January 2023 Vol. 39, No. 2

WISCONSIN REAL ESTATE MAGAZINE

INSIDE this Issue:

2023 Housing Predictions

Legislative Priorities

New HOA Resources

ADVOCATE.
EDUCATE.
ELEVATE.

WRA

A PUBLICATION OF THE WISCONSIN REALTORS® ASSOCIATION

WWW.WRA.ORG / 800.279.1972 / 4801 FOREST RUN ROAD, MADISON, WI 53704

THE LATEST CONTENT

HOUSING MINUTE
Monthly analysis in Wisconsin housing

November 2022 Housing Recap

Declining affordability and tight inventories led to a slide in Wisconsin home sales in November. "November 2021 was the strongest November sales on record, so some decline in sales was to be expected. However, that doesn't diminish the significant role played by higher mortgage rates, which resulted in much lower affordability and forced some buyers out of the market," said 2022 WRA Chairman Brad Lois.

Watch: www.wra.org/HousingMinute

LINE BY LINE
Comprehensive forms training

Kick Forms Frustration to the Curb

The most in-depth Wisconsin real estate forms training is free for WRA members! If drafting errors or contract issues cause delays in your transactions, the WRA's Line by Line online video series has what you need to get back on track. With Line by Line training, you'll be ready to draft forms with confidence and conduct a smooth closing.

Watch: www.wra.org/LineByLine

LEGISLATIVE UPDATE
Advocacy in Wisconsin real estate

RPAC
REALTORS® POLITICAL ACTION COMMITTEE

HOA Transparency Victory

In 2022, Gov. Tony Evers signed one of the WRA's legislative priorities into law to create better transparency for the potential and/or current residents living in homeowners associations (HOAs).

Under the new 2021 Wis. Act 199, those residents will now have access to the rules and regulations impacting the property.

Watch: www.wra.org/Advocacy/HOAs

TABLE OF CONTENTS

JANUARY 2023 | Vol. 39, No. 2

NOVEMBER HOUSING

DECLINING AFFORDABILITY AND TIGHT INVENTORY LEAD TO SLIDE IN HOME SALES

BY DAVE CLARK
PROFESSOR OF ECONOMICS AT MARQUETTE UNIVERSITY
AND PRINCIPAL AT ECON ANALYTICS LLC

November 2022 Wisconsin housing at a glance:

- The median price in November stood at $259,950.
- Total listings dropped 21.8% year over year.
- Homes sales slid 31.7% compared to November 2021.
- Affordability fell 33.8% between November 2021 and November 2022.
- Average days on the market dropped 5.6% year over year.

See the full report: **www.wra.org/HSRNov2022**

David Clark, Ph.D., is a professor of economics at Marquette University and principal at ECON Analytics LLC, and serves as a consultant to the WRA in the analysis of home sales data as well as in the preparation of the monthly Wisconsin housing report. For more information, contact Clark at 414-803-6537.

NOVEMBER HOUSING

5,400
CLOSED SALES NOV 2022
-31.7%
FROM NOV 2021

$259,950
MEDIAN PRICE NOV 2022
+8.3%
FROM NOV 2021

ACTIVE LISTINGS BY PRICE

PRICE RANGE	NUMBER OF LISTINGS
$0–$124,999	1,444
$125,000–$199,999	2,986
$200,000–$349,999	4,684
$350,000–$499,999	3,403
$500,000 & higher	3,158

15,675
TOTAL STATEWIDE LISTINGS NOV 2022
-21.8%
FROM NOV 2021

MEDIAN PRICES BY REGION

CENTRAL	$189,950
NORTH	$239,000
NORTHEAST	$231,250
SOUTH CENTRAL	$305,000
SOUTHEAST	$272,500
WEST	$261,500

AVERAGE DAYS ON MARKET

67 DAYS NOV 2022
COMPARED WITH
71 DAYS NOV 2021

MONTHS OF INVENTORY

2.3 NOV 2022
2.6 NOV 2021

HOUSING STATISTICS MONTHLY ACTIVITY

Statewide	November 2022	November 2021	% Change	YTD 2022	YTD 2021	% Change
New Listings	4,442	5,703	-22.1%	N/A	N/A	N/A
Total Listings	15,675	20,054	-21.8%	N/A	N/A	N/A
Closed Sales*	5,400	7,905	-31.7%	73,137	83,999	-12.9%
Median Sales Price	$259,950	$240,000	+8.3%	$265,000	$241,000	+10.0%
Months of Inventory	2.3	2.6	-11.5%	N/A	N/A	N/A
Avg. Days on Market	67	71	-5.6%	N/A	N/A	N/A
Affordability Index	137	207	-33.8%	N/A	N/A	N/A

	Median Price			Closed Sales		
Region	**November 2022**	**November 2021**	**% Change**	**November 2022**	**November 2021**	**% Change**
Central	$189,950	$168,500	+12.7%	378	562	-32.7%
North	$239,000	$215,000	+11.2%	533	723	-26.3%
Northeast	$231,250	$215,000	+7.6%	1,082	1,499	-27.8%
South Central	$305,000	$286,875	+6.3%	1,042	1,508	-30.9%
Southeast	$272,500	$250,000	+9.0%	1,912	2,870	-33.4%
West	$261,500	$239,900	+9.0%	453	743	-39.0%

*Report criteria: Reflecting data through November 2022. *Total statewide closed sales may differ from the summed regional sales due to a small number of sales not being assigned to a county.*

INSIDE THE WRA

WRA ANNUAL MEMBERSHIP MEETING

WRA members are invited to attend the WRA's annual membership meeting.

Date and time:
February 3, 2023, at 8:00 a.m.

Location:
The Madison Club
5 E. Wilson St.
Madison, WI

Meeting agenda:
1. Call to order — WRA Chairman of the Board Joe Horning
2. Association issues
3. Adjournment

For more information, contact Sandy Bolgrihn at **sandy@wra.org**.

THE WRA IS ACCEPTING APPLICATIONS FOR 2024 LEADERSHIP

The WRA nominating committee is seeking applications for several WRA leadership positions for 2024:

• Chair of the board
• Executive committee vice president
• Board of director regional representative

For more information and to request a copy of the application, contact Sandy Bolgrihn at **sandy@wra.org**. Application deadline: March 15, 2023.

CONNECT WITH US

wra.org/**FACEBOOK** wra.org/**INSTAGRAM** wra.org/**YOUTUBE** wra.org/**TWITTER**

WISCONSIN REAL ESTATE MAGAZINE

EDITORIAL STAFF
Publisher: Michael Theo
Editor: Lauren B. Hubbard
Creative Director: Mike Keegan
Managing Editor: Robert Uhrina

WRA EXECUTIVE COMMITTEE
Joe Horning, Chairman of the Board
Mary Jo Bowe, Chair of the Board-elect
Chris DeVincentis, Treasurer
Brad Lois, Immediate Past Chair
Amy Curler, Vice President
Max Rea, Vice President

CONTACT INFORMATION
4801 Forest Run Road, Ste. 201
Madison, WI 53704-7337
608-241-2047 • 800-279-1972
email: editor@wra.org
website: www.wra.org

POSTMASTER: Send address changes to:
Wisconsin REALTORS® Association
4801 Forest Run Road, Ste. 201
Madison, WI 53704-7337

Wisconsin Real Estate Magazine™ is published by the Wisconsin REALTORS® Association. Trademark issued pursuant to Wisconsin state statute.

Wisconsin Real Estate Magazine™, USPS 597-850, ISSN 1548-0526, is published monthly by the Wisconsin REALTORS® Association, 4801 Forest Run Road, Ste. 201, Madison, WI, 53704. Periodical postage paid in Madison, WI, and additional mailing offices. An annual subscription rate of $17.50 is included in membership dues and a copy is mailed to every paid REALTOR® and affiliate member of the association. Nonmember subscription rate is $60.

Meet the 2023 WRA executive committee and WRA President & CEO. Pictured clockwise from top left: Mary Jo Bowe, Chris DeVincentis, Brad Lois, Max Rea, Joe Horning, Amy Curler and Michael Theo.

EXECUTIVE COMMITTEE

Chairman
Joe Horning
Shorewest REALTORS®

Chair-elect
Mary Jo Bowe
Edina Realty Inc.

Treasurer
Chris DeVincentis
Legendary Real Estate Services

Immediate Past Chair
Brad Lois
Bear Realty of Burlington Inc.

Vice President
Amy Curler
First Weber Inc.

Vice President
Max Rea
RE/MAX Excel

President & CEO
Michael Theo
Wisconsin REALTORS® Association

BOARD OF DIRECTORS

Statewide Company Directors
Shawna Alt, First Weber Inc.
John Horning, Shorewest REALTORS®
Deborah Cappello, eXp Realty LLC

Regional Company Directors
Kathryn Voller Reinking, Edina Realty Inc. (region 1)
Rob Rybarczyk, Coldwell Banker Action Realty (region 2)
Ryan Fulcer, Coldwell Banker Real Estate Group (region 3)
David Stark, Stark Company REALTORS® (region 4)
Tom Sykora, Coldwell Banker Realty (region 5)

Regional Representative Directors
Stacey McKinney, McKinney Realty LLC (region 1)
Brian Slinkman, Nexthome Partners (region 2)
Diane Campshure Walczyk, Resource One Realty LLC (region 3)
KC Maurer, RE/MAX 24/7 Real Estate LLC (region 3)
Steven Lillestrand, Coldwell Banker River Valley REALTORS® (region 4)
Laurie Logan, Keller Williams Realty (region 4)
Sarah Cole, Landmark Realty LLC (region 5)
Tom Keefe, Compass Wisconsin (region 5)

Past Chair Directors
Mary Duff, Stark Company REALTORS®
Terry Hilgenberg, Coldwell Banker Real Estate Group

At-large Directors
Chris Carrillo, Multiple Listing Service Inc.
S.R. Mills, Bear Realty Inc.

MESSAGE FROM THE CHAIR

With the new year upon us, I am filled with optimism and excitement as we launch into 2023. As I reflect on 2022, our industry was frequently in the headlines. Whether addressing inventory shortages, booming home sales numbers, increased home values or rising interest rates, our industry was top of mind for many. This opportunity allowed us to have important conversations with consumers about the unmatched value you as REALTORS® provide during and even beyond the transaction. We are planning an event to share our REALTOR® message and true value with all Wisconsinites in the months to come.

While attending the National Association of REALTORS® Conference in Orlando in November, author and speaker Jay Shetty said something that resonated with me. He shared, “Fear comes from a lack of knowledge. Accelerate your learning, eliminate your fear.” We all have an opportunity to share our expertise and knowledge about the benefits of homeownership and strip away the media hype. There are excellent opportunities for all of us to continue to learn and grow, and I am committed to creating new and more effective ways to educate consumers, the media and policymakers about the importance of homeownership and the value that we as REALTORS® bring to the transaction.

In addition to education, the WRA continues to work and support our industry by tackling issues such as:

- Regulatory reform to increase the supply and affordability of housing.
- New tax credits and infrastructure financing tools to lower housing development costs.
- Improving Wisconsin’s tax climate to attract businesses and make homeownership more attainable.
- Reducing liability for REALTORS® by creating safe harbors from litigation.

We are fortunate to have the dedication and professionalism of the entire WRA team that continues to advocate tirelessly for our industry. Coming out of our strategic planning, we are excited to launch new initiatives that will propel the WRA in years to come.

On behalf of the leadership team, including chair-elect Mary Jo Bowe, treasurer Chris DeVincentis and immediate past chair Brad Lois, we are humbled with your trust and support to work on your behalf in 2023. May you have a year filled with optimism and opportunity.

Thank you!

Joe Horning, 2023 WRA Chairman of the Board

WISCONSIN HOUSING MARKET SLOWS AS FED STRUGGLES TO CONTROL INFLATION

BY DAVE CLARK
PROFESSOR OF ECONOMICS AT MARQUETTE UNIVERSITY AND PRINCIPAL AT ECON ANALYTICS LLC

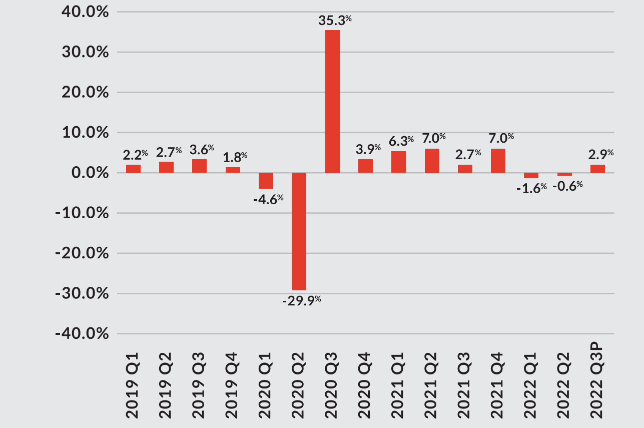
Wisconsin had two straight record years for home sales in 2020 and 2021. The record sales were fueled on the demand side by very low mortgage rates, a strong labor market and significant household formation by the millennial generation. However, the supply side of the housing market remained tight, which resulted in significant housing price pressure, including double-digit appreciation in 2020 and 2021. Unfortunately, a serious inflation problem began to emerge in spring 2021 and intensified in 2022, peaking in June. While there has been slight moderation in inflation since that time, inflation has remained stubbornly high, which led the Federal Reserve Bank to take decisive action. The combination of higher home prices and higher mortgage rates has caused affordability to plummet, thus softening housing demand. As we recently concluded 2022 and begin 2023, sales are well off the pace of 2021, and tight supplies continue to push home prices up. In this article, we provide an overview of current and expected future macroeconomic conditions and discuss the likely impact of policy actions on the economy. We then evaluate the Wisconsin housing market from both demand and supply perspectives, and discuss expected trends for 2023.

MACROECONOMIC GROWTH AND PERSISTENT INFLATION IN 2022

The U.S. economy grew at a robust pace in 2021. Specifically, the real GDP, which is inflation-adjusted GDP, grew at 5.9% for the year, and as shown in Figure 1, all but the third quarter of 2021 saw annual growth rates at or above 6.3%. The national unemployment rate fell throughout 2021, ending the year with a December unemployment rate of 3.9%. This is indicative of an economy operating at full employment. Although the economy had not yet recovered all the nearly 22 million nonfarm jobs that it lost during the pandemic-induced recession in March and April of 2020, the economy continued to add jobs and was within 3 million of the pre-recession peak by the end of 2021.

Figure 1: U.S. Real GDP Growth

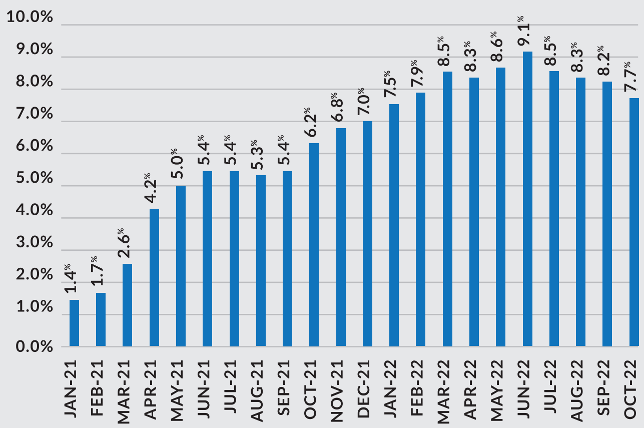
(% Annual Change)



Source: U.S. Bureau of Economic Analysis

However, there were some troubling signs that the spike in inflation that emerged in spring 2021, and was initially thought to be a transitory problem, was actually far more persistent. As seen in Figure 2, headline inflation, which is the annualized percent change in the Consumer Price Index, started 2021 at just 1.4%, and by the end of the year, it had increased to 7%.

Figure 2: U.S. Annualized Inflation Rate



Source: U.S. Bureau of Labor Statistics

In hindsight, the combination of ongoing supply chain issues, rising energy prices and a very tight labor market created supply shocks that drove up the general price level. However, on top of that, policy decisions also created strong demand pressure on the economy, which further exacerbated the inflation problem. Specifically, unprecedented levels of deficit spending and an expansionary monetary policy stimulated an economy that was already at full employment. The huge stimulus spending led to over $3 trillion in deficit spending in fiscal year 2020 alone, and this was followed by additional spending of $2.8 trillion in 2021 and just under $1.4 trillion in 2022.

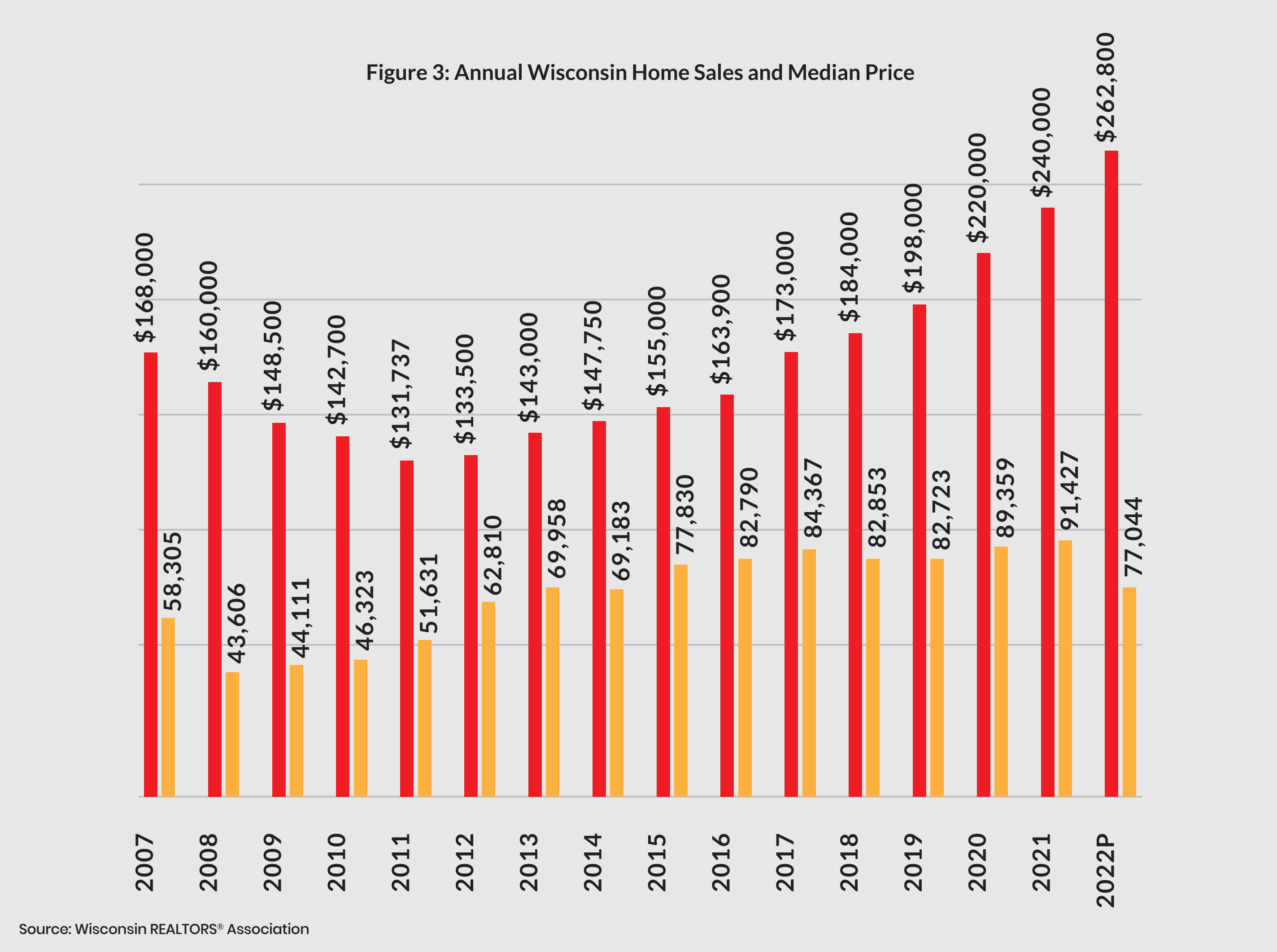
An expansionary monetary policy also contributed to the inflation problem. Indeed, a Nobel Prize-winning monetary economist by the name of Milton Friedman famously stated in the early 1960s that "inflation is always and everywhere a monetary phenomenon." While the economic theory behind this statement is somewhat complex, there is no doubt that the rapid increase in the supply of money in the economy — for example, the M2 measure of the money supply increased by 24.2% in 2020 alone — also added to the inflationary pressures.

FED ACTIONS TO LOWER INFLATION

The Federal Reserve Bank has a dual mandate to maximize employment while maintaining price stability. In early 2022, with the economy essentially at full employment, the Fed signaled that it would aggressively raise the short-term Federal Funds Rate. This is the overnight rate at which member banks lend to each other to cover reserve shortages, and raising this rate has the effect of slowing the economy. In doing so, the increase hopefully reduces inflationary pressures. Between mid-March 2022 and early November 2022, the upper limit of the Federal Funds Target Range was increased from 0.25% to 4%, although real GDP did go into slight negative territory in the first half of 2022, as shown in Figure 1. This raised concerns that the economy was slipping into recession. However, the strong labor market with low unemployment and solid job growth likely prevented the National Bureau of Economic Research from drawing that conclusion in this case. The preliminary 2022 Q3 estimates of real GDP growth showed a solid 2.9% growth rate. As a result of these actions by the Fed, we have seen modest progress on inflation. Specifically, headline inflation peaked in June 2022 at 9.1%; and by October 2022, it had fallen to 7.7%. It should be noted that the Fed's target rate for inflation is 2%, and the Fed has indicated that it will continue to raise the Federal Funds Rate so long as inflation remains elevated, even if that decision leads to a more sustained economic slowdown.

THE WISCONSIN EXISTING HOME MARKET

Against this economic backdrop, Figure 3 shows how existing home sales slowed significantly in 2022 compared to 2021, even as home prices continue to rise. As this article went to press, the final housing activity for December had yet to be recorded. However, if current trends continue through the last two months of the year, we project 2022 existing home sales to fall by nearly 16% when compared to the record sales of 2021;



and median prices are expected to rise by 9.5% over that same period. We briefly explore both the demand and supply drivers to explain market trends in 2022 and then project those trends into 2023.

DECLINING AFFORDABILITY WEAKENS DEMAND

On the demand side, a dramatic slide in housing affordability was the primary reason demand weakened. The WRA Housing Affordability Index shows the fraction of the median-priced home that a buyer with median family income qualifies to buy, assuming a 20% down payment and the remaining balance financed with a 30-year fixed-rate mortgage at the rates available at the point of purchase. Affordability depends on three statewide factors:

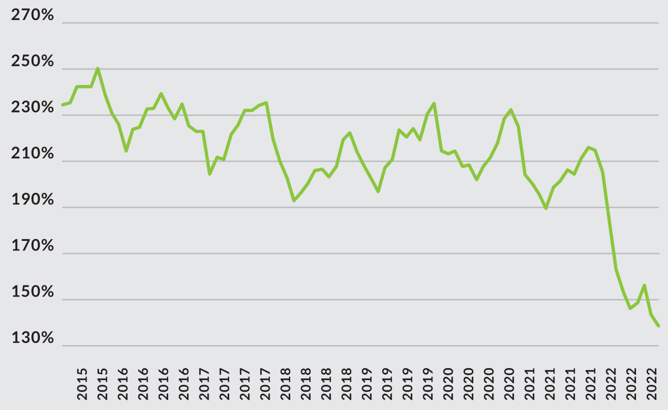
- Growth in median family income
- Growth in the median price of homes
- Growth in the 30-year fixed mortgage rate

Wisconsin added more than 100,000 nonfarm jobs between October 2021 and October 2022. This solid job growth pushed the median family income up by just over 6.2% for that 12-month period. Were home prices and mortgage rates to have remained unchanged over that same period, the growth in income would have increased affordability. Unfortunately, both the median price and mortgage rates also rose. Specifically, the median price increased 6.1% between October 2021 and October 2022, whereas the 30-year fixed-rate mortgage more than doubled from 3.07% in October 2021 to 6.9% in October 2022. As seen in Figure 4, this caused the Wisconsin Housing Affordability Index to drop 32.1% in the 12 months ending in October 2022.

ONGOING SUPPLY SIDE WEAKNESS

A balanced housing market has approximately six months of available supply. Markets with more than six months of supply are considered buyer's markets, whereas those below the six-month benchmark for inventory are classified as seller's markets. Inventory data does follow a regular seasonal pattern with more

Figure 4: Wisconsin Housing Affordability Index



Source: Wisconsin REALTORS® Association

available supply during the slower winter months for sales and weaker supply during peak sales periods. However, what is clear from Figure 5 is there has been a nonlinear downward trend in supply since the economy emerged from the Great Recession, and the Wisconsin housing market has seen a strengthening of the seller advantage since fall 2017. By October 2022, there was just 2.6 months of housing supply statewide.

The combination of softening demand and very weak supply has led to the substantial reduction in predicted home sales in 2022, which is the projected annual totals after the first 10 months of actual sales for 2022. In addition, median prices continue to rise, but weakening demand has begun to moderate the annual growth in prices. The median price for October rose just 6.1% over that same month in 2021. This compares to an annualized growth in the median price of 10% for the first nine months of 2022 compared to that same period in 2021.

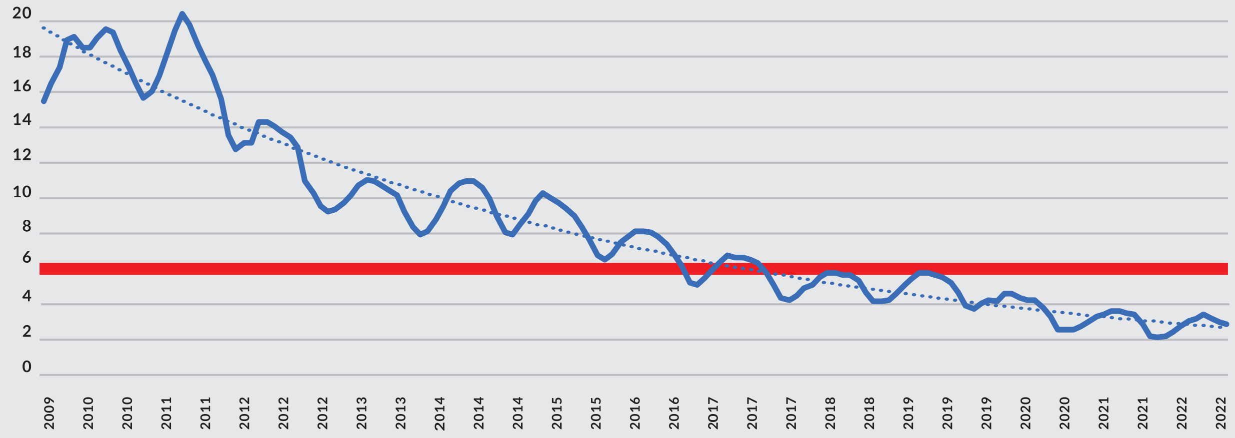
PREDICTIONS FOR 2023

The Fed is fully committed to reigning in inflation to keep it from getting embedded in the economy, and while the rate of inflation fell from 9.1% in June 2022 to 7.7% in October, the rate remains well above the Fed's target rate of 2%. For 2023, we expect the upper limit of the Federal Funds Target Range to continue to increase, and it's likely to rise into the 5.5% and 6.0% range. As a result, by Q4 of 2023, we expect inflation to fall and be no higher than 6%, and we anticipate the 30-year fixed-rate mortgage to fall below 6% by that time.

The risk of recession will grow as the Fed continues to push short-run interest rates upward to mitigate inflation, and we believe there are even odds of a recession in 2023. There are concerns that the job growth seen in 2022 cannot be sustained in 2023. Even if the economy remains in an expansionary mode, real GDP growth will likely be tepid, growing at or below 2% for each of the quarters of 2023. Moreover, the housing market will not likely rebound significantly from its 2022 performance. By Q4 of 2023, we expect year-to-date home sales to be within plus or minus 5% of 2022 levels and year-to-date median prices to be no more than 6% higher than 2022 prices. Finally, housing inventory levels will improve slightly in 2023, but the market will remain a seller's market throughout the year.

David Clark, Ph.D., is a professor of economics at Marquette University and principal at ECON Analytics LLC, and serves as a consultant to the WRA in the analysis of home sales data as well as in the preparation of the monthly Wisconsin housing report. For more information, contact Clark at 414-803-6537.

Figure 5: Wisconsin Months of Housing Supply



Source: Wisconsin REALTORS® Association

THE BEST OF THE LEGAL HOTLINE

BY TRACY RUCKA
WRA DIRECTOR OF PROFESSIONAL STANDARDS AND PRACTICES

HOA Q&A

A homeowners association (HOA) is a subdivision organization that creates and enforces rules relating to properties within its control. Generally, when a property is purchased within an HOA, the property owner automatically becomes a member of the HOA and is required to regularly pay fees. The rules and regulations, or covenants, for the HOA establish the power and authority of the HOA.

HOA, CONDOMINIUM OR BOTH?

The potential buyer is looking at a property, and the buyer has seen references to "condominium" and "HOA" in property documents. How can the buyer be certain whether the property is part of a condominium or part of an HOA?

A property may be a condominium unit, part of an HOA or both. The best way to determine if there is a condominium is to check with the title company because what makes a condominium a condominium is the recording of a declaration of condominium as well as a condominium plat under the Condominium Ownership Act. See Wis. Stat. Chap. 703 for more details.

If no such declaration and plat were recorded, the property is not a condominium. There may, however, be deed restrictions or covenants as well as an HOA that can impose rules or regulations.

SELLER DISCLOSURE

The broker is taking a listing on a property in an HOA. What are the seller's disclosure obligations?

Line F1 of the real estate condition report (RECR) requires disclosures about HOAs, and F7 requires disclosures about restrictive covenants:

F1. Are you aware of the property being part of or subject to a subdivision homeowners' association?

F7. Are you aware of restrictive covenants or deed restrictions on the property?

At the time of the listing, it is prudent for the licensee to request and obtain copies of any HOA declarations, rules and regulations as well as any restrictive covenants on the property. Making such documents available to buyers in advance of offers will allow buyers with certain requirements the opportunity to review the use, appearance and related restrictions prior to making an offer.

In addition, the WB-11 Residential Offer to Purchase refers to HOAs as follows on lines 355-358:

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

DOCUMENT REVIEW

The buyer has an accepted offer on a townhome that is part of an HOA. How are HOA disclosures to be delivered to the buyer? Are the HOA disclosures similar to condominium disclosures in which the buyer has a right to rescind the offer?

If the property is not a condominium, any Wis. Stat. Chap. 703 laws would not apply to the disclosure documents. In a transaction with HOA rules and regulations, the buyer may wish to review the HOA documents before writing the offer. Alternately, the buyer may draft an offer subject to a review of the HOA documents. If a review contingency is used, the buyer will want to include a time for review and a standard for objecting to the documents to assure an enforceable contingency.

The buyers have an accepted offer on a home. On the RECR for the listed property, the box for line F1 is marked "no." The appraisal was conducted, the closing is scheduled, and the buyers have received a welcome letter from the HOA, including the covenants along with a bill for the pending property transfer. The buyers are concerned about some of the rules in the covenants. Do they have a legal recourse at this point?

If the seller failed to disclose the HOA, the buyer may have a misrepresentation claim based on the seller's failure to disclose. Alternately, the buyer may have recourse via the title provision of the offer given the undisclosed restrictive covenants or deed restrictions. Whether the buyer and seller negotiate based on the information, agree to cancel the transaction, or proceed notwithstanding the information is a matter for discussion with their attorneys.

SIGNS, SIGNS, SIGNS

Can an HOA prohibit the display of political signs in yards? Yes, an HOA could impose such restrictions. The First Amendment would not apply to policies of an HOA because an HOA is not a governmental agency.

If the property is both in an HOA and the form of ownership is a condominium, Wis. Stat. 703.105 prohibits the condominium from adopting a bylaw, rule, declaration or deed prohibiting a unit owner from displaying in their condominium a sign that supports or opposes a candidate for public office or a referendum question. The condominium statute also allows for the respectful display of the United States flag. The condominium association may, however, regulate the size and location of signs, flags and flagpoles.

What are the laws for placing "for sale" signs by real estate licensees? Can the HOA limit placement?

The authority to regulate the placement of real estate signs is multidimensional and depends on the location of the property. A broker must take into consideration the following: the type of road, consent of the property owner, any applicable subdivision, HOA rules or restrictive covenants, applicable condominium rules, the municipality, the county and the state Department of Transportation.

General information about outdoor advertising is available from the Department of Transportation at **www.dot.wisconsin.gov/business/rules/property-advertising.htm**.

Wis. Admin. Code Chap. Trans 200 would apply if the property was on a state highway. See **docs.legis.wisconsin.gov/code/admin_code/trans/200.pdf**.

Wis. Admin. Code § Trans 201.17 specifically addresses real estate signs visible from the interstate. See **docs.legis.wisconsin.gov/code/admin_code/trans/201/17**.

The municipal and county zoning ordinances may also be reviewed. In the event there is a condominium, HOA or restrictive covenants, the property owner may obtain these for review.

SERVICE ANIMALS AND HOAS

A specific HOA's covenants state no dogs or cats are allowed. The potential homebuyer is blind and has a service dog. The HOA is saying it must vote to amend the covenants to allow a change for the accommodation of the blind buyer's service dog. Is this discrimination under fair housing law? How to proceed?

The federal Fair Housing Act protects the right of people with disabilities to keep a service dog even when an HOA rule or policy explicitly prohibits animals altogether or imposes breed restrictions. The law generally requires the association to make an exception to the breed restriction or no-pet policy as a reasonable accommodation as long as the accommodation does not constitute an undue financial or administrative burden for the HOA or fundamentally alter the nature of the housing. A reasonable accommodation is a change in rules, policies, practices or services so that a person with a disability will have an equal opportunity to use and enjoy a dwelling unit or common space. Support and service animals that assist persons with disabilities are considered to be auxiliary aids and generally are exempt from an owner's pet restrictions, pet deposits and extra pet rent. Service animals include, without limitation, guide dogs for people with vision impairments, hearing dogs for people with hearing impairments, and emotional assistance animals for people with chronic mental illness.

See "Sorting Through Assistance Animal Requests," in the March 2020 *Wisconsin Real Estate Magazine* at **www.wra.org/WREM/Mar20/AssistanceAnimals** and the sources cited therein for the latest guidance regarding this issue.

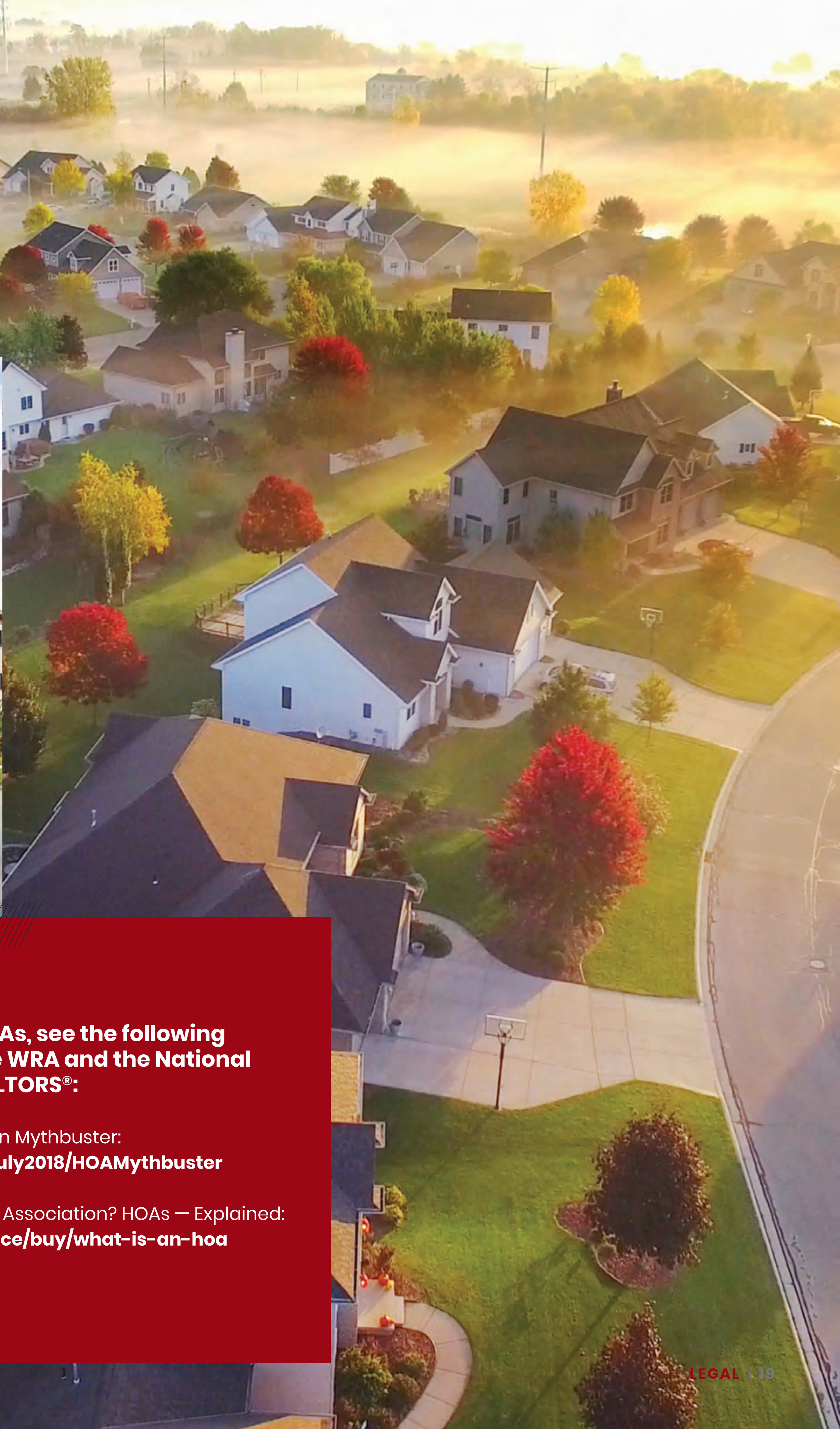
Also see these additional resources:

- Department of Housing and Urban Development Assistance Animal Notice: **www.hud.gov/sites/dfiles/PA/documents/HUDAsstAnimalNC1-28-2020.pdf**
- April 2017 *Legal Update*, "Reasonable Accommodations and Assistance Animals": **www.wra.org/LU1704**
- LegalTalks: "Reasonable Accommodations and Assistance Animals": **www.wra.org/LegalTalks/AssistanceAnimals**

MODIFICATION OF DOCUMENTS

A potential buyer does not like some of the provisions contained in the HOA covenants and bylaws in regard to fences and parking vehicles. The buyer drove around the neighborhood and saw many fences that appear to be in violation of the standards. How might this potential buyer go about getting the documents modified?

The starting point is to have the documents in question reviewed by legal counsel. Generally restrictive covenants, including a declaration of covenants for an HOA, may be amended or released if all the owners of land benefited by the covenants agree. The covenants may be reviewed to determine how, if allowed, amendments may be accomplished. The potential buyer may also make a claim that the covenants have not been enforced or there has been arbitrary enforcement. If there was a change in the nature of the properties subject to the covenants, they may be unenforceable. There is also a potential statutory process available in certain circumstances when the area involved is all or part of a city, village or town block, by which a party may petition the circuit court for removal or change in restrictive covenants set forth in Wis. Stat. § 847.03 at **docs.legis.wisconsin.gov/statutes/statutes/847.pdf**. The process includes giving notice to all affected landowners and an opportunity to object and may not apply to all restrictive covenants.



For more about HOAs, see the following resources from the WRA and the National Association of REALTORS®:

Homeowner Association Mythbuster:
www.wra.org/WREM/July2018/HOAMythbuster

What Is a Homeowners Association? HOAs — Explained:
www.realtor.com/advice/buy/what-is-an-hoa

WHAT'S THAT? THERE'S HOA CONFUSION?

NEW WRA HOA FORMS AND RESOURCES

BY CORI M LAMONT
WRA SENIOR DIRECTOR OF LEGAL AND PUBLIC AFFAIRS

In the last legislative session, one of WRA's legislative priorities that helped to create transparency for Wisconsin homeowners associations (HOAs) was signed into law as 2021 Wis. Act 199 (Act 199). Act 199 allows residents living in or purchasing properties within an HOA to have access to the rules and regulations impacting the property.

And since HOAs can regulate the use of and have a great impact on property owners' rights, the WRA created three new documents described in this article to help consumers have a better understanding of HOAs.

CONSUMER BROCHURE

"Homeowners Associations: What You Need to Know Before You Buy"

This educational brochure helps the consumer understand an HOA, how it can enforce rules and regulations, and how an HOA can require certain fees to be paid or penalties charged.

An excerpt from the brochure emphasizing to the consumer the importance of reviewing the HOA rules and regulations provides:

"Before purchasing a property subject to an HOA, you should verify the rules and regulations regarding any use, repair, improvement, structure or remodeling you may desire after purchasing the property, if material, and become familiar with the fees and assessments the HOA has the power to charge."

NOTICE FORM

"Notice of Homeowners Associations"

This form further underscores the power of the HOA and that buyers understand and acknowledge that the only way to determine how the HOA regulates the use of the property and what fees are assessed by the HOA, is by the buyer or their attorney reviewing the rules and regulations. Additionally, the notice form reminds the buyer that the real estate firm and its agent recommend obtaining and reviewing copies of the rules and regulations and addressing any legal questions to their attorney. Moreover, the form highlights that the real estate firm and the agent are not permitted to provide legal advice to the consumer about the consumer's rights.

Lastly, the form has the buyer acknowledge and agree to the following:

- The buyer has been informed of the Wisconsin Department of Financial Institutions (DFI) website where the buyer can find contact information for the HOA.

- The buyer has been informed the offer can be drafted to include a contingency to allow review of the rules and regulations within a certain amount of time and have a right to rescind within a certain number of days.
- The buyer has read this document in its entirety.

- The buyer has been informed of the importance of reviewing the HOA rules and regulations before writing an offer to purchase and the potential consequences for failure to comply with the rules and regulations associated with purchasing a property within an HOA.

ADDENDUM HOA TO THE OFFER TO PURCHASE

This addendum offers buyers the opportunity to include contingencies related to HOA fees as well as covenants and restrictions in the offer to purchase.

The WRA's Addendum HOA includes the following optional contingencies for the buyer.

The first contingency requires the seller provide the buyer, in writing, the amount of any HOA fees payable to the HOA.

HOMEOWNERS ASSOCIATION FEES CONTINGENCY: Seller shall, within _______ days of acceptance ("10" if left blank) of this Offer, provide written notice to Buyer of the amount of any HOA fees payable by an owner of the Property. Seller shall include all fees the HOA is authorized to charge in the written notice: any regular or periodic payments, including any past due amounts owed with respect to the Property, as well as fees charged at other times such as upon conveyance of the Property, a request for documents, a request for pay-off statements, fines for noncompliance, etc. This contingency shall be deemed satisfied, unless Buyer delivers to Seller, within ______ days ("5" if left blank) of the deadline for delivery of Seller's written notice, a written notice terminating this Offer. This Offer shall be terminated if Buyer delivers written notice to Seller, within 5 days of the delivery deadline, stating Seller failed to deliver written notice regarding HOA fees by the stated deadline.

The second contingency requires the seller to delivery to the buyer all the formal documents regulating the HOA within a certain number of days and an opportunity for the buyer to terminate under certain circumstances.

RULES AND REGULATIONS CONTINGENCY: Seller shall deliver to Buyer all applicable HOA Rules and Regulations within ______ days of acceptance ("10" if left blank) of this Offer. This contingency shall be deemed satisfied unless Buyer delivers to Seller, within ______ days ("5" if left blank) of the deadline for Seller's delivery of said documents, a notice terminating this Offer. For purposes of this contingency, Buyer's right of termination of the Offer shall be limited to delivery of those Rules and Regulations of which Buyer did not have actual notice, or written copies, at the time of submitting the Offer. This Offer shall be terminated if Buyer delivers written notice to Seller, within 5 days of the delivery deadline, stating Seller failed to deliver the HOA Rules and Regulations by the stated deadline.

These new resources will be available for your use later this month. The consumer brochure will be accessible on the WRA's consumer brochure webpage at **www.wra.org/consumerbrochures**, while the notice and addendum will be available in Transactions (zipForm Edition) as well as the WRA PDF forms library for library subscribers.

Learn more about Act 199 and the HOA law in the WRA's August 2022 *Legal Update*, "The Regulation of Homeowners Associations," at **www.wra.org/LU2208**.

LEGAL RESOURCES

THE LATEST UPDATES AND RESOURCES ABOUT WISCONSIN REAL ESTATE LAW FROM THE WRA

NEW CONSUMER BROCHURES

Spanish Consumer Brochures
Help your Spanish-speaking consumers enjoy a smooth transaction with new Spanish consumer brochures that explain the listing contract, the offer to purchase, and the buyer agency/tenant representation agreement.

HOA Consumer Brochure
This new brochure helps consumers understand an HOA, describes how HOAs can enforce rules and regulations, and outlines how an HOA can require certain fees to be paid or penalties charged.

Download these new consumer brochures and more:
www.wra.org/ConsumerBrochures

LEGAL UPDATES

Included with WRA membership is access to the WRA's *Legal Update* publication. Read in-depth analysis about the latest developments related to Wisconsin real estate law.

See more: **www.wra.org/LegalUpdates**
(WRA login required)

LEGAL HOTTIPS

Your WRA membership gives you access to the WRA Legal Hottips online library: a collection of discussions from the WRA Legal Hotline. New hottips are published weekly.

Search the Q&As: **www.wra.org/LegalHottips**
(WRA login required)

WRA LEGAL HOTLINE

Find out applicable legal standards, alternatives and possible solutions for your real estate practice questions with this members-only service.

SUBMIT YOUR QUESTION
By phone: 608-242-2296 or 800-799-4468
Online: Visit the hotline webpage

HOTLINE HOURS
Monday-Friday, 8:30 a.m. to 4:30 p.m. Central

www.wra.org/LegalHotline

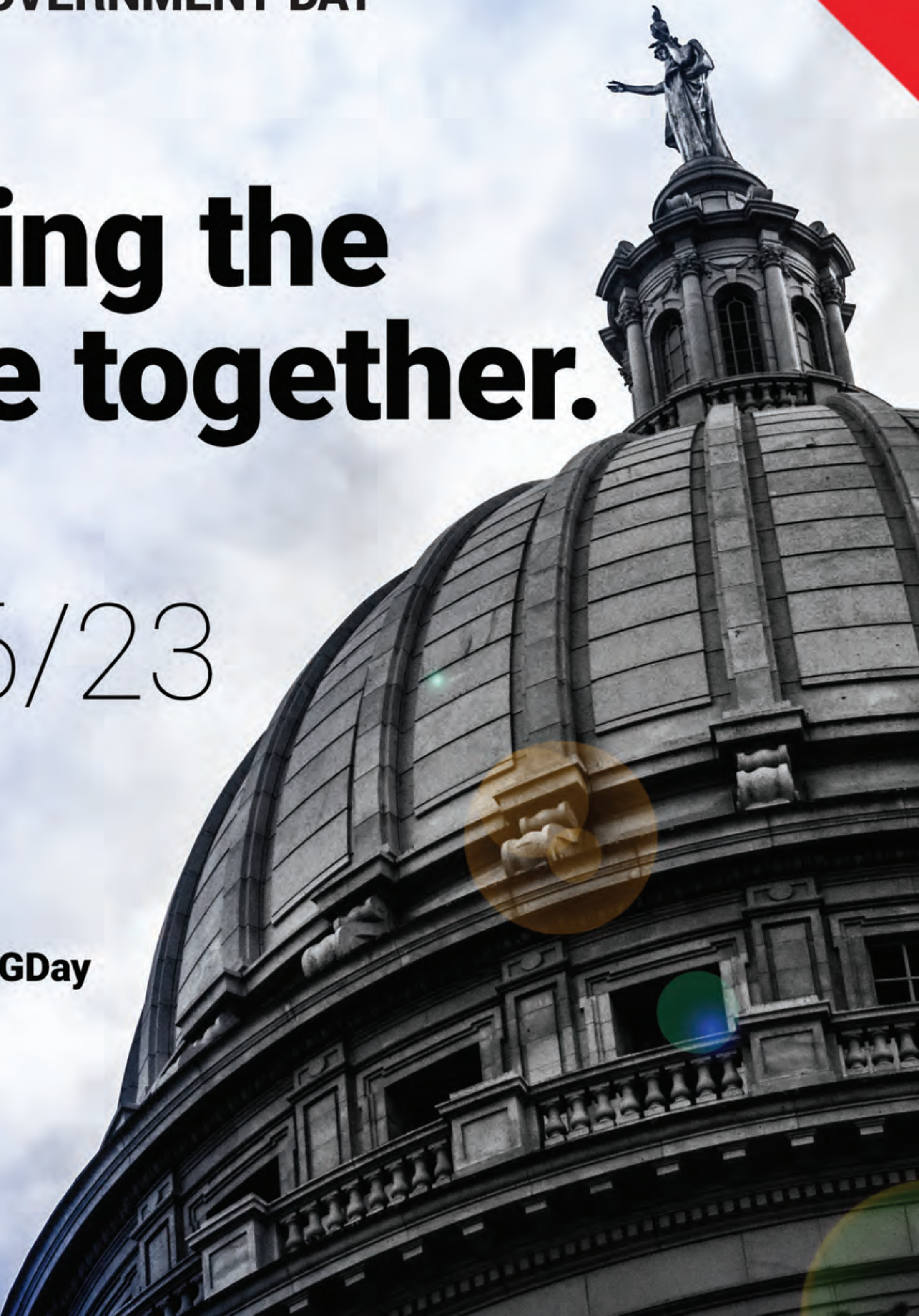
SAVE THE DATE

RGD 23

REALTOR® & GOVERNMENT DAY

Shaping the future together.

04/26/23



www.wra.org/23RGDay

ENHANCED PARTNERSHIP FOR SUCCESS PROGRAM

OPENING DOORS TO REALTOR® DIVERSITY

BY DEBBI CONRAD
WRA SENIOR ATTORNEY AND DIRECTOR OF LEGAL AFFAIRS

The WRA Partnership for Success Program is designed to promote diversity within the REALTOR® membership based on race, color and national origin, in a manner designed to enhance the probability of long-term success in the real estate profession. The program contributes to the diversity of the WRA membership and is an important component of the WRA's diversity, equity and inclusion (DEI) initiatives.

WRA members sometimes comment they are not in need of such services because they have no minorities in their communities, but the face of America has changed. Minorities make up roughly one-fifth of Wisconsin's population. The U.S. Census Bureau publishes a diversity index that predicts the likelihood two people chosen at random will be from different racial and ethnic groups, and the diversity index for Wisconsin is 61%.

The WRA Diversity, Equity and Inclusion Committee, formerly the WRA Cultural Diversity in Housing Committee, believes real estate brokerage firms will become more profitable when the faces in their offices reflect the faces in their marketplaces. It simply is good business to increase minority participation in our companies and in our organizations. One tool serving that goal is one of the "best-kept secrets" at the WRA: the WRA Partnership for Success Program, administered by the WRA DEI committee.

WHAT IS THE PARTNERSHIP FOR SUCCESS PROGRAM?

The program forges a partnership between the applicant, the sponsoring broker, the local or regional association, and the WRA. Applicants must be of a minority race, color or national origin and demonstrate a commitment to becoming successful real estate licensees. The sponsoring broker provides a mentor and in-house training for the program recipient to optimize the success of the new licensee. Ideally, the applicant is a new licensee who has not had a license for more than six months and who is aspiring to become a full-time agent in Wisconsin. The program is intended to provide startup assistance to applicants who have not previously held a real estate license.

WHAT DOES THE PROGRAM OFFER TO NEW MINORITY LICENSEES?

The program previously offered the successful candidate the opportunity to have one year of REALTOR® dues and six months of MLS fees covered as well as the chance to attend additional courses, educational events, conventions and other events where there would be networking opportunities.

Beginning January 1, 2023, the program benefits for successful recipients are changing in exciting new ways! The program will continue to provide one year of REALTOR® dues and six months of MLS fees as before. But rather than cover education expenses and miscellaneous fees as the program has done for many years, the recipient instead may be eligible for a second year of REALTOR® dues if the recipient meets certain requirements. The award recipient can receive a second year of REALTOR® dues if the recipient submits the two following documents to the WRA no later than November 1 of their first year:

- A certificate of their completion of Fairhaven.
- A written statement from their broker confirming they have either attended the WRA annual convention or completed an education course through the WRA other than CE.

To recap, the award recipient will receive one year of REALTOR® dues and six months of MLS fees and will also have the opportunity to receive a second year of REALTOR® dues.

WHY IS THE PROGRAM IMPORTANT FOR THE WRA?

The WRA benefits when the organization reflects the composition of the Wisconsin marketplace. The Partnership for Success Program contributes to the diversity of our membership and to our DEI initiatives.

WHY IS THE PROGRAM IMPORTANT TO BROKERS?

The Partnership for Success Program enables brokers to welcome new minority agents who they believe will become successful agents and enhance the diversity of the broker's firm. The brokers are asked to choose wisely and "invest" in the new agent by attending an interview with the partnership for success subcommittee of the WRA DEI committee, and by providing mentorship and education for the new agent.

HOW DOES THE PROGRAM HELP MINORITY CANDIDATES?

The candidate receives an important financial boost at the beginning of their new real estate career. The boost over the initial financial hurdles frees the new agent to study and learn the business — and become successful.

HOW DOES A CANDIDATE APPLY TO THE PROGRAM?

Potential applicants and their sponsoring brokers will find videos and information about the program, application materials and the interview schedule at **www.wra.org/Partnership**.

WHAT IS THE MOST IMPORTANT THING TO KNOW ABOUT THE PROGRAM?

It works! The program enriches the office, is a fantastic tool to launch a new minority agent, and creates success for all!

THE WRA'S LIST OF 2023-24 LEGISLATIVE PRIORITIES

BY TOM LARSON
WRA EXECUTIVE VICE PRESIDENT

In early February, the WRA board of directors will review and approve the legislative priorities for the 2023-24 legislative session. The list of legislative priorities consists of approximately 25 different policy initiatives grouped into seven different themes aimed at addressing various issues affecting the real estate industry, including housing inventory, housing affordability, income and property taxes, economic development, protecting property rights, and streamlining the real estate transaction.

The creation of the WRA's legislative priorities is a comprehensive process that involves input from a wide variety of sources, including individual REALTORS®, local association staff, WRA Public Policy Committee members and others. The priorities are identified based on problematic regulations at the local level, regulatory trends from other states, calls to the WRA Legal Hotline about transactional matters, and court cases involving important real estate issues.

The WRA's lobbying team will begin to implement the agenda by working with lawmakers on both sides of the aisle to introduce and pass legislation though the various stages of the legislative process. REALTOR® members will be asked to actively participate in this process by attending REALTOR® & Government Day on April 26, 2023, in Madison and by responding to legislative calls to action.

The following are some of the legislative priorities the WRA will be working on during the 2023-24 legislative session.

INCREASE WISCONSIN'S HOUSING INVENTORY BY ESTABLISHING POLICIES AND PROCESSES OFFERING OPPORTUNITIES FOR DEVELOPERS, MUNICIPALITIES AND EMPLOYERS

Lower costs related to the development of workforce housing

- Improve certainty and predictability in the development process by two methods:
  - Judicial remedy: Allow a developer to appeal to a circuit court a local unit of government's denial of a development proposal that complies with local zoning and authorize a judge to approve the project.
  - Development by right: Require local governments to approve development proposals that are consistent with local zoning and building codes.
- Prevent lawsuits challenging approvals: Prohibit or limit challenges to zoning or project approvals, or limit the scope of who has standing to bring a lawsuit.
- Prohibit supermajority requirements for zoning changes: Prohibit the requirement of a supermajority vote for zoning changes.

Provide incentives to increase the supply of workforce housing

- Provide tax credits to encourage the development of workforce housing: Expand existing tax credit programs, such as the low-income housing tax credit, to promote the development of workforce housing.
- Shovel-ready workforce housing sites: Create a voluntary program to promote residential development sites that have

all the necessary federal, state and local approvals and the necessary public utilities and infrastructure improvements necessary for development.

Develop new financing tools to lower infrastructure costs related to workforce housing

- Modify tax increment financing (TIF) law: Modify existing TIF law to provide local governments with greater flexibility to use TIF for workforce housing.
- Community development districts: Provide Wisconsin municipalities the additional infrastructure financing tool of community development districts (CDD). CDDs offer a voluntary solution to help municipalities address long-term community needs, allowing municipalities to compete with municipalities in other states for jobs and economic development opportunities.
- Residential development infrastructure loan program: Create a loan program at the state level to fund infrastructure initiatives for streets, water, sewers and sidewalks, for example, for residential developments.

IMPROVE WISCONSIN'S TAX CLIMATE AND REFORM TAX ASSESSMENT PRACTICES TO GROW WISCONSIN'S ECONOMY

- Income taxes: Significantly reduce the state income tax.
- Local government funding: Reduce the reliance on property taxes as the sole source of funding for local governments by finding alternative ways to fund these essential services and by creating targeted relief from levy limits.
- Personal property tax: Eliminate personal property taxes to reduce the tax burden on Wisconsin business owners.

ENCOURAGE ECONOMIC DEVELOPMENT BY ELIMINATING REGULATORY HURDLES

- Filled lands: Resolve issues regarding historically filled lake beds and riverways so that redevelopment can occur by disallowing certain legal claims to be made by third parties without standing.
- Planned development districts: Allow for greater flexibility of uses allowed within planned development districts.

REDUCE THE RISK FOR REAL ESTATE LICENSEES AND CONSUMERS TO AVOID LIABILITY IN PRACTICE AND THE REAL ESTATE TRANSACTION

- Compliance for license limitations: Clarify firms are not responsible for compliance or monitoring of license limitations for licensees associated with the firm unless the firm agrees.
- Notification of supervising broker: Require the Wisconsin Department of Safety and Professional Services and the Real Estate Examining Board to notify the supervising broker of all complaints, orders, limitations, suspensions and revocations, including non-renewal of licenses.
- Safe harbors: Create safe harbors for licensees for use of government information with attribution.
- Payment of referral fees/commission to former licensees: Clarify payment of referral fees or commission can be made if the individual was licensed when the commission was earned or when the referral fee arrangement was made.

MODERNIZE THE LICENSING SYSTEM AND UNDERSCORE THE VALUE OF COMPETENT REAL ESTATE PRACTICE

- Fines and forfeitures: Increase fines and forfeitures for violations and also create a sliding scale from least to greatest severity for violations.
- Wholesalers: Require wholesaler buyers and sellers to provide written disclosure of purchase or sale of a property.

PROTECT PROPERTY RIGHTS BY DECREASING UNNECESSARY REGULATION AND REMOVING OBSOLETE PROCEDURES

- Intestate property protection: Protect heirs who acquire real estate from an heir who dies intestate as tenant-in-common under the Uniform Partition of Heirs Property Act (UPHPA).

INCREASE HOMEOWNERSHIP RATES BY REMOVING BARRIERS

- Discriminatory covenants: Reiterate Wisconsin law prohibits discriminatory restrictive covenants and allow property owners to record a form to discharge the restriction from title.

MANY NEW FACES IN THE WISCONSIN LEGISLATURE

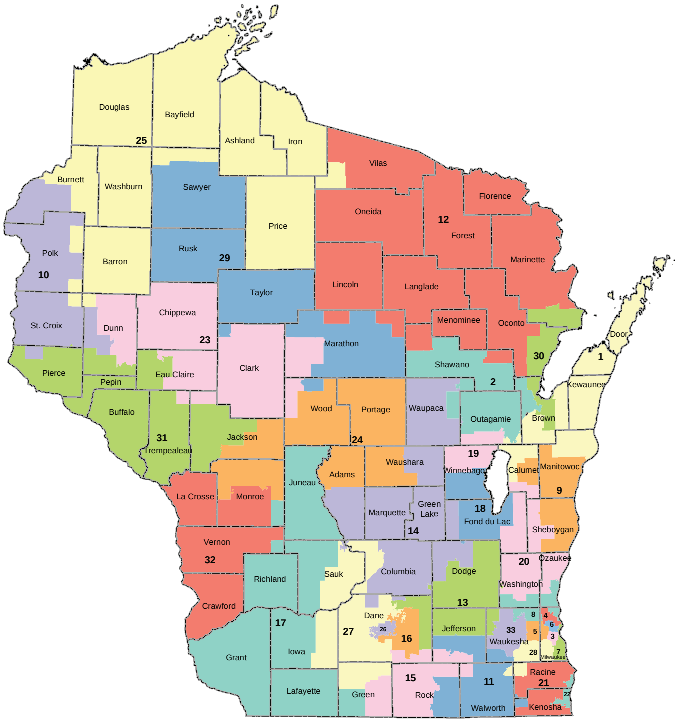
BY NATHAN CONRAD AND JOE MURRAY
WRA DIRECTOR OF ADVOCACY
AND WRA DIRECTOR OF POLITICAL & GOVERNMENTAL AFFAIRS

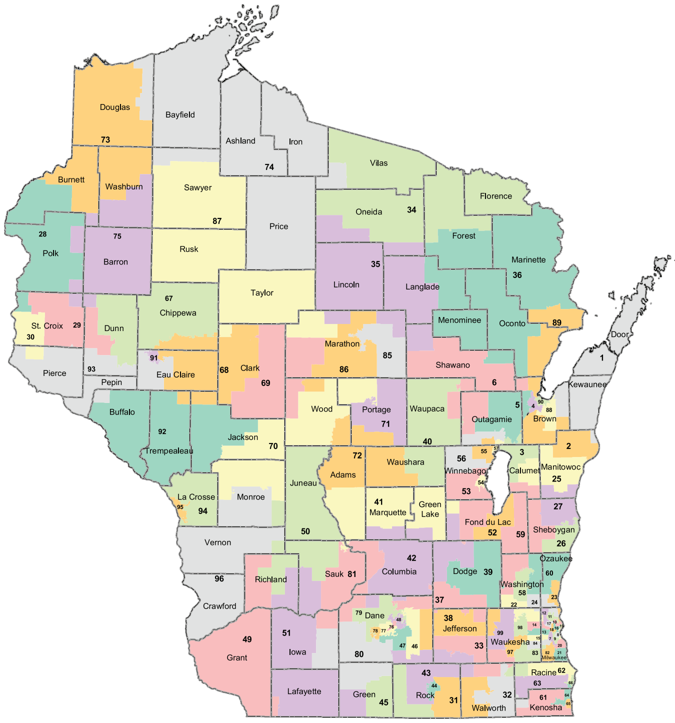
The Wisconsin Legislature has just begun its new session, and state voters have welcomed 31 new faces in the Wisconsin Assembly and Senate.

Seven new Senators began their tenure this year; all seven have filled vacant seats. In the Assembly, 24 newcomers are among the members who were reelected in November.

In the November elections, Republicans gained additional seats in both houses of the Wisconsin Legislature. In the state Senate, Republicans expanded their majority party status to 22-11 by picking up one seat previously occupied by a Democratic Senator. In the Assembly, Republicans picked up three seats and expanded their majority 64-35. In December, however, Republican Sen. Alberta Darling resigned her seat in southeastern Wisconsin, forcing a special election in April to elect her successor.

The real change, however, will be the background of the newly elected members and the legislative priorities they bring with them. This article introduces the 31 new members in both the state Assembly and Senate who took the oath of office this month.





STATE SENATE

- Six of the seven new members currently serve or formerly served in the state Assembly: These include Senators Cabral-Guevara, Hesselbein, Hutton, James, Spreitzer and Quinn. Running for the state Senate as a former representative generally provides a big advantage.

- Four of the seven have a small business background: Cabral-Guevara, Hutton, Quinn and Tomczyk. This is a plus for the business community.

- All seven were elected with support from the WRA and the REALTORS® Political Action Committee (RPAC).

- Seven new members of the 33-member state Senate make up 21% of the overall Senate body.

STATE ASSEMBLY

- Ten of the 24 new members have a business background: These include Representatives Bare, Binsfeld, Goeben, Hurd, Joers, Johnson, Nedweski, O'Connor, Sapik and Schmidt. This is a benefit to the business community.

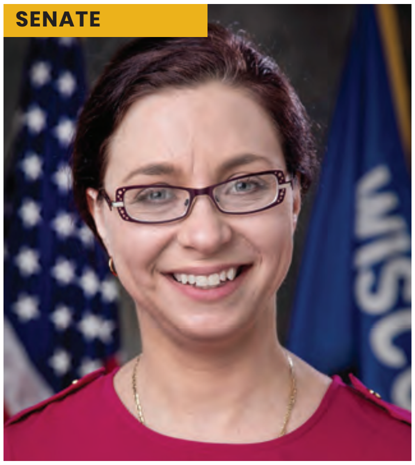
- Eleven of the 24 new members have previous experience as local elected officials: Anderson, Bare, Bodden, Donovan, Hurd, Jacobson, Michalski, Nedweski, Palmeri, Ratliff and Schmidt. Their local government experience will serve them well in the Assembly.

- Twenty-four new members of the 99-member state Assembly account for 25% of the Assembly body.

- Seventeen of the 24 new members were supported by the WRA and RPAC.

Rob Hutton (R)
Senate District 5
Resident of Brookfield
Former WI Assembly representative
Background: Small business owner

Mark Spreitzer (D)
Senate District 15
Resident of Beloit
Former WI Assembly representative
Background: Former local official



Rachael Cabral-Guevara (R)
Senate District 19
Resident of Appleton
Former WI Assembly representative
Background: Nurse practitioner

Jesse James (R)
Senate District 23
Resident of Eau Claire
Former WI Assembly representative
Background: Altoona police chief

Romaine Quinn (R)
Senate District 25
Resident of Rice Lake
Former WI Assembly representative
Background: REALTOR®

Dianne Hesselbein (D)
Senate District 27
Resident of Middleton
Former WI Assembly representative
Background: Former local official

Cory Tomczyk (R)
Senate District 29
Resident of Mosinee
Background: Industrial recycling

ASSEMBLY

Joy Goeben (R)
Assembly District 5
Resident of Green Bay
Background: Classic Carpet Cleaning

ASSEMBLY

Peter Schmidt (R)
Assembly District 6
Resident of Bonduel
Background: Dairy farmer

ASSEMBLY

Darrin Madison (D)
Assembly District 10
Resident of Milwaukee
Background: Community organizer

ASSEMBLY

Tom Michalski (R)
Assembly District 13
Resident of Brookfield
Background: Former village trustee

ASSEMBLY

Dave Maxey (R)
Assembly District 15
Resident of New Berlin
Background: Sales and marketing

ASSEMBLY

Ryan Clancy (D)
Assembly District 19
Resident of Milwaukee
Background: Teacher, business owner

ASSEMBLY

Amy Binsfeld (R)
Assembly District 27
Resident of Sheboygan
Background: Family law firm

ASSEMBLY

Ellen Schutt (R)
Assembly District 31
Resident of Clinton
Background: State capitol staffer

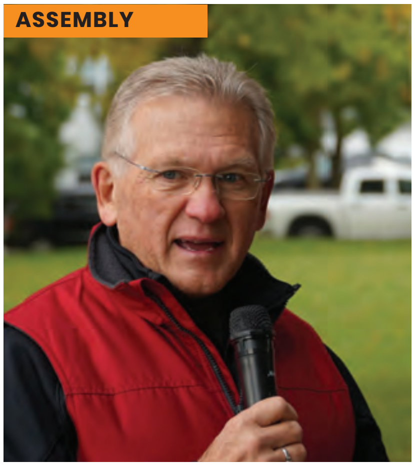
ASSEMBLY

Scott Johnson (R)
Assembly District 33
Resident of Jefferson
Background: Farmer

Jenna Jacobson (D)
Assembly District 43
Resident of Oregon
Background: Dane County housing specialist

Clinton Anderson (D)
Assembly District 45
Resident of Beloit
Background: Social worker

Melissa Ratcliff (D)
Assembly District 46
Resident of Cottage Grove
Background: Paralegal



Jerry O'Connor (R)
Assembly District 52
Resident of Fond du Lac
Background: Retired bank CEO

Lori Palmeri (D)
Assembly District 54
Resident of Oshkosh
Background: Mayor of Oshkosh

Nate Gustafson (R)
Assembly District 55
Resident of Neenah
Background: Application analyst

Ty Bodden (R)
Assembly District 59
Resident of Hilbert
Background: Non-profit management

Amanda Nedweski (R)
Assembly District 61
Resident of Pleasant Prairie
Background: Corporate finance

Karen Hurd (R)
Assembly District 68
Resident of Fall Creek
Background: Substitute teacher, nutritionist

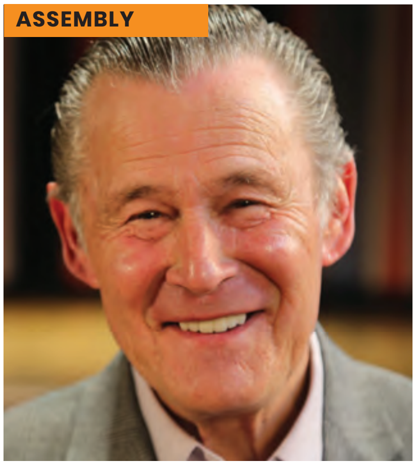
Angie Sapik (R)
Assembly District 73
Resident of Superior
Background: Produce broker

Chanz Green (R)
Assembly District 74
Resident of Grand View
Background: Public works employee

Alex Joers (D)
Assembly District 79
Resident of Middleton
Background: Small business manager

Mike Bare (D)
Assembly District 80
Resident of Verona
Background: Small business owner

Nik Rettinger (R)
Assembly District 83
Resident of Mukwonago
Background: Wisconsin Senate staffer



Bob Donovan (R)
Assembly District 84
Resident of Greenfield
Background: Former Milwaukee alderman

ANNUAL REAL ESTATE FORMS UPDATE

Several forms commonly used in Wisconsin real estate practice received updates in 2022 that will affect your drafting in future transactions. Read on for a quick update about 2022 updated forms as well as what to expect in 2023.

Forms that received revisions in 2022

WRA-AFR — Sellers' Accessibility Features Report
WRA-BAFR — Basic Sellers' Accessibility Features Report
WRA-CR — Real Estate Condition Report
WRA-ORA — Lakeshore RA Addendum A to the Offer to Purchase (previously titled the Ozaukee REALTORS® Association Addendum to the Offer to Purchase)
WRA-RCC — Seller Disclosure Report
WRA-VLD — Vacant Land Disclosure Report
WRA-WFW — Wire Fraud Warning
WB-24 — Option to Purchase
WB-40 — Amendment to Offer to Purchase
WB-41 — Notice Relating to Offer to Purchase
WB-44 — Counter-Offer
WB-45 — Cancellation Agreement and Mutual Release

New forms and/or revisions expected in 2023

WB Tenant Representation Agreement
WB-36 — Buyer Agency Agreement
WRA-HOA — Addendum HOA
WRA-NMR — Note and Mortgage Rider
WRA-LCR — Land Contract Rider

2023 FORMS LIBRARY SUBSCRIPTION

Subscribe now for 2023 library access

The WRA's online PDF forms library enables you to meet the growing consumer demand for digital forms outside of Transactions (zipForm Edition). Subscribe today so you can secure your 2023 access to this vital transaction resource!

DRs can purchase the subscription at:
www.wra.org/FormsLibrary/Enroll

MAKE 2023 YOUR BEST MARKETING YEAR YET

THE PAPERLESS AGENT OFFERS EXCLUSIVE MARKETING RESOURCES FOR WRA MEMBERS

Your WRA membership has its perks. On top of legal services, conference discounts and more, the WRA partners with outside companies to add even more value to your membership. Case in point: The Paperless Agent Marketing Club.

The Paperless Agent offers resources and tools to give you an edge with your real estate marketing. As a WRA member, you can access The Paperless Agent's premium features at a discounted rate, including free webinars exclusively available just for WRA members.

These free webinars take place twice a month and cover a variety of marketing-related topics to give you proven strategies and tactics to improve your marketing. You'll find topics like lead generation, social media marketing strategies, text messaging templates and more. Circle these dates for upcoming Paperless Agent webinars:

- January 31
- February 16
- February 28

Ready to join a free webinar? Visit the WRA's Paperless Agent webpage at **www.wra.org/paperlessagent** to learn more and to gain webinar access.

WRA EXCLUSIVE PARTNERS

Save on products and services with the WRA's exclusive benefit partners.

PAPERLESS AGENT MARKETING CLUB
Resources for your real estate marketing.

PEARL INSURANCE
Insurance designed for the real estate industry.

REALTYZAM CRM
Simple CRM for your business.

SPECTRUM INSURANCE
Save on health insurance premiums.

Learn more about these exclusive partners:
WWW.WRA.ORG/EXCLUSIVEPARTNERS

WRA MEMBERSHIP BENEFITS

The WRA offers members-only products and services to give you a competitive edge.

ADVOCACY
The WRA advocates for a healthy real estate market by working with state lawmakers and pro-real estate candidates.

LINE BY LINE FORMS TRAINING
Enhance your contract knowledge with Wisconsin's most in-depth real estate forms training video series.

TRANSACTIONS (ZIPFORM EDITION)
Make your transactions paperless with Transactions (zipForm Edition).

WRA LEGAL HOTLINE
Discuss your real estate practice questions with a real estate attorney.

INMAN SELECT SUBSCRIPTION
Get the latest news, award-winning commentary, special reports and more.

Learn more about all WRA member benefits:
WWW.WRA.ORG/MEMBERBENEFITS

BROKER PRE-LICENSE TRAINING

Online training for new career heights

Thinking about climbing the real estate ladder? The WRA's online broker pre-license training course guides you through the information needed to pass the state broker's exam.

Register: www.wra.org/BPL

GRADUATE, REALTOR® INSTITUTE

New training opportunities for 2023

Excel in the market with the GRI designation, considered the "pinnacle" of real estate designations. Plus, the WRA revamped GRI curriculum for 2023 — watch for more!

Register: www.wra.org/GRI

SALES PRE-LICENSE TRAINING

Blended training course: February 6-10, 13-15

Are you a broker hoping to expand your business for 2023? Your recruits can be ready for their new career with the WRA's blended sales pre-license training course.

Register: www.wra.org/SPL

CONVERT LEADS INTO CLOSINGS

CRS live/virtual course: March 1

Don't leave money on the table! Learn effective approaches to capture, track and convert your potential prospects into real clients.

Learn more: www.wra.org/CRS

See the complete calendar: www.wra.org/coursecatalog

OFFERING	FORMAT	DETAILS & REGISTRATION
EVENTS		
REALTOR® & Government Day: April 26, 2023	Live in Madison	www.wra.org/RGD2023
PRE-LICENSE TRAINING		
SCHEDULED TRAINING		
Sales Pre-license Course: February 6-10; 13-15, 2023	Blended virtual/live training	www.wra.org/SPL
Sales Pre-exam Review Webinar: March 9, 2023	Virtual	www.wra.org/SPLwebinar
ONGOING TRAINING		
Broker Pre-license Course	On Demand	www.wra.org/BPL
Sales Pre-license Course	On Demand	www.wra.org/SPL
PROFESSIONAL DEVELOPMENT		
SCHEDULED TRAINING		
CRS Converting Leads to Closings: March 1, 2023	Live in Madison / virtual	www.wra.org/CRS
RSPS Certification Course: March 14-15, 2023	Virtual	www.wra.org/RSPS
PSA Certification Course: April 13-14, 2023	Virtual	www.wra.org/PSA
Real Estate Investing Course: May 17-18, 2023	Virtual	www.wra.org/ABR
ONGOING TRAINING		
GRI On Demand	On Demand	www.wra.org/GRI
Line by Line Forms Training	On Demand	www.wra.org/LinebyLine
Quick Start	On Demand	www.wra.org/QuickStart

FIVE BEST PHOTO TIPS FOR REAL ESTATE AGENTS

Since the launch of the first iPhone over 15 years ago, real estate agents have had a powerful camera in their pockets and purses.

Fast forward to 2023, and the new iPhone 14 Pro Max has one of the most powerful cameras and imaging software available in a mobile device, featuring built-in multiple lenses. Its specifications read like something you would find in a professional, standalone camera, with three fixed lenses that create an additional 2x telephoto, expanding zoom options to 0.5x, 1x, 2x and 3x. And the latest Google Pixel phone features 50-megapixel primary camera sensors backed by 12-megapixel ultrawide lenses.

While mobile phone technology empowers agents to create outstanding photos, the first question agents face about listing photography is whether they should take the photos themselves.

Industry experts say no. Instead, they recommend hiring a professional real estate photographer for almost every listing.

Why? A preponderance of research indicates the benefits of professionally shot listings selling 32% faster. With 3D tours, properties sell more quickly and at a higher price. And MLS research shows properties with aerial photography sell about 68% faster than homes using standard photographs.

However, many agents believe their photography stacks up against their competition and remain committed to taking their own listing photos.

Can your photos compete? If you decide to take the do-it-yourself route for listing photos, here are five tips the experts recommended you need to know.

1. LESS IS MORE

Clutter is the enemy of a great listing photo. It makes even huge rooms look smaller. It also is distracting: a wayward toy draws attention to the wrong things. Giving furniture spacing is essential. Thinning out a room can make your photos cut through the clutter.

2. LET THERE BE LIGHT

Turn off ceiling fans and turn on all the lights. Make sure you replace any burnt-out bulbs. Open all shutters and shades to let in as much sunlight as possible. Getting as much light into any room will help make colors pop and achieve crystal-clear, high-resolution photos. Even if the camera on your phone does well in low-light conditions, it will do even better when everything is in bright light. You also can use natural light to your advantage as long as you time your shots during the golden hours: just before sunset and right after sunrise.

3. STAY HORIZONTAL

Unless you are shooting specifically for social media use or solely for mobile display, it's best for listing photos to be shot in a landscape format, avoiding portrait (vertical) shots. When buyers search online and go through the couple of dozen listing photos that you post to a gallery, a vertical image mixed into the gallery breaks the gallery flow. Horizontal photos also help you collect more detail. In addition, horizontal photos better represent how buyers will see the property in person. Finally, ensure your images are straight by using a tripod that keeps your phone steady for each shot. Keep an eye out for the line of sight through windows to ensure features in the distance are at framed level too.

4. KEEP IT SIMPLE

Make sure your settings are clean, straightforward and not over-staged. Also, the capabilities of the new smartphone cameras may tempt you to experiment and take photos that may look cool on your phone but not on a large display screen. For example, some low-light photos can look impressive at first until you enlarge them, as they appear fuzzy or blurred. Wide-angle settings can cause distortion or unrealistic proportions, which may disappoint buyers visiting the property in person. Instead, eye each room as if you are a buyer.

5. IMAGE CORRECTION

It's likely some of your photos will need correction. But remember that all your photos should accurately convey what the consumer will see when they visit in person. While photos should showcase a property's best features, they should never mislead or deceive. Making sure the green grass shows the right shade of green and the blue skies are blue are acceptable adjustments you can make with almost any photo-editing software.

This article is from the Tech Helpline at www.techhelpline.com and has been reprinted with permission.


Definitely a front porch
with a swing...
#homeownershipgoals
The WHEDA Advantage loan has everything your home buyers need to achieve their home ownership goals.
Visit www.wheda.com to learn how.
Certain program restrictions and eligibility requirements apply.
WHEDA
www.wheda.com