January 2025 Vol. 41, No. 1

WISCONSIN REAL ESTATE MAGAZINE

INSIDE this Issue:

2025 Industry Forecast

Wisconsin Homeowners Alliance

Meet WRA Leadership for 2025

ADVOCATE.
EDUCATE.
ELEVATE.

A PUBLICATION OF THE WISCONSIN REALTORS® ASSOCIATION

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


WRA
onsin REALTORS® Association
A REALTOR® CAN.
Turn your toughest challenges into new possibilities.
Learn more: www.wra.org/arealtorcan
REALTORS® are members of the National Association of REALTORS®.
WISCONSIN REALTORS® ASSOCIATION / WRA.ORG / 800-279-1972

TABLE OF CONTENTS

January 2025 | Vol. 41, No. 1

NOVEMBER HOUSING REPORT

TIGHT INVENTORIES CONTINUE TO IMPACT WISCONSIN HOME MARKET

BY DAVE CLARK

PROFESSOR EMERITUS OF ECONOMICS AT MARQUETTE UNIVERSITY AND PRINCIPAL AT ECON ANALYTICS LLC

November 2024 Wisconsin housing report at a glance:

- Listings improved 7.9%, but inventory stayed tight.
- Year to date, sales increased 4.1%.
- The median price rose 10.8% compared to November 2023.
- November sales rose 1.7% year over year.
- The 30-year rate dipped over half a percent from last November.

See the full report: **www.wra.org/HSRNov2024**

Dave Clark, Ph.D., is a professor emeritus 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

5,508
CLOSED SALES NOV 2024
+1.7%
FROM NOV 2023

$310,000
MEDIAN PRICE NOV 2024
+10.8%
FROM NOV 2023

ACTIVE LISTINGS BY PRICE

PRICE RANGE	NUMBER OF LISTINGS
$0–$124,999	1,077
$125,000–$199,999	2,706
$200,000–$349,999	6,050
$350,000–$499,999	4,460
$500,000 & higher	4,496

18,783
TOTAL STATEWIDE LISTINGS NOV 2024
+7.9%
FROM NOV 2023

MEDIAN PRICES BY REGION

CENTRAL	$250,000
NORTH	$290,000
NORTHEAST	$282,500
SOUTH CENTRAL	$357,089
SOUTHEAST	$321,000
WEST	$305,000

AVERAGE DAYS ON MARKET

70 DAYS NOV 2024
COMPARED WITH
66 DAYS NOV 2023

MONTHS OF INVENTORY

3.3 NOV 2024
3.2 NOV 2023

MONTHLY HOUSING ACTIVITY

Statewide	November 2024	November 2023	% Change	Year to Date 2024	Year to Date 2023	% Change
New Listings	4,725	5,111	-7.6%	N/A	N/A	N/A
Total Listings	18,783	17,413	+7.9%	N/A	N/A	N/A
Closed Sales*	5,508	5,417	+1.7%	62,255	59,820	+4.1%
Median Sales Price	$310,000	$279,900	+10.8%	$310,000	$285,000	+8.8%
Months of Inventory	3.3	3.2	+3.1%	N/A	N/A	N/A
Avg. Days on Market	70	66	+6.1%	N/A	N/A	N/A
Affordability Index	123	127	-3.2%	N/A	N/A	N/A

	Median Price			Closed Sales		
Region	November 2024	November 2023	% Change	November 2024	November 2023	% Change
Central	$250,000	$219,000	+14.2%	402	403	-0.2%
North	$290,000	$240,000	+20.8%	504	531	-5.1%
Northeast	$282,500	$262,250	+7.7%	1,050	1,098	-4.4%
South Central	$357,089	$330,125	+8.2%	1,107	1,036	+6.9%
Southeast	$321,000	$287,500	+11.7%	1,894	1,871	+1.2%
West	$305,000	$278,450	+9.5%	551	478	+15.3%

*Report criteria: Reflecting data through November 2024. *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 21, 2025, at 8:00 a.m.

Location:
The Madison Club
5 E. Wilson St.
Madison, WI 53703

Meeting agenda:
1. Call to order — WRA Chair Chris DeVincentis
2. Association issues
3. Adjournment

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

APPLICATIONS AVAILABLE FOR 2026 LEADERSHIP

The WRA nominating committee is seeking applications for several WRA leadership positions for 2026:

- Treasurer
- Executive committee vice president
- Board of director regional representative (regions three, four and five: one opening each*)

In addition, the committee is seeking applications for NAR Director. Apply online at **www.wra.org/Apply**. Application deadline is March 15, 2025.

**Preliminary number of openings will be determined by the membership count on February 28, 2025.*

DISTINGUISHED SERVICE AWARD APPLICATIONS AVAILABLE

The WRA's Distinguished Service Award (DSA) recognizes REALTORS® or WRA employees who have committed several years of leadership and service at all levels of the REALTOR® family as well as to the local community. All current members, local association executives and employees of the WRA with at least five years of membership or employment are eligible.

Application deadline is March 15, 2025. Applications are available online at **www.wra.org/DSAaward**.

CONNECT WITH US

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

WISCONSIN REAL ESTATE MAGAZINE

EDITORIAL STAFF
Publisher: Tom Larson
Managing Editor: Joe Leschisin
Editor: Lauren B. Hubbard
Creative Director: Mike Keegan

WRA EXECUTIVE COMMITTEE
Chris DeVincentis, Chair of the Board
Amy Curler, Chair of the Board-elect
Shawna Alt, Treasurer
Mary Jo Bowe, Immediate Past Chair
Brian Slinkman, Vice President
Angela Walters, 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 2025 WRA executive committee and WRA President & CEO. Pictured left to right: Brian Slinkman, Amy Curler, Mary Jo Bowe, Shawna Alt, Chris DeVincentis, Angela Walters and Tom Larson.

EXECUTIVE COMMITTEE

Chair
Chris DeVincentis
Legendary Real Estate Services

Chair-elect
Amy Curler
First Weber Inc.

Treasurer
Shawna Alt
First Weber Inc.

Immediate Past Chair
Mary Jo Bowe
Edina Realty Inc.

Vice President
Brian Slinkman
NextHome Partners

Vice President
Angela Walters
eXp Realty

President & CEO
Tom Larson
Wisconsin REALTORS® Association

BOARD OF DIRECTORS

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

Regional Company Directors
Bailey Hawke-James (region 1), Edina Realty Inc.
Rob Rybarczyk (region 2), Coldwell Banker Action Realty
Megan Jacquet (region 3), Coldwell Banker Real Estate Group
David Stark (region 4), Stark Company REALTORS®
Coldwell Banker Realty (region 5)

Regional Representative Directors
Joe Germain (region 1), Woods & Water Realty
Kelly Kleist (region 2), Century 21 Dairyland Realty North
Lori Muller (region 3), Exit Elite Realty
Michael Sewell (region 3), Michael Sewell, REALTOR®
Kent Gabrielsen (region 4), Coldwell Banker River Valley REALTORS®
Wade Williams (region 4), Century 21 Affiliated
Ben Adank (region 5), The Boerke Company
Kel Svoboda (region 5), Compass Real Estate Wisconsin

Past Chair Directors
Mary Duff, Stark Company REALTORS®
Joe Horning, Shorewest REALTORS®

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

MESSAGE FROM THE CHAIR

To all of you, the members of the Wisconsin REALTORS® Association: My wish for you and your families is a very happy and very prosperous 2025!

As I step into the role of the 2025 Chairman of such a focused and effective organization as the WRA, I'm filled with gratitude for the opportunity to serve such a dedicated group of fellow professionals at a time when our industry is filled with controversy and opportunity. Working for you, my fellow REALTORS® of Wisconsin, while working closely with the WRA board of directors, our executive committee and the WRA staff, is a highly anticipated honor.

As I reflect on the past year under the very competent leadership of our Madam Chair and dear friend Mary Jo Bowe and WRA President & CEO Tom Larson, we faced significant changes and challenges, particularly in light of the recent National Association of REALTORS® (NAR) settlement.

With that being said, I want to commend each of you, our members, for your resilience and commitment during this transition. The WRA pre-positioned our industry in Wisconsin far ahead of most every state regarding compliance with the required changes. Your WRA then pivoted to prioritize online and in-person training about the changes as a 2024 priority while still accomplishing many of the 2024 strategic goals that had previously been established.

This pivotal moment has reshaped our landscape and our mindset by pushing us to again adapt and innovate. As much as it may seem like the settlement is the end of a chapter in our industry, we in the WRA leadership view it as the first chapter of a book that will continue to be written in the years to come. Change in our industry and challenges to our industry demand that we explore ideas and innovation in ways we hadn't previously considered. The process to accommodate the necessary time to accomplish this has now been made a priority in our 2025 board of directors meetings. If that sounds exciting and you feel like you can make a contribution to this process for the future of our industry, then you should make it a priority to step up into leadership in the future and serve your fellow REALTORS®.

Other top priorities on our 2025 agenda include:

- Continuing to advocate for affordable housing at the state and local level.
- Fighting for property tax relief through the legislative process.
- Identifying and supporting local advocacy opportunities across the state.
- Finding areas of our practice that we can work with the state to codify so we're protected from industry-impactful lawsuits that we feel may not be in the consumer's best interest.
- Revisiting agency to identify what agency in Wisconsin may look like in the future.
- Debating controversial topics such as NAR membership benefits and clear cooperation.
- Finding ways to reduce costs and reallocate resources while expanding our member services, member communication and consumer awareness.

None of this is easy, but all of it is worthy and critical to the future of our industry. Difficult conversations are often the most important and productive, and we'll be tackling all of this and more in the year to come and beyond.

In closing, I would like to take this opportunity to thank our outgoing Chair Mary Jo Bowe who guided us through the historic year of 2024. It was her calm presence, innovative leadership and fearless ideas that made such an impact for all of us at the WRA. Last year was without precedence, and I cannot thank her enough for being so immensely present throughout the year and setting a true example of what a servant leader should aspire to.

The year ahead is upon us with much anticipation, and I'm extremely excited and grateful to work with your 2025 leadership team consisting of Chair-elect Amy Curler, Treasurer Shawna Alt, Executive Vice Presidents Angela Walters and Brian Slinkman, and Outgoing Chair Mary Jo Bowe. We are indeed poised and ready for the opportunities before us, and we look forward to serving you, our REALTOR® members.

Thank you,
Chris DeVincentis
2025 WRA Chair

THE WISCONSIN HOMEOWNERS ALLIANCE

ADVOCATING FOR PROPERTY OWNERS ACROSS THE STATE

In a world where legislative and regulatory decisions can have profound effects on property ownership, the Wisconsin Homeowners Alliance (WHA) stands as a powerful advocate for Wisconsin homeowners and property owners. Since its founding in 2005 by the Wisconsin REALTORS® Association (WRA), the WHA has been committed to advancing public policies that strengthen the rights and opportunities of property owners.

Operating as a nonpartisan, nonprofit organization under IRS code 501(c)(4), the WHA focuses on issues and affecting public policy, not candidates or political campaigns. The WHA's mission is simple yet impactful: to protect property rights, promote affordability and improve the overall property-owning climate in Wisconsin. Guided by its own nine-member board that includes WRA leaders, the WHA meets regularly to set policies and an agenda that aligns with its mission and values.

The WHA's work spans a wide array of public policy issues, from property taxes to environmental regulations and land-use planning. Recent advocacy efforts highlight the organization's effectiveness and reach, such as raising awareness about legislation aimed at closing the foreclosure equity theft loophole, which required counties to sell foreclosed properties to protect homeowners' equity. The organization has also championed the maintenance of levy limits to keep property taxes in check, the restoration of riparian rights of property owners on flowages, and supported Madison's Housing Forward Plan to boost the supply of workforce housing.

To mobilize property owners and raise awareness, the WHA employs diverse communication strategies. Through newsletters, advertisements, direct mail and other grassroots lobbying communications to the general public, the WHA ensures property owners are informed about the policies that impact them. These efforts often include collaboration with third-party organizations — both progressive and conservative — aligned with the WHA's goals. This bipartisan approach enables the WHA to advocate effectively for economic growth, environmental stewardship, infrastructure investment and quality of life improvements.

Funding for the WHA comes from a portion of WRA member dues, amounting to a donation of $70 annually per member. This donation reflects the WRA board of directors' belief that advocacy for property rights is a shared professional responsibility among REALTORS®. By supporting the WHA, members empower a collective voice that can influence legislative and regulatory decisions crucial to the real estate industry and homeowners statewide.

In today's complex and often contentious policy landscape, the WHA continues to be a steadfast protector of property ownership. Its tireless advocacy ensures that the rights, affordability and aspirations of Wisconsin homeowners and property owners remain at the forefront of public policy. Through education and mobilization, the WHA fosters a stronger, more equitable future for all who call Wisconsin home.

Tom Larson
WRA President & CEO

FOR FIRST-TIME HOMEOWNERS: WILL THE HOWLING HEADWINDS OF THE EARLY 2020S SUBSIDE IN 2025?

BY MARK J. EPPLI, PH.D.
OF THE UW-MADISON JAMES A. GRAASKAMP CENTER FOR REAL ESTATE

It has been a difficult couple of years for first-time homebuyers. November data from the National Association of REALTORS® (NAR) reveals that first-time homebuyers reached an all-time low in 2024: they accounted for 24% of total home sales in 2024, down from 32% in the previous year, and the average of 37% for the years 2003 to 2023. Additionally, the median first-time homebuyer age in 2024 was 38 years old, up from the range of 29 to 33 years old for 1981 to 2021.

The historically weak number of first-time homebuyer data comes at a time when the millennial cohort is peaking. So, let's take a look at the headwinds that first-time homebuyers are facing and whether those headwinds will persist in 2025 and beyond.

HEADWIND 1: MORTGAGE INTEREST RATES

At 6.60% as this magazine went to press, current mortgage interest rates are on par with the 6.75% average mortgage interest rate over the past two years, and not far off from the 6.48% average rate for the years between 2000 and 2007. From the second quarter of 2009 until the first quarter of 2022, mortgage interest rates were artificially low, averaging 3.98%, due to the Federal Reserve's quantitative easing after the Great Recession and the COVID Recession.

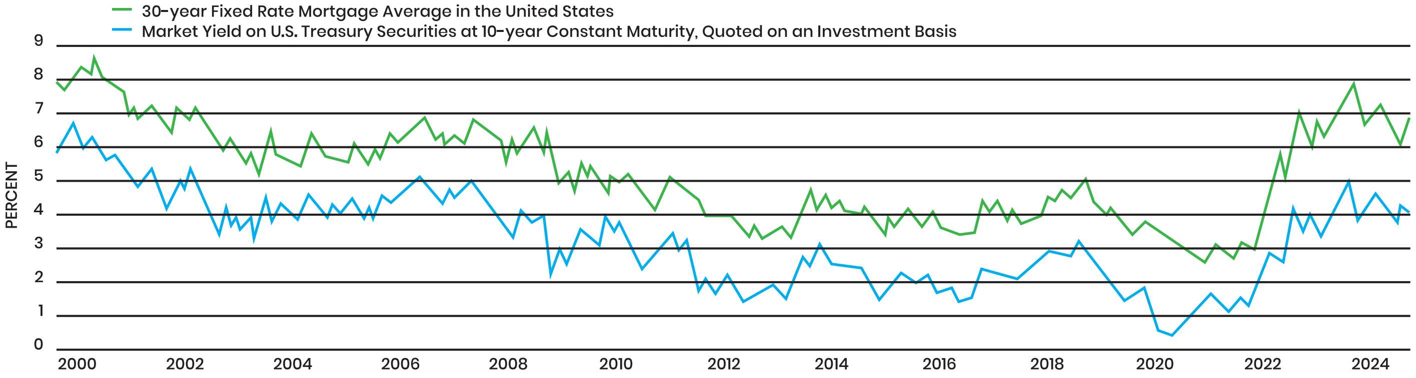
These formerly low mortgage interest rates have the unintended consequence of limiting the number of existing homes entering the market today. Estimates by Zelman and Associates for September 2024 revealed that 58% of outstanding mortgages had interest rates of 4% or lower. Why sell your home with a low mortgage interest rate and move into another home with a higher rate?

Additionally, during the Fed's quantitative easing and COVID easing, the central bank purchased $2.7 trillion of mortgage-backed bonds. In contrast, prior to 2009, the Federal Reserve had no mortgage-backed bonds on its balance sheet. From the second quarter of 2009 to the beginning of 2022, the Fed purchased over 30% of outstanding agency mortgage debt, and in that process, the Fed brought down long-term mortgage interest rates.

However, the opposite is also the case. Fed tightening, which started in March 2022, pushed spreads on mortgage-backed securities over 10-year U.S. Treasury rates from a 35-year average of 1.74% to 3.13% in June 2023. The spread currently is an elevated 2.20%: 6.60% 30-year mortgage rate less 4.40% 10-year U.S. Treasury rate, as seen in Exhibit 1. In short, not only have interest rates increased, but the spreads needed to sell mortgage-backed securities in the bond markets increased too.

Headwind #1: Mortgage interest rates increased from unsustainably low levels to more sustainable rates, making housing less affordable and existing homeowners loathe to sell.

EXHIBIT 1: 30-YEAR RATE COMPARISON TO TREASURY SECURITIES



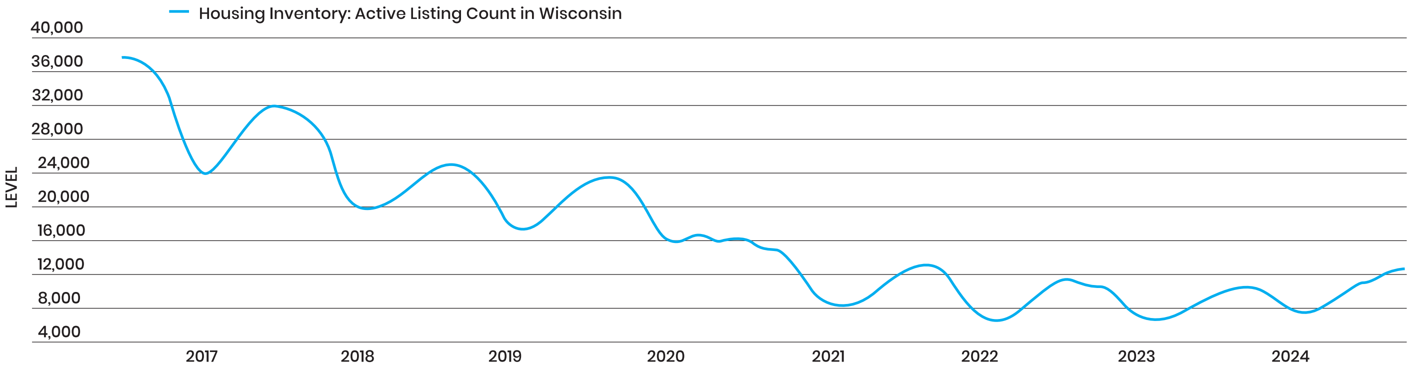
Source: The Federal Reserve

HEADWIND 2: INVENTORY OF HOMES AVAILABLE FOR SALE

According to October 2024 data from Harvard's Joint Center for Housing Studies, the number of homes for sale in the U.S. is alarmingly low at 1.37 million units, down 18% from the same month in 2019 and down from 2.5 million units in 2004. The months' supply of for-sale housing fell to 2.8 months in February 2024; and since that time, the months' supply of for-sale housing increased to 4.2 months as of October 2024. Similarly, in October 2024 for Wisconsin, the number of active listings was 12,293, up from 7,242 in February 2024, and a 2021-2024 average active listing count of 9,391 homes. More broadly, active listings are down 67% between July 2017 and October 2024. See Exhibit 2.

Headwind #2: Limited supply of existing homes for sale is pushing up house prices.

EXHIBIT 2: ACTIVE HOME LISTING COUNT IN WISCONSIN



Source: The Federal Reserve

HEADWIND 3: HOME PRICE INCREASES

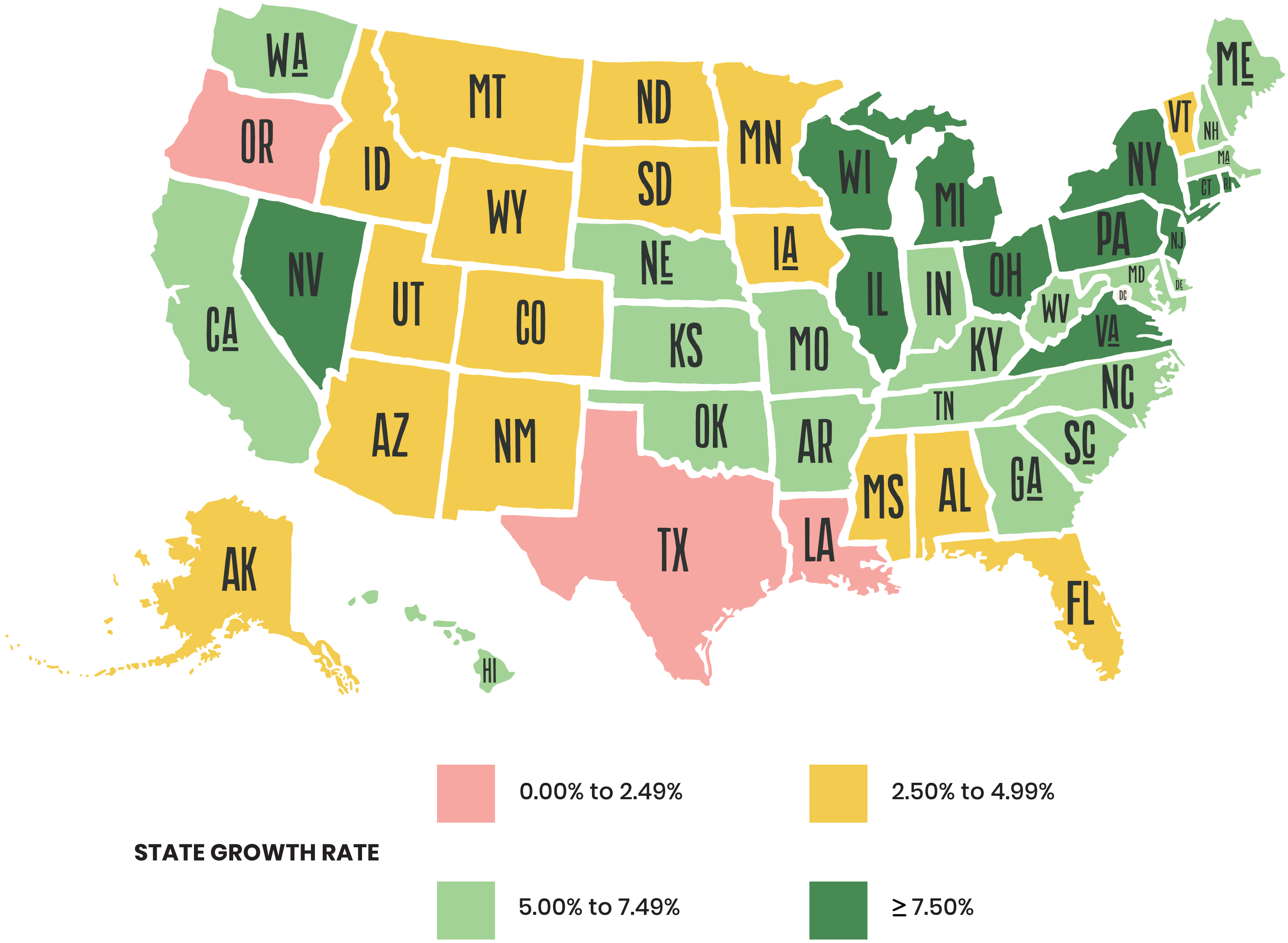
The limited supply of for-sale homes nationally and in Wisconsin increased single-family home prices, even as mortgage interest rates doubled. According to Fannie Mae, national house prices grew 5.9% for the year ending October 2024, with the greatest price appreciation coming from the Midwest. See Exhibit 3. While high price appreciation for existing homeowners is wonderful, higher home prices limit the ability for first-time homebuyers to enter the market. Home price appreciation for the year ending October 2024 reveals an 11% appreciation rate, according to WRA housing statistics. The historically low-cost housing areas of the upper Midwest have captured the interest of potential homeowners, pushing up prices across the Midwest's manufacturing belt faster than other parts of the U.S.

Highlighting the home price appreciation concern, over the past decade through October 2024, the annual compound house price growth rate in Wisconsin was 7.6%, outpacing the 3.7% hourly wage rate growth and the 2.9% inflation rate.

Headwind #3: House price appreciation is outpacing overall inflation and wage growth.

EXHIBIT 3: ANNUAL HOME PRICE GROWTH RATE BY STATE

ONE-YEAR PRICE GROWTH RATE Q3 2024, U.S. 5.9%



Source: Fannie Mae

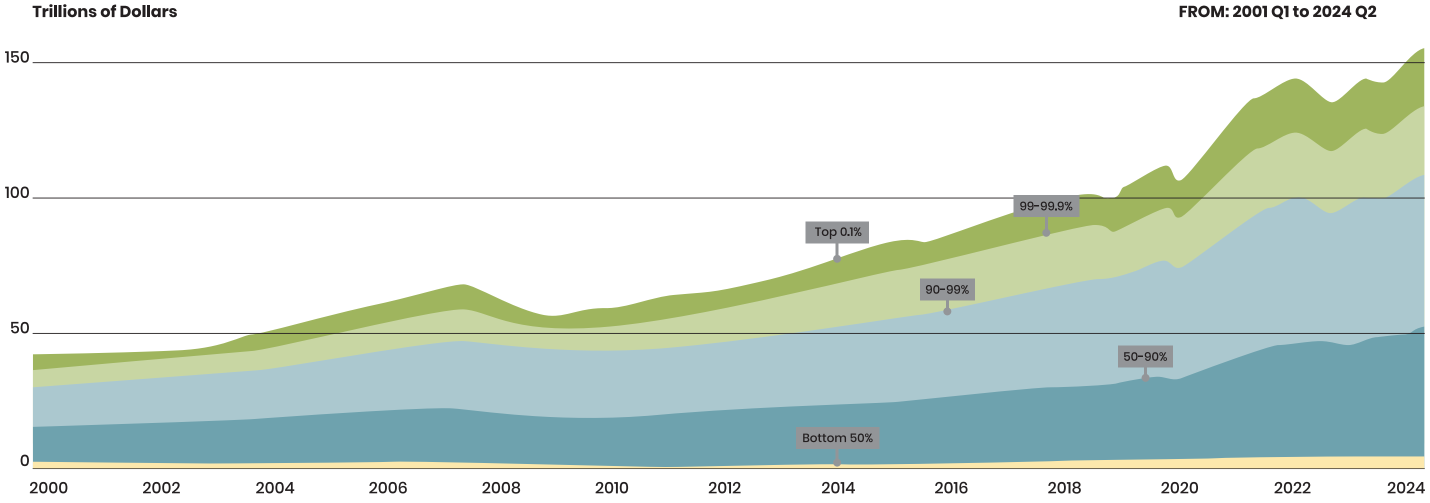
HEADWIND 4: ALL-CASH BUYERS AND HOUSEHOLD WEALTH

Data collected by NAR reveals that the median age of homebuyers in the U.S. year to date is 56 years old, up from 36 years old in 1981. The cause of this age increase is both financial and demographic. Through August 2024, 33% of homes were purchased all-cash. All-cash buyers have greater flexibility and certainty of closing, relative to 25-to-33 year-olds, where 96% use financing to purchase a home with a median loan-to-value ratio of 90% and a 10% down payment. Compounding this concern, NAR reports that 38% of 25-to-33 year-old homebuyers find saving for a down payment one of the most difficult things about buying a home.

Fueling the all-cash purchase of homes are gains in household wealth, which expanded by $50 trillion since the start of the COVID Recession four years ago, growing to $154 trillion. See Exhibit 4. For context, the top 50% of household wealth increased on average $760,000, while the bottom 50% of household wealth increased to $28,500. Highlighting the wealth inequity in the U.S., the top 1% of households hold 30% of the wealth, the next 9% hold 36% of the wealth, and the next 50% to 90% of households have 31% of the wealth. The bottom 50% of households hold less than 3% of the wealth in the U.S., making it difficult — if not impossible — to achieve the American Dream.

Headwind #4: First-time homebuyers are competing with older, all-cash purchasers.

EXHIBIT 4: WEALTH-BY-WEALTH PERCENTILE GROUP



Source: Board of Governors of the Federal Reserve System

HEADWIND 5: HOMEOWNERSHIP AFFORDABILITY

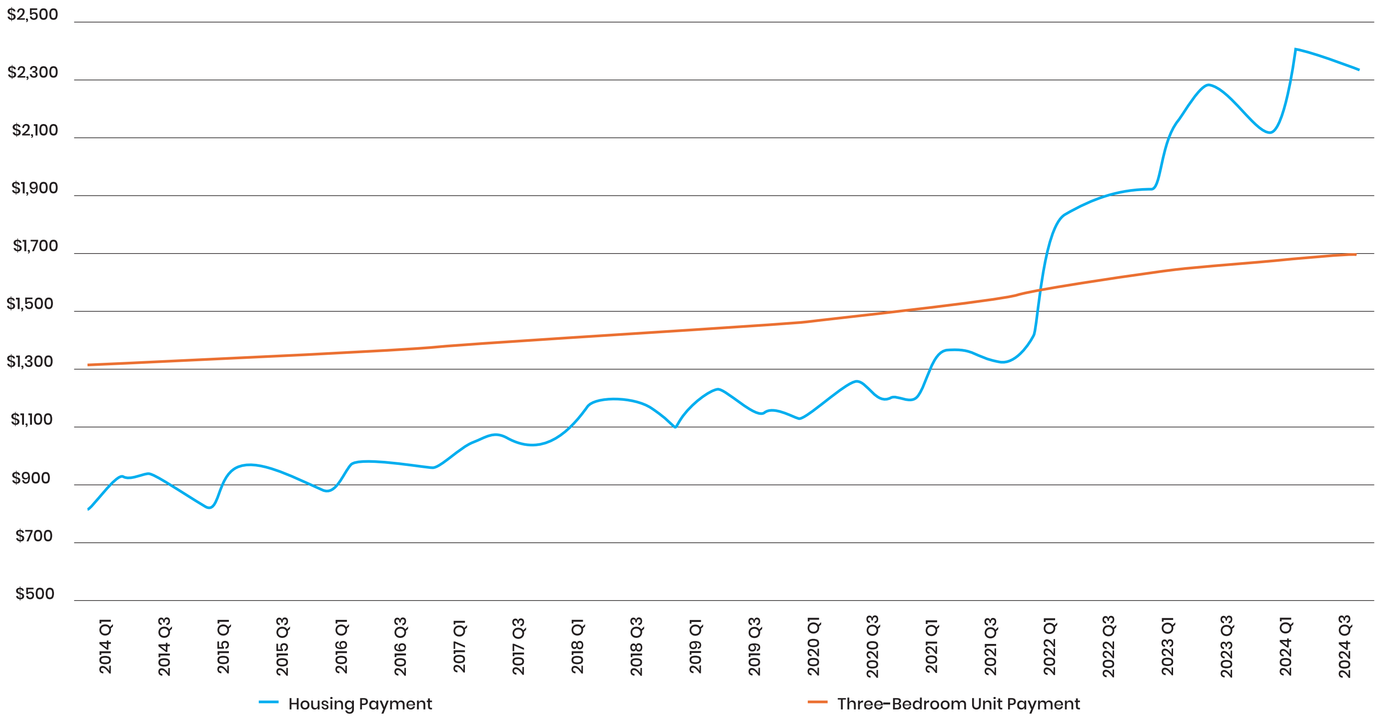
Homeownership affordability is measured in a variety of ways, the most frequent being the ability of the median household income to afford the median homeownership cost. Atlanta Fed data reveals that housing affordability in the U.S. from 2009 through 2022 averaged 102, suggesting that the median household could afford 102% of the median house price. Since 2022, that number has fallen to an average of 74, suggesting that the median household income could only afford 74% of the median house price. NAR uses slightly different income and price measures but has very similar results.

A second measure of homeownership affordability is the relative cost of renting vs. owning a home. Average rent for a three-bedroom unit in Wisconsin grew steadily across the past 11 years, from $1,301 in the first quarter of 2014 to $1,693 in the fourth quarter of 2024, which accounts for 2.4% per annum growth. Different from rental rates, Wisconsin homeownership costs remained persistently low until the fourth quarter of 2021, after which ownership costs grew significantly due to dramatically higher interest rates and house prices. Over the three-year period from the fourth quarters of 2021 to 2024, homeownership costs increased $1,012, from $1,320 to $2,332. Current homeownership costs as of the fourth quarter of 2024 are $639 higher than renting, creating a disincentive to own. See Exhibit 5.

In summary, between 2014 and 2021, homeownership costs were 76% of rental costs; but since then, homeownership costs are 122% of rental costs. The double-barrel hit of rapid house price appreciation and the jump in interest rates flipped the script on housing affordability.

Headwind #5: Renting is a more viable option than owning in today's market.

EXHIBIT 5: RENT VS. OWN IN WISCONSIN



Sources: CoStar, Wisconsin REALTORS® Association.
Note: Housing payments are based on WRA price data for Wisconsin, assuming a 90% loan, 30-year mortgage rates, 1.76% in real estate taxes and 0.24% in homeowners insurance. Average rents are based on CoStar data for all three-bedroom units in Wisconsin.

WILL THE HOWLING HEADWINDS PERSIST IN 2025 AND BEYOND FOR FIRST-TIME HOMEBUYERS?

The perfect storm hit first-time homebuyers between 2022 and 2024, and the headwinds from that storm have not subsided. But when, and which of those winds, will calm in the coming year(s)?

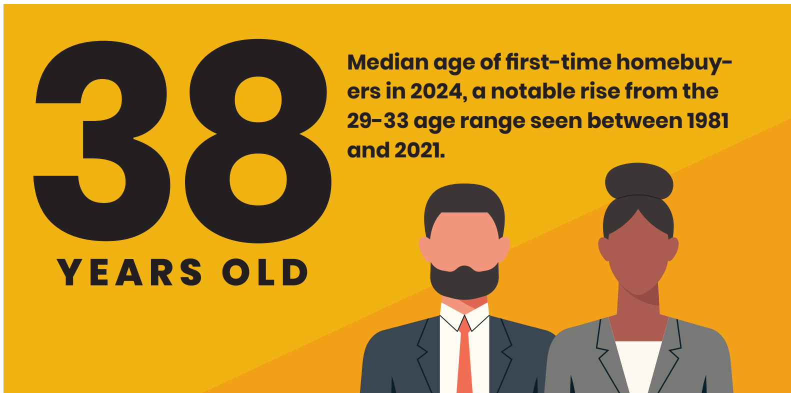
Mortgage interest rates dipped to 6.1% in late September 2024, only to march back up to 6.60% as 2024 came to a close. During 2025 and beyond, mortgage interest rates are expected to moderate to the range between 5.75% and 6.25%. While it could take much of 2025 and beyond to reach those rates, it appears as if the economy is currently showing signs of slowing, which could allow for rates to fall back to the low 6% range before midyear 2025.

The tight supply of existing for-sale homes eased a bit in 2024 and is expected to continue to do so throughout 2025. After three years of a very tight supply of for-sale homes, the market will open up in 2025. While many homeowners will age in their current residence with a low mortgage rate, there are a growing number of owners who have no mortgage or a low mortgage amount relative to the house price, allowing them the financial ability to list their homes for sale. As the supply of actively listed homes increases, price increases are unlikely to outpace wage and inflation rates.

Lastly, the wealthiest 50% of households have housing options, and many of them are now empty nesters. As luxury rental housing emerges in many suburban locations, empty nester households will be able to age in place in their current communities and exit homeownership, generating the needed churn in the single-family housing market.

In summary, the winds of 2022 to 2024 made it difficult for first-time homeowners to weather the perfect storm. While these headwinds will not go away in 2025, they will subside to a breeze, allowing the peak years of the millennial cohorts to be first-time homeowners!

Mark J. Eppli, Ph.D., of the UW-Madison James A. Graaskamp Center for Real Estate is one of Wisconsin's leading real estate economists. Dr. Eppli is widely published in the fields of commercial real estate finance, development and evaluation.



WHAT A LONG, STRANGE TRIP IT'S BEEN

BY CORI LAMONT
WRA VICE PRESIDENT OF LEGAL AND PUBLIC AFFAIRS

The Grateful Dead's "Truckin'" is a tribute to a road trip, but it also captures the REALTOR® community's journey of the past five years:

> *Sometimes the light's all shinin' on me*
> *Other times I can barely see*
> *Lately it occurs to me*
> *What a long, strange trip it's been*

A federal class-action lawsuit that began in 2019 finally came to an end on November 26, 2024, when the U.S. District Court for the Western District of Missouri granted final approval of the *Sitzer* settlement.

This resolution releases liability for:

- More than 1.4 million members of the National Association of REALTORS® (NAR).
- All state/territorial and local REALTOR® associations.
- REALTOR® Multiple Listing Services (MLSs).
- NAR's affiliate organizations and all brokerages with a NAR member as principal that had a residential transaction volume in 2022 of $2 billion or below of the claims made in the lawsuit.
- And MLSs and real estate firms that chose to opt in to the agreement.

MOVING FORWARD: KEY PRACTICE CHANGES

To maintain your released status, you must follow the practice changes:

1. **No offers of compensation in the MLS:** The MLS will no longer include offers of compensation. Consequently, listing firms cannot offer compensation to cooperating firms via the MLS
2. **Written buyer agreements are required before touring a home:** Firms working with buyers need a written buyer agreement before touring a home with a buyer.

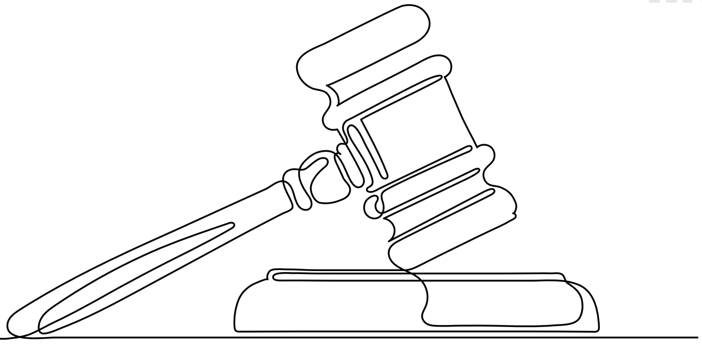
For a deeper discussion about the practice changes, check out the August 2024 *Wisconsin Real Estate Magazine* article, "The Best of the Legal Hotline: NAR Practice Changes," at **www.wra.org/WREM/Aug24/Hotline**.

STAY COMPLIANT

The WRA has numerous resources available at **www.wra.org/antitrust** to help guide you as well as avoid loopholes or workarounds of the settlement.

If you have questions, please contact the WRA Legal Hotline. As members, we want to ensure compliance. For further insight about adapting to these changes, read the August 2024 *Wisconsin Real Estate Magazine* article, "Change Is Kind of Our Thing," at **www.wra.org/WREM/Aug24/Change**.

And just like the end of "Truckin'," it's time for REALTORS® to "get back truckin' on."



THE BEST OF THE LEGAL HOTLINE

NAR SETTLEMENT UPDATES

BY TRACY RUCKA
WRA DIRECTOR OF PROFESSIONAL STANDARDS AND PRACTICES

Near the end of 2024, the U.S. District Court for the Western District of Missouri approved the settlement agreement between plaintiffs, the National Association of REALTORS® (NAR) and other defendants. During the process, there have been various questions and commentaries about the implementation and interpretation of the settlement terms for real estate practitioners. These discussions from the WRA Legal Hotline identify the questions, the settlement agreement provision and applicable commentary from NAR. NAR and the WRA do not endorse practices that would work around the terms of the settlement.

MODIFYING A BUYER AGREEMENT TO RECEIVE ADDITIONAL COMPENSATION

Can a buyer and the buyer's firm amend the buyer agency agreement to increase the commission amount if the seller or listing firm offer more compensation than is in the buyer agency agreement?

Settlement agreement provision paragraph 58(vi)b:

> *The amount of compensation must be objectively ascertainable and may not be open-ended (e.g., "buyer broker compensation shall be whatever amount the seller is offering to the buyer");*

Although parties to a contract may amend an agency agreement, the underlying question is why the agreement is being modified. Keeping in mind buyer compensation may not be based on what a seller or listing firm is offering; an amendment to circumvent that tenet of the settlement would be ill advised. Explanation from NAR's resource titled "Do's and Don't When Working with Buyers" clarifies as follows: "you should not amend an agreement for the sole purpose of 'matching' an offer of compensation that is greater than what you and your buyer agreed to." The purpose of the amendment cannot simply be to match whatever the seller offers.

COLLECTING SELLER-PAID OR BUILDER BONUSES

Can the buyer's firm collect seller-paid or builder bonuses?

Settlement agreement provision paragraph 58(vi)c:

> *MLS Participants may not receive compensation for services from any source that exceeds the amount or rate agreed to in the buyer agreement.*

Question 49 of NAR's settlement agreement FAQs pertains to such bonuses:

> *49. If the seller or the listing broker offers a bonus or financial incentive in addition to the offer of broker compensation, can the buyer broker accept the extra compensation?*
>
> - *The buyer broker may not receive compensation for brokerage services from any source that exceeds the amount or rate agreed to in the agreement with the buyer.*

RANGES OF COMPENSATION (MINIMUM UP TO A MAXIMUM)

Can the buyer agreement state a range of compensation, such as a minimum up to a maximum?

Settlement agreement provision paragraph 58(vi)b:

> *The amount of compensation must be objectively ascertainable and may not be open-ended (e.g., "buyer broker compensation shall be whatever amount the seller is offering to the buyer")*

The commission provisions of a buyer agency agreement must specify and conspicuously disclose the amount or rate of any compensation the MLS participant will receive from any source, or how this amount will be determined. The concern with language that specifies the buyer's firm's commission by stating a range, for example, "X% to Y%," is that the buyer agency fee is not objectively ascertainable and is open-ended.

Question 87 of NAR's settlement agreement FAQs provides guidance about how a buyer's firm's compensation must be stated to follow the terms of the settlement agreement:

> ***87. In the buyer agreement, can buyers and buyer brokers agree to a range of compensation?***
> - *No. Under the settlement, any compensation agreed to in the written buyer agreement must be objectively ascertainable and not open-ended.*
> - *For example, a written buyer agreement cannot have a commission that is "buyer broker compensation shall be whatever amount the seller is offering to the buyer" or "between X and Y percent."*
> - *Importantly, NAR policy will not dictate the amount of compensation agreed between buyers and buyer brokers (e.g., $0, X flat fee, X percent, X hourly rate). (Updated 7/15/2024)*

MORE THAN ONE AGREEMENT/ONE PROPERTY BUYER AGENCY AGREEMENTS

Can a firm have more than one agreement with a buyer? Can a firm craft property-specific agreements tailored to match the compensation offered by each respective seller?

Settlement agreement provision paragraph 58(vi)c:

> *MLS Participants may not receive compensation for services from any source that exceeds the amount or rate agreed to in the buyer agreement.*

In Wisconsin, a buyer's firm may conduct a one-property buyer agency agreement, so long as it complies with Wisconsin license law. Wis. Admin. Code § REEB 16.05 prohibits licensees from making a separate charge for completing approved forms in a real estate transaction, prohibits the unlicensed practice of law, and prohibits the completion of forms if not incidental to real estate practice.

As it relates to the terms of the settlement agreement, it would not be appropriate to enter into multiple one-property buyer agency agreements for the sole purpose of having the commission contained therein "match" what is being offered by a listing firm as cooperative compensation.

Questions 86 and 93 of NAR's settlement agreement FAQs offer more insight:

> ***86. MLS Participants may not receive compensation for services from any source that exceeds the amount or rate agreed to in the buyer agreement. Does this mean that brokerages can only have one agreement with the buyer?***
> - *No. The practice change empowers buyers and brokers to negotiate and agree to services and compensation that work for them. MLS Participants should work with consumers to ensure they fully understand the options available. Compensation continues to be negotiable and should always be negotiated between MLS Participants and the buyers with whom they work.*
> - *At times, a new or amended buyer agreement may be appropriate, and the buyer and broker may agree to amended terms. However, amended agreements must also meet the requirements of the practice changes. The practice changes must be implemented fully and in good faith in the service of promoting consumer empowerment, choice, and healthy competition.*
> - *NAR policy does not dictate:*
>   - *What type of relationship the professional has with the potential buyer (e.g., agency, non-agency, subagency, transactional, customer).*
>   - *The term of the agreement (e.g., one day, one month, one house, one zip code).*
>   - *The services to be provided (e.g., ministerial acts, a certain number of showings, negotiations, presenting offers).*
>   - *The compensation charged (e.g., $0, X flat fee, X percent, X hourly rate). (Updated 7/31/24)*

> ***93. Does NAR's settlement address the theoretical possibility of steering?***
> - *Yes. In the agreement, NAR reaffirms its commitment to requiring that MLS Participants must not limit the listings their client sees because of broker compensation.*
> - *Written buyer agreements, required by the NAR practice changes that will be implemented on August 17, 2024, will also outline that MLS Participants may not receive compensation for brokerage services from any source that exceeds the amount or rate agreed to in the agreement with the buyer.*
> - *Since a broker working with a buyer cannot receive more compensation than the buyer has agreed to in that agreement, the amount of any offer of compensation is irrelevant to the buyer-broker's compensation.*
> - *Under these practice changes, NAR has eliminated any theoretical steering because a broker will not make more compensation by steering a buyer to a particular listing because it has a "higher" offer of compensation. (Added 5/29/24)*

TOURING AGREEMENTS SUPPLEMENTED WITH BROKERAGE AGREEMENTS

Must agents require buyers to sign a pre-agency showing agreement for each property the agent shows that buyer? Can a showing agreement be supplemented with a full-service brokerage agreement at a different compensation rate?

Settlement agreement provision paragraph 58(vi)c:

> *MLS Participants may not receive compensation for services from any source that exceeds the amount or rate agreed to in the buyer agreement.*

Question 8 of NAR's settlement agreement FAQs provides additional detail:

> ***8. How do the practice changes impact homebuyers?***
>
> - *The settlement empowers consumers with additional choice and transparency when buying a home.*
> - *As part of the new practice changes, you will need to sign a written agreement with your agent before touring a home.*
> - *Before signing this agreement, you should ensure it reflects the terms you have negotiated with your agent and that you understand exactly what services and value will be provided, and for how much.*
> - *The buyer agreement must include four components concerning compensation:*
>   - *A specific and conspicuous disclosure of the amount or rate of compensation the agent will receive or how this amount will be determined.*
>   - *Compensation that is objective (e.g., $0, X flat fee, X percent, X hourly rate) — and not open-ended (e.g., cannot be "buyer broker compensation shall be whatever the amount the seller is offering to the buyer").*
>   - *A term that prohibits the agent from receiving compensation for brokerage services from any source that exceeds the amount or rate agreed to in the agreement with the buyer; and,*
>   - *A conspicuous statement that agent fees and commissions are fully negotiable and not set by law.*

It is not necessary to fill out a pre-agency showing agreement for each home being shown to the buyer. One pre-agency showing agreement would cover all homes during the time the agent shows properties to the buyer.

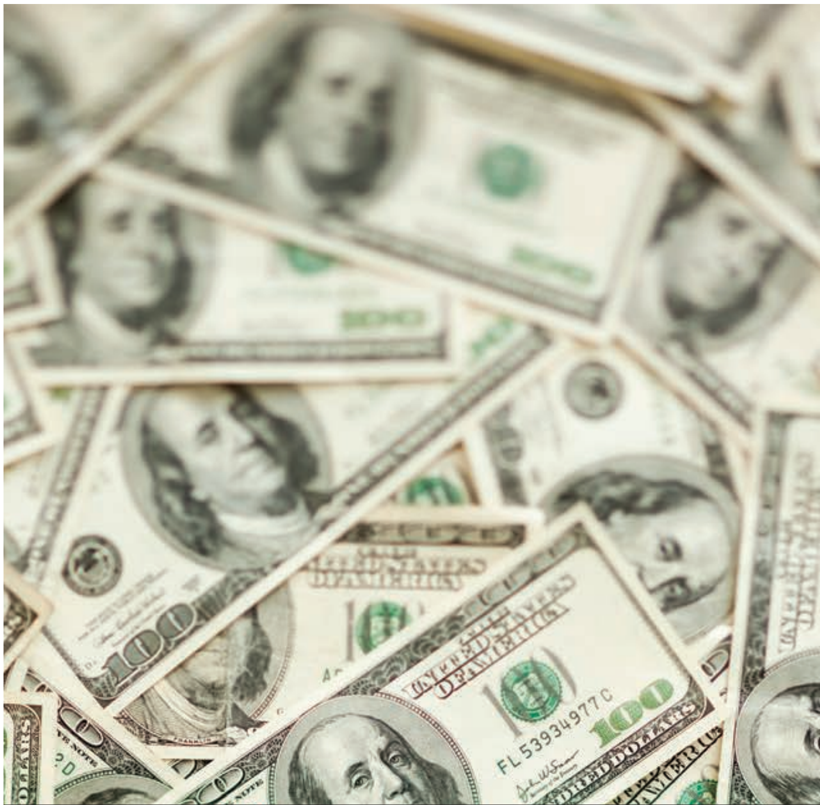
The pre-agency showing agreement allows an agent to show a home to a buyer. It is not an agency agreement, so the firm cannot bind the buyer — or the seller — to any terms that might be contemplated in a future buyer agency agreement or an offer to purchase. Any compensation negotiated in the pre-agency showing agreement is independent of any compensation the firm may charge under an agency agreement for brokerage services.

WRA PRE-AGENCY SHOWING AGREEMENT FOR WISCONSIN PROPERTIES

To help agents comply with the settlement agreement, the WRA created the WRA-PASA — Pre-Agency Showing Agreement for Wisconsin Properties form. This form is available in Transactions (zipForm Edition) and the WRA Forms Library, which are both included with WRA membership. The WRA-PASA outlines the nature of the pre-agency relationship and distinguishes between the roles of "customer" and "client" once negotiations commence. The form clearly states that it is not an agency agreement and that it does not authorize the agent to draft an offer to purchase.

The WRA-PASA is not specific to a property and does not have a term. Either the firm or the buyer can terminate the agreement at any time, or they can transition from pre-agency to a customer or client relationship as they see fit.

The WRA-PASA includes a section for compensation. It will be up to each firm to decide whether the firm will charge buyers for showing properties to them and if so, how much the firm will charge. Some firms might charge; others might not. If a firm charges compensation to show properties to a buyer, the compensation must be paid to the firm and cannot be paid directly to the agent in accordance with Wis. Stat. § 452.19(2).



RESOURCES

NAR settlement agreement:
www.nar.realtor/sites/default/files/documents/nar-settlement-agreement-download-2024-04-19.pdf

NAR settlement agreement FAQ document:
www.nar.realtor/sites/default/files/2024-10/nar-settlement-faq-2024-10-29.pdf

NAR member resource document: "Dos and Don'ts When Working with Buyers":
www.nar.realtor/the-facts/nar-member-resource-dos-and-donts-when-working-with-buyers

WHO LET YOU IN?

BY JENNIFER LINDSLEY
WRA DIRECTOR OF LEGAL SERVICES AND LICENSING

When a seller lists a house with an agent, they place an enormous amount of trust in that agent. The seller relies on the agent to guide them through what can be a lengthy and complex transaction. Additionally, the seller is granting access to their home. This access is not just extended to the agent, but also to complete strangers — including potential buyers at open houses, other agents showing the property, inspectors, radon testers and appraisers. That is a significant number of unfamiliar individuals entering what is often the homeowner's most private and secure space. It is the agent's responsibility to honor this trust by ensuring access to the property is provided in a safe and authorized manner.

UNAUTHORIZED ACCESS: CITATION

The WRA Professional Standards Program has frequently encountered allegations of agents providing unauthorized access to properties. This serious offense is subject to disciplinary action by the WRA Citation Panel, which has the authority to issue citations in such cases. The panel is composed of members from the WRA Professional Standards Committee. When a complaint is filed against a REALTOR® member and the allegations fall under the violations listed in the citation schedule, the panel can issue a citation and impose discipline in line with the schedule.

In one complaint, a seller returned home to find an unaccompanied buyer wandering through their property. Alarmed, the seller contacted the listing agent, who then filed a complaint. During the investigation, the agent working with the buyer admitted to providing the buyer with the lockbox code, citing an inability to attend the showing.

A grievance panel determined that this violation was covered under the WRA Citation Policy and issued a $1,000 citation to the agent, who paid the fine without requesting a hearing. For a second offense, the penalty increases to $2,000, along with mandatory additional education as determined by the panel.

UNAUTHORIZED ACCESS: ARTICLES 1 AND 3 OF THE REALTOR® CODE OF ETHICS

Article 1 outlines the primary ethical duty of REALTORS® to protect and promote their client's interests. A violation of Article 1, as clarified by Standard of Practice 1-16, occurs when a seller's agent accesses, uses, or allows others to access or use the client's property on terms not authorized by the client.

> **Standard of Practice 1-16**
> *REALTORS® shall not access or use, or permit or enable others to access or use, listed or managed property on terms or conditions other than those authorized by the owner or seller. (Adopted 1/12)*

Article 3 defines the ethical responsibilities of REALTORS® when cooperating with other agents. A violation of Article 3, as specified in Standard of Practice 3-9, arises when a cooperating agent accesses or permits access to a property under conditions not authorized by the seller or owner.

> **Standard of Practice 3-9**
> *REALTORS® shall not provide access to listed property on terms other than those established by the owner or the seller. (Adopted 1/10, Amended 1/23)*

LOCKBOX ACCESS

Licensees should always adhere to their local association and/or MLS rules regarding the use of lockboxes and must never share a lockbox code with anyone not authorized to access the property. If a licensee has questions about lockbox rules, they should contact their local association or MLS for clarification. Seeking guidance before granting access can help prevent potential citations for unauthorized access.

To learn more about the WRA's Statewide Professional Standards enforcement process including the Citation Policy, go to **www.wra.org/professionalstandards**.

OPEN HOUSES AND INDIVIDUAL SHOWINGS

The WB-1 Residential Listing Contract — Exclusive Right to Sell outlines the expectations for sellers and listing firms regarding open houses and individual showings. It requires sellers to minimize the risk of injury, damage or loss of personal property.

The contract also informs sellers that individual showings and open houses may be conducted by licensees not associated with the listing firm. Additionally, sellers are made aware that appraisers and inspectors may perform their tasks without being accompanied by agents from the listing firm or other firms. Buyers and their agents can be present during all inspections and testing.

Sellers have varying levels of comfort with the number of strangers accessing their property during the transaction. The seller and listing firm can adjust the access parameters outlined in the open house and showing responsibilities section of the listing contract. For instance, a seller may request their listing agent to be present during all showings, inspections, testing or other property access events. To ensure clear expectations for both the seller and the listing agent, this arrangement should ideally be documented in writing, either in the additional provisions section or through an addendum to the listing contract.

Agents can remind sellers that in addition to buyers attending open houses and showings, buyers may bring others, such as children, parents, friends or even animals. While sellers cannot prohibit access to buyers with children due to fair housing laws, they may request reasonable limits on the buyer's entourage. However, agents conducting showings or open houses may not always have prior notice of additional attendees.

Regarding animals, sellers cannot deny access to buyers accompanied by service or assistance animals, as doing so could violate fair housing laws. If a buyer's agent knows their client uses a service or assistance animal, they should notify the listing agent as a courtesy, especially if the seller has severe allergies or another condition that could rise to the level of an undue burden.

If a seller questions whether a situation qualifies as an undue burden and wishes to deny access to a person with an assistance animal, the agent should advise the seller to consult legal counsel. The agent should also discuss potential fair housing risks with their supervising broker to ensure compliance and mitigate liability.

LET THE RIGHT ONES IN

Providing access to a seller's property contrary to what the seller authorized violates license law and the REALTOR® Code of Ethics. Agents must practice with reasonable skill and care. Providing unauthorized access to a property is not practicing with reasonable skill and care. Additionally, providing access contrary to the lockbox rules established by a local association and/or MLS can land the agent in trouble with these entities. Agents work hard to earn the trust of their clients and honor that trust by keeping access to the seller's property completely within the seller's authorization.

A SNAPSHOT OF PROFESSIONAL STANDARDS ENFORCEMENT IN 2024

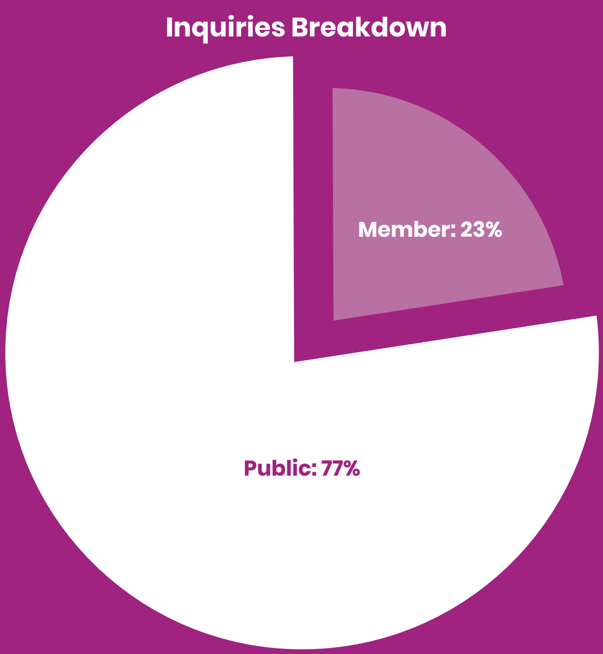
BY JANINE SMITH
DIRECTOR OF STATEWIDE PROFESSIONAL STANDARDS

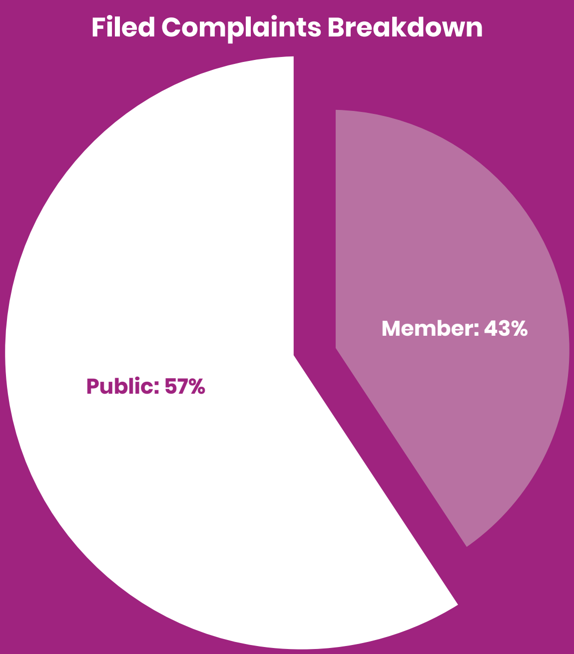
The WRA Statewide Professional Standards Enforcement Program continues to uphold REALTOR® professionalism and ethics in Wisconsin real estate practice. This recap highlights key data from 2024, including ethics complaints, arbitration cases and citation activity. By fostering accountability and promoting cooperation, the enforcement program ensures that Wisconsin real estate can remain a trusted and self-regulating profession.

Learn more about the program at **www.wra.org/professionalstandards**.

ETHICS ACTIVITY

- Inquiries: 238 (77% from the public)
- Filed complaints: 28 (57% from the public)





MEMBER VIOLATIONS

• Violations: 4

2024 MEMBER VIOLATIONS

Article(s)	Description of allegation(s)
2	Misrepresentation and falsification of documents.
1, 9	Did not protect or promote client interests; did not keep documents current or share copies.
1, 2, 9	Disclosed confidential information, failed to disclose defects and missed contract updates.
15	Made reckless statements about another real estate professional.

• Disciplinary actions:
  - Fine: $1,000
  - Letter of reprimand: Recorded for 1-3 years
  - Education requirements:
    • NAR ethics training
    • Continuing education (CE) courses
    • Pre-license chapters

CITATION POLICY

• New citation policy implemented January 1, 2024.
• Citations: 3 issued in 2024

2024 CITATIONS ISSUED

Articles and Standards of Practice	Description of allegation(s)	Fine
Article 3 SOP 3-9	Unauthorized access to property.	$1,000
Article 3 SOP 3-9	Unauthorized access to property.	$1,000
Article 1 SOP 1-6 SOP 1-7	Failure to present an offer in a timely manner. Failure to provide evidence the offer was presented when requested.	$250 $250 Total: $500

MEDIATION AND ARBITRATION

Members are required to attempt mediation for mandatory arbitrable issues prior to arbitration. This appears to be a successful tool in resolving monetary disputes.

2024 MEDIATION BREAKDOWN

Outcome	Count
Resolved through mediation	6
Arbitration requests (post-unsuccessful mediation)	2
Mediations in progress	2

LEGAL RESOURCES

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

LEGAL LANDSCAPE

Legal Landscape is the WRA's newest education series for 2025. This bi-monthly, 30-minute webinar series, hosted by WRA attorneys, covers trending Wisconsin real estate legal topics to keep you on the cutting edge. This series is exclusively for WRA members and included with your membership.

See it now: **www.wra.org/LegalLandscape**
(WRA login required)

LEGAL HOTTIPS

WRA membership gives you access to the extensive WRA Legal Hottips online library, featuring past WRA Legal Hotline discussions covering antitrust, title issues, agency and more. Weekly hottip updates ensure fresh insights.

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

LEGAL NEWS EMAIL

Get need-to-know updates about real estate law every week in your inbox. Delivered every Monday, the WRA's legal news email gives you the latest about legal developments that affect your practice: recent court decisions, DSPS discipline, NAR settlement updates and much more. Plus, you'll find the newest legal hottips each week in the email.

Confirm your email subscription: **www.wra.org/myEmail**
(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: www.wra.org/LegalHotline

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

The hotline will be closed on Monday, January 20, in honor of Martin Luther King Jr. Day. Normal hours resume on Tuesday, January 21 at 8:30 a.m. Central.

www.wra.org/LegalHotline

2024: A BANNER YEAR FOR WRA ADVOCACY

BY NATHAN CONRAD
WRA DIRECTOR OF GRASSROOTS POLITICAL ADVOCACY AND ENGAGEMENT

The WRA achieved significant advocacy milestones in 2024. Key legislation was passed and signed into law that not only bolstered our industry but also protected current and future clients whom REALTORS® serve across Wisconsin.

When WRA members pay their dues, a portion of those fees supports long-term advocacy efforts at the national level. Specifically, $50 of each member's dues goes toward advocacy initiatives carried out by the National Association of REALTORS® (NAR). These funds serve as the foundation for many NAR grant programs, which educate consumers about critical policy matters, mobilize members for calls to action, support REALTOR®-endorsed candidates, and expand advocacy influence nationwide.

With over 18,000 members, the WRA contributes more than $900,000 annually to NAR's advocacy grant programs. In January 2024, we set an ambitious goal: to secure $1 million in grant funding from NAR to benefit Wisconsin.

We are proud to report that not only did we meet this goal, but we surpassed it in true REALTOR® style. Together, the WRA advocacy team, local association executives and government affairs directors brought in over $1.3 million in grant funding to Wisconsin in 2024.

HOW THESE GRANTS MADE AN IMPACT

Grant funding was utilized to support a variety of initiatives that benefit both REALTORS® and the communities they serve. These efforts include:

- **Educational programs:** Grants funded lunch-and-learn sessions to educate communities and REALTORS® about no- to low-interest loan programs administered by the Wisconsin Housing and Economic Development Authority (WHEDA).

- **Statewide advocacy campaigns:** A statewide "thank you" initiative recognized legislators who were instrumental in passing laws that allow property owners to address discriminatory covenants on their titles or deeds.

- **Consumer outreach:** A $75,000 consumer advocacy outreach grant was used to educate Wisconsin residents on how to address discriminatory covenants. The Wisconsin REALTORS® Foundation also alleviated financial barriers by covering the $30 filing fee for property owners.

Local boards received housing opportunity grants to host seminars and events aimed at educating REALTORS®, elected officials and community members about WHEDA loan programs. These programs stemmed from the $525 million workforce and senior housing bill package passed and signed into law in 2023.

Additionally, the WRA and local associations secured over $700,000 in independent expenditure grants to increase visibility for REALTOR®-champion legislators and locally elected officials during a challenging election cycle.

LOOKING AHEAD TO 2025

As we embark on 2025, our mission is clear: to build upon the successes of 2024 and continue expanding our sphere of influence. By leveraging all available advocacy assets, we aim to ensure that REALTOR® priorities remain at the forefront of policymaking — for the benefit of our members, clients and communities.

WISCONSIN REALTORS® FOUNDATION 2024 REPORT

In 2024, the Wisconsin REALTORS® Foundation (WRF) continued to further the mission of unifying REALTORS® to help children in the areas of education, hunger, homelessness/abuse and serious illness.

With the support of our members, see what the WRF achieved last year.

$20,000
NAR's REALTOR® Relief Foundation

$16,500
Discriminatory Covenants Program

$10,000
Five Loaves Food Shelter and Two Fish Thrift Store for a new building

$10,000
Wisconsin Warm/Cool Fund and Heat for Housing for Heroes

$6,500
Habitat for Humanity

$5,500
Feeding Wisconsin

$3,000
Commercial Association of REALTORS® Wisconsin benefiting the COA toy drive

$3,000
Women's Fund of the Fox Cities benefiting the Monthlies Project

$3,000
La Crosse Builders Association benefiting Tools for Schools

$3,000
Lakeshore CAP Food Pantry in Door County

$2,000
Own It

$1,500
A Home for Everyone Conference

$1,000
RASCW Handbags for Home

Learn more and get involved in 2025 at **www.wra.org/wrf**

ANNUAL REAL ESTATE FORMS UPDATE

Several forms commonly used in Wisconsin real estate practice received updates in 2024 that affect your transactions.

WHAT CHANGED IN 2024?

Several Wisconsin real estate practice forms were updated in 2024 to align with the real estate practice changes stemming from NAR's proposed settlement agreement. The revisions to these forms, approved by the Real Estate Examining Board (REEB), aim to enhance consumer transparency regarding commission and compensation.

The revised forms include listing contracts, buyer agency and tenant representation agreements, offers to purchase, and the option to purchase — all with a mandatory use date of August 15, 2024:

- Listing contracts: WB-1, WB-2, WB-3, WB-4, WB-5, WB-6, WB-37
- Buyer agency agreements: WB-36, WB-38
- Tenant representation agreement: WB-39
- Offers to purchase: WB-11, WB-12, WB-13, WB-14, WB-15, WB-16, WB-17
- Option to purchase: WB-24

2025: WHAT'S NEXT?

As always, look to the WRA to notify you of any new or modified forms in 2025.

FORMS UPDATE RESOURCES

WRA membership offers exclusive access to online resources to give you the latest updates about Wisconsin real estate practice. The WRA's forms update resource webpage provides detailed updates about the revisions to state-approved (WB) forms as well as WRA forms.

Visit **www.wra.org/formsupdate** to stay updated about forms revisions and your practice. Be sure to sign in with your myWRA account to access this members-only webpage.

LEGAL WEBINAR MEMBERSHIP BENEFIT NEW FOR 2025

As a WRA member, you already have access to a wide range of resources designed to support your success in Wisconsin real estate. And for 2025, your membership just got better with the addition of the new Legal Landscape webinar series!

Delivering bi-monthly, 30-minute webinars hosted by WRA Legal Hotline real estate attorneys, this new webinar series offers timely updates on Wisconsin real estate law.

Each webinar examines topics like misrepresentation, risk reduction, contingency drafting and much more, equipping you with tips to navigate today's real estate market with confidence. Featuring insights you won't find anywhere else, this exclusive members-only benefit ensures you stay ahead of the curve and ready for success.

2025 webinar dates

- January 9
- March 6
- May 1
- July 10
- September 4
- November 6

Learn more and tune in: **www.wra.org/LegalLandscape**

WRA MEMBER BENEFITS

Empower your career journey with the most trusted organization in Wisconsin real estate. The WRA offers members-only products and services to give you a competitive edge.

ADVOCACY
Drive industry transformation with legal, legislative and political advocacy.

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

FORMS LIBRARY
Your source for PDF versions of the WRA and WB forms for your practice.

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

LEGAL HOTTIPS
See the extensive archive of Q&As in Wisconsin real estate law.

LEGAL LANDSCAPE
Stay on the cutting edge of real estate legal trends and topics.

LINE BY LINE FORMS TRAINING
Boost your forms know-how with Wisconsin's top real estate forms training video series.

MARKET DATA
Explore statewide trends with Wisconsin's most comprehensive real estate data.

ONLINE RESOURCES
Elevate your career with products, services and assistance in just one click.

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

SEE THE FULL SUITE OF MEMBER BENEFITS

WWW.WRA.ORG/MEMBERSHIP

LEGAL LANDSCAPE

New educational video series for 2025

New year, new knowledge. Stay informed with the WRA's newest education offering for 2025: Legal Landscape. Hosted by WRA real estate attorneys, this new webinar series delivers 30-minute webinars bi-monthly to discuss the hottest legal topics related to Wisconsin real estate law. Legal Landscape webinars are a complimentary WRA member benefit, included with your membership. See more details on page 27.

Register: www.wra.org/LegalLandscape

WISCONSIN SUMMIT SERIES

New regional events for 2025

Get ready for the all-new Wisconsin Summit Series, coming to multiple locations across the state. These exciting regional summits offer REALTORS® valuable insights, networking opportunities and strategies for success — all at the local level. Stay tuned for updates on the upcoming locations — you won't want to miss this opportunity to connect and grow.

UNLOCK WHEDA'S POTENTIAL

January 28 webinar explores WHEDA programs

Discover how the Wisconsin Housing and Economic Development Authority (WHEDA) can be a game-changer for REALTORS® and clients alike in an upcoming webinar. Hosted by WHEDA Account Executive Adam Schnabel, you'll gain insights into WHEDA's first mortgage options, down payment assistance, preapprovals and more, and you'll also discuss WHEDA misconceptions, the financing contingency and resources for client success.

Register: www.wra.org/Webinars

VA HOME LOAN MYTHS WEBINAR

February 12, 2025 | 10:00 a.m. | Free

Explore how Veterans Administration (VA) home loans can help veterans achieve the dream of homeownership while dispelling common myths about VA loans. Led by seasoned VA loan expert James Mercado, this webinar uncovers the benefits of VA home loans for all parties involved, including sellers, and highlights how the VA supports veterans in "Owning the Land They Defend."

Register: www.wra.org/webinars

WRA ANNUAL CONVENTION

September 29–October 1, 2025

It's back: Save the date for Wisconsin's biggest real estate gathering of the year! This fall, you won't want to miss the ultimate WRA experience at the Kalahari in Wisconsin Dells: networking, training and entertainment. Join hundreds of fellow Wisconsin REALTORS® for the prime opportunity to connect, create memories and elevate your skills.

Mark your calendars now and watch for more convention details this summer.

OFFERING	FORMAT	DETAILS & REGISTRATION
EVENTS		
REALTOR® & Government Day: April 17, 2025	Madison	www.wra.org/RGDay
WRA Annual Convention: Sept. 29-Oct. 1, 2025	Wisconsin Dells	Save the date
PRE-LICENSE TRAINING		
ONGOING TRAINING		
Broker Pre-license Course	On Demand	www.wra.org/BPL
Sales Pre-license Course	On Demand	www.wra.org/SPL
Sales Pre-exam Review	On Demand	www.wra.org/SalesPreExamReview
PROFESSIONAL DEVELOPMENT TRAINING		
ONGOING TRAINING		
GRI On Demand	On Demand	www.wra.org/GRI
Home Essentials Video Series	On Demand	www.wra.org/HomeEssentials
Line by Line Forms Training	On Demand	www.wra.org/LinebyLine
Mini Course Series	On Demand	www.wra.org/Mini
Quick Start	On Demand	www.wra.org/QuickStart
WEBINARS		
SCHEDULED TRAINING		
Unlock WHEDA's Potential: January 28, 2025	Webinar	www.wra.org/Webinars
VA Financing: February 12, 2025	Webinar	www.wra.org/Webinars
Legal Landscape: March 6, 2025	Webinar	www.wra.org/LegalLandscape
Legal Landscape: May 1, 2025	Webinar	www.wra.org/LegalLandscape
Legal Landscape: July 10, 2025	Webinar	www.wra.org/LegalLandscape
Legal Landscape: September 4, 2025	Webinar	www.wra.org/LegalLandscape
Legal Landscape: November 6, 2025	Webinar	www.wra.org/LegalLandscape

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

MINI COURSES WITH BIG RESULTS

Explore the latest additions to the WRA Mini Course Series with instructor and environmental expert Cassidy Kuchenbecker. With the courses all online for ultimate convenience, you'll learn to navigate health risks, legal issues and tricky transaction challenges, from asbestos to odors to mold. Not ready to commit? The Mini Course series even includes a free course to give you a sneak peak!

Learn more and watch today: **www.wra.org/Mini**

ASBESTOS AND REAL ESTATE

Learn about asbestos as well as related health effects and legal issues surrounding asbestos. This course gives you the tools to properly follow Wisconsin laws related to health issues and asbestos as well as your real estate transaction.

MORE THAN YOU WANTED TO KNOW: ODORS

What's that smell?! In this course, you'll explore odors in a property and how they can affect your real estate transaction. You'll finish this course with a deeper understanding about olfactory senses, lingering smoke odors, musty mold odors and bacterial odors.

LAKE HOMES: AIR QUALITY ISSUES (FREE)

Not sure if you're ready to dive into the pay-per-course Mini Courses? Check out the Lake Homes: Air Quality Issues video at no cost. This course explores lake homes and associated issues like mold, wood rot, mice, crawl spaces and more.

Homebuyers are choosing the WHEDA Advantage.

WHEDA offers flexible mortgage loan products with unique financing options that also leverage down payment and closing cost assistance.

Certain income limits, program restrictions and eligibility requirements apply.

Visit www.wheda.com for more information.

WHEDA

WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY

EQUAL HOUSING LENDER