaining the results of the investigation.

96 Lead-based paint means paint or other surface coatings that contain lead equal to or in excess of 1.0 milligram per square  
97 centimeter or 0.5 percent by weight.

98 Lead-based paint hazard means any condition that causes exposure to lead from lead-contaminated dust, lead-contaminated  
99 soil, or lead-contaminated paint that is deteriorated or present in accessible surfaces, friction surfaces, or impact surfaces  
100 that would result in adverse human health effects as established by the appropriate Federal agency.

101 Reduction means designed to reduce or eliminate human exposure to lead-based paint hazards through interim controls,  
102 abatement, etc.

103 Risk assessment means an on-site investigation to determine and report the presence of lead-based paint, and to evaluate  
104 and report the extent, nature, severity, and location of lead-based paint hazards in residential dwellings, including: (1)  
105 information gathering regarding the age and history of the housing and occupancy by children under 6; (2) visual inspection;  
106 (3) limited wipe sampling or other environmental sampling techniques; (4) other activity as may be appropriate; and (5)  
107 provision of a report explaining the results of the investigation.

108 Seller means one or more individuals or entities who transfer, in return for consideration, (1) legal title to target housing, in  
109 whole or in part; (2) shares in a cooperatively owned project; or (3) an interest in a leasehold (**referred to in the singular  
110 whether one or more**).

111 Target housing means any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless  
112 any child who is less than 6 years of age resides or is expected to reside in such housing) or any 0-bedroom dwelling.

113 ■ **AGENT(S) ACKNOWLEDGMENT AND CERTIFICATION.**

114 (1) **ACKNOWLEDGMENT:** All agent(s) in this transaction subject to Federal LBP Law (see lines 80 - 84) hereby  
115 acknowledge that: (1) the Seller was informed of his or her obligations under the Federal LBP Law (see lines 27 - 54 and 55 -  
116 112); and (2) they are aware of their duty to ensure compliance with the requirements of Federal LBP Law.

117 (2) **CERTIFICATION:** The undersigned agents have reviewed the information above and certify, to the best of their  
118 knowledge, that the information provided by them is true and accurate.

119 (X) \_\_\_\_\_  
120 (Agent's signature) ▲ Print Agent & Firm Names Here ▶ (Date) ▲

121 (X) \_\_\_\_\_  
122 (Agent's signature) ▲ Print Agent & Firm Names Here ▶ (Date) ▲

123 ■ **BUYER'S OPPORTUNITY TO CONDUCT AN EVALUATION (LBP Inspection Contingency).** (a) Before a Buyer is  
124 obligated under any contract to purchase target housing, the Seller shall permit the Buyer a 10-day period (unless the parties  
125 mutually agree, in writing, upon a different period of time) to conduct a risk assessment or inspection for the presence of  
126 lead-based paint and/or lead-based paint hazards. (b) Notwithstanding lines 123 - 126, a Buyer may waive the opportunity  
127 to conduct the risk assessment or inspection by so indicating in writing.

128 ■ **BUYER INSPECTION CONTINGENCY, ACKNOWLEDGMENT AND CERTIFICATION.**

129 (1) **LEAD-BASED PAINT INSPECTION CONTINGENCY:** [Buyer to check one box at lines 131, 147 or 148. If no box is  
130 checked, Buyer is deemed to have elected a 10-day contingency per lines 131 - 146.]

131  **LEAD-BASED PAINT INSPECTION CONTINGENCY:** This Offer is contingent upon a federal or state certified lead  
132 inspector or lead risk assessor conducting an inspection or risk assessment of the Property, at Buyer's cost, which discloses  
133 no lead-based paint and/or lead-based paint hazards (see lines 96 - 100) (collectively referred to as LBP). This contingency  
134 shall be deemed satisfied, and Buyer will have elected to take the Property "as is" with respect to LBP, unless Buyer, within  
135 \_\_\_\_\_ days of acceptance, delivers to Seller a copy of the inspector's or risk assessor's written report and a written notice  
136 listing the LBP identified in the report to which the Buyer objects. Buyer agrees to concurrently deliver a copy of the report  
137 and notice to the listing broker, if any. A proposed amendment will not satisfy this notice requirement.

138 **RIGHT TO CURE:** Seller (shall)(shall not)  **STRIKE ONE** have a right to cure [if neither struck, Seller shall have the right to  
139 cure]. If Seller has the right to cure, Seller may satisfy this contingency by: (1) delivering, within 10 days of receipt of Buyer's  
140 notice, written notice of Seller's election to abate the LBP identified by the Buyer; and (2) providing Buyer, no later than 3 days  
141 prior to closing, with certification from a certified lead supervisor or project designer, or other certified lead contractor that  
142 the identified LBP has been abated. This Offer shall be null and void if Buyer makes timely delivery of the above notice and  
143 report and: (1) Seller does not have a right to cure or (2) Seller has a right to cure but: a) Seller delivers notice that Seller will  
144 not cure or b) Seller does not timely deliver the notice of election to cure. "Abate" shall mean to permanently eliminate the  
145 identified LBP by methods such as removing, replacing, encapsulating, containing, sealing or enclosing the identified LBP,  
146 in conformance with the requirements of all applicable law.

147  Buyer elects the LBP contingency Buyer has attached to this Addendum S.

148  Buyer waives the opportunity for a LBP inspection or assessment.

149 (2) **BUYER ACKNOWLEDGMENT:** Buyer hereby acknowledges and certifies that Buyer has: (a) received the Seller's  
150 above-listed disclosures, reports and records concerning any known LBP in or on the Property (see lines 12 - 22); (b) received  
151 a lead hazard information pamphlet approved by the EPA; and (c) received the opportunity to conduct a LBP risk assessment  
152 or inspection of the Property or has waived the opportunity (see lines 131 - 148 above).

153 (3) **BUYER CERTIFICATION:** The undersigned Buyer has reviewed the information above and certifies, to the best of their  
154 knowledge, that the information provided by them is true and accurate.

155 (X) \_\_\_\_\_  
156 (ALL Buyers' signatures)▲ Print Names Here ▶ (Date) ▲

157

**ADDENDUM A TO THE OFFER TO PURCHASE**

1 This Addendum is made part of the Offer to Purchase dated \_\_\_\_\_, made by \_\_\_\_\_  
2 (Buyer), with respect to the Property at \_\_\_\_\_.

3 **CAUTION: Buyer must include contingencies in this Offer for any additional tests or inspections Buyer wishes to conduct. Specific**  
4 **addenda are available for testing or evaluation of Wells, Well Water, Septic Systems, Lead-Based Paint, Wetlands and Lead/Arsenic**  
5 **Pesticides. Parties should consult with legal counsel with questions regarding testing or this Addendum.**

6  **RADON TESTING CONTINGENCY:** This Offer is contingent upon Buyer having a qualified third party perform a radon test at the  
7 Property in a manner consistent with applicable EPA and Wisconsin Department of Health Services (DHS) protocols and standards and furnish  
8 a current written report indicating the radon level, or the average level if testing involves multiple readings, is less than 4 picoCuries per liter  
9 (pCi/L), at (Buyer's) (Seller's)  ("Buyer's" if neither is stricken) expense. This contingency shall be deemed satisfied unless Buyer,  
10 no later than \_\_\_\_\_ days (after acceptance)(prior to closing)  ("prior to closing" if neither is stricken), delivers to Seller a  
11 written copy of the radon test results report indicating a level of 4.0 pCi/L or higher. Seller (shall)(shall not)  ("shall" if neither is  
12 stricken) have the right to cure. See lines 62-71 regarding the Right to Cure.

13  **TESTING CONTINGENCY:** This Offer is contingent upon (Buyer obtaining)(Seller providing)  ("Buyer obtaining" if neither is  
14 stricken) a current written report from a qualified independent expert documenting the results of the following test(s) conducted pursuant to  
15 applicable government or industry protocols and standards [indicate substances or compounds to be tested, e.g., asbestos (see  
16 <http://www2.epa.gov/asbestos/protect-your-family>), etc.]: \_\_\_\_\_, no later than \_\_\_\_\_ days (after  
17 acceptance)(prior to closing)  ("prior to closing" if neither is stricken), at (Buyer's) (Seller's)  ("Buyer's" if neither is  
18 stricken) expense. Specify any protocols, testing contractors, labs, standards/levels constituting a Defect, financial limits, acceptable repair  
19 methodology, etc.: \_\_\_\_\_.

20 Seller (shall)(shall not)  ("shall" if neither is stricken) have the right to cure. See lines 62-71 regarding the Right to Cure.

21  **CLOSING:** The Parties agree that the closing shall be held at (the place selected by Buyer's lender) (the place selected by Buyer)

22 ( \_\_\_\_\_ )  **STRIKE AND COMPLETE AS APPLICABLE**.

23  **ASSOCIATION FEE:** Buyer acknowledges the (monthly)(quarterly)(annual)  **STRIKE TWO** association fee of \$ \_\_\_\_\_.

24  **HOME WARRANTY PLAN:** Buyer has been informed of the availability of a limited home warranty plan. A limited home warranty plan for  
25 a term of one year shall be included, effective on the date of closing, provided the Property qualifies for the plan. The cost of the home warranty  
26 shall not exceed \$ \_\_\_\_\_ and will be paid by (Seller)(Buyer)  **STRIKE ONE** ("Seller" if neither is stricken) at closing. The warranty plan  
27 will be provided by the (listing)(cooperating)  **STRIKE ONE** ("listing" if neither is stricken) broker. Buyer is advised that a home inspection may  
28 detect pre-existing conditions which may not be covered under the warranty.

29  **FLOOD INSURANCE PREMIUMS CONTINGENCY (also see lines 116-121):** This Offer is contingent upon Buyer obtaining, an  
30 insurance binder, certificate of insurance or other insurance company documentation or correspondence showing (that Buyer's annual premium  
31 for flood insurance for Buyer's initial year of ownership after closing shall not exceed \$ \_\_\_\_\_)(that Buyer's annual premium will not  
32 exceed \$ \_\_\_\_\_ after \_\_\_\_\_ years)(that the actuarial annual premium cost is computed to be no more than \$ \_\_\_\_\_)

33  **STRIKE AND COMPLETE AS APPLICABLE**. This contingency shall be deemed satisfied unless Buyer, no later than \_\_\_\_\_ days (after  
34 acceptance)(prior to closing)  **STRIKE ONE** ("prior to closing" if neither is stricken), delivers to Seller written notice indicating that this contingency  
35 has not been satisfied and documentation of the flood insurance premiums available to Buyer. If this contingency is not satisfied, Buyer may  
36 terminate this Offer by delivering written notice of termination to Seller.

37  **MAP OF THE PROPERTY:** This Offer is contingent upon (Buyer obtaining) (Seller providing)  **STRIKE ONE** ("Seller providing" if neither is  
38 stricken) a (survey map)( ALTA/ACSM Land Title Survey) ( \_\_\_\_\_ )  **STRIKE AND COMPLETE AS APPLICABLE** of the  
39 Property, dated after the date of acceptance of this Offer and prepared by a Wisconsin licensed land surveyor, within \_\_\_\_\_ days of  
40 acceptance, at (Buyer's) (Seller's)  **STRIKE ONE** ("Seller's" if neither is stricken) expense. The map shall identify the legal description of the  
41 Property, Property boundaries and boundary line dimensions, visible encroachments, location of any improvements, a minimum of \_\_\_\_\_

42 acres, a maximum of \_\_\_\_\_ acres and: \_\_\_\_\_.

43  **STRIKE AND COMPLETE AS APPLICABLE** (Additional specifications/features may include, but are not limited to: staking Property corners,  
44 streets, length of street or water frontage, legal access, total acreage or square footage, utility installations, easements or rights-of-way.

45 **CAUTION: Consider cost and need for map features, and time required to obtain map.)** This contingency shall be deemed satisfied unless  
46 Buyer, within 5 days of the earlier of Buyer's Actual Receipt of the map or the deadline for delivery of said map, delivers to Seller a copy of the  
47 map and a written notice which identifies: (1) a significant encroachment; (2) information materially inconsistent with prior representations or (3)  
48 failure to meet requirements stated in this contingency. Upon delivery of Buyer's notice, this Offer shall be null and void. This Offer shall be null  
49 and void if Buyer delivers written notice to Seller, within 5 days of the deadline on lines 39-40, stating Seller failed to timely deliver the map (if  
50 Seller was responsible to provide the map).

51  **FEDERAL VA MORTGAGE:** (Buyer)(Seller)  **STRIKE ONE** ("Seller" if neither is stricken) agrees to pay the entire funding fee not to  
52 exceed \_\_\_\_\_ % (0% if not filled in) of the mortgage amount. **Note:** Funding fee may not be divided between the parties. Buyer agrees to  
53 pay all other costs of securing financing.

54  **SELLER'S CONTRIBUTION:** Seller shall give Buyer a loan cost credit at closing in the amount of \$ \_\_\_\_\_ or \_\_\_\_\_ % of the  
55 purchase price to assist Buyer in paying loan closing costs such as points, prepayables and escrows. Buyer's loan costs shall include  
56 \_\_\_\_\_ and exclude \_\_\_\_\_  **STRIKE AND COMPLETE AS APPLICABLE**.

57  **NUMBER OF DAYS:** The default number of days is 21 if nothing is entered on blank lines requiring entry of a number of days.

58  **READING/UNDERSTANDING:** By initialing and dating this Addendum, each Party acknowledges they have received and carefully read all  
59 pages of this Addendum. Initialing does not signify acceptance or agreement with the terms of this Addendum.

60 (X) \_\_\_\_\_ (Date) \_\_\_\_\_ (X) \_\_\_\_\_ (Date) \_\_\_\_\_  
61 (Buyer(s)' Initials) ▲ (Date) ▲ (Seller(s)' Initials) ▲ (Date) ▲



62 ■ **CONTINGENCY SATISFACTION/RIGHT TO CURE (radon or testing contingency):** The contingency shall be deemed satisfied  
63 unless Buyer, within 5 days of the earlier of: 1) Buyer's Actual Receipt of the applicable testing report(s) or 2) the deadline for delivery  
64 of said report(s), delivers to Seller a copy of the written report(s) and written notice stating why the report(s) do(es) not satisfy the  
65 contingency standard. If Seller has the right to cure, Seller may satisfy this contingency by (1) delivering a written notice of Seller's  
66 election to cure within 10 days of receipt of Buyer's notice; and (2) by curing the defects in a good and workmanlike manner that  
67 satisfies the standard set forth in the selected contingency and by giving Buyer a report of the work done prior to closing. This Offer  
68 shall be null and void if Buyer timely delivers the above written notice(s) and report(s) to Seller and (1) Seller does not have the right  
69 to cure; or (2) Seller has a right to cure but: a) Seller delivers written notice that Seller will not cure or b) Seller does not timely deliver  
70 the notice of election to cure. This Offer shall be null and void if Buyer delivers notice to Seller, within 5 days of the delivery deadline,  
71 stating Seller failed to deliver report(s) by the respective stated deadline [if Seller was responsible to provide the report(s)].

72 ■ **INSPECTIONS, TESTS AND OPINIONS:** It is recommended that Buyer have the Property and specific Property  
73 components of concern inspected by a Wisconsin registered home inspector or qualified independent inspectors/experts.  
74 Real estate agents in this transaction may furnish a list of qualified, independent inspectors and testers. Unless provided in writing,  
75 no representation has been made as to the competency of these inspectors/testers. The Party responsible for obtaining an inspection  
76 or test shall be solely responsible for determining the qualifications of the inspector and tester. If a broker orders any inspection or  
77 test on behalf of a Party in this transaction, the Parties agree to hold the broker harmless for any damages or liability resulting from  
78 the inspection or test, other than that caused by the broker's negligence or intentional wrongdoing.

79 ■ **BUYER'S RESPONSIBILITY TO ASCERTAIN CONDITION OF THE PROPERTY:** Buyer acknowledges that it is Buyer's  
80 responsibility to confirm that the Property is in a condition that Buyer finds acceptable and accordingly has conducted such tests,  
81 inspections, evaluations and independent inquiries as Buyer deems necessary. Buyer has relied upon Buyer's independent Property  
82 inspection and tests; the statements, disclosures and representations contained in this Offer; Seller's property condition report (if  
83 any); and any other written statements provided to Buyer. Buyer acknowledges that neither Seller nor any real estate agents have  
84 made any representations concerning the Property or the transaction other than those provided in writing. Buyer has not requested  
85 verification of accuracy of any Seller or third party statements, disclosures or representations unless specifically stated in this Offer.

86 ■ **HAZARDOUS SUBSTANCES:** The parties are aware that news media and other public information sources indicate that  
87 asbestos, lead-based paint, lead in drinking water, unsafe levels of mold, radium, radon gas and other toxic substances and  
88 chemicals within a structure or in soils or water supplies can cause serious health hazards. Past flooding, water intrusion, leaking or  
89 excessive dampness may result in mold growth that may present health risks. Synthetic stucco and wood composite exterior house  
90 siding have been associated with moisture and mold related problems. Seller represents that, to the best of Seller's knowledge, the  
91 Property does not contain asbestos, lead-based paint, excessive moisture or water intrusions, abnormal or unsafe concentrations of  
92 mold, radon gas, lead, radium or other toxic or harmful substances or chemicals, and that there has been no past flooding, water  
93 intrusion, leaking or excessive moisture in the Property. See the caution at lines 3-5 and the testing contingencies in this Addendum.

94 ■ **UNDERGROUND STORAGE TANKS AND BASEMENT FUEL OIL TANKS:** Seller has no knowledge of any petroleum product  
95 contamination on the Property. If there is an abandoned underground storage tank (UST) or basement or aboveground storage tank  
96 (AST) on the Property, Seller shall, at least 5 days prior to closing, deliver to Buyer written confirmation that the tank and related  
97 components have been closed in full conformance with current federal, state and local regulations. Seller's written confirmation shall  
98 include a copy of any applicable contractor's report and any required Department of Agriculture, Trade and Consumer Protection  
99 (DATCP) registration. Seller shall provide Buyer at least 5 days prior to closing with documentation confirming that any in-use UST,  
100 AST or basement tank meets all current state and federal operating standards. Buyer shall notify DATCP of the change of ownership  
101 of an in-use UST within 15 business days of closing. Visit [http://datcp.wi.gov/Consumer/Hazardous\\_Materials\\_Storage\\_Tanks/](http://datcp.wi.gov/Consumer/Hazardous_Materials_Storage_Tanks/).

102 ■ **MUNICIPAL REPORT:** Seller agrees to provide Buyer with written verification of paid real estate taxes, current or planned special  
103 assessments and any unpaid municipal charges affecting the Property, if such a statement is available from the municipality.

104 ■ **ZONING AND BUILDING RESTRICTIONS, COMPREHENSIVE PLANS AND NON-CONFORMING STRUCTURES:** Municipal  
105 zoning and building restrictions may affect use of the Property, and comprehensive plans may affect future use or value of the  
106 Property by influencing future development in the municipality. Buyer is informed that some buildings are considered legal non-  
107 conforming structures because they no longer conform to current dimensional zoning standards due to zoning standards and  
108 ordinances enacted after the building was constructed. Buyer's ability to remodel, repair, replace or enlarge an existing non-  
109 conforming structure may be regulated by the municipality. Buyer is encouraged to contact the appropriate municipal authorities  
110 regarding zoning and building restrictions and comprehensive plans if these issues are material to Buyer's decision to purchase.

111 ■ **INSURANCE ISSUES:** Seller agrees to allow representatives of Buyer's insurance company reasonable access to the Property  
112 upon advance notice for inspections relating to Buyer's homeowner's insurance application. The Parties are advised to contact their  
113 insurance agents with questions regarding insurability and costs.

114 ■ **FLOOD PLAINS/WETLANDS/SHORELAND:** Buyer acknowledges that it is recommended that Buyer seek professional  
115 assistance in interpreting any flood plain, wetlands and shoreland maps.

116 ■ **FLOOD INSURANCE:** Buyer's mortgage lender may require Buyer to purchase flood insurance in connection with the purchase of  
117 the Property. The National Flood Insurance Program (NFIP) (<https://www.floodsmart.gov/floodsmart/>) provides for the availability of  
118 flood insurance and establishes flood insurance premiums based on the risk of flooding. Recent changes to federal law may result in  
119 flood insurance premiums that are likely higher, and in the future may be substantially higher, than premiums paid by Seller. Buyer  
120 should consult with one or more flood insurance carriers regarding flood insurance coverage, current and future premiums, and  
121 whether Buyer may assume Seller's policy. Buyer may wish to contact NFIP for information about flood insurance for this Property.

122 ■ **FEDERAL VA AND FHA MORTGAGE:** If this Offer is contingent upon Buyer obtaining a FHA or Federal VA loan, it is also  
123 contingent upon the Parties executing an FHA or Federal VA amendment to the contract which shall give Buyer the right to terminate  
124 the Offer if the Property fails to appraise for the purchase price.

125 ■ **MUNICIPALITY DISCREPANCY:** Buyer acknowledges that while the Property mailing address may be within one municipality, the  
126 Property may be physically located in an adjoining municipality that will determine the applicable property taxes and school district.

**ADDENDUM B TO THE OFFER TO PURCHASE**

1 This Addendum is made part of the Offer to Purchase dated \_\_\_\_\_, made by  
2 \_\_\_\_\_ (Buyer) with respect to the Property at  
3 \_\_\_\_\_.

4 **PARAGRAPHS PRECEDED BY A BOX ARE A PART OF THIS ADDENDUM IF MARKED, SUCH AS WITH AN "X." THEY ARE  
5 NOT PART OF THIS ADDENDUM IF MARKED "N/A" OR ARE LEFT BLANK (except as stated on line 32 below).**

6  **WELL:** There  is  is not an active well serving the Property. The well and all related equipment  is  is not located entirely  
7 on the Property. The well  is  is not a private shared well.

8  **WELL WATER TESTING CONTINGENCY:** This Offer is contingent upon Buyer receiving, no later than \_\_\_\_\_ days (after  
9 acceptance)(prior to closing)  ("prior to closing" if neither is stricken), a current written report from a state-certified or  
10 other independent qualified lab that indicates that the well(s) is/are supplying water that is within the levels established by federal or  
11 state laws or guidelines regulating public water systems for safe human consumption, relative to the following substances: bacteria  
12 (total Coliform and E.coli), nitrate, arsenic and: \_\_\_\_\_

13 \_\_\_\_\_ . (Note: If desired by Buyer or required by Buyer's lender, insert other substances that may affect drinking  
14 water safety such as pesticides, lead, nitrite, copper, radium, radon, etc., or that may affect water aesthetics, such as iron, sulfur  
15 bacteria, etc. See the DNR Web site at <http://dnr.wi.gov/topic/Wells/waterQuality.html> for information).

16 (Buyer)(Seller)  ("Seller" if neither is stricken) shall be responsible for obtaining the report(s), including all costs. All  
17 water samples used for testing shall be taken after binding acceptance of this Offer by a licensed plumber or other independent,  
18 qualified person. Seller (shall)(shall not)  ("shall" if neither is stricken) have the right to cure. See lines 61-72 regarding  
19 the Right to Cure and the related cautionary notes on lines 72-83.

20 If a well water test report reveals unsafe levels of any substance listed on lines 12-13 and Seller has the right to cure, Seller  
21 (may)(may not)  ("may" if neither is stricken) cure through installation of Point of Use (POU) water treatment devices  
22 approved by the Department of Safety and Professional Services (see [http://dsps.wi.gov/php/sb-ppalopp/contam\\_alpha\\_list.php](http://dsps.wi.gov/php/sb-ppalopp/contam_alpha_list.php)).

23  **WELL SYSTEM INSPECTION CONTINGENCY:** This Offer is contingent upon Buyer receiving, no later than \_\_\_\_\_ days  
24 (after acceptance)(prior to closing)  ("prior to closing" if neither is stricken), a current written Property Transfer Well(s)  
25 and Pressure System(s) Inspection report from a licensed well driller or a licensed pump installer competent to inspect well systems,  
26 which indicates that the \_\_\_\_\_ [state kind of well(s), e.g., point driven, number of wells, etc.,  
27 if known] well(s) and pressure system(s) complies with code. (Buyer)(Seller)  ("Seller" if neither is stricken) shall be  
28 responsible for obtaining the report(s), including all costs. Seller (shall)(shall not)  ("shall" if neither is stricken) have the  
29 right to cure. See lines 61-71 regarding the Right to Cure.

30   **CHECK IF APPLICABLE** The Party ordering the inspection shall request that well capacity/water yield information be provided,  
31 in writing, along with the Property Transfer Well(s) and Pressure System(s) Inspection results form.

32 *If the well is inspected, the Well Water Testing Contingency is automatically selected and included in this Offer.*

33  **PRIVATE SANITARY SYSTEM (POWTS) INSPECTION CONTINGENCY:** This Offer is contingent upon Buyer receiving, no later  
34 than \_\_\_\_\_ days (after acceptance)(prior to closing)  ("prior to closing" if neither is stricken), a current written  
35 report from a county sanitarian, licensed master plumber, licensed master plumber-restricted service, licensed plumbing designer,  
36 registered engineer, certified POWTS inspector, certified septage operator, and/or a certified soil tester, which indicates that the  
37 POWTS  **CHECK ONE OR MORE AS APPLICABLE** (checking all three brings the highest level of confidence that the system is  
38 properly functioning):

39  Conforms to the code in effect when the POWTS was installed. **Note:** This may include a records review to confirm installation  
40 date and specifications observed by the installer.

41  Is not disapproved for current use (is hydraulically functional and structurally sound).

42  Maintains vertical separation from limiting conditions such as groundwater and bedrock per current code (3 foot separation).

43 **Note:** POWTS installed before December 1, 1969 may have only a 2 foot separation; a certified soils tester will be needed to make  
44 soil borings to determine separation. Operating POWTS must maintain a 3 foot vertical separation.

45 **Note:** Different professionals may be needed to inspect different system components.

46 If required by the inspector, the POWTS is to be pumped at time of inspection, at Seller's expense. (Buyer)(Seller)   
47 ("Seller" if neither is stricken) shall be responsible for obtaining the report(s) and for all other costs. Seller (shall)(shall not)   
48  ("shall" if neither is stricken) have the right to cure. See lines 61-71 regarding the Right to Cure.

49  **ADDITIONAL PROVISIONS:** \_\_\_\_\_  
50 \_\_\_\_\_  
51 \_\_\_\_\_  
52 \_\_\_\_\_  
53 \_\_\_\_\_  
54 \_\_\_\_\_  
55 \_\_\_\_\_  
56 \_\_\_\_\_  
57 \_\_\_\_\_

58  **READING:** By initialing and dating below, each Party acknowledges they have received and read a copy of this Addendum.

59 (X) \_\_\_\_\_ (X) \_\_\_\_\_  
60 (Buyer(s)' Initials) ▲ (Date) ▲ (Seller(s)' Initials) ▲ (Date) ▲

61 ■ **CONTINGENCY SATISFACTION / RIGHT TO CURE:** Each contingency selected above [well water, well system or private  
 62 sanitary system (POWTS)] shall be deemed satisfied unless Buyer, within 5 days of the earlier of: 1) Buyer's Actual Receipt of the  
 63 applicable water, well or sanitary system report(s) or 2) the deadline for delivery of said report(s), delivers to Seller a copy of the  
 64 written report(s) and a written notice stating why the report(s) do(es) not satisfy the standard set forth in the contingency(ies)  
 65 selected. If Seller has the right to cure, Seller may satisfy this contingency by: (1) delivering a written notice of Seller's election to  
 66 cure within 10 days of receipt of Buyer's notice; and (2) by curing the defects in a good and workmanlike manner that satisfies the  
 67 standard set forth in the selected contingency and by giving Buyer a report of the work done prior to closing. This Offer shall be null  
 68 and void if Buyer timely delivers the above written notice(s) and report(s) to Seller and (1) Seller does not have the right to cure; or  
 69 (2) Seller has a right to cure but: a) Seller delivers written notice that Seller will not cure or b) Seller does not timely deliver the notice  
 70 of election to cure. This Offer shall be null and void if Buyer delivers notice to Seller, within 5 days of the deadline for delivery of the  
 71 report(s), stating Seller failed to deliver report(s) by the respective stated deadline [if Seller was responsible to provide the report(s)].

72 # Required Well Water Testing. *Per Wis. Admin. Code § NR 812.44, if a property transfer well inspection is conducted the  
 73 licensed well driller or a licensed pump installer conducting the inspection is required to collect well water samples for  
 74 bacteria (total Coliform and E.coli), nitrate, and arsenic testing.*

75 # Arsenic Testing Time Periods. The Parties should determine the time periods necessary to complete well water testing,  
 76 particularly for arsenic testing, which make take significantly longer to complete in some market areas.

77 # Well Water Chlorination. If the initial well water report indicates bacteriological contamination and Seller has the right to cure,  
 78 Seller may chlorinate the well and retest up to two times, with the deadlines for the Buyer's receipt of the report and for closing  
 79 extended for up to 14 days. After a report of bacteriological contamination, Seller must produce two safe water reports to satisfy  
 80 the well water contingency, unless otherwise agreed in writing.

81 # Well Water Mediation. If a well water test report reveals elevated levels of a contaminant, the Parties may request suggestions  
 82 regarding mediation from the well driller or pump installer who inspected the well or seek information from any licensed well  
 83 driller or licensed pump installer.

84 # POWTS. A POWTS failing to meet the stated standards may be cured only by repairing the current POWTS (including  
 85 component replacements if indicated) or by replacing the current POWTS with the same type of system which meets the  
 86 standards stated in the POWTS Inspection Contingency, unless otherwise agreed in writing. A modification to an existing  
 87 POWTS, including the replacement, alteration or addition of material or components, shall conform to current code as stated in  
 88 Wis. Admin. Code chapter SPS 383. Modification of one part of a POWTS may affect the performance or the operation of other  
 89 parts of the POWTS thereby necessitating further modifications for the other parts to remain compliant.

90 # Utility Service. Seller shall be responsible for providing electric, water service and/or other utility service as necessary for any  
 91 inspection or testing unless otherwise designated in Additional Provisions on lines 49-57.

92 ■ **SHARED WELL AGREEMENT:** If the well providing drinking water to the Property is a private shared well Seller shall, at Seller's  
 93 expense, provide Buyer, no later than 15 days before closing, with a copy of a shared well agreement that provides, unless otherwise  
 94 agreed in writing, standards for the operation, maintenance, water testing, repair and use of the well for residential purposes, and the  
 95 prorata sharing of costs and responsibilities among all parcels served by the well. If not yet recorded, the agreement shall be in  
 96 recordable form and shall be recorded at Seller's expense at closing.

97 ■ **ABANDONED WELLS:** If there is an abandoned well on the Property that has not been closed, Seller shall, prior to closing and at  
 98 Seller's expense, close the well and provide Buyer with documentation confirming closure in compliance with all applicable codes. If  
 99 there is any abandoned well on the Property that was previously closed, Seller shall provide Buyer with documentation evidencing  
 100 that the well closure was in compliance with all applicable codes in effect at that time.

101 ■ **DEFAULT NUMBER OF DAYS:** Default number of days is 21 if nothing is entered on blank lines requiring entry of a number of  
 102 days.

103 ■ **"POWTS:"** Private Onsite Wastewater Treatment Systems or POWTS is the terminology used by the Wisconsin Department of  
 104 Safety and Professional Services and sanitary system professionals, as well as in applicable code, Wis. Admin. Code Chapter SPS  
 105 383, when referring to a private sanitary system.

106 ■ **LOCAL CODE COMPLIANCE:** The Parties should check county and municipal well, water and septic ordinances and codes for  
 107 additional requirements that may apply to the Property.

108 ■ **SANITARY DISTRICT:** Buyer is informed that the Property may be located within an established sanitary district. Buyer may be  
 109 subject to taxes, special assessments or other charges for sewer planning or construction, user fees and related costs. Buyer is  
 110 encouraged to contact officials of the sanitary district to inquire about such costs.

111 **APPLICABILITY:** BUYER AND SELLER ARE ADVISED THAT THIS ADDENDUM CONTAINS PROVISIONS WHICH MAY NOT BE  
 112 APPROPRIATE IN ALL TRANSACTIONS. NO REPRESENTATION IS MADE THAT THE PROVISIONS OF THIS ADDENDUM ARE  
 113 APPROPRIATE, ADEQUATE OR LEGALLY SUFFICIENT FOR ANY SPECIFIC TRANSACTION. BUYER AND SELLER ARE  
 114 ENCOURAGED TO CONSULT WITH LEGAL COUNSEL REGARDING THE PROVISIONS OF THE OFFER AND THIS  
 115 ADDENDUM.