August 2022 Vol. 38, No. 10

WISCONSIN REAL ESTATE MAGAZINE

INSIDE this Issue:

- Wire Transfer Fraud
- Independent Contractors
- Appraisal Measurements

A PUBLICATION OF THE WISCONSIN REALTORS® ASSOCIATION

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THE LATEST CONTENT

CONVENTION KEYNOTE

Meet NBA legend, best-selling author and convention keynote speaker Walter Bond

Watch: www.wra.org/WalterBond

HOUSING MINUTE

Monthly analysis in Wisconsin housing

Watch: www.wra.org/HousingMinute

LINE BY LINE

Updated videos now available

Revised Videos

Revised forms mean revised training! The Line by Line video series includes several revised episodes that describe the 2022 versions of the revised WB-24, WB-40, WB-41, WB-44 and WB-45.

Episodes 4, 5, 8, 11, 13 and 15 have been updated to include new segments that correlate with the updated WB forms. You'll find these revised episodes available in your myWRA online account.

Watch: www.wra.org/LineByLine

SPECIAL SEGMENT

New RPAC major investor video

That's Why We Invest in RPAC

Over the past several years, the REALTORS® Political Action Committee (RPAC) helped secure legislative victories that saved REALTORS® and homeowners millions of dollars. That's why you need RPAC as much as RPAC needs you.

We traveled around Wisconsin to ask our members why they invested in RPAC. Find out what these fellow Wisconsin REALTORS® had to say.

Watch: www.wra.org/WhyWeInvest

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JUNE HOUSING RECAP

WEAK INVENTORIES CAUSED HOME SALES TO FALL AND PRICES TO RISE IN FIRST HALF OF 2022

BY DAVE CLARK

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

June 2022 Wisconsin housing at a glance:

- Declining inventories hindered sales in June.
- New listings were down 13.5% compared to June 2021.
- Homes continued to move quickly.
- Affordability was down due to several factors.
- The median price rose 10.2% compared to a year ago.

See the full report: **www.wra.org/HSRJune2022**

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.

JUNE HOUSING

8,526
CLOSED SALES JUNE 2022
-11.1%
FROM JUNE 2021

$280,000
MEDIAN PRICE JUNE 2022
+9.4%
FROM JUNE 2021

ACTIVE LISTINGS BY

PRICE RANGE	NUMBER OF LISTINGS
$0-$124,999	1,715
$125,000-$199,999	3,861
$200,000-$349,999	6,737
$350,000-$499,999	4,563
$500,000 & higher	3,926

20,802
TOTAL STATEWIDE LISTINGS JUNE 2022
14.4%
FROM JUNE 2021

MEDIAN PRICES BY REGION

CENTRAL	$220,000
NORTH	$241,950
NORTHEAST	$245,000
SOUTH CENTRAL	$330,000
SOUTHEAST	$295,000
WEST	$284,900

AVERAGE DAYS ON MARKET
60 DAYS JUNE 2022
COMPARED WITH
68 DAYS JUNE 2021

MONTHS OF INVENTORY
2.8 JUNE 2022
3.1 JUNE 2021

HOUSING STATISTICS MONTHLY ACTIVITY

Statewide	June 2022	June 2021	% Change	YTD 2022	YTD 2021	% Change
New Listings	10,585	12,242	-13.5%	N/A	N/A	N/A
Total Listings	20,802	24,313	-14.4%	N/A	N/A	N/A
Closed Sales*	8,526	9,594	-11.1%	37,034	39,795	-6.9%
Median Sales Price	$280,000	$256,000	+9.4%	$260,000	$236,000	+10.2%
Months of Inventory	2.8	3.1	-9.7%	N/A	N/A	N/A
Avg. Days on Market	60	68	-11.8%	N/A	N/A	N/A
Affordability Index	127	182	-30.2%	N/A	N/A	N/A

	Median Price			Closed Sales		
Region	June 2022	June 2021	% Change	June 2022	June 2021	% Change
Central	$220,000	$194,000	+13.4%	602	633	-4.9%
North	$241,950	$225,500	+7.3%	780	929	-16.0%
Northeast	$245,000	$220,000	+11.4%	1,487	1,725	-13.8%
South Central	$330,000	$313,070	+5.4%	1,788	1,921	-6.9%
Southeast	$295,000	$267,000	+10.5%	3,085	3,533	-12.7%
West	$284,900	$255,000	+11.7%	784	853	-8.8%

*Report criteria: Reflecting data through June 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

WISCONSIN REALTORS® FOUNDATION EXCEEDS SUMMER FUNDRAISING GOAL

Because of the Wisconsin REALTORS® Foundation's (WRF) partnership with the Feeding Wisconsin network of statewide food banks, Wisconsin REALTORS® have played an instrumental role in helping to put food on the table for Wisconsin children who struggle with hunger.

Specifically, for children who rely on school-provided meals for their nutrition, summer break can also mean missing meals. That's why the WRF raises money every summer to help provide nutrition for these Wisconsin children during the Team Up Against Hunger weekly fundraiser.

During the WRF's summer fundraiser this year on June 20-24, 2022, the WRF raised $15,426, which is equivalent to 46,278 meals, for Feeding Wisconsin. With your help, the WRF met and even exceeded the fundraiser's $10,000 goal.

Thank you to all the Wisconsin REALTORS® who donated. You made a "real" difference!

WRA HOLIDAY HOURS

The WRA and the WRA Legal Hotline will both be closed on Monday, September 5 in observance of Labor Day. Normal business hours resume on Tuesday, September 6 at 8:30 a.m. CDT.

The WRA wishes all our members a happy and safe Labor Day!

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WISCONSIN REAL ESTATE MAGAZINE

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BE A NATIONAL LEADER IN 2023

The National Association of REALTORS® (NAR) recently adopted a new governance structure that establishes the composition of its board of directors, executive committee, regional vice presidents and leadership team. In addition to changes in structure, new requirements and qualifications have been added for state and local association representatives on the NAR board.

Under the new system, states will be allocated a specific number of NAR directors to represent the state association and larger local boards. In addition, the WRA must appoint two new NAR directors:

- One director representing medium size boards (with 500 to 1,999 members)
- One director representing small boards (with 1 to 499 members)

As a point of reference, below is a listing of the small and medium local associations in Wisconsin as of December 31, 2021.

SMALL LOCAL BOARD/ASSOCIATION (1 to 499 members)	MEDIUM LOCAL BOARD/ASSOCIATION (500 to 1,999 members)
Door County Board of REALTORS®	Central Wisconsin Board of REALTORS®
Jefferson County Board of REALTORS®	Commercial Association of REALTORS® Wisconsin
Individuals	Lakes Area REALTORS® Association
La Crosse Area REALTORS® Association	Lakeshore REALTORS® Association
Lake Superior Area REALTORS® Association	REALTORS® Association of Northwestern Wisconsin
Manitowoc Board of REALTORS®	Southshore REALTORS® Association
Marinette Board of REALTORS®	Western Wisconsin REALTORS® Association
Northwoods Association of REALTORS®	
Rock-Green REALTORS® Association	

CALL FOR VOLUNTEERS

The WRA is now seeking members interested in serving as NAR directors representing medium and small boards.
This process includes:

- Certifying board size: NAR certified the membership count in all boards as of July 31, 2022.
- Applications: Members interested in serving in these posts must complete the online application and return it to Sandy Bolgrihn at **sandyb@wra.org** by August 15, 2022.
- Terms: Those members selected will begin serving a one- or two-year term beginning in January 2023.

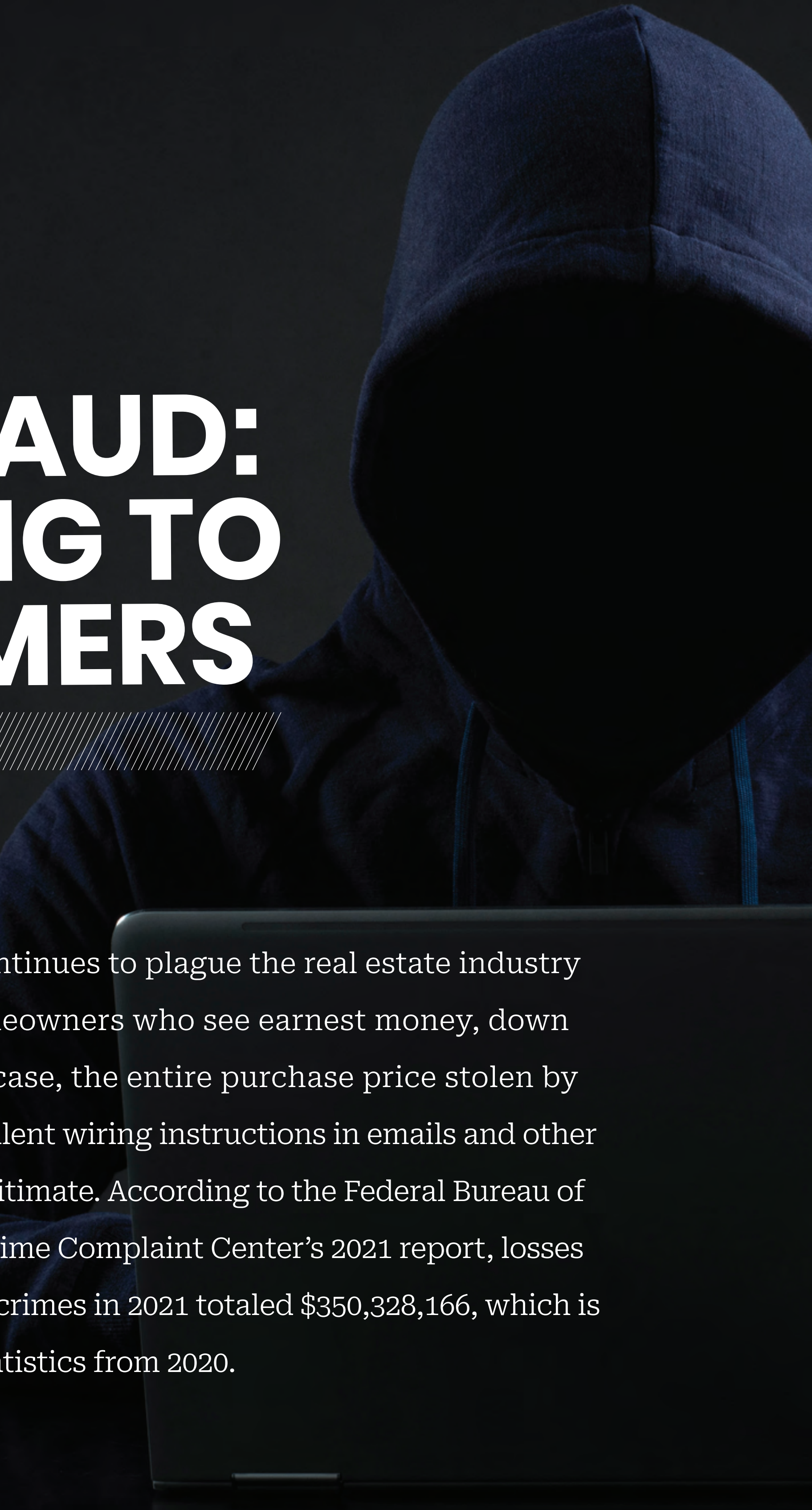
REMINDER FOR WRA SERVICE

As a reminder, you will also need to apply for a NAR committee for service beginning in 2023.
Apply online at **www.wra.org/NARcommittee**.


WHO DO YOU SEE?
a mother? a doctor? a homeowner?
Implicit bias: associating a stereotype unconsciously.
Combat implicit bias in real estate: wra.org/ImplicitBias

FEATURE

WIRE FRAUD: WARNING TO CONSUMERS



BY JENNIFER LINDSLEY
WRA ATTORNEY AND DIRECTOR OF TRAINING

Unfortunately, wire fraud continues to plague the real estate industry and devastate potential homeowners who see earnest money, down payments and, in the worst case, the entire purchase price stolen by criminals who disguise fraudulent wiring instructions in emails and other communications that look legitimate. According to the Federal Bureau of Investigation (FBI) Internet Crime Complaint Center's 2021 report, losses from real estate-related cybercrimes in 2021 totaled $350,328,166, which is an increase of 64% over the statistics from 2020.

The scheme remains the same. Hackers find a vulnerability in someone's electronic communication. Often, that "someone" is a party to the transaction. Once inside that person's email, the hacker has access to contact information for the parties, the agents involved, lenders and title companies. Armed with that information, the hacker can impersonate anyone from the lender to agents and others and begin feeding fraudulent instructions to the parties. The thief hacks into the compromised email account and obtains sensitive information about the transaction, such as when earnest money is due or when the transaction is set to close. The thief then contacts the buyer — often using an email address that is incredibly close to the agent's email address or another email address of a professional in the transaction — and sends the buyer wiring instructions to wire money to a fraudulent account. Once the money is sent, there is often very little, if anything, law enforcement can do to retrieve the money or prosecute the thief as these criminals and their accounts are often outside the jurisdiction of state or federal law enforcement.

While it is frequently the consumers in the transaction who invite vulnerabilities into electronic communications, there are plenty of instances where it was the agent's email that was compromised, opening the door for the hacker. For that reason, it is extremely important for agents to follow company policies regarding the use of email or other electronic communications such as text with consumers. Often firms have fortified their networks by using encryption, two-factor authentication and other security measures to reduce vulnerabilities in the firm's systems; but occasionally an agent will go astray of company policy and use personal emails or not add required security measures to their communications, thereby introducing weakness despite the firm's best efforts to minimize this scenario.

Given all of this, most real estate agents probably did not envision getting into real estate and think fighting international and sometimes domestic cybercrime would be part of the job description. A real estate agent, though, is in a unique position as a trusted professional working with consumers to be a valuable line of defense to thwarting wire fraud by educating consumers. Educating consumers means not only alerting them to the existence of wire fraud but also suggesting steps to the consumer to reduce the risks of wire fraud. To assist agents in that endeavor, the WRA has created a Wire Fraud Warning form for agents to use with consumers to help educate them about wire fraud and to provide instructions about what not to do and what to do when wiring money in a real estate transaction.

WRA WIRE FRAUD WARNING

The WRA's Wire Fraud Warning is a one-page educational handout that agents can provide to consumers in a transaction to alert them to the dangers of wire fraud and offer some tips to avoid wire fraud. Some firms and agents may already have their own methods to warn consumers about the risk of wire fraud, and those firms and agents can continue to use those methods. The idea behind creating this form was to give firms and agents that do not already have a system in place to educate consumers about wire fraud an optional tool to use. Additionally, because the instances of wire fraud continue to increase, it seemed timely to bring the issue to the forefront by creating this form.

HOW DO AGENTS USE THE FORM?

Keeping in mind there is no legal obligation for an agent to warn a consumer about the risk of wire fraud, deciding how, when and whether to warn a consumer about the risks of wire fraud may be decided on a firm-by-firm basis or even a transaction-by-transaction basis. Each transaction is different. An agent may be working with a buyer who is an investor and purchases property on a regular basis such that the buyer is well aware of the risk of wire fraud and knows not to wire money without confirming the instructions beyond some email in the buyer's inbox. On the other hand, an agent may be working with a first-time homebuyer who is already feeling overwhelmed by the process and might be the one who simply follows instructions for wiring money based on a fraudulent email in the buyer's inbox that looks to be from a legitimate source.

If a firm and its agents are choosing to warn consumers about the risk of wire fraud, they should remember that there is a note about wire fraud in all the WB offers to purchase. When an agent is drafting an offer, the agent could use that section of the offer to have a discussion about wire fraud with the buyer. A few lines in a 10-plus page offer, though, may not get the consumer's attention, especially considering that during this time, the agent may also be explaining financing, appraisals, inspections, testing and other offer provisions. For that reason, an agent may choose to emphasize the discussion about wire fraud by giving the buyer the WRA's Wire Fraud Warning form. The form includes a line for a buyer to sign to acknowledge that the agent has provided that document to them. Again, agents are not required to warn buyers about the risk of wire fraud, but by including a signature line, an agent can ask the buyer to sign because asking for a signature can often get a party to pay a little bit more attention to the discussion at hand.

Lines 51-54 of the WB-11 Residential Offer to Purchase

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

Another firm and its agents may opt to provide the WRA's Wire Fraud Warning form earlier in the transaction when a party is signing an agency agreement or a Disclosure to Customers form, and another firm and its agents may have the philosophy of raising the discussion at a later time when closing is closer on the horizon. Or a firm could decide that educating consumers about the risk of wire fraud is its top objective and may decide to remind the buyer multiple times throughout the transaction. Because providing a WRA Wire Fraud Warning form is not required of firms and their agents, it really is up to the firm to decide when, how and whether to provide any sort of wire fraud warning to a consumer.

WHAT ELSE CAN AGENTS DO TO HELP EDUCATE CONSUMERS?

For years now, the National Association of REALTORS® (NAR) has recommended that real estate agents include a notice about wire fraud in emails by building the notice into the email template like a signature line, logo or other elements of a firm's email template.

NAR's Wire Fraud Email Notice Template

IMPORTANT NOTICE: Never trust wiring instructions sent via email. Cyber criminals are hacking email accounts and sending emails with fake wiring instructions. These emails are convincing and sophisticated. Always independently confirm wiring instructions in person or via a telephone call to a trusted and verified phone number. Never wire money without double-checking that the wiring instructions are correct.

In addition to using a notice about wire fraud in emails, once the parties have selected the title company, title companies are requesting that agents provide the title company with the buyer's contact information so the title company can establish communication with the buyer. By doing this, the title companies can reach out to the buyer and safely and securely provide that title company's wiring instructions to the buyer before a criminal has a chance to hack their way into the communications.

WHAT ARE SOME OF THE TIPS OFFERED FOR CONSUMERS IN THE WIRE FRAUD WARNING FORM?

- Never wire funds without personally speaking to the intended recipient of the wire to confirm the routing number and account number.
- Verify the authenticity of any electronic communication regarding wiring instructions, including any emails purporting to change the instructions, even if the communication appears to be authentic and from a legitimate source.
- Never send personal information such as social security numbers, bank account numbers or credit card numbers unless it is through a secure/encrypted email or by personally delivering the information to the recipient.
- Never click on attachments or links from unfamiliar sources. These attachments or links may contain malware that may allow a hacker to access your emails, accounts and any other information on your computer.
- Always take steps to secure the system you are using with your email account such as using strong passwords and secure Wi-Fi.
- Immediately notify law enforcement, the lender, title agent, and the agents and firms in the transaction of any suspicious wire transfer instructions.

WHERE CAN AGENTS AND FIRMS FIND THE NEW WRA WIRE FRAUD WARNING FORM?

The form is available in Transactions (zipForm Edition), the WRA PDF Forms Library subscription and on the WRA's consumer brochure webpage at **www.wra.org/consumerbrochures**. A sample of the form is available on the next page.

ADDITIONAL INFORMATION

FBI Internet and Crime Complaint Center 2021 Report:
www.ic3.gov/Media/PDF/AnnualReport/2021_IC3Report.pdf

WISCONSIN REALTORS® ASSOCIATION
4801 Forest Run Road Madison, Wisconsin 53704

Wire Fraud Warning

Buyers and Sellers Beware:
Criminals are targeting real estate transactions.
Don't be a victim of wire fraud.

What is wire fraud and how does it occur? Criminals are targeting real estate transactions by gaining access to electronic communications or sending emails that appear to be from a real estate agent, lender, title company, attorney or another source connected to the transaction. The communications often involve directions for wiring funds related to the transaction to a fraudulent account and often look legitimate. Once funds are wired to a fraudulent account, it is often impossible to retrieve them.

How can you protect yourself from wire fraud? The Party signing below acknowledges and agrees to:

- Never wire funds without personally speaking to the intended recipient of the wire to confirm the routing number and account number.
- Verify the authenticity of any electronic communication regarding wiring instructions, including any emails purporting to change the instructions, even if the communication appears to be authentic and from a legitimate source.
- Never send personal information such as social security numbers, bank account numbers or credit card numbers unless it is through a secure/encrypted email or by personally delivering the information to the recipient.
- Never click on attachments or links from unfamiliar sources. These attachments or links may contain malware that may allow a hacker to access your emails, accounts, and any other information on your computer.
- Always take steps to secure the system you are using with your email account such as using strong passwords and secure Wi-Fi.
- Immediately notify law enforcement, the lender, title agent, and the agents and firms in the transaction of any suspicious wire transfer instructions.

Notice: The agent and firm named below will never use any electronic communication, such as email, text messages, or social media messages to ask you to wire funds or provide personal information.

The firm and the agent named below have provided this Wire Fraud Warning.

(X) ______________________ ________ Party Signature ▲ (Date) ▲	(X) ______________________ ________ Party Signature ▲ (Date) ▲
______________________ Print Name	______________________ Print Name
(X) ______________________ Agent Signature ▲	______________________ Firm Name ▲

Print Agent's Name: ____

Property Address: ____

THE

BEST

OF THE LEGAL HOTLINE

BY TRACY RUCKA
WRA DIRECTOR OF PROFESSIONAL STANDARDS AND PRACTICES

WRITTEN INDEPENDENT CONTRACTOR AGREEMENTS MATTER. REALLY!

When it comes to broker and agent relationships, one of the most frequent calls to the WRA Legal Hotline relates to licensees claiming the firm is not paying commission as negotiated. Claims arise while the licensee is with the firm and/or after the licensee's departure from the firm. For context, over 5,000 Wisconsin licensees changed firms in 2021. Therefore, the written agreement is essential to document commission in these situations.

Wis. Stat. § 452.38 provides a licensee will be considered an employee of the firm if the licensee and firm enter into a written independent contractor agreement (ICA) related to sales or other output and 75% or more of the licensee's compensation is directly related to brokerage services performed on behalf of the firm. Therefore, the written ICA is essential to document independent contractor status. Although the hotline inquiries are generally about the money, independent contractor status has implications reaching well beyond commission with issues like workman's compensation, Wisconsin Department of Labor rules and the Wisconsin Department of Revenue rules, to name a few. Read on.

INDEPENDENT CONTRACTOR VS. EMPLOYEE

Are all broker and agent relationships that of independent contractors? Is a written agreement really necessary?

The law does not dictate whether licensees associated with a firm are employees or independent contractors. If the firm hires employees, then the firm will be required to treat the individuals as such for taxes and benefits. Alternately, if the relationship is one of independent contractor, a written agreement documenting the relationship is required.

As of July 1, 2016, Wis. Stat. § 452.38 created an independent contractor safe harbor for real estate licensees. The Wis. Stat. § 452.38 safe harbor for real estate independent contractors, consistent with federal IRS regulations in 26 U.S. Code § 3508, applies if certain statutory tests are met:

1) A written agreement has been entered into that provides the licensee shall not be treated as an employee for federal and state tax purposes.
2) 75% or more of compensation related to sales or other output, and paid by the firm to the licensee during a calendar year, is directly related to the brokerage services performed by the licensee on behalf of the firm.

If the licensee meets the above test, then the licensee, for all intents and purposes, is an independent contractor. The written agreement will address the independent contractor nature of the relationship.

The relationship between a firm and an agent is governed by the ICA between the two and any company policies. The WRA's sample Independent Contractor Agreement form may be used as a template to meet the Wis. Stat. § 452.38 written agreement requirement. The WRA form addresses many areas of the broker/agent relationship, including compensation due while the agent is with the firm, the process and procedures for termination, and what compensation is due post-termination. It is important for both the agent and firm to maintain copies of the ICA in the event a dispute arises.

COMPENSATION

An agent has his first listing. He showed the property to a buyer, drafted the offer, and went to closing on the transaction. The broker has not paid the agent. What are the next steps in this scenario?

Wisconsin real estate statutes and administrative rules do not directly address compensation issues or commission policies between a firm and the licensee associated with the firm. In this situation, the entitlement to a commission depends on the contract between the firm/broker and the licensee; that contract may be an ICA, company policy, or a policy and procedures manual, for example. If the contract does not cover this type of situation, prior actions of the broker in this regard as well as the prevailing practice in the industry could be factors a court would consider if the agent went to court to recover his commission.

COMMISSION CLAIM OPTIONS

Is the initiation of litigation the agent's only option to pursue commission? Can the agent go to small claims court for pursuing commission? Can REALTOR® arbitration be used?

The agent has multiple options to pursue commission, and litigation is not the only option. The agent can first attempt to reach out directly to the broker stating the basis for their claim. Alternately, the agent may have legal counsel make the request for compensation. An additional option available to the agent is the alternative dispute resolution services of the REALTOR® association. Both REALTOR® ombudsman and mediation services are free, voluntary member benefits. The agent may also attempt to have the dispute arbitrated at the local REALTOR® association. Each of these alternatives is subject to the broker agreement to arbitrate because an agent vs. broker request would be considered voluntary arbitration under Article 17 of the REALTOR® Code of Ethics. If the broker elects not to arbitrate, the agent can bring separate actions in small claims court: one action for each commission due. The limit on the amount that may be recovered in small claims court for civil actions and money judgments, other than evictions and earnest money cases, is $10,000. An agent may still sue in small claims court if the commission claimed exceeds $10,000 as long as the agent understands that recovery will be limited to $10,000.

Why might a broker choose to use REALTOR® professional standards services to resolve a commission dispute with an agent? Why might the broker choose to agree to voluntary arbitration?

REALTOR® ombudsman and mediation services are free. The process of these services is confidential in nature, and there is no public record of the parties participating in the process. Also, the ombuds or mediator is bound to keep the meetings, negotiations or any offers of compromise confidential. The services are also timely: the association can set up ombudsman or mediation as soon as the parties and ombuds or mediator are available to meet. In addition, alternative dispute resolution services allow the parties to reach their own resolution, and the parties control the outcome by mutual agreement. There is freedom and creativity allowed in negotiated resolutions.

If the alternative dispute resolution services are not successful to reach resolution and the broker agrees to arbitration services, there are benefits in comparison to litigation. The fees, which are set by the local association, will be $500 or less per party — and in some associations, the prevailing parties' fees are refunded. The arbitration process is quasi-judicial, therefore the parties have an expectation of due process and a fundamentally fair hearing. In addition, the hearing panel is comprised of trained REALTORS®. The participants are familiar with the real estate business, allowing the parties to focus on the underlying claims.

COMMISSIONS AFTER TERMINATION

The agent has left her former firm. The agent was the listing agent on a property, and the pending transaction has not yet closed. What should the agent expect for commission from the former broker?

This question brings to light one of the most contentious areas regarding what, if any, compensation is due when the agent leaves a firm and there are transactions midstream. These midstream transactions happen when the agent has done work, leaves the firm, but there has been no closing or payment of commission.

Without a written agreement, the claim for compensation may be more difficult to determine, and the prior firm may take the position that no compensation is due after the agent's termination. Bottom line: the entitlement to a commission depends on the contract between the firm/broker and the licensee. That contract may be an ICA, company policy, or a policy and procedures manual, for example. It is imperative to negotiate and document the terms and conditions of the agreement when the agent associates with the firm.

The agent and broker may review the ICA. The Compensation Following Termination section in the WRA's Independent Contractor Agreement form identifies when the agent's right to commission is triggered or accrues, and what amount of the commission is payable, depending on how far the transaction has progressed when the agent departs the firm and the firm assigns someone else to continue and finish the transaction. This may also be addressed in the compensation exhibit or another addendum to the ICA.

The agent will have an independent claim based on each transaction. The agent may begin with a direct request to the former broker. If the compensation issues are not thus resolved, the agent may try the alternative dispute services offered by the REALTOR® association, including ombudsman or mediation. These services are free, voluntary member benefits and attempt to reach resolution between the agent and former broker. REALTOR® arbitration is also available as a voluntary alternative to litigation. The agent may contact the local REALTOR® association for more information about these services.

The agent may wish to confer with legal counsel regarding this issue. The agent can visit the Wisconsin Bar Association's Lawyer Information and Referral Service (LRIS) online at **www.wisbar.org/LRIS** if the agent does not have a real estate attorney they work with or do not know of any good attorneys to contact.

UNILATERAL MODIFICATION

The agent just closed on a transaction, and the broker paid the agent. However, the payment is much less than the previously agreed-upon split. Can the broker unilaterally change the ICA?

The written ICA is evidence of the agreement between the broker and agent and will determine the broker's obligation to pay commission and the agent's rights or expectations thereto. Generally speaking, a contract is a bilateral agreement and cannot be unilaterally modified. The agent may request a meeting with the broker to identify the agent's claims for compensation. In anticipation of the meeting, it may be helpful to review the current ICA and the office policies and procedures. It is important to look for any amendments to these documents. If the agent and broker are unable to reach resolution, legal counsel will be required to give specific advice about the rights, duties and obligations between the firm and agent.

The agent listed a property while with firm A. The agent has since moved his license to firm B, and the seller's sale with firm A has closed. The agent and former broker are in agreement on compensation. Who does the broker with firm A pay: the agent or the agent's new broker?

The entitlement to a commission between the brokerage firm and the agent is determined by the ICA. If a commission that is due becomes payable after an agent leaves a company, it may be paid directly to the agent. The commission is for the activity the agent conducted on behalf of the former brokerage firm.

What if there is no ICA, the agent leaves the firm, and a commission dispute arises?

If the contract does not address commission after termination or there is no written contract, prior actions of the firm in similar situations and the prevailing practice in the industry would be factors a court may consider if the agent pursued the commission in court. If the previous firm had no written agreements or policies, then the agent may need to prove the past practices of the firm or the prevailing industry practice in court. Alternately, if there is no ICA, the agent can attempt to collect earned commissions after termination under the Wisconsin Minimum Wage Law. This requires the Equal Rights Division of the Department of Workforce Development (DWD) to first find that the agent was an employee and not an independent contractor of the previous firm. If the DWD determines that the agent was an employee and not an independent contractor, it may investigate and collect any commissions or wages due to the agent. For more information, see the following resources from the DWD:

- Labor standards complaint: **dwd.wisconsin.gov/dwd/forms/erd/ls-119-e.htm**
- How to file a labor standards complaint: **dwd.wisconsin.gov/er/laborstandards/lscomplaint.htm**
- File a wage claim: **dwd.wisconsin.gov/er/laborstandards/wageclaim.htm**

Bottom line:

the entitlement to a commission depends on the contract between the firm/broker and the licensee.

UNDERSTANDING ANSI MEASUREMENT STANDARDS IN RESIDENTIAL TRANSACTIONS WITH FANNIE MAE LOANS

BY DEBBI CONRAD
WRA SENIOR ATTORNEY AND DIRECTOR OF LEGAL AFFAIRS

The measurements used when calculating the square footage of properties may be different because of how the measurements are done, the formulas used and which areas are and are not included. Real estate professionals are familiar with these possible discrepancies because they see the offer provision in daily practice. That provision states:

PROPERTY DIMENSIONS AND SURVEYS

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

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

Different standards, including different starting and end points for measurements, may be used, and this can result in inconsistencies and confusion. For instance, measurements may be made from the living side of the exterior wall, the exterior surface of the wall or the foundation wall. Certain areas are sometimes excluded when calculating square footage. Stairs may be confusing because it is not always clear whether they should be counted as part of the upper floor, the main floor or the basement.

Basements are another source of inconsistency. Square footage often excludes areas below grade such as basements, but that is not always the case depending on the methods and purpose for the calculation. The square footage an insurance agent is looking for may be quite different than what is needed by an appraiser working for a lender.

WHAT ARE SOME OF THE ISSUES THAT APPRAISERS FACE?

Tax assessors, appraisers and municipalities may use varying methodologies. In the sales comparison approach, if the appraiser uses incorrect square footage from the tax assessment records, the local assessor or elsewhere for the subject property and three comparables, then their appraisal will be off. Potential errors are piled on top of errors. The extent of the error diminishes if the subject property is accurately measured and further reduced if one or more of the comparables were accurately measured. Incorrect square footage will also distort the appraised value for an appraiser using the cost approach.

BASIC PRINCIPLES TYPICALLY USED BY APPRAISERS FOR COMPUTING SQUARE FOOTAGE

- Measurements of each level should be made to the exterior finished surface of the outside walls.
- Areas protruding from a finished area may be included as finished, provided they have a floor on the same level as the rest of the living area and meet ceiling height requirements. For example, a fireplace would not be included but a bay window could be.
- Grade is ground level at the exterior of the residence. For any level of a house to be considered above grade, the entire level must be above ground level. Likewise, if any portion of an area is below ground level, then the entire level is considered below grade.
- "Finished" is defined as "an enclosed area in a house that is suitable for year-round use, embodying walls, floors and ceilings that are similar to the rest of the house."
- Gross living area (GLA) generally refers to the finished livable space above ground in a residential property. GLA is not the same as total living area. Total living area typically includes any finished basement space or possibly an accessory dwelling unit.

WHAT IS ANSI?

Fannie Mae has adopted the Square Footage-Method for Calculating: ANSI Z765-2021 (American National Standards Institute) Measuring Standard (ANSI) for measuring, calculating and reporting the GLA and non-GLA areas of residential properties for appraisals requiring interior and exterior inspections beginning April 1, 2022. This was done to establish uniformity in measuring, calculating and reporting square footage (area) measurements of dwellings in the United States. Valuations of residential properties correlate strongly with square footage measurements. Therefore, adoption of ANSI is intended to ensure all spaces within appraised homes are measured the same way. It is expected that the Federal Home Loan Mortgage Corporation (Freddie Mac), the Federal Housing Administration (FHA), the Veteran's Administration (VA) and the United States Department of Agriculture (USDA) Rural Development will adopt the same requirement.

WHICH PROPERTIES DOES ANSI APPLY TO?

- ANSI is intended for use in calculating square footage in detached and attached single-family residences. This includes single-family houses, townhouses, rowhouses and other side-by-side houses, and accessory dwelling units.
- The ANSI standard should not be used as a means of measurement for commercial buildings or multifamily apartment buildings. The ANSI standard does not apply to two- to four-unit dwellings and is not required for outbuildings.

WHAT ARE SOME OF THE STANDARDS APPLIED UNDER ANSI?

- Measurements are taken to the nearest inch or tenth of a foot, and the final square footage is reported to the nearest whole square foot.
- All footprint sketches and floor plans must be computer-generated and cannot be hand-drawn.
- A basement is any space that is partially or completely below grade. A floor level is partially or wholly below grade if any portion of its walls is not entirely at or above ground level.
- Finished areas must have a ceiling height of at least 7 feet. In a room with a sloping ceiling, at least 50% of the finished square footage of the room must have a ceiling height of at least 7 feet, and no portion of the finished area that has a ceiling height of less than 5 feet can be included in the GLA.
- If a house has a finished area that does not have a ceiling height of 7 feet for 50% of the finished area — which can be the case in some properties with cape cod layouts — in conformance with ANSI, the appraiser may put this area on a separate line in the Sales Comparison Grid with the appropriate market adjustment to acknowledge the contributing value of the non-GLA square footage. Fannie Mae requires the appraisal report to account for all square footage not included in the GLA.
- Staircases are included in the GLA of the floor from which they descend.
- Fannie Mae indicates appraisers should include rooms located in above-grade finished non-GLA areas in the room counts — for example, total rooms, bedrooms and bath(s) — in the appraisal report.

WHAT ARE SOME OF THE CONSEQUENCES FOR RESIDENTIAL TRANSACTIONS?

- When the ANSI standard excludes finished areas, resulting in a smaller GLA, this should not adversely affect the value of the property. Done correctly, adherence to the ANSI standard does not change the value of the property.
- ANSI standards may result in square footage, dimensions or GLAs that may not match what is found in the local property tax or assessment records.
- Spaces not included in the GLA would continue to be legal if they meet applicable building codes and can continue to be used as intended, for example, a second-story bedroom with a sloping ceiling.

WHAT CAN LICENSEES DO TO HELP ELIMINATE CONFUSION?

- Challenge an appraisal if it is significantly lower than expected. See the Fannie Mae ANSI resources at **singlefamily.fanniemae.com/media/30266/display**.
- Cite the source of any square footage numbers or the number of rooms like bedrooms represented: seller, assessor, property tax records, municipal staff or builder, for example.

RESOURCES

- Fannie Mae Standardized Property Measuring Guidelines: **singlefamily.fanniemae.com/media/30266/display**
- WorkingRE: Measuring Up: Understanding ANSI Standards: **www.workingre.com/measuring-understanding-ansi-standards**

APPRAISAL BASICS

- "Nuts and Bolts of Property Appraisal," in the March 2015 *Wisconsin Real Estate Magazine*: **www.wra.org/WREM/Mar15/NutsBolts**
- "Professionalism in the Appraiser World" in the March 2013 *Wisconsin Real Estate Magazine*: **www.wra.org/WREM/Mar13/AppraiserEthics**

COPIES OF PAPER CHECKS: BAD ELECTRONIC EARNEST MONEY: GOOD

BY LYNN LEEGARD AND KRIS PEARSON
TRUSTFUNDS PRESIDENT & CO-FOUNDER
TRUSTFUNDS MARKETING MANAGER

Historically, it may have been customary to include a copy of a paper earnest money check with an offer to purchase a property. Today, when that copy of the check is provided electronically, it creates great risk for the agent, broker and consumer. Imagine the nightmare of having to notify buyers you had a data breach, and the breach included a copy of their personal banking information — all because you had images of earnest money checks in your phone, email inbox or on your computer.

Why not avoid dealing with checks and wire transfers altogether by using an electronic earnest money solution? TrustFunds electronic earnest money does just that. TrustFunds allows agents to make electronic earnest money payments right from the property detail page in their MLS.

Thankfully, six Wisconsin MLS providers have partnered with TrustFunds to make electronic earnest money available to all their members:

- Central Wisconsin Board of REALTORS®
- Lake Superior Area REALTORS® Association
- Metro MLS
- REALTORS® Association of Northeast Wisconsin
- REALTORS® Association of Northwest Wisconsin
- South Central Wisconsin MLS

Using electronic earnest money completely eliminates the need for paper checks and wire transfers. TrustFunds also allows you to:

- Mitigate risk and exposure for agents and buyers by removing the need for having personal bank account information in a phone, email or on paper where it could be lost or stolen.
- Save money at the pump by eliminating the need to drive around to get paper checks and make bank deposits.
- Improve productivity and reporting with valuable real-time reporting of every transaction.
- Use it anytime, anywhere, on any device.

Check out how electronic earnest money works in this video: **vimeo.com/663419024**

Want to know if your business, preferred title company or law firm is currently participating to receive TrustFunds electronic earnest money? Check TrustFunds' Wisconsin member list online at **wirex.trustfunds.us.com/current-members**. Don't see the company you are looking for? Encourage the company to register at **www.trustfunds.us.com** or fill out an interest form online at **www.trustfunds.us.com/interest-form**, and TrustFunds will reach out.

ABOUT TRUSTFUNDS

TrustFunds provides a comprehensive electronic earnest money solution directly integrated with the MLS platform. Agents don't have to log in to a different system or vet the security of a solution on their own — TrustFunds is marketwide in its partnership with the MLS. TrustFunds' mission is to provide customers more time for more life by simplifying and securing the earnest money process. For more information, visit **www.trustfunds.us.com**.

LEGAL RESOURCES

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

LEGAL HOTTIPS

Your WRA membership gives you access to the WRA Legal Hottips online library: a collection of discussions from the WRA Legal Hotline. The library dates back several years with hotline Q&As about disclosure, liability and much more related to Wisconsin real estate law. New hottips are published every week.

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

LEGAL UPDATES

Included with WRA membership is access to the WRA's *Legal Update* publication. Recent issues include:

July 2022: "Ending Tax Foreclosure Equity Theft"
Learn about the new law in Wisconsin that prohibits tax foreclosure equity theft.

June 2022: "Trust Accounts: Unclaimed Earnest Money"
What happens to earnest money when a transaction stalls? Find out here.

May 2022: "WB-24 Option to Purchase 2022"
See the updates to the WB-24 Option to Purchase and practice tips for using this newest version of the form.

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

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ASSEMBLY GOP SEEKS SUPERMAJORITY

BY JOE MURRAY
WRA DIRECTOR OF POLITICAL AND GOVERNMENTAL AFFAIRS

In Wisconsin, Republicans have controlled the state Assembly since 2011. Today, Republicans control the lower chamber of the Wisconsin legislature 61-38. By modern-day political standards, this is a very large majority.

But Assembly Republicans believe they have a legitimate shot at achieving a "supermajority" of 66 seats in the November 2022 midterm elections. This is only possible if they hold all 61 seats they have today and also flip five more seats from blue to red in November.

Assembly Republicans are hoping for a supermajority for one reason: a two-thirds majority would make it possible to override gubernatorial vetoes of legislation passed but vetoed by Gov. Tony Evers. Evers has vetoed a record number of bills passed by the GOP-controlled legislature.

Assembly Democrats, of course, will do everything they can to stop the Republicans from achieving their goal. While Democrats have a small number of legislative seats from a historical perspective, they could remain strong enough to keep Republicans from being able to override gubernatorial vetoes.

This means both Democrats and Republicans will target the most politically competitive Assembly seats to organize and fund this fall. Competitive districts are typically districts that have quality candidates running on both sides, and the partisan makeup of the district shows it to be competitive for either party.

For the fall 2022 election cycle, there are 13 potentially competitive Assembly seats where both Democrats and Republicans will almost certainly spend a lot of their time and money. These 13 districts are geographically spread around the state and break down as follows:

Incumbents: Nine of the 13 seats have incumbents running for reelection, and four seats are open. Since most incumbents running for reelection win, this is a significant point. Open seats are often easier to flip from one party to the other.

Opportunity: Of the 13 competitive districts, four are/were held by Democrats, and nine are/were held by Republicans. This means Democrats have more potential target seats to chose from than Republicans. This may be the one advantage Democrats have this cycle because of the large Republican majority in the state Assembly.

Geography: Seven of the competitive districts are located in western Wisconsin and six on the eastern side of the Badger State. Western Wisconsin tends to be the swing side of the state, and three of the four Democratic seats are located on the western side. This could make it more difficult for Democrats to hold these three swing seats in November.

In 2020, Democrats were concerned about a possible supermajority by Republicans as well. With Joe Biden winning Wisconsin and the Wisconsin Democrats' "Save the Veto" campaign, they were successful in stopping a two-thirds Republican majority. Will they succeed in 2022?

Watch for more information on state legislative elections in future editions of ***Wisconsin Real Estate Magazine***.

WISCONSIN STATE ASSEMBLY COMPETITIVE DISTRICTS

District 4
David Steffen (R)
52% Republican

District 21
Jessie Rodriguez (R)
51% Republican

District 33
Don Vruwink (D)
51% Republican

District 49
Travis Tranel (R)
51% Democratic

District 51
Todd Novak (R)
54% Democratic

District 55
Open
53% Republican

District 73
Open
55% Democratic

District 74
Open
54% Democratic

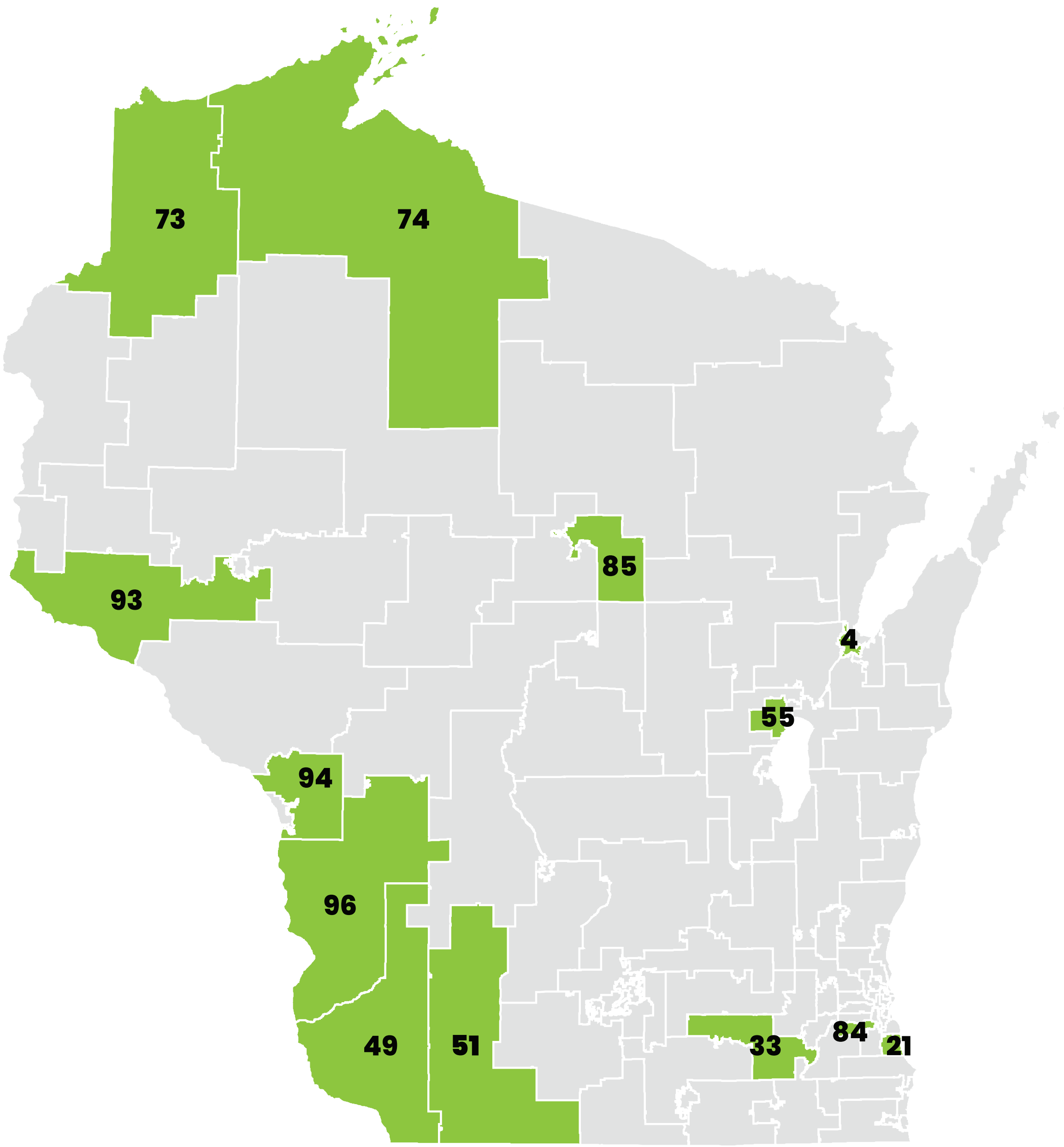
District 84
Open
50% Republican

District 85
Patrick Snyder (R)
52% Republican

District 93
Warren Petryk (R)
52% Republican

District 94
Steve Doyle (D)
51% Democratic

District 96
Loren Oldenburg (R)
51% Democratic



When measuring the partisan makeup of a district, no single election result makes for a perfect measure, and the composite of several races is analyzed. The Republican or Democratic percentages listed with each district above represent the multi-race partisan composite for each district.

REALTORS® POLITICAL ACTION COMMITTEE

REALTOR® ADVOCACY

THANK YOU TO THOSE WHO ADVOCATE FOR THE INDUSTRY

The REALTORS® Political Action Committee (RPAC) major investors are a passionate group of REALTORS® whose investments shape the future of the real estate industry.

Now more than ever, it is imperative for REALTORS® to come together and speak with one voice about the stability that a sound and dynamic real estate market brings to Wisconsin. Through the RPAC major investors, that voice is heard loud and clear. To become a major investor, contact your local association executive, government affairs director, or the WRA's Joe Murray at **jmurray@wra.org** or Sandy Bolgrihn at **sandyb@wra.org**.

"I encourage you to become a major investor because it's the best way to protect your business and livelihood. Not only does RPAC care about the direct impacts on your business, it also informs us on issues to help protect homeowners, homebuyers and home sellers behind the scenes. This is your chance to be involved and invest in your industry. RPAC helps make a major impact for property rights and quality of life for Wisconsin residents, so that all may experience the American dream of homeownership. I strongly encourage others to become major investors and make your voices heard!"

Josh Neumann, La Crosse

PRESIDENT'S CIRCLE

This icon designates an influential group of REALTORS® who contribute $2,000 directly to REALTOR®-friendly candidates in response to requests from NAR and RPAC trustees.

RPAC HALL OF FAME

This icon designates members of the RPAC Hall of Fame with an aggregate lifetime investment of $25,000 or more.

PLATINUM "R"s

($10,000) $7,000 Direct Giver; $3,000 NAR RPAC

Jim Imhoff
First Weber Inc.
Madison

Mary Rufledt
Elite Realty Group
Eau Claire

GOLDEN "R"s

($5,000) $3,500 Direct Giver; $1,500 NAR RPAC

Joe Horning
Shorewest REALTORS®
Brookfield

John Horning
Shorewest REALTORS®
Brookfield

Brad Lois
Bear Realty of
Burlington, Burlington

KC Maurer
RE/MAX 24/7 Real
Estate LLC, Appleton

Tom Larson
Wisconsin REALTORS®
Association, Madison

Mike Theo
Wisconsin REALTORS®
Association, Madison

John Flor
Keller Williams Realty
Diversified, Chetek

Mary Gilbank
Shorewest REALTORS®
Janesville

Dawn Christensen
Century 21 Ace Realty
Appleton

Andy Beiser
Beiser Realty
Winneconne

Greater Milwaukee Association of REALTORS®, Milwaukee

CRYSTAL "R"s

($2,500) $1,750 Direct Giver; $750 NAR RPAC

Rose Bogosian
Gonnering Realty Inc.
Kenosha

Peter Ogden
Ogden & Company
Inc. AMO, Milwaukee

Becky Merwin
Berkshire Hathaway
HomeServices, Walworth

Chuck Olson
Coldwell Banker River
Valley REALTORS®
Onalaska

Joe Murray
Wisconsin REALTORS®
Association, Madison

Mike Didier
RE/MAX United LLC
Port Washington

Cori Lamont
Wisconsin REALTORS®
Association, Madison

Brittany Voigt
Century 21 Ace Realty
Neenah

Lori Muller
Exit Elite Realty
Appleton

Rob Rybarczyk
Coldwell Banker
Action Realty, Schofield

Mike Culat
Compass Wisconsin
Lake Geneva

RPAC major investors are current as of July 18, 2022, and appear in the order in which they pledged contributions.

STERLING “R”s

($1,000) $700 Direct Giver; $300 NAR RPAC

Mark Bourque
BHHS Epic Real Estate, Kenosha

Judy Hearst
Coldwell Banker Realty, Milwaukee

Scott Bush
Greater Milwaukee Association of REALTORS®
Milwaukee

Marne Stuck
Greater Milwaukee Association of REALTORS®
Milwaukee

James Purcell
RE/MAX Realty Pros
Milwaukee

Roger Mater
RE/MAX Service First LLC, Brookfield

Jose Flores
First Weber Inc.
Greenfield

Tricia Chartier
Coldwell Banker Realty
Wauwatosa

Ryan Simons
Ryan G. Simons Company Inc., Delavan

Ted Dentice
Shorewest REALTORS®
Brookfield

Jackie Kumm
Edina Realty Inc.
New Richmond

Kevin Adkins
Edina Realty Inc.
Hudson

Dan Lawler
Feather Real Estate Group, Rice Lake

Jim Zarek
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Brookfield

Peter Sveum
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Stoughton

Michael Sewell
Coldwell Banker Real Estate Group, Green Bay

Kevin Donnell
First Weber Inc.
Brookfield

Dan Lee
First Weber Inc.
Madison

Tom Richie
Real Estate Solutions
Rice Lake

Gary Grolle
Keating Real Estate
Burlington

Tom Didier
RE/MAX United LLC
Port Washington

Joe Germain
Woods & Water Realty Inc., Chippewa Falls

Michael Karisny
Acre Realty
Appleton

Robert Morrone
Prime Realty Group
Kenosha

Don Timmerman
Keller Williams Integrity Realty MN/WI, Hudson

Taylor Hansen
Weichert REALTORS® Place Perfect, Green Bay

Steve Anderson
Anderson Commercial Group LLC, Franklin

In memory of Pete Didier
RE/MAX United LLC
Cedarburg

Ray Leffler
RE/MAX Newport Elite, Racine

Connie Erickson
Shorewest Door County
Sister Bay

Michael Keefe
Lake Geneva

Katie Falk
Keller Williams Realty
Whitefish Bay

Stacey Hennessey
Century 21 Affiliated
Appleton

Casey Watters
Real Estate Solutions
Rice Lake

Bob Webster
Compass Wisconsin
Lake Geneva

Christine Howard
Prosperity Home Mortgage LLC, Glendale

Michael Zollicoffer
Infinity Realty Inc.
Mequon

Scott Welsh
Colliers International
Milwaukee

Pat Kaster
River City REALTORS®
Green Bay

Benjamin Lyons
RE/MAX Lyons Real Estate, Waupaca

Terry Hilgenberg
Coldwell Banker Real Estate Group, Shawano

Jeff Benson
RE/MAX Realty Pros
Milwaukee

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($1,000) $700 Direct Giver; $300 NAR RPAC

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Besaw & Associates
Realty Ltd., Green Bay

Nancy Gerrard
Gerrard-Hoeschler
La Crosse

Andy Hess
Founders 3 Real Estate
Services, Milwaukee

Scott Revolinski
Founders 3 Real Estate
Services, Milwaukee

Robert Flood
Founders 3 Real Estate
Services, Milwaukee

Ned Purtell
Founders 3 Real Estate
Services, Milwaukee

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Estate Services Inc.
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Jeff Hoffman
The Boerke Company Inc.
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Peggy Kman
Coldwell Banker Realty
Iron River

Roger Rushman
First Weber Inc.
Delafield

Carey Maurer-Martin
RE/MAX 24/7 Real
Estate LLC, Appleton

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Edina Realty Inc.
Eau Claire

Beth Jaworski
Shorewest REALTORS®
Wauwatosa

Barbie Murawski
Coldwell Banker
Success, Fitchburg

Sarah Cole
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Jon Kaiser
Kaiser Realty Inc.
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Steve Beers
Compass Wisconsin
Lake Geneva

Phil Hilgenberg
Hilgenberg Realty
Green Bay

Stan Hill
Stark Company
REALTORS®, Madison

Alicia Chovan
Shorewest REALTORS®
Kenosha

Josh Neumann
OneTrust Real Estate
Brokered by eXp
Realty, La Crosse

Jack Drzewiecki
Acre Realty
Appleton

Lindsey Kate Henning
Acre Realty
Appleton

Vicki Kelsall
Century 21 Affiliated
Wauwatosa

Gina Knutson
WESTconsin Realty
LLC, Hudson

Macy Walter
Shorewest REALTORS®
Janesville

Catherine Bade
Edina Realty Inc.
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BHHS Epic Real Estate
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Doug Milinovich
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Estate, Eau Claire

Anthony Nudo
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Kenosha

Ned Donnellan
Donnellan Real Estate
Eau Claire

Krag Blomberg
RE/MAX Affiliates
Colfax

Martin Tauger
RE/MAX Affiliates
Eau Claire

Robert Ritsch
RE/MAX Affiliates
Eau Claire

Kristy Thiess
RE/MAX Affiliates
Eau Claire

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Bear Realty Inc.
Kenosha

Jim Villa
NAIOP
Milwaukee

Brian Stephan
RE/MAX Results
Onalaska

John Koeller
Coldwell Banker Real
Estate Group, Shawano

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STERLING "R"s

($1,000) $700 Direct Giver; $300 NAR RPAC

Denise Schultz
Lakes Area REALTORS® Association, Elkhorn

Wendy Gauss
RE/MAX Newport Elite Kenosha

Brian Slinkman
Nexthome Partners Wisconsin Rapids

Shelli Ellis
Prosperity Home Mortgage, West Bend

Angela Waters
eXp Realty LLC Brown Deer

Tina Balaka
Shorewest REALTORS® Greenfield

Chris DeVincentis
Legendary Real Estate Services, Lake Geneva

Tamara Towns-Pozorki
Benefit Realty, Palmyra

Michael Pietrek
BHHS North Properties, Onalaska

Steve Lane
First Weber Inc. Stevens Point

Kimberly Curtis
Shorewest REALTORS® Hartford

Fred Prassas
PMC Management of Northern Wisconsin La Crosse

Diane Campshure-Walczyk
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Emmer Real Estate Group, West Bend

Sandy Carlson
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Andy Hay
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Jan Stroud
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Dan Stacey
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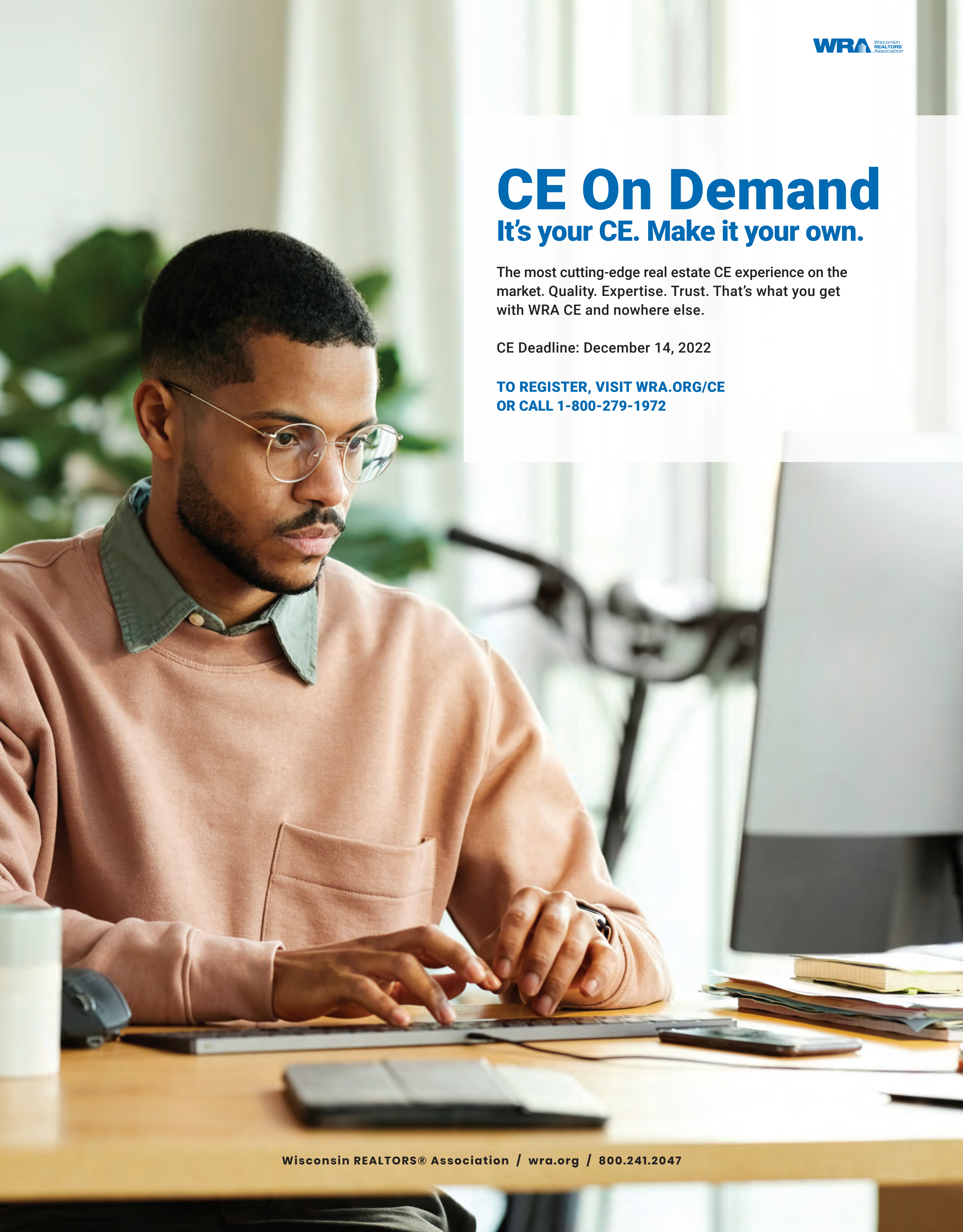
Lake Superior Area REALTORS® Association
Duluth

Southshore REALTORS® Association
Kenosha

Greater La Crosse MLS
La Crosse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INDIVIDUAL AND GROUP INSURANCE PLANS WITH SPECTRUM INSURANCE

As we try to put the worst of the COVID-19 pandemic behind us, health care has been a big concern for many Americans. It's more important than ever to protect our health, but finding health care that fits into a family's budget can be difficult.

Spectrum Insurance Group has partnered with multiple companies to offer an alternative solution to traditional health insurance — an alternative that is both convenient and affordable. While certain restrictions apply, some of these alternative options include unlimited virtual visits at no cost to you.

Another feature is care navigation, which can assist in obtaining the most cost-effective care possible. Cost-sharing options for larger scale medical issues are also available. When paired together, these options can save upwards of $500 per month for family coverage compared to a traditional insurance plan purchased on the marketplace.

These options are not just limited to individuals looking for an alternative. Similar options are available to employers looking to reduce employee benefit costs by implementing an alternative coverage option. By implementing the options above on a group level, employers can help keep costs lower while offering their team a refreshing alternative to health care. Outside of alternatives to health insurance, different funding options and approaches to traditional options can be implemented to reduce overall employer and employee costs in most cases.

For more information on employer group options and alternatives, contact Spectrum at **info@spectrumgroupinc.com**. Learn more about individual or family enrollment at **www.redirecthealth.com/spectruminsurance**.

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CONVENTION TRAINING

EXCLUSIVE TRAINING FOUND ONLY AT THE CONVENTION THIS FALL IN THE DELLS OCT. 2–4

Complete details and online registration: www.wra.org/LightItUp

CRS: SUCCESSION PLANNING: BUILDING, VALUING AND SELLING YOUR BUSINESS

October 2 . 9:00 a.m. - 5:00 p.m.

Creating effective business and succession plans requires a careful analysis of the market, valuation of your business, the ability to select appropriate selling strategies, and building a long-term referral stream. This course is designed around these key concepts using a process-oriented sequence, guiding you through each stage of plan development.

You'll leave this course with the ability to create a plan for replacing your position as rainmaker, articulate self-needs for a comfortable retirement, and develop a business plan that accounts for each phase of your business process.

PMN: CULTIVATING CONFIDENCE WITH POWERFUL PRESENTATIONS

October 2 . 9:00 a.m. - 5:00 p.m.

Gain the tools you need to comfortably step up and step out into your leadership role with confidence, clarity and conviction. Learn the value of a powerful presentation, how to perfect your stage presence and create noteworthy moments — all while incorporating your personal style. In this Women's Council of REALTORS® course, you'll gain tips to structure your presentations, turn anxiety into energy, encourage and motivate others to act, and close the deal.

CONVENTION WORKSHOPS
October 3-4 . Multiple sessions

No matter your level of expertise, you'll find a workshop to instill new ideas and inspire excitement. Top real estate experts from around the country and from Wisconsin deliver you the latest news, tips and tricks to give you a competitive edge. Workshop topics include listing inventory, inspections, video marketing, cryptocurrency and more.

And new for the 2022 convention are Break OUT! sessions. These interactive sessions take organic learning to a new level and are perfect spaces to share ideas and meet your peers from around the state. Not only will you leave with fresh ideas and new business tactics, but you'll make valuable contacts!

REAL ESTATE CE
October 2 . Two courses

Looking for real estate CE credits ahead of the big December 2022 biennium deadline? With two real estate CE courses on the convention agenda, you'll have the chance to earn up to six credits of 2021-22 CE. CE courses 4 and 6 both take place live at the convention on October 2.

APPRAISAL CE
October 4 . 8:30 a.m. - 4:30 p.m.

Markets constantly change, with continued scrutiny on appraisers' work. And strengthening your sales comparison approach is critical to preserve public trust. This course provides a review of the basics, the market and subject property, comparable sales, and the adjustments and narrative support summary. In addition, industry documents are referenced, discussed and applied to appraisal work throughout the course.

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

OFFERING	FORMAT	DETAILS & REGISTRATION
EVENTS		
Annual Convention: October 2-4, 2022	Live in Wisconsin Dells	www.wra.org/LightItUp
PRE-LICENSE TRAINING		
SCHEDULED TRAINING		
Sales Pre-exam Review Webinar: August 5, 2022	Virtual webinar	www.wra.org/SPLwebinar
Sales Pre-exam Review Webinar: September 9, 2022	Virtual webinar	www.wra.org/SPLwebinar
Sales Pre-exam Review Webinar: October 7, 2022	Virtual webinar	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 Succession Planning Course: October 2, 2022	Live in Wisconsin Dells	www.wra.org/LightItUp
PMN Course: Cultivating Confidence: October 2, 2022	Live in Wisconsin Dells	www.wra.org/LightItUp
ONGOING TRAINING		
GRI On Demand	On Demand	www.wra.org/GRI
Home Essentials	On Demand	www.wra.org/HomeEssentials
Line by Line Forms Training	On Demand	www.wra.org/LinebyLine
Quick Start	On Demand	www.wra.org/QuickStart
REAL ESTATE CONTINUING EDUCATION		
SCHEDULED TRAINING		
Courses 1 & 2: September 8, 2022	Live in Lake Geneva	www.wra.org/Sept2022CE
Courses 1 & 2: September 8, 2022	Live in Brookfield	www.wra.org/Sept2022CE
Courses 1 & 2: September 13, 2022	Virtual / live in Madison	www.wra.org/Sept2022CE
Courses 3 & 4: September 15, 2022	Live in Brookfield	www.wra.org/Sept2022CE
Courses 3 & 4: September 15, 2022	Live in Lake Geneva	www.wra.org/Sept2022CE
Courses 3 & 4: September 20, 2022	Virtual / live in Madison	www.wra.org/Sept2022CE
Courses 5 & 6: September 22, 2022	Live in Brookfield	www.wra.org/Sept2022CE
Courses 1 & 2: September 26, 2022	Live in Hayward	www.wra.org/Sept2022CE
Courses 3 & 4: September 27, 2022	Live in Hayward	www.wra.org/Sept2022CE
Courses 5 & 6: September 27, 2022	Virtual / live in Madison	www.wra.org/Sept2022CE
Courses 5 & 6: September 29, 2022	Live in Lake Geneva	www.wra.org/Sept2022CE
Courses 4 & 6: October 2, 2022	Live in Wisconsin Dells	www.wra.org/LightItUp
Courses 1 & 2: October 6, 2022	Live in Brookfield	www.wra.org/Oct2022CE
ONGOING TRAINING		
2021-22 Real Estate Residential CE Courses 1-6	On Demand / Self-study	www.wra.org/21-22CE
2021-22 Real Estate Commercial CE Courses 1-6	On Demand	www.wra.org/21-22CommCE
2021-22 Real Estate WI & MN Dual Credit CE Courses 1-6	On Demand	www.wra.org/21-22DualCE
APPRAISER CONTINUING EDUCATION		
SCHEDULED TRAINING		
Sales Comparison Approach: October 4, 2022	Live in Wisconsin Dells	www.wra.org/LightItUp
FNMA's Collateral Underwriter: October 14, 2022	Virtual livestream	www.wra.org/App22CE

SIX THINGS EVERY AGENT NEEDS TO KNOW ABOUT SOLAR ENERGY FOR HOMES

Solar energy for homes is surging in popularity. The residential solar market saw its fifth consecutive record year in 2021, growing 30% over 2020. According to the Solar Energy Industries Association, homeowners remain motivated to add solar features to their homes due to rising electricity bills brought on by more time spent at home, power outage experiences and low financing costs.

A Pew Research Center study revealed that the appetite for solar homes is high. While just 6% of U.S. homeowners say they have already installed solar panels at home, 46% say they have given serious thought to adding solar panels to their homes in the past year.

Two factors are driving the solar housing marketplace. First, more homeowners are adding solar energy features. Second, home shoppers are looking to buy more energy-efficient homes to reduce their total housing expenses. Real estate agents will need to become "solar savvy" about the unique features and benefits of solar-powered homes.

HERE ARE SIX THINGS EVERY AGENT NEEDS TO KNOW ABOUT SOLAR ENERGY FOR HOMES

Solar homes sell for more

A U.S. Department of Energy study found that homebuyers throughout the U.S. are willing to pay more for a house with solar energy. Buyers were willing to pay $15,000 for a home with a solar panel system compared with a similar home without one.

Solar homes sell faster

A study sponsored by the Appraisal Institute discovered that homes with solar panel systems stay on the market much shorter than homes without solar. Other studies have shown that new homes with solar sold twice as quickly as homes without solar.

Benefits to sellers and buyers

Energy savings from a solar-powered home can be significant. Solar panels typically produce enough electricity to power at least half of an average-sized home, dramatically reducing annual energy costs. Solar homes also offer energy security. Solar homes deliver reliable energy in states like California and Texas with scheduled blackouts and/or energy surge pricing. Solar homes that become energy-independent are never impacted by energy rate hikes. Finally, solar energy is clean energy, saving homeowners more than dollars — solar homes also help save Earth.

Solar energy tax advantages

For more than 15 years, the Federal Solar Investment Tax Credit has given homeowners a significant one-time deduction on their federal returns. In December 2020, Congress extended the tax credit, which, according to the U.S. Department of Energy, now provides a 26% tax credit for systems installed in 2020-22 and 22% for systems installed in 2023. Previously, systems installed before 2019 were eligible for a 30% tax credit.

Still, a 26% credit essentially lowers the price of a $20,000 solar photovoltaic system down to $14,800. Additional state and local tax incentives could save homeowners even more money. A big bonus: There is no maximum amount that can be claimed.

Solar homes work in cloudy conditions too

The idea that solar only works in sunny conditions is a myth. According to GAF Energy, new solar cells are more efficient than ever. Today's cells can capture the sun's rays even in low-light situations. Cities like San Francisco, Portland and Seattle have plenty of foggy or overcast days yet have many "happy solar customers," the firm notes.

Searching online for solar homes listed for sale

Several years ago, the Real Estate Standards Organization (RESO) partnered with the Energy Department's Better Buildings. As a result, RESO led the effort to actively promote adding home energy information into MLSs to aid online home searches. The result is residential listings feature fields for solar power systems, giving consumers the ability to search solely for solar homes listed for sale in a growing number of markets.

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LEARN MORE

Check out the resources available from the Department of Energy or see the Solar Energy Industry Association (SEIA) map that shows solar data at **seia.org/state-map**.


Definitely a front porch with a swing...
#homeownershipgoals
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Certain program restrictions and eligibility requirements apply.
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